

***Distribution Sub-Group (2018) Paper 16 – Transfer of funding for Social Care related tasks provided by a registered Nurse in Nursing Homes into the Settlement for 2019-20***

**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 2019-20**

**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 2019-20.

**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. However, the Supreme Court judged that the time spent on personal and social care, identified as 0.77 hours.
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 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 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 agreed to allocate £7.8m to Local Authorities for the 4 year period 2014-15 to 2017-18 to meet this new commitment. Funding will also be provided for the ongoing commitment which is estimated as up to £1.9m per year.
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 has been distributed using the older persons IBA initially, as information on cases receiving FNC-related social care was not available at the LA level. LA level data is currently being reviewed and once this data has been gathered, there will be a reallocation at the local authority level as part of the 2018-19 grant.

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12. 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 the 2017-18 monthly average of FNC cases. This table shows the difference in the distribution for each health board and for each authority in Abertawe Bro Morgannwg as this is the only complete local authority breakdown available. At a health board level, this funding formula re-distributes £255k of the £1.9m available.
13. 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 and that this should take place from 2019-20.

**Conclusion**

14. The DSG are asked to agree to recommend the method of distribution proposed in paragraphs 13 for the potential transfer of funding for FNC-related social care into the settlement for 2019-20 onwards.

**Local Government Finance & Performance  
Welsh Government**

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Annex

**Table 1: Exemplifications of FNC-related social care funding distribution by Unitary Authority<sup>1</sup>**

	£			
Unitary Authority (Health Board)	Distribution based on number of cases 2017-18	Distribution based on older adults' PSS 2018-19	Difference (£)	Difference (%)
<b>Betsi Cadwalader</b>	<b>366,824</b>	<b>454,810</b>	<b>87,986</b>	<b>24.0%</b>
Isle of Anglesey		47,939		
Gwynedd		86,988		
Conwy		91,479		
Denbighshire		69,718		
Flintshire		81,294		
Wrexham		77,393		
<b>Powys</b>	<b>98,818</b>	<b>98,724</b>	<b>-94</b>	<b>-0.1%</b>
<b>Hywel Dda</b>	<b>124,271</b>	<b>263,666</b>	<b>139,395</b>	<b>112.2%</b>
Ceredigion		52,511		
Pembrokeshire		81,461		
Carmarthenshire		129,694		
<b>Abertawe Bro Morgannwg</b>	<b>428,211</b>	<b>328,166</b>	<b>-100,046</b>	<b>-23.4%</b>
Swansea	233,570	151,239	-82,331	-35.2%
Neath Port Talbot	101,064	97,106	-3,958	-3.9%
Bridgend	93,578	79,821	-13,757	-14.7%
<b>Cardiff and Vale</b>	<b>375,433</b>	<b>232,423</b>	<b>-143,010</b>	<b>-38.1%</b>
The Vale of Glamorgan		70,161		
Cardiff		162,262		
<b>Cwm Taf</b>	<b>194,267</b>	<b>182,390</b>	<b>-11,877</b>	<b>-6.1%</b>
Rhondda Cynon Taff		146,400		
Merthyr		35,990		
<b>Aneurin Bevan</b>	<b>312,175</b>	<b>339,831</b>	<b>27,656</b>	<b>8.9%</b>
Caerphilly		100,879		
Blaenau		46,891		
Torfaen		56,973		
Monmouthshire		54,936		
Newport		80,151		
<b>Wales</b>	<b>1,900,000</b>	<b>1,900,000</b>	<b>0</b>	<b>0.0%</b>

1. Where a breakdown into individual authorities is not available, figures have been shown at the health board level only