

Report to Health & Wellbeing Board Report of Dave Hill, Executive Director for People Commissioning	Item 6c Reference number HWB/009/13
Date of meeting 16 July 2013 Date of report <i>2 July 2013</i>	County Divisions affected by the decision <i>All Divisions</i>
Proposal for Use of Sustainability Funding Section 256 2013/14	
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1. Purpose of report

- 1.1. To update the Health & Wellbeing Board on the use of S256 Sustainability funding of £21.187m to be transferred to Essex County Council by NHS England during 2013/14. This includes £15.540m which has been already allocated to ECC base budget to support delivery of services within Social Care, and £5.647m which is proposed to be used to develop Integrated Commissioning and whole system transformation for Health and Social care.
- 1.2. To retrospectively report allocation of the £15.540m to Essex County Council's base budget for the delivery of Social Care services.
- 1.3. Agree the proposed approach to use of the additional funding of £5.647m for Integration between Social Care and Health, Transformation and Demand Management Schemes which is intended to address the forecast gap in social care funding over future years.

2. Recommendations

That the Board

- 2.1. Notes the incorporation of £15.540m funding to Essex County Council's Base budget for the delivery of Social Care services.
- 2.2. Notes the proposed use of additional £5.647m Sustainability funding to be made available during 2013/14 to support the Integration of Commissioning between Social Care and Health and recommends the Council's Executive to give the necessary approvals.

- 2.3. Agrees that the Essex County Council Integrated Commissioning Directors will commence discussions with their respective Clinical Commissioning Groups for the specific use of the Demand Management monies (Appendix 2, Schedule 4) in their locality, to ensure that opportunities for system benefits and sustainability are maximised.

3. Background and proposal

3.1. History and context:

- 3.1.1. Section 256 Sustainability funding transfers occur each year from the NHS to local authorities to contribute to the costs of Adult Social Care, subject to conditions set within Directions from the Department of Health. Funding must be used to support adult social care services in each local authority, which also has a health benefit.
- 3.1.2. From 2013/14, the funding transfer to local authorities is to be carried out by NHS England.
- 3.1.3. A decision was taken in 2012 to allocate £15.540m Sustainability funding to ECC Base Budget to support the delivery of Social care services, based on funding announced in previous years.
- 3.1.4. The allocation to Essex County Council for 2012/13 was £15.540m.
- 3.1.5. The “Gateway letter” dated 13th Jan 2011 entitled NHS Support for Social Care, stated that the clear intention of the Department of Health was for the funding to be used for social care purposes. The guidance allowed for the investment to be used to support and maintain existing services where “such services or programmes are of benefit to the wider health and care system, provide good outcomes for service users, and would be reduced due to budget pressures in local authorities without this investment”.
- 3.1.6. The amount to be transferred for 2013/14 was increased to £21.187m towards the end of 2012.
- 3.1.7. Proposals for use of additional £5.647m funding were discussed with NHS England through the Integrated Planning process, and Clinical Commissioning Groups (CCGs) were informed of our intentions during February and March 2013.

3.2. Health and Wellbeing Board agreement

- 3.2.1. At the January meeting of the Health & Wellbeing Board, the deployment of Public Health and s256 transfer funds was discussed, and the intention to assist in meeting the goal of jointly managing demand across ECC and CCGs was agreed.

3.2.2. It was proposed that, in addition to funding the programme to integrate commissioning for Social Care and Health, the additional £5.647m Sustainability funding be used to fund demand management schemes:

3.2.2.1. To act as seedbeds for integration alongside projects to be funded from the NHS 2% Transformation Fund

3.2.2.2. To deliver mutual benefits, for example through programmes to address particular areas of need which fall within the 5 strategic priority areas agreed between ECC and Health colleagues and incorporated into the Integrated Plans, for example:

- Consistent frailty pathway supported by joint Multi-Disciplinary Teams
- Alcohol and Falls (ECC Investment)
- Incontinence (CCG Investment)
- Community Nursing (CCG Investment)
- Reablement (ECC Investment)

4. Integrated Planning and development of proposals

4.1.1. Detailed discussions have taken place between Essex County Council and NHS England from February 2013 onwards, taking account of guidance from the Department of Health, the Integrated Plans and feedback from CCGs, to determine how the additional £5.647m funding may be spent to best deliver the objectives jointly agreed with partners.

4.1.2. Proposals for use of the monies, including the £15.540m used to support delivery of Social Care and retrospectively the deployment of funding for Winter Pressures during 2012/13, were discussed and agreed at the North and South NHS Cluster Boards on 26 and 28 March 2013 respectively.

5. Investment 2013/14

5.1. The proposal for the use of the £5.647m for integration, demand management schemes and whole system transformation has been developed based on the Integrated Plans already developed between Essex County Council, NHS England and the Clinical Commissioning Groups. It also takes account of both the existing evidence base and the work carried out by Tricordant during Community Budgets.

5.2. In line with previous discussions and the discussions at the Health and Wellbeing Board, the Essex-wide framework will enable locally integrated planning and commissioning across the following themes:

- Falls Prevention
- Continence Management
- Urgent Care Pathways crisis avoidance and crisis response, long term conditions

- Dementia strategy implementation
 - Stroke Pathways
- 5.3. Some areas of need previously identified will be addressed through demand management initiatives funded separately through Public Health (for example Alcohol Treatment Services).
- 5.4. CCG alignment with the Local Authority is key, and ECC will continue to liaise with the CCGs to agree the joint framework for delivery. Reducing admissions and readmissions will be a significant focus in the coming year.
- 5.5. The current list of proposed schemes with costs and potential benefits is set out in Appendix 1. Development of these proposals is under way and details of benefits are yet to be finalised.

6. Strategic Alignment

- 6.1. Essex County Council has worked in partnership with system partners across Health and Social Care to ensure strategic alignment and organisational priorities within the context of the Health and Wellbeing Strategy which clearly articulates priorities to ensure that people using services:
- Feel safe and exercise maximum choice and control
 - Live as independently as possible, as part of a community
 - Stay healthy and safe and recover quickly from illness
 - Have the best quality of life irrespective of illness or disability
 - Retain maximum dignity and respect
- 6.2. Essex County Council has worked closely with the CCGs and wider system partners to ensure that the investment plans for reablement and adult social care funding align with the expectations of the operating framework and also the strategic vision set out in the Joint Health & Wellbeing Strategy for Essex. It also aligns with the strategy already in place for reablement across the wider system to support people to regain maximum independence.

7. Section 256 Sustainability Agreement

- 7.1. The Agreement between the NHS England Local Area team (NHS-LAT) and Essex County Council for use of the 2013/14 Sustainability monies is complete and has been attached as Appendix 2. Schedule 4 of the agreement sets out the proposed funding for integration programme funding (including Integration

Director posts), demand management pilots and additional joint schemes which will provide benefits to social care as part of the wider system transformation.

8. Conclusion and next steps

- 8.1. Development of the Section 256 agreement has taken place within the overall context of the Health and Wellbeing Board discussions and with regard to the evidence base the JSNA, plans for Public Health initiatives and the integrated plans which have been developed and agreed with the five Clinical Commissioning Groups and NHS England.
- 8.2. The Agreement has been developed in line with original Department of Health guidance, and also the updated guidance issued via the Gateway letter of 19 June 2013 received from NHS England.
- 8.3. The proposed programme of activity to develop integrated commissioning between Health and Social Care is already under way, with the intention that this is to be funded from the additional £5.647m covered by this agreement.
- 8.4. It is proposed that the remainder of the £5.647m is invested in a programme of Demand Management schemes and related activity, to be jointly developed between Essex County Council and its Health partners, with the aim of delivering changes to address the forecast gap in funding for social care in future years.
- 8.5. Following agreement by the Health and Wellbeing Board, and the necessary approvals having been given by the Council's Executive, further planned work will:
 - Continue activity to deliver integrated commissioning between ECC and its Health partners
 - Complete the schemes to be funded from the S256 monies which are already under way (Colchester Garrison posts, Family Solutions and Strengthening Communities)
 - Implement proposals for Demand Management schemes which can address the forecast social care funding gap
 - Commence implementation of all schemes by October 2013.
- 8.6. It is planned that implementation of all S256 funded schemes for the year 2013/14 will have been completed by the end of October 2014.
- 8.7. Programme activity will be managed by the Business Management Group with progress being reported on a periodic basis and at key milestones to the Health and Wellbeing Board.

9. Policy context

- 9.1. Guidance recently received from NHS England (via Gateway Letter 00186 dated 19 June 2013) sets out conditions for use of this funding from the Department of Health. NHS England is required to ensure “that the local authority agrees with its health partners how the funding is best used within social care, and the outcomes expected from this investment. Health and Wellbeing Boards will be the forum for discussions between the Area Teams, CCGs and local authorities on how the funding should be spent”
- 9.2. NHS England “will make it a condition of transfer that local Authorities and CCGs have regard to the Joint Strategic Needs Assessment for their local population, and existing commissioning plans for both health and social care, in how the funding is used.”
- 9.3. Section 256 funding “can be used to support existing services or transformation programmes, where such services or programmes are of benefit to the wider health and care system, provide good outcomes for service users, and would be reduced due to budget pressures in local authorities without this investment. The funding can also support new services or transformation programmes, again where joint benefit with the health system and positive outcomes for service users have been identified”.
- 9.4. A copy of the Gateway letter, which contains links to the updated Directions from the Department of Health, is appended to this paper (Appendix 3).
- 9.5. The proposed use of the S256 funding, for both the £15.540m transferred into ECC Base Budgets, and the use of the additional £5.647m to support Demand Management schemes and Integrated Commissioning between Social Care and Health, was discussed and agreed at the North and South Essex NHS Cluster Boards on 26 and 28 March 2013.

10. Financial Implications

- 10.1. This is a one year agreement for the funding transfer from the NHS to Social Care in line with the Gateway letter received in December notifying ECC of the 2013/14 allocation of £21.187m.
- 10.2. The report above details how the funds are to be utilised and the process of negotiation that has taken place between ECC and NHS LAT. The negotiations have included agreeing flexibility around the period over which the increased funds from the 2012/13 base can be utilised. These negotiations have concluded that the funds can be utilised up until September 2014 to reflect the lead in time required to commission some of the services.

11. Legal Implications

- 11.1. Under S256 (1) and (3) of the National Health Services Act 2006 as amended a Board or a Clinical Commissioning Group may make payments to a local social services authority in furtherance of its social services functions. Such payments must be evidenced by a Memorandum of Transfer otherwise known as a Section 256 Agreement in the prescribed form and taking account of Department of Health Guidance. The attached Agreement meets such requirements
- 11.2. The body of this report sets out the purpose of the funding and how it will be used.

12. Staffing and other resource implications

- 12.1. Project and programme resources for the Integration Programme are to be funded from the £5.647m proposed investment in Integrated Commissioning and Whole system transformation between Health and Social Care. Some of these resources are already in place, and work on the programme has commenced.

13. Equality and Diversity implications

- 13.1. There are no Equality and Diversity implications relating to the agreement as to the use of this funding. Appropriate assessments will be carried out as and when projects are set up to deploy the use of the £5.647m funding to be used for Demand Management schemes.

14. Background papers

- 14.1. Links to updated Directions from Department of Health as at 19 June 2013:

<https://www.gov.uk/government/publications/conditions-for-payments-between-the-nhs-and-local-authorities>

<https://www.gov.uk/government/publications/funding-transfer-from-the-nhs-to-social-care-2013-to-2014-directions>

15. Appendices

- 15.1. S256 Sustainability Summary of Proposed Schemes 3-7-2013 (Appendix 1)
- 15.2. Section 256 Sustainability Agreement 2013/14 (Appendix 2)
- 15.3. Gateway Letter 19 June 2013 (Appendix 3)

Appendix 1

S256 Sustainability Summary of proposed Schemes 3 July 2015				
Project Name	Description	Total in year cost £000's	Benefits	Total benefit £000's
Falls – Avoidance and Preventative Measures	Working with third sector (e.g. Age UK and Village Agents) to develop a falls self-risk assessment that focuses primarily on home safety and to deliver an awareness campaign to distribute these assessment	£102	Aim of this project is to inform the service specification and the benefits which it is intended to deliver .	TBC
Integrated Stroke Pathways	Review integrated Early Support Discharge pathways based on the North East model to seek opportunities to secure additional social care savings. This requires social care investment to provide social care input into the pathway.	£264	As a result of the pathway redesign in North West the need for post-stroke social care reduced from 8.9% (n=56) stroke patients to 2.74% (n=14), reducing costs from c. £1,033k to £258k p.a. in the first year post-stroke.	TBC
Test and Learn (April 14-March 15)– inclusion of Physios, Nurse prescribers and OTs in Re-ablement	Procure elements currently not being delivered through current contract – ‘community referrals’ as a ‘test and learn’ through an integrated clinically led re-ablement model across Essex from April 14 to March 2015 which includes physios, OTs and nurse prescribers in addition to social care input.	£2,054	Referrals from the community avoid unnecessary hospital admission and people becoming deskilled. Avoid people needing an ongoing social care support package following reablement	£9,947
Home From Hospital	This project is one element of the proposed redesign and intermediate care provision for older people living in Essex, complements current intermediate care options available at the point of discharge	£350	Timely discharge from hospital for OP Reduction in emergency admissions Improvement in health due to improved home conditions, preventing admissions/return to hospital	TBC
Residential Reablement	Maximise the independence of people requiring a further period of reablement in a residential setting and therefore reduce the demand on long term care services.	£550	Gross benefit £850,000, net benefit (saving against interim placement beds) £300,000.	£300
Total DM Schemes		£3,320	Total DM Schemes	£10,247
Garrison Reablement	Funding posts and support packages at National Reception Centre for injured soldiers	£150	This is meeting a statutory requirement and will offer preventative benefits against MH, Alcohol, Housing, Telecare	TBC
Mental Health Enablement Service	Support package to prevent demand for longer term Mental health interventions	£200	Promote recovery and increasing independence, reduce demand for intensive accommodation based services	TBC
South Essex Mental Health	Project Management resource	£96	Project support to implement S Essex Mh strategy	TBC
West Essex / North Essex System Frail Elderly	Project Management resource	£96	Project support to develop joint specification to deliver savings in frail elderly pathway	TBC
WECB Strengthening Communities (community resilience schemes)	Support for community resilience schemes	£250	As per Community Budgets Business Case	TBC
WECB Contribution to Family Solutions	Adult MH workers for Family Solutions multi-disciplinary teams working with families with multiple disadvantage	£250	As per Community Budgets Business Case	TBC
Total Additional schemes		£1,041	Total Additional schemes	£0
Integrated Posts	NHS England Integration Director (Joint Appointment)	£121	Delivering Integrated Commissioning	TBC
Integration Programme Resources	Project Management & Financial Analyst resource	£281	Delivering Integrated Commissioning	TBC
Support for Transformation and additional programme resources	Development of models and evaluation, planning for pilots in 2014/15, additional programme resources	£884	Delivering Integrated Commissioning	TBC
Total Integration Programme		£1,286	Total Integration Programme	£0
		£5,647	Current Total	£10,247