

Distribution Sub-Group (2019) Paper 06 – Transfer of funding for Social Care related tasks provided by a registered Nurse in Nursing Homes into the Settlement for 2020-21

This discussion paper has been written by officials of the Welsh Government. Ministers have not had an opportunity to comment on the contents. Exemplifications of changes are provided simply to inform discussion by DSG members. They are not Welsh Government proposals or statements of Government policy for or against changes.

Transfer of funding for Social Care related tasks provided by a registered Nurse in Nursing Homes into the Settlement for 2020-21

Summary

1. This paper looks at a potential transfer into the settlement of funding for Social Care related tasks provided by a registered Nurse in Nursing Homes (referred to here as “FNC-related social care”) from 2020-21. It repeats much of the wording of previous paper 2018-07-13 which considered transfer of the same funding into the 2019-20 settlement.

Views sought

2. DSG members are asked to agree, in principle, a recommendation for the distribution of this funding on transfer into the settlement

Related papers

3. None.

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Background

4. NHS Funded Nursing Care (“FNC”) is the NHS contribution, set nationally by health boards at £148.01 per person per week in 2017-18, for the cost of nursing care provided by registered nurses within a care home. Their assumptions were based on recommendations set out in a Laing and Buisson report and enacted from 2014/15. Around 5,000 individuals are recipients at any one time.
5. A Supreme Court ruling in August 2017 required health boards to revisit their rationale for FNC fees, ideally in negotiation with other parties. The ruling stated that any new rate should include the following elements:
 - (a) Time spent on nursing care.
 - (b) Paid breaks.
 - (c) Time receiving supervision.
 - (d) Stand-by time.
 - (e) Time spent on other types of care to be provided by a registered nurse - through providing, planning, supervising or delegating the provision of care.
6. On the basis of modelling work, the previously unfunded aspects within these elements represented an increase of 1.15 hrs per person per week (i.e. approximately 14%). The majority of the additional funding required would be met by health boards.
7. An FNC Steering Group comprising Welsh Government, Local Health Board and Local Authority representation commissioned Professor John Bolton to investigate how all elements of Nursing Care identified by the Supreme Court, including the 0.77 hours of personal and social care identified above. All parties agreed with the recommendation, based on the model in operation in England, to equally share the costs of this provision (@ 0.385 hrs each) between health boards and local authorities.
8. The Court also decreed the decisions around the FNC rate be quashed and ordered to be retaken, in line with their findings in para 5, above. This meant that any uplift arising from identified gaps in provision should be backdated to the start of the 2014-15 financial year.
9. Welsh Government has provided £7.8m to Local Authorities for the 4 year period 2014-15 to 2017-18 to meet this new commitment, with a further £1.9m provided for 2018-19.
10. The DSG is being asked, in principle, on which basis any funding to be transferred into the settlement should be distributed.

Analysis

11. Funding for 2014-15 to 2017-18 was initially distributed using the older persons IBA, as information on cases receiving FNC-related social care was not available at the LA level at that time. LA level data was subsequently collected and was used to distribute new grant for 2018-19 and redistribute funding for 2014-18 at the same time.
12. Funding for 2014-18 was provided on the basis that local authorities would not be able to charge those funding their own care (self-funders) retrospectively. The FNC Implementation Group also advised that funding for 2019-20 would need to remain on

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that basis as local authorities would have had to get council approval to change their charging policy in advance of the start of 2019-20 which was not possible due to delays in agreeing rates and collecting data on FNC cases from local authorities. Local authority representatives on the FNC Implementation Group also advised that it would be preferable for any significant changes to funding to be made at the same time as moving the funding into the local government settlement rather than being made for one year only in 2019-20.

13. Changing the basis of the funding to allow charging for self-funders results in the quantum changing from a figure of £1.9m in 2019-20 to £1.275m. The method of calculating the quantum has been agreed by the FNC Implementation Group.
14. Table 1 in the annex shows an exemplification of the FNC-related social care funding distributed on the 2018-19 Older Adults Residential and Domiciliary Care Personal Social Services settlement formula, compared to a distribution based on the 2018-19 monthly average of FNC cases. This proposed funding formula re-distributes £226k of the £1.275m available.
15. Due to the relatively small size of this potential transfer, it is proposed that the DSG agree to recommend that any transfer of this funding into the RSG is distributed on the basis of the Older Adults Residential and Domiciliary Care IBA from 2020-21.
16. To minimise the amount of change from the 2019-20 grant it is also recommended that the grant for that year is also based on the Older Adults IBA, although there will be marked changes in the grant due to a reduction in the quantum from £1.9m to £1.275m.

Conclusion

17. The DSG are asked to agree to recommend the method of distribution proposed in paragraph 15 for the potential transfer of funding for FNC-related social care into the settlement for 2020-21 onwards.
18. The DSG are also asked to agree to recommend that the grant for 2019-20 is also based on Older Adults IBA.

**Social Services and Integration Directorate,
Welsh Government**

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Annex

Table 1: Exemplifications of FNC-related social care funding distribution by Unitary Authority

	Older Adults 2019-20 IBA* £000s	LA Funding Based on IBA† £s	FNC cases 18/19 monthly average**	LA funding based on 18-19 cases £s	Diff in Funding IBA - cases £s
Isle of Anglesey	13,849	32,182	35	12,832	19,350
Gwynedd	25,129	58,394	154	56,459	1,934
Conwy	26,355	61,241	127	46,560	14,680
Denbighshire	20,084	46,669	82	30,063	16,606
Flintshire	23,498	54,603	67	24,563	30,040
Wrexham	22,321	51,868	80	29,329	22,538
Powys	28,531	66,298	209	76,623	-10,325
Ceredigion	15,163	35,234	74	27,130	8,104
Pembrokeshire	23,547	54,718	39	14,335	40,383
Carmarthenshire	37,426	86,968	91	33,289	53,679
Swansea	43,670	101,478	404	148,114	-46,636
Neath Port Talbot	27,984	65,028	177	64,891	137
Bridgend	23,067	53,600	153	56,093	-2,492
The Vale of Glamorgan	20,281	47,127	148	54,137	-7,010
Cardiff	46,870	108,912	424	155,507	-46,595
Rhondda Cynon Taff	42,268	98,218	390	142,981	-44,763
Merthyr	10,403	24,173	80	29,329	-5,156
Caerphilly	29,246	67,961	144	52,793	15,168
Blaenau Gwent	13,508	31,389	94	34,462	-3,073
Torfaen	16,451	38,227	96	35,195	3,032
Monmouthshire	15,914	36,979	164	60,125	-23,146
Newport	23,123	53,732	246	90,188	-36,456
Wales	548,687	1,275,000	3,478	1,275,000	0
* Older adults residential and domiciliary care distribution from the 2019-20 Settlement					
** Where possible this is the average of end of month current cases, otherwise it is the number of current cases at the end of the year. Figures are for LA funded cases only, excluding self-funders					
† Total to be distributed is based on total number of cases in 2018-19 multiplied by the weekly rate (2018-19 figure with 1.5% rise for 2 years) and 52.1 weeks.					