



**Local Authority Circular**

**LAC (2006)5**

To: The Chief Executive  
County Councils )  
Metropolitan District Councils ) England  
Shire Unitary Councils )  
London Borough Councils  
Common Council of the City of London  
Council of the Isles of Scilly

Directors of Social Services

Copy: Chief Executive – Strategic Health Authorities  
Chief Executive – Care Trusts  
Chief Executive – Primary Care Trusts PCTs

23 March 2006

**Preventative Technology Grant 2006/07 – 2007/08**

**SUMMARY**

1. This circular sets out the arrangements surrounding the Preventative Technology Grant for 2006-07 and 2007-08. The grant will be paid as a specific formula grant with no conditions attached. It has been allocated using the relative share of older people's Relative Needs Formulae (RNF)..
2. In both 2006-07 and 2007-08, the grant will be paid under section 31 of the Local Government Act 2003. Following ODPM guidelines on providing clear guidance to councils, good practice requires that a determination be issued, even where no conditions are attached to a grant.
3. The White Paper "Our health, our care, our say: a new direction for community services" sets a new strategic direction for health and social care. It directs organisations towards providing better prevention services, earlier intervention, and more support for people with long-term needs and strongly promotes a "whole system" approach to care that enables people to live more independently in their own homes.
4. The White Paper highlights the contribution telecare and other assistive technologies can make in helping people retain their independence and improve their quality of life.

5. Telecare provides real potential for new models of care, enabling effective management of long term conditions (LTCs) from individuals' homes. Remote monitoring of vital signs (eg blood pressure) has the potential to provide cost-effective preventative services and reduce unnecessary hospital admissions. As well as providing tools to support local practitioners such as community matrons in their roles, telecare can provide individuals with much greater personal control over their care often in conjunction with expert patient and other preventative programmes.
6. A Preventative Technology Grant of £80 million over two years from April 2006 is being provided to enable councils to invest in telecare to help an additional 160,000 older people nationally to remain independent at home.
7. The grant will be allocated in the proportion of £30 million in 2006-07 and £50 million in 2007-08. A copy of the grant determination is attached at Appendix A to this document.
8. Whilst the funding will go to all councils in England with social service responsibilities, they are expected to work with partners in the NHS, housing and district authorities, voluntary and independent sectors and service users and carers in developing telecare services. Telecare will be most effective where implemented as an integrated service.
9. Practice based commissioning provides GPs and primary care professionals the tools to innovate and influence local service development for the benefit of their patients. The introduction in April 2006 of a national tariff (under Payment by Results) for acute services including A & E, elective and non-elective admissions and outpatient care in hospitals, provides an incentive for PCTs and practice based commissioners to shift care into community settings, and invest in preventative services such as telecare.
10. To support this circular, the DH published telecare guidance "Building Telecare in England" July 2005. Detailed implementation guidance and supporting materials have also been developed and published by the Care Services Improvement Partnership (CSIP) and are available at [www.icesdoh.org/telecare](http://www.icesdoh.org/telecare)

## **ACTION**

11. While there are no conditions attached to the Preventative Technology Grant money for 2006/07 and 2007/08, effective use of this grant will help local authorities and their partners to achieve key PSA targets around supporting people with long term conditions and improving the patient and user experience, in particular supporting older people to live at home. In addition, the **CSCI Delivery and Improvement Statement** will monitor the number of

people benefitting from telecare since introduction of this grant. Councils should note well the contents of this circular.

## **BACKGROUND TO THE GRANT**

12. The purpose of the Preventative Technology Grant is to initiate a change in the design and delivery of health, social care and housing services and prevention strategies to enhance and maintain the well-being and independence of individuals.
13. The grant is designed to help councils and their partners address the challenges of a changing and ageing society with increased expectations, such as the right to have choice about services, control over their delivery and the right to be able to live independently at home with dignity for life. Integrating telecare into mainstream services will help councils and their partners to be best prepared to meet the challenges.
14. Telecare offers choice and flexibility of service provision, from familiar community alarm services that provide an emergency response and sensors that monitor and support daily living, through to more sophisticated solutions capable of monitoring vital signs and enabling individuals with long-term health conditions to remain at home.
15. Telecare will contribute to a number of important agendas:
  - The White Paper “Our health, our care, our say”
  - National Service Frameworks
  - self care, intermediate care and extra care.
  - preventing unnecessary admissions to hospital and residential care
  - supporting earlier discharges from hospital
  - Valuing People
  - Supporting People
  - supporting carers
16. Increased reassurance for users of services and carers resulting from the use of these technologies will help release services from constraints created by risk-averse policies and practices. In doing so services can become more responsive to the lifestyle wishes of individuals helping them maintain their independence and dignity.
17. Typical beneficiaries of telecare may include:
  - older people and people with long term conditions and disabilities who will be able to maintain more effective control over their independence, dignity and health
  - older people living alone starting to become forgetful or anxious, who may be able to remain independent and more in control of their lives for longer without intrusive visiting from health and social care professionals
  - people with dementia

- people moving through intermediate care pathways
- people who are at risk of falls
- their carers

18. Although this grant funding is primarily aimed at supporting older people, the Government's vision is for telecare and other new technologies to be used, where appropriate, for the benefit of people of all ages including those with long-term conditions, learning disabilities, mental health problems and those needing end of life care.

19. Telecare has the potential to change radically the way in which people-centred services are delivered. The service transformation envisaged will be based on locally-determined changes from reactive, to preventative, activities. This will require reinvestment of resources from current services and facilities into technology-enabled services.

## **POLICY INTENTIONS**

20. Councils are strongly encouraged to work closely with partners in housing, health (including ambulance and acute services), social care, the independent sector and local Supporting People arrangements to establish priorities for service redesign based upon local prevention strategies. Such strategies should contribute to the national target of 160,000 additional people benefiting from telecare by the end of the grant period by incorporating its use into a whole-systems approach to care provision.

21. To help facilitate this joint working, councils and PCTs already have significant flexibilities under the Health Act 1999 to develop integrated working, which allows a greater investment in prevention and health, for example, through pooled funds transferring of resources from health to councils and vice versa, and entering into lead or joint commissioning arrangements. Local Area Agreements (LAAs) should also provide a key mechanism to enable joint planning and delivery across the whole system.

22. Service strategies and policies for telecare should be formulated so that people with differing levels of need (ranging from those managing self-care, intermediate care and people with intensive support needs) can have the choice to remain at home whenever possible.

23. Councils will be required to report, through the CSCI Delivery and Improvement Statement (DIS), on the numbers of additional older people benefitting from telecare since introduction of this grant.

24. This grant is not intended to be treated as replacement funding for existing resources, including revenue funding for community alarms through the Supporting People programme for example, in sheltered housing. There may however be advantages to entering into partnership arrangements and bringing together funding to maximise what can be delivered across the resources.

25. As some people who may benefit from telecare will be in receipt of direct payments or individual budgets, where being used in pilots, provision will need to be made to enable those using these flexibilities to access and take advantage of local telecare services.
26. In line with the Gershon Review, councils and their partners should seek economies of scale and best practice in the procurement of telecare. To help support this the Department of Health has asked the NHS Purchasing and Supply Agency (PASA) to develop a National Framework Agreement for the procurement of telecare equipment (including installation and maintenance) and response services (including control centres, monitoring and response).
27. The first phase of that Framework Agreement will be available from June 2006 and has been developed, following engagement with stakeholders, to support procurement using this grant. The Framework Agreement will be updated in subsequent phases to take account of advances in the technology and to meet the needs of commissioners as telecare services become more advanced in the future. It is envisaged that these advances will enable effective integration with the NHS Care Record and Single Assessment Protocol solutions as well as the implementation of open standards to simplify integration with existing monitoring operations and enable greater choice in the selection of devices.
28. All potential telecare partners including those in health, housing and the voluntary sector, will be able to utilise the Framework Agreement. The Framework Agreement will enable partners to take advantage of nationally negotiated prices for telecare as well as nationally undertaken commercial evaluation of suppliers. PASA have developed the Framework Agreement following the EU Public Procurement Regulations via the Official Journal of European Union. Therefore, partners using the Framework Agreement do not need to undertake their own formal tendering procedures, saving time, resources and avoiding duplication of effort. More information about the Framework can be found at: [www.pasa.nhs.uk/eat/telecare.stm](http://www.pasa.nhs.uk/eat/telecare.stm).
29. The adoption and application of telecare should be included in care planning and delivery arrangements in health, social care and housing. This is likely to initiate service redesign, enabling:
  - partners to provide improved and focused care delivery that takes account of potential social isolation issues
  - the delivery of flexible new provision based on care plans that respond dynamically to the user's immediate and changing needs
  - better targeted visiting
  - improved autonomy, choice, dignity and quality of life for service users
  - improved outcomes for service users and carers
30. Users, carers, other stakeholders should be involved in development of local arrangements.

31. Staff undertaking assessments must have sufficient knowledge and information to arrange the provision of, or signpost clients to, appropriate equipment and services. There will be significant potential for changes to staff roles and skill mix to deliver more effective services using telecare.
32. In integrated services (health and social care) there is a requirement for robust systems and procedures for clinical governance to safeguard the individual. Details are set out in the *Telecare Implementation Guide – Governance Factsheet*.
33. Before advantage can be taken of telecare, infrastructures will need to be in place to deliver:
- staff training and development
  - the supply and management of equipment
  - the supply of relevant 24-hour / seven day contact services
  - the supply of 24-hour / seven day care response services
34. The grant is intended to pump prime these processes and changes in the delivery of mainstream services. The *Telecare Implementation Guide* and accompanying support materials published by CSIP provides detailed guidance on developing and implementing a telecare service. These and accompanying learning and improvement programmes are available at [www.icesdoh.org/telecare](http://www.icesdoh.org/telecare)

## **PAYMENT AND CERTIFICATION ARRANGEMENTS**

35. Three star councils will receive their grant in one payment in April 2006 for the 2006/07 financial year and in April 2007 for the 2007/08 financial year. Payments to two star, one star and zero star rated councils will be made quarterly and by the end of April, July, October and January in the appropriate financial year.

## **CANCELLATION OF CIRCULARS**

36. This circular should be cancelled on 1 April 2008

## **ENQUIRIES**

37. Any queries regarding the contents of this circular should be directed to: Older People and Disability Policy Management Unit, [OPDEnquiries@dh.gsi.gov.uk](mailto:OPDEnquiries@dh.gsi.gov.uk)
38. For further information on CSIP's services, contact [telecare@icesdoh.org](mailto:telecare@icesdoh.org)
39. Any queries relating to links to Supporting People should be directed to [ChristopherA.Smith@opdm.gsi.gov.uk](mailto:ChristopherA.Smith@opdm.gsi.gov.uk)

**DETERMINATION OF A GRANT UNDER SECTION 31 OF THE LOCAL GOVERNMENT ACT 2003 OF THE PREVENTATIVE TECHNOLOGY GRANT 2006/7 and 2007/8**

**Introduction**

1. This determination is made by the Secretary of State for Health (“the Secretary of State”) under s.31 of the Local Government Act 2003 (c.26) (“the 2003 Act”). It specifies grants which the Secretary of State proposes to pay to certain local authorities in England.

2. Before making this determination the Secretary of State obtained the consent of the Treasury in accordance with section 31(6) of the Act.

**Amounts payable to authorities**

3. Pursuant to section 31(3) of the Act the Secretary of State hereby determines that the authorities to which grants are to be paid, and the amount of each grant, are the authorities listed in column 1 of the Annex and the corresponding amounts set out in columns 2 and 3 of that Annex.

**Purpose of the grant**

4. The grant may be used towards expenditure incurred or to be incurred by local authorities.

**Payment**

5. The grant monies for 2006/07 shall be payable -

(a) to three star authorities listed in Annex A on or before 30th April 2006, and

(b) to all other authorities listed in Annex A in 4 equal instalments within the financial year.

The grant monies for 2007/08 shall be payable -

(a) to three star authorities listed in Annex A on or before 30th April 2007, and

(b) to all other authorities listed in Annex A in 4 equal instalments within the financial year.

Signed by authority of the Secretary of State  
[date: ]

Local Authority	Preventative Technology Grant 2006/07 (£)	Preventative Technology Grant 2007/08 (£)
Principal Metropolitan Cities	2,337,777	3,848,259
Other Metropolitan Districts	4,947,145	8,223,731
Metropolitan Sub Total	7,284,922	12,071,991
Inner London	1,927,691	3,167,263
Outer London	2,621,075	4,336,393
London Sub total	4,548,766	7,503,656
Shire Counties	13,362,959	22,430,067
Shire Unitary Authorities	4,803,353	7,994,287
Shire sub total	18,166,312	30,424,354
<b>England Total</b>	<b>30,000,000</b>	<b>50,000,000</b>



Local Authority	Preventative Technology Grant 2006/07 (£)	Preventative Technology Grant 2007/08 (£)
<b>Principal Metropolitan Cities</b>		
Birmingham	701,422	1,153,746
Leeds	430,066	710,355
Liverpool	339,397	557,119
Manchester	301,640	493,914
Newcastle upon Tyne	194,562	320,105
Sheffield	370,689	613,021
Sub-Total	2,337,777	3,848,259
<b>Other Metropolitan Districts</b>		
Barnsley	145,830	243,200
Bolton	167,886	280,316
Bradford	268,239	443,840
Bury	102,750	171,270
Calderdale	118,027	196,521
Coventry	186,782	308,136
Doncaster	175,020	291,986
Dudley	206,948	346,032
Gateshead	145,306	240,360
Kirklees	212,746	354,565
Knowsley	105,991	175,144
North Tyneside	136,458	225,899
Oldham	136,480	227,097
Rochdale	129,960	216,294
Rotherham	165,327	276,621
Salford	168,657	277,308
Sandwell	230,136	379,716
Sefton	196,843	327,178
Solihull	104,137	174,023
South Tyneside	121,473	200,041
St Helens	114,061	191,007
Stockport	166,186	276,486
Sunderland	195,949	324,625
Tameside	143,900	239,637
Trafford	123,079	202,910
Wakefield	200,071	334,075
Walsall	186,347	310,952
Wigan	190,707	321,586
Wirral	221,040	367,547
Wolverhampton	180,808	299,357
Sub-Total	4,947,145	8,223,731
Metropolitan Sub-total	7,284,922	12,071,991

Local Authority	Preventative Technology Grant 2006/07 (£)	Preventative Technology Grant 2007/08 (£)
<b>Inner London</b>		
City of London	7,030	11,578
Camden	155,856	257,290
Greenwich	166,834	273,727
Hackney	181,366	299,081
Hammersmith and Fulham	120,168	197,000
Islington	149,429	244,427
Kensington and Chelsea	126,200	212,584
Lambeth	166,297	272,236
Lewisham	173,139	283,759
Southwark	185,289	302,583
Tower Hamlets	164,427	267,435
Wandsworth	163,546	266,073
Westminster	168,111	279,489
Sub-total	1,927,691	3,167,263
<b>Outer London</b>		
Barking and Dagenham	121,206	197,441
Barnet	197,159	326,492
Bexley	113,824	189,132
Brent	154,117	257,183
Bromley	158,449	263,053
Croydon	151,921	252,686
Ealing	163,490	270,388
Enfield	162,647	269,685
Haringey	122,354	202,074
Harrow	134,000	223,333
Havering	131,889	218,442
Hillingdon	130,846	216,305
Hounslow	110,637	182,148
Kingston upon Thames	72,376	119,691
Merton	95,718	157,666
Newham	147,507	243,208
Redbridge	134,690	222,540
Richmond upon Thames	88,101	145,291
Sutton	99,016	163,899
Waltham Forest	131,128	215,736
Sub-total	2,621,075	4,336,393
London Sub-total	4,548,766	7,503,656

Local Authority	Preventative Technology Grant 2006/07 (£)	Preventative Technology Grant 2007/08 (£)
<b>Shire Counties</b>		
Bedfordshire	186,477	312,988
Buckinghamshire	229,551	384,815
Cambridgeshire	300,407	507,532
Cheshire	372,596	626,002
Cornwall	364,917	613,787
Cumbria	321,702	539,609
Derbyshire	471,104	791,233
Devon	479,588	806,888
Dorset	261,274	438,993
Durham	349,004	582,612
East Sussex	345,361	577,103
Essex	775,549	1,302,237
Gloucestershire	325,146	544,467
Hampshire	591,973	995,906
Hertfordshire	578,735	963,043
Kent	743,386	1,245,365
Lancashire	668,042	1,118,800
Leicestershire	298,898	502,634
Lincolnshire	407,653	689,753
Norfolk	542,309	912,706
North Yorkshire	324,927	546,187
Northamptonshire	322,203	542,384
Northumberland	198,498	332,890
Nottinghamshire	417,939	700,721
Oxfordshire	309,214	518,572
Shropshire	182,016	307,070
Somerset	320,939	539,778
Staffordshire	437,958	739,134
Suffolk	418,538	703,975
Surrey	554,023	921,853
Warwickshire	286,841	483,510
West Sussex	439,787	733,094
Wiltshire	233,611	393,594
Worcestershire	302,794	510,833
Sub-total	13,362,959	22,430,067

Local Authority	Preventative Technology Grant 2006/07 (£)	Preventative Technology Grant 2007/08 (£)
<b>Shire Unitary Authorities</b>		
Bath & North East Somerset	99,599	165,611
Blackburn with Darwen	78,354	129,620
Blackpool	110,280	182,291
Bournemouth	121,309	200,058
Bracknell Forest	44,854	75,143
Brighton & Hove	152,661	249,322
Bristol	246,854	404,923
Darlington	58,878	97,791
Derby	141,125	234,310
East Riding of Yorkshire	192,953	326,174
Halton	68,697	114,816
Hartlepool	60,589	100,866
Herefordshire	114,356	193,185
Isle of Wight Council	101,008	170,660
Isles of Scilly	2,037	3,404
Kingston upon Hull	177,659	291,130
Leicester	176,983	290,491
Luton	89,386	148,089
Medway	101,545	170,555
Middlesbrough	84,990	141,056
Milton Keynes	93,652	158,897
North East Lincolnshire	100,887	168,220
North Lincolnshire	86,727	145,994
North Somerset	122,248	205,203
Nottingham	171,051	279,130
Peterborough	91,708	153,158
Plymouth	145,947	243,182
Poole	83,268	139,098
Portsmouth	106,684	177,099
Reading	67,394	111,071
Redcar and Cleveland	87,910	147,251
Rutland	16,969	28,677
Slough	60,444	99,842
South Gloucestershire	115,046	194,346
Southampton	126,862	209,878
Southend-on-Sea	115,214	191,203
Stockton-on-Tees	96,718	162,262
Stoke-on-Trent	161,277	267,541
Swindon	84,490	140,948
Telford and The Wrekin	83,079	140,174
Thurrock	77,788	130,479
Torbay	115,827	194,468
Warrington	99,308	167,138
West Berkshire	65,365	109,815
Windsor and Maidenhead	62,181	103,161
Wokingham	50,206	85,057
York	90,990	151,502
Sub -total	4,803,353	7,994,287
Shires Sub-total	18,166,312	30,424,354