Dear Colleague

Funded Nursing Care (FNC) from April 2016

You may have seen that on 13th July 2016 central government announced that the NHS contribution towards the costs of a place in a care home with nursing was being increased on an interim basis; it also confirmed that its contribution to such costs at the new rate was being backdated to 1st April 2016.

The main provisions in the announcement are

- The standard FNC rate will be increased to £156.25 per week
- The higher rate FNC will be increased to £215.04 per week (this is only relevant for those people who were already on the higher rate in 2007 when the single band was introduced)
- The increase will be backdated to 1 April 2016
- The new rate is being paid on an interim basis
- Further work is being done to review the element of the rate for agency nursing staff. This could lead to a reduction to the rate from 1 January 2017
- There will be consultation on the introduction of a regional variation from April 2017.

The announcement regarding this can be found at https://www.gov.uk/government/news/nhs-funded-nursing-care-rate-for-2016-to-2017

The County Council has discussed the above with its partners in Oxfordshire’s Clinical Commissioning Group, who are responsible for funding Funded Nursing Care for Oxfordshire residents, and I have set out our response to this below.

Future placements in Care Homes with Nursing

- The council is immediately uplifting its Target Banding Rates for nursing placements and will be using these rates for new placements from 1st August 2016. The new rates are
  - Nursing-Extensive Target Banding Rate from £605 per week to £649 per week
  - Nursing-Specialist Target Banding Rate to from £680 per week to £724 per week
• These new Target Banding Rates for the County Council will remain in force as an Interim Arrangement until 31st December 2016 when they will be reviewed in light of any further announcement by government. This mirrors central government's timescales.

Existing Payment of Funded Nursing Care Contribution

The County Council pays Funded Nursing Care contributions on behalf of the Clinical Commissioning Group. Discussions have been held internally and with the Clinical Commissioning Group about how we process the backdated payment for Funding Nursing Care contributions for existing residents. These payments will affect around 2,000 individuals who are eligible for such a contribution, whether they are in an in-county or out-county care home.

• We have already started to calculate any arrears that may be due, scoping all placements during the four months period 1st April 2016 to 31st July 2016.

• The change in Target Banding Rates for the Nursing bands also means that we will again uplift those placements that are below our new target Banding Rates as follows
  o Increase all existing weekly Nursing Extensive that are currently below £605 per week to £649 per week
  o Increase all existing weekly Nursing Substantial rates that are currently below £680 per week to £724 per week

• These uplifts are temporary to 31 December 2016 when they will be reviewed in conjunction with government's further review of the rates mentioned in their News Release.

To aid your cash flow projections I can tell you that we are arranging to have the arrears paid in the September pay run at the latest, but are working hard to see if we can get them included in the August run. We will also keep you updated should there be any change to these timescales.

A new version of our Target Banding Rate sheet with rates effective from 1st August 2016 is attached for your information.

In the meantime and for further information please contact either Rachel Pirie at Rachel.pirie@oxfordshire.gov.uk or Lynda Chalcraft at Lynda.chalcraft@oxfordshire.gov.uk. Alternatively if they are not available then please contact me directly; my details are at the top of this letter.

Yours sincerely

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Social and Community Services
Target Banding Rates for Older People in Care Homes 2016-17
Spot Placement Arrangements

- The Target Banding Rates shown below apply to new admissions and new funding of Older People, including threshold funding, change of care home and changes resulting from revised care needs assessments.
- We use these rates to secure a care home placement at a funding level as close to the Target Banding Rate as possible.
- Within the process there is flexibility to fund above the Target Banding Rate should meeting a person's assessed needs require additional funding.
- We also pay above the Target Banding Rate where there is no alternative and we urgently need to find suitable accommodation that will meet someone's care needs.
- All of these fee rates, except Continuing Care, include the residents' assessed contributions where appropriate.

<table>
<thead>
<tr>
<th>Service</th>
<th>Care Band</th>
<th>Target Banding Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Care Home (Care without nursing)</td>
<td>Social Care - Extensive / Specialist</td>
<td>£493</td>
</tr>
<tr>
<td>Nursing Care Home (Care with nursing) ^</td>
<td>Social Care - Extensive</td>
<td>£649</td>
</tr>
<tr>
<td></td>
<td>Social Care - Specialist</td>
<td>£724</td>
</tr>
</tbody>
</table>

NB: The figures quoted above include the single rate Funded Nursing Care (FNC)* and Incontinence Payments

<table>
<thead>
<tr>
<th>Service</th>
<th>Case by Case</th>
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</thead>
<tbody>
<tr>
<td>Continuing Health Care</td>
<td></td>
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</tbody>
</table>

*Please Note: The Target Banding rates for Care with Nursing will remain in force to 31st December 2016. They will be reviewed in light of any future announcement by central government regarding future funding levels. For further information see https://www.gov.uk/government/news/nhs-funded-nursing-care-rate-for-2016-to-2017