

LOCAL AUTHORITY CIRCULAR**LAC (2006)7**

To: The Chief Executive (councils listed at Annex A)
The Director of Adult Social Services
The Chief Finance Officer

For information: Chief Executives – Primary Care Trusts
Finance Directors – Primary Care Trusts
Chief Executives – Strategic Health Authorities

30 March 2006

PARTNERSHIPS FOR OLDER PEOPLE PROJECTS (POPP) GRANT 2006 - 08: ROUND 1 POPP PILOTS**SUMMARY**

1. This circular provides guidance to the nineteen council-led partnerships listed at Annex A who are being awarded ring-fenced funding from the Partnerships for Older People Projects (POPP) Grant during the financial years 2006/07 and 2007/08 to undertake a POPP pilot scheme. All schemes are due to commence from 1st May 2006. The circular sets out the conditions governing the use of the POPP Grant by each partnership.

ACTION

2. Local Authorities and their Primary Care Trust (PCT) partners are asked to note the allocations of the grant listed at Appendix A (Annex A), the arrangements for its payment and to observe and adhere to the conditions set out in this circular and the associated legal determination attached at Appendix A (Annex B).

BACKGROUND

3. The 2004 Spending Review provided ring-fenced funding of £60 million (£20m in 2006/07 and £40m in 2007/08) for Councils with Social Services Responsibilities (CSSRs) to establish innovative pilot projects in partnership with PCTs, the voluntary, community and independent sector. The pilots, which include at least one PCT, are aimed at large-scale system reform across health and care services to deliver improved outcomes for older people through greater investment in prevention. This is in direct support of the key

aims of the White Paper *'Our Health, our care, our say: a new direction for community services'* and delivery of the two PSA targets (long term conditions and supporting vulnerable older people).

4. The focus of the pilots is to test and evaluate different models of service delivery, financial and partnership mechanisms, which will create a sustainable shift in resources and culture towards prevention. The pilots are expected to release funding from across the system for reinvestment in to preventative approaches, with the aim of:
 - providing more low-level care and support in the community to improve the health, well-being and independence of older people, preventing or delaying the need for higher intensity and more costly care.
 - reducing avoidable, emergency admissions and/or bed-days for older people
 - supporting older people to live at home or in supported housing such as sheltered or Extra-care housing as opposed to in long-term residential care.
5. Whilst each partnership will be led by a Council with Social Services Responsibility (CSSR) who will act as the responsible authority, the approach is holistic spanning across health and social care and in many cases involves wider council and other partners. It should be noted that it is a requirement of funding that each partnership includes at least one PCT who is a full partner and is committed to the successful delivery of the pilot project. It is essential that PCT partners support their CSSR partners to achieve the aim of releasing and redirecting funding in to preventative approaches for older people. Where PCTs have committed funding or other resources to POPP pilots this should be reflected in PCT local planning processes. All pilots are expected to have an exit strategy in place to demonstrate how, and to ensure that, successful outcomes for older people are sustained when the grant funding ceases.
6. A POPP Project Leaders Network (PLN) has been established as an action learning forum by the Care Services Improvement Partnership (CSIP). It is important that all pilot sites remain committed to participating in the PLN as gathering, sharing and disseminating learning at a national level is a core aspect of the POPP programme.
7. Each pilot is required to undertake a robust evaluation of their pilot project at local level and to participate fully within national evaluation activity, which is due to commence in April 2006. The national evaluation will include the collection of a minimum set of core data from each pilot site.
8. Each partnership is required to report progress to the Department of Health at quarterly intervals during the financial year 2006/07 and 2007/08. Guidance on progress reporting will be issued shortly.

USE OF FUNDING

9. The specific purpose of the grant is to provide time-limited funding to council based partnerships to reform local systems and processes with the aim of changing the pattern of service delivery from the focus on acute and intensive care packages towards earlier, targeted preventative interventions, which promote health, wellbeing and independence for older people.
10. All pilots have agreed an implementation plan for their pilot project with the Department of Health and funding is being awarded in accordance with the commitments made within that plan. The funding provided by POPP is a revenue grant, however it may be used for limited capital expenditure purposes providing any such proposal was made explicit within the POPP implementation plan.
11. The grant award is recoverable to the extent that it is not used for the purposes for which it is given as agreed within implementation plans, and the right is reserved to discontinue the grant before it is paid in full. The full conditions governing the use of the grant are set out in the determination attached at Appendix A.

PAYMENT OF THE GRANT AND CERTIFICATION ARRANGEMENTS

12. Councils will be paid their grant award in quarterly instalments during the financial years 2006/07 and 2007/08.
13. Councils will be required to submit a statement of expenditure at the end of each financial year signed by the Chief Executive or designated officer, of the Local Authority. Councils will not be subject to auditor certification of their grant spend. The statement of expenditure form will be issued to each council shortly.

AUTHORITY TO PAY THE GRANT

14. Payment of the Partnerships for Older People Projects (POPP) Grant is being made under section 31 of the Local Government Act 2003.

CANCELLATION OF THIS CIRCULAR

15. This circular should be cancelled on 1 April 2009.

ENQUIRIES

16. Enquiries about this circular or the administration of the grant should be made to:

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APPENDIX A

DETERMINATION UNDER SECTION 31 OF THE LOCAL GOVERNMENT ACT 2003 OF THE PARTNERSHIPS FOR OLDER PEOPLE PROJECTS GRANTS FOR 2006/2007 AND 2007/2008

Introduction

1. This Determination is made by the Secretary of State for Health (“the Secretary of State”) under section 31 of the Local Government Act 2003¹ (“the 2003 Act”). It specifies grants that the Secretary of State proposes to pay to certain local authorities in England.

2. This Determination specifies the local authorities to which the grants are to be paid, the projects the grants are to be used to support, the amount which the Secretary of State proposes to pay each of the authorities concerned and the manner of payment. It also specifies the conditions that the Secretary of State intends to impose on the payment of the grants.

Treasury Consent

3. Before making this Determination, the Secretary of State obtained the consent of the Treasury in accordance with section 31(6) of the 2003 Act.

Purpose of the grant

4. (a) Pursuant to section 31 of the 2003 Act, the Secretary of State hereby determines that the grants shall be paid towards revenue or capital expenditure incurred or to be incurred by local authorities in the financial year 2006/2007 and 2007/2008 in respect of partnerships for older people projects as defined in Annex B;
- (b) “Capital expenditure” has the same meaning as specified in section 16(1) of the 2003 Act.

Amounts payable to local authorities

5. Pursuant to section 31(1) and (3) of the 2003 Act, the Secretary of State hereby determines that the local authorities to which grants are to be paid are those authorities listed in column 1 of Parts 1 and 2 of Annex A, and the amount payable to each local authority is the corresponding amount set out in column 2 of those Parts of that Annex.

Payment of grant monies

6. The grant monies shall be payable:
- (a) to local authorities listed in Part 1 of Annex A in four equal instalments, the first on before 30th April 2006, the second on or before 31st July 2006,

¹ 2003 c.26.

the third on or before 31st October 2006 and the fourth on or before 31st January 2007;

- (a) to local authorities listed in Part 2 of Annex A in four equal instalments, the first on before 30th April 2007, the second on or before 31st July 2007, the third on or before 31st October 2007 and the fourth on or before 31st January 2008.

Grant conditions

7. Pursuant to section 31(4) and (5) of the 2003 Act, the Secretary of State hereby specifies, as the conditions which she intends to impose on the payment of the grants, the conditions set out in Annex B.

Signed by authority of the Secretary of State

A handwritten signature in cursive script, appearing to read "Anne McDonald".

30 March 2006

ANNEX A

ALLOCATIONS FOR THE PARTNERSHIPS FOR OLDER PEOPLE
PROJECTS GRANT

Part 1

ALLOCATIONS FOR 2006/2007

Column 1	Column 2
Local Authority	Grant monies (£)
City of Bradford Metropolitan District Council	1,140,000
Dorset County Council	1,197,000
East Sussex County Council	1,594,000
Knowsley Metropolitan Borough Council	609,000
Leeds City Council	1,928,960
London Borough of Brent	825,000
London Borough of Camden	773,000
Luton Borough Council	441,000
Manchester City Council	1,210,000
Norfolk County Council	1,257,000
North Lincolnshire Council	409,000
North Yorkshire County Council	1,500,000
Northumberland County Council	1,015,000
Poole Borough Council	398,000
Sheffield City Council	1,938,000
Somerset County Council	609,000
London Borough of Southwark	937,000
Wigan Council	974,000
Worcestershire County Council	1,000,000
TOTALS	19,754,960

Part 2

ALLOCATIONS FOR 2007/2008

Column 1	Column 2
Local Authority	Grant monies (£)
City of Bradford Metropolitan District Council	1,220,000
Dorset County Council	1,197,000
East Sussex County Council	1,594,000
Knowsley Metropolitan Borough Council	617,000
Leeds City Council	2,117,195
London Borough of Brent	825,000
London Borough of Camden	773,000
Luton Borough Council	420,000
Manchester City Council	1,391,000
Norfolk County Council	2,383,000
North Lincolnshire Council	461,000
North Yorkshire County Council	1,500,000
Northumberland County Council	1,015,000
Poole Borough Council	398,000
Sheffield City Council	1,938,000
Somerset County Council	738,000
London Borough of Southwark	910,000
Wigan Council	794,000
Worcestershire County Council	1,000,000
TOTALS	21,291,195

ANNEX B

CONDITIONS FOR THE PAYMENT OF THE PARTNERSHIPS FOR OLDER PEOPLE PROJECTS GRANTS FOR 2006/2007 AND 2007/2008

1. The payment of grant monies to a local authority as specified in Annex A pursuant to section 31 of the Local Government Act 2003² (“grant monies”) for local authority expenditure in the financial year 2006/2007 and 2007/2008 shall be subject to the conditions set out in this Annex.

2. In this Annex –

“partnerships for older people projects” means projects which –

- (a) provide person-centred and integrated care for older people; and encourage investment in preventative approaches, which promote health, well-being and independence for older people; the aims, objectives and outcomes of which are set out at Part A, paragraph 3, of “Partnerships for Older People Projects: A Prospectus for Grant Applications”;³
- (b) are described in a local authority’s implementation plan.

“implementation plan” means a partnerships for older people projects implementation plan approved and signed by the Secretary of State.

Use of grant monies

3.— (1) Subject to paragraphs 4, 5 and 6, each local authority shall use the grant monies for revenue expenditure, and capital expenditure agreed in a local authority’s implementation plan, in the financial year 2006/2007 and 2007/2008 only, for the purposes of carrying out partnerships for older people projects.

(2) The expenditure referred to in sub-paragraph (1) shall only be incurred by a local authority if it is accordance with its original stage 2 partnerships for older people projects application, and its implementation plan.

(3) If any grant monies are used to purchase any capital asset, the Secretary of State may recover the full market value of any assets purchased if those assets are disposed of or cease to be used for the provision of those services for which the grant is made. The full market value shall be determined by the Secretary of State as being the value of the assets at the time they cease to be used for the provision of those services for which the grant is made, or, if disposed of, at the date of disposal.

² 2003 c.26.

³ Published by the Department of Health on 3 March 2005, a copy of the Prospectus can be found on the Department of Health website at:

<http://www.dh.gov.uk/PublicationsAndStatistics/Publications/PublicationsPolicyAndGuidance>

Carryback

4. A local authority may carryback grant monies set out in Part 1 of Annex A (allocations for 2006/2007) for expenditure in the financial year 2005/2006, but only for the purposes for which the grant is made.

Carryover for 2006/2007

5. —(1) A local authority may carry over up to 25% of the grant monies set out in Part 1 of Annex A (allocations for 2006/2007) for expenditure in the financial year 2007/2008, but only for the purposes for which the grant is made.

(2) Subject to sub-paragraph (3), grant monies carried over in accordance with this paragraph must be spent in the financial year 2007/2008.

(3) Where grant monies are carried over under this paragraph but are not spent in the financial year 2007/2008, then the provisions of paragraph 9(3) shall apply with the following modifications:

(a) for the words “financial year 2006/2007”, in all places where they occur, substitute “financial year 2007/2008”;

(b) for the words “Subject to paragraph 5 above (carryover for 2006/2007), and to sub-paragraph 12(6) below, if” substitute “If”;

(c) for the words “31st March 2007”, substitute “31st March 2008”; and

(d) for the words “31st December 2007”, substitute “31st December 2008”.

Carryover for 2007/2008

6. —(1) A local authority may carry over up to 25% of the grant monies set out in Part 2 of Annex A for expenditure in the financial year 2008/2009, but only for the purposes for which the grant is made. For the avoidance of doubt, grant monies carried over under this paragraph must not include any grant monies carried over under paragraph 5.

(2) Subject to sub-paragraph (3), grant monies carried over in accordance with this paragraph must be spent in the financial year 2008/2009.

(3) Where grant monies are carried over under this paragraph but are not spent in the financial year 2008/2009, then the provisions of paragraph 9(4) shall apply with the following modifications:

(a) for the words “financial year 2007/2008”, in all places where they occur, substitute “financial year 2008/2009”;

(b) for the words “Subject to paragraph 6 above (carryover for 2007/2008), if” substitute “If”;

(c) for the words “31st March 2008”, substitute “31st March 2009”; and

(d) for the words “31st December 2008”, substitute “31st December 2009”.

Further information

7. Each local authority shall supply to the Secretary of State such further information as may be required by her for the purposes of determining whether they have complied with the conditions set out in this Annex.

Accounting for the grant

8. (1) Each local authority is required to separately identify the grant monies in their full annual accounts, and shall provide these accounts to the Secretary of State if requested by her.

8(2) Each local authority will submit a statement of expenditure showing the amount of the grant monies expended, and the amount of any grant monies carried over in accordance with paragraph 5 or 6 or carried back in accordance with paragraph 4, to the Secretary of State. The statement shall be signed by the Chief Executive, or designated officer, of the local authority with administering authority for the partnerships for older people project.

Repayment of grant monies

9. —(1) If a local authority fails, without the prior written agreement of the Secretary of State, to comply with the conditions set out in this Annex or if any of the events referred to in sub-paragraph (2) occur, the Secretary of State may require the repayment of the whole or part of the grant monies paid, as may be determined by the Secretary of State and notified in writing to the authority. Such sum as has been notified shall immediately become repayable to the Secretary of State.

(2) The events referred to in sub-paragraph (1) are as follows:

(a) the authority or anyone on its behalf has provided, or provides information that is in any material respect incorrect, incomplete or otherwise misleading;

(b) an overpayment is made under this grant or any amount is paid in error.

(3) Subject to paragraph 5 above (carryover for 2006/2007), and to sub-paragraph 12(6) below, if a local authority does not spend the whole of the grant monies in the financial year 2006/2007, then the local authority shall –

(a) notify the Secretary of State by 31st March 2007 of the amount of the grant monies the local authority has not spent in the financial year 2006/2007; and

(b) repay to the Secretary of State an amount equal to such part of the grant monies as the local authority has not spent in the financial year 2006/2007.

Such sum shall become repayable to the Secretary of State on 31st December 2007 or such later date, if any, as the Secretary of State may determine.

(4) Subject to paragraph 6 above (carryover for 2007/2008), if a local authority does not spend the whole of the grant monies in the financial year 2007/2008, then the local authority shall –

- (a) notify the Secretary of State by 31st March 2008 of the amount of the grant monies the local authority has not spent in the financial year 2007/2008; and
- (b) repay to the Secretary of State an amount equal to such part of the grant monies as the local authority has not spent in the financial year 2007/2008. Such sum shall become repayable to the Secretary of State on 31st December 2008 or such later date, if any, as the Secretary of State may determine.

Monitoring grant

10. Each local authority shall provide to the Secretary of State when requested by her a report setting out progress against the local authority's implementation plan including progress against national Public Service Agreement targets, local performance indicators and any such information she requires for successfully executing and monitoring the partnerships for older people projects initiative.

11. Each local authority shall comply with the evaluation arrangements as described in Part A, paragraph 7, of "Partnerships for Older People Projects: A Prospectus for Grant Applications"⁴. Each local authority shall undertake a local evaluation of their partnerships for older people projects and participate fully in a national evaluation of the POPP programme and a combined evaluation of the projects with other initiatives such as the Individual Budgets pilot initiative and the LinkAge Plus initiative.

Other conditions

12.— (1) Each local authority shall ensure that the grant monies are not used to finance –

- (a) fundraising activity; or
- (b) activity which is political in intention, use or presentation.

(2) Each local authority, and anyone acting on its behalf, shall comply with the law for the time being in force in the United Kingdom when carrying out partnerships for older people projects and using the grant monies.

(3) Each local authority shall work in a partnership, which must include at least one Primary Care Trust, and may include other providers of health care, providers of social care, and others such as the local voluntary, community, and independent sectors. The

⁴ Published by the Department of Health on 3 March 2005, a copy of the Prospectus can be found on the Department of Health website at:
<http://www.dh.gov.uk/PublicationsAndStatistics/Publications/PublicationsPolicyAndGuidance>

local authority shall retain financial responsibility for the grant monies and these must not be passed outside the partnership.

(4) Each local authority shall have an exit strategy to demonstrate how, and ensure that, successful outcomes from the partnerships for older people projects will remain sustainable when the grant funding has ceased, by either mainstreaming funding through releasing and redistributing monies previously used for acute or intensive services and responses or by service redesign, to ensure that service users are not disadvantaged at the end of the pilot process. Each local authority must provide a copy of its exit strategy to the Secretary of State when requested by her.

(5) Each local authority must record qualitative, quantitative, and financial information on the process and outcomes from the partnerships for older people projects as specified by the Secretary of State. This information must be in a format such that it can be shared with the Department of Health and other agencies in order to inform future practice such as projected costs for similar work and the savings that may be generated. This information shall be provided to the Secretary of State when requested by her.

(6) Subject to paragraph 5 above (carryover for 2006/2007), if a local authority does not spend the whole of the grant monies set out in Part 1 of Annex A in the financial year 2006/2007, the Secretary of State shall be entitled to deduct an amount equal to such part of the grant monies as the local authority has not spent in the financial year 2006/2007 from the grant monies to be paid to that local authority under Part 2 of Annex A (allocations for 2007/2008) and in such circumstances the Secretary of State shall allow the local authority to retain the unspent grant monies from the financial year 2006/2007 and apply these towards the grant allocation for 2007/2008.