

## **Report to Health and Wellbeing Board**

### **Section 256 Agreement – NHS England Funding Transfer £5.676m**

#### **Purpose of Report**

To seek approval from the Health and Wellbeing Board as to the use of the £5.676m allocated to Barnsley Council in relation to the Funding Transfer from NHS England.

#### **Recommendation**

**It is recommended that the Health and Wellbeing Board approve the Section 256 Agreement with NHS England and the use of the funding for the purposes as set out in that agreement.**

#### **Introduction**

For the 2014/15 financial year, NHS England will transfer nationally £1,100m to local authorities to support adult social care services, which also have a health benefit. £200m of this total is the first part of the Better Care Fund (BCF), intended to help local authorities and clinical commissioning groups prepare for the implementation of the full Better Care Fund pooled budget in 2015/16. For Barnsley this equates to a total sum of £5.676m.

The Health and Wellbeing Board must have agreed the Better Care Fund plan in order to have access to the share of the £200m element referenced above. Barnsley submitted its plans in April and hence this condition has already been satisfied.

The legal basis for the payment is via an agreement under section 256 of the 2006 NHS Act. NHS England will enter into an agreement with the Council and will only pass over the funding once the agreement has been signed by both parties. As part of the governance arrangements around the use of the funding, Health and Wellbeing Boards are required to approve a report which has the section 256 agreement appended to it.

To ensure the effective use of the available funding the Council is required to agree with its local health partners how the funding is best used within social care, and the outcomes expected from this investment. NHS England have also made it a condition of the transfer that local authorities and CCG's 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. Local authorities should also demonstrate how the funding will make a positive difference to social care services, and outcomes for service users, compared to service plans in the absence of the funding transfer.

The 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 of transformation programmes, again where joint benefit with the health system and positive outcomes for service users have been identified.

#### **Barnsley Section 256 Agreement**

The Section 256 agreement for Barnsley is attached to this report setting out:

- How the funding will secure more health gain than an equivalent expenditure of money on the NHS;
- Description of the services for which the money is being transferred;
- Financial details of how the funding has been applied; and
- Evidence to be used to indicate that the purposes for the use of the funding have been secured.

Within Barnsley the use of the funding is aligned to the 'Stronger Barnsley Together' programme which is based on a clear principle of integration across health and social care and which looks at aligned budgets across health and social care whereby consideration is given to the costs of services and funding across the whole system rather than looking at the individual organisations.

The funding for Barnsley is not allocated to any one specific scheme but considered against the suite of services currently required across a joint health and social care system, whereby the funding is used in the most cost effective way to benefit that whole system approach.

A breakdown of how the funding is being used is shown within the agreement, with a significant sum being utilised to maintain existing eligibility criteria for people in receipt of social care services in light of the significant funding reductions the Council has had to manage year on year and the demographic pressures associated with an ageing population and the significant increase year on year of people with complex learning difficulties.

The 'Stronger Barnsley Together' programme will seek to achieve a step change and strategic shift from the current approach to health and social care with greater focus on prevention and early intervention, enabling residents to support themselves and their families within their communities rather than being drawn into the formal system. This moving forward will allow the limited resources across a joint health and social care system to be focussed on those with greatest need and build on the success of personalisation and self-directed support.

From 2015/16 the funding will form part of the Better Care Fund (BCF). The use of the funding in 2014/15 has been considered alongside the development of the BCF plan, which sets out in detail how the funding will be used, with specific reference to protecting Social Care services through a revised model of Social Care driven through the integrated 'Stronger Barnsley Together' programme.

## **Appendices**

Appendix 1 – Barnsley Section 256 Transfer Agreement

**Officer Contact:** Mark Wood

**Contact:** 772075

**Date:** 15 July 2014

## Memorandum of agreement

### Section 256 transfer

Reference number: **18568**

Title of Scheme:

**Funding Transfer from NHS England to social care – 2014/15**

1. How will the section 256 or 257 transfer secure more health gain than an equivalent expenditure of money on the National Health Service?

The Council and its Health partners have initiated a new approach to Health and Social care known locally as 'Stronger Barnsley Together'. This will see a step change and strategic shift from the current approach with greater focus on prevention and early intervention, enabling residents to support themselves and their families within their communities rather than being drawn into the formal system. This will allow the limited resources across the Health and Social Care system to be focussed on those with greatest need and build on the success of personalisation and self directed support.

Barnsley sees this as being based on a clear principle of integration and as such have been selected as one of the 'Integrated Care and Support pioneers'.

The 'Stronger Barnsley Together' approach and principles have been discussed and agreed by the Health and Wellbeing Board and received the full support of partners. The joint change programme will deliver against the priorities within the Health and Wellbeing strategy, which has been approved by the Health and Wellbeing Board. Subsequently the Executive Director of Adults and Communities within the Council and the Chief Operating Officer of the NHS Barnsley Clinical Commissioning Group are undertaking the necessary steps to take the programme forward in a fully integrated manner.

To support the integration principle Barnsley has aligned budgets across Health and Social Care where by consideration is given to the cost of services and funding across the whole system rather than looking at the individual organisations. It is on this principle that the use of the 'Funding Transfer Monies' has been considered and agreed.

This principle will continue through the medium term financial planning period to consider the changing landscape and requirements associated with Health and Social Care over the next few years aligned to the significant financial challenges both organisations will face over that same period. To this end a joint medium term financial plan is being developed and agreed through the Health and Wellbeing Board, aligned to the Better Care Fund and associated plans.

The use of the funding is considered jointly with the use of the 'Re-ablement' funding transferred to the Council from the CCG.

From 2015/16 this funding will form part of the Better Care Fund (BCF). The BCF plan has been developed and jointly agreed, taking into account how this funding is currently utilised, the available funding and its effective use moving forward, aligned to the need to clearly set out how Social Care services will be protected.

2. Description of scheme (in the case of revenue transfers, please specify the services for which money is being transferred).

As set out above the funding is not allocated to any one specific scheme but considered against the suite of services currently required across a joint Health and Social Care system whereby the funding is used in the most cost effective way to benefit that whole system approach.

The areas that the funding is currently being utilised is set out in the table below and is considered as recurrent rather than one off in terms of the on-going requirements to continue to incur expenditure in these areas subject to the above referenced transformation of the Health and Social care system and integration across both organisations.

A significant sum has been utilised in order to maintain existing eligibility criteria for people in receipt of Social care services in light of the significant funding reductions that the Council has had to manage and the year on year cost pressures associated with an ageing population and the significant increase year on year of people with complex learning disabilities.

**Financial details (and timescales)**

3. Total amount of money to be transferred and amount in each year (if this subsequently changes, the memorandum must be amended and re-signed).

2014/2015 Amount Revenue **£5,676,004**

<b>Analysis of the adult social care funding in 2013/2014 for transfer to local authorities</b>	
<b>Service Areas- 'Purchase of social care'</b>	<b>Amount £'s</b>
Community equipment and adaptations	
Telecare	200,675
Integrated crisis and rapid response services	73,119
Maintaining eligibility criteria	1,854,652
Re-ablement services	870,865
Bed-based intermediate care services	410,100
Early supported hospital discharge schemes	
Mental Health services	
Housing Projects	
Employment Support	
Learning Disability Services	2,004,000
Dementia Services	

Support to Primary Care	
Integrated Assessments	
Integrated Records or IT	
Joint Health and Care Teams –Hospital Social Work	262,593
Other preventative services	
Other social care (please specify)	
Other Intermediate Care (Please Specify)	
<b>TOTAL</b>	<b>5,676,004</b>

4. Please state the evidence you will use to indicate that the purposes described at questions 1 and 2 have been secured.

The funding is built into the Councils base budgets and hence the spend against the areas identified above is monitored and reported across both Health and Social Care on a regular basis. Performance data associated with the above areas of spend is likewise monitored and reported throughout the year. The information will also be reported through the Health and Wellbeing Board.

Signed: .....

For NHS England

**South Yorkshire and Bassetlaw Area Team Director**

Date .....

Signed: .....

For local authority

Position .....

Date .....