

**HAMPSHIRE COUNTY COUNCIL****Decision Report**

<b>Decision Maker:</b>	Hampshire Health and Wellbeing Board
<b>Date:</b>	11 February 2014
<b>Title:</b>	Better Care Fund
<b>Reference:</b>	5620
<b>Report From:</b>	Chair NHS North Hampshire CCG Director Adult Services, Hampshire County Council

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**1. Summary**

- 1.1. The Better Care Fund (BCF) (previously referred to as the Integration Transformation Fund) provides an opportunity to transform local services pace so that people are provided with better integrated care and support in a way that manages pressures and improves long term sustainability of the health and social care system.
- 1.2. The Hampshire Health and Wellbeing Board chaired by a Council Cabinet Member and Deputy Chair being the Clinical Chair of North Hampshire CCG, which includes our Districts and Boroughs, will provide strategic leadership and political oversight. Reviewing the Terms of Reference of our current Health and Wellbeing Board and ensuring it is positioned to robustly govern our joint approach will be a priority for the final submission in April.
- 1.3. In parallel we will establish a joint leadership model with the Local Authority and CCGs and ensure robust governance and legal arrangements support our joint working and have clear and shared arrangements for the joint fund.
- 1.4. This paper provides an overview of the key actions carried out to produce the plan. A copy of the draft Better Care Plan can be found in appendix C.
- 1.5. The Health and Wellbeing Board has a key role to play in signing off the initial plan for submission on 14 February 2014. This will then be subject to national evaluation by NHS England and the Local Government Association (LGA).
- 1.6. The plan does not come into effect until 2015/16, giving partners time to work at scale and pace to transform the system.

**2. Contextual information**

- 2.1. Over the last few months significant work has been undertaken to determine the shape and detail of the joint plan. This has included the development of a BCF Steering Group as well as a Health and Wellbeing Board (HWBB) seminars in September and December 2013.

2.2. The plan has been informed by the Joint Strategic Needs Assessment and Joint Health and Wellbeing Strategy. The work carried out amongst commissioners with provider with organisations and local people has directly influenced the plan such as CCG public engagement events and Hampshire County Council service user involvement work. The plan therefore reflects the aim of commissioning and providing a “joined up” health and care journey through the system for people and communities i.e. the right care, in the right place at the right time including the strengthening of care in community settings. The approach will address the three key challenges of:

- Avoiding unnecessary cost in the system, moving to lower cost solutions (whilst maintaining or improving outcomes)
- Preventing dependency and demand for longer term publically funded services
- Delaying people’s dependency on long term health and social care interventions

2.3. There is an expectation that the plan will align with the strategy process set out by NHS England supported by the LGA and others in The NHS Belongs to the people: a call to action<sup>1</sup> Therefore the final plan submission the Better Care Plan should be submitted to NHS England, as an integral part of CCG Operational and strategic plans by 14 February 2014.

### 3. How the Better Care Fund (BCF) is being financed

3.1. Nationally the BCF provides £3.8 billion in 2015/16. In 2014/15, in addition to the already planned £900 million national transfer from the NHS to adult social care, a further £200 million will transfer to help localities prepare for the implementation of the Fund.

3.2. The Fund is being created from a variety of sources and more detail can be gained from <http://www.england.nhs.uk/wp-content/uploads/2013/12/bm-item6.pdf>. A brief summary is provided below.

Current Source of Funding	NHS or LA	New £	Allocation
Carer breaks	NHS	No	£130m
Reablement	NHS	No	£ 300m
Disabled Facilities Grant	LA	No	£ 220m
Adult Social Care Capital Grants	LA	No	£ 134m
Additional NHS Transfer to LAs	LA	No	£ 200m
NHS Transfer	LA	No	£ 900m
Transfer of additional NHS funding, currently deployed in CCG budgets	NHS	No	£1.9bn
<b>Total</b>			<b>£ 3.784bn</b>

<sup>1</sup> <http://www.england.nhs.uk/2013/07/11/call-to-action/>

- 3.3. The statutory framework for the BCF will be a Section 75 joint governance arrangement (pooled budget) between CCGs and the Local Authority. Legislation is needed to ring fence NHS contributions at national and local levels and to ensure local authorities not party to the Fund can be paid from it, through additional conditions in Section 31 of the Local Government Act 2003. This will ensure the Disabled Facilities Grant (DFG) can be included in the Fund.
- 3.4. For the five CCGs in Hampshire the 2015/16 allocations have been confirmed as follows:

<b>Clinical Commissioning Group</b>	<b>2015/16 allocation<sup>2</sup></b>
Hampshire County Council	£ 7,942,000
Fareham and Gosport	£10,876,000
South Eastern Hampshire	£11,617,000
North East Hampshire and Farnham	£ 9,086,000
North Hampshire	£11,391,000
West Hampshire	£29,845,000
<b>Total</b>	<b>£80,757,000</b>

- 3.5. Local partners could commit additional resources to the Pooled Fund from existing allocations if this was desirable. However the decision to formerly expand the Pooled Funds would need to bear in mind that payment of £1bn of the BCF will be dependent on performance achievement against a combination of national and locally determined measures.

#### **4. Performance – National and Local Metrics**

- 4.1. In 2014/15 there are no new requirements for pooling of budgets. The requirements remain consistent with guidance issued in 2012<sup>3</sup> in line with this:
- 4.2. National measures underpinning the Fund will be:
- Admissions to residential and care homes
  - Effectiveness of reablement
  - Delayed transfer of care
  - Avoidable emergency admissions; and
  - Patient / service user experience
- 4.3. There is a nationally prescribed performance related payment arrangement linked to the national measures and a locally determined measure selected from a prescribed list drawn from the NHS, Social Care and Public Health Outcomes

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<sup>2</sup> <http://www.england.nhs.uk/wp-content/uploads/2013/12/allocation-summary.pdf>

<sup>3</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/213223/Funding-transfer-from-the-NHS-to-social-care-in-2013-14.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/213223/Funding-transfer-from-the-NHS-to-social-care-in-2013-14.pdf)

Frameworks. The local measure is still being finalised for the final submission in April.

4.4. The HWBB is responsible for overseeing performance achievement through the joint governance arrangements.

## **5. Conditions of Funding**

5.1. The statutory framework for the Fund will be through a Section 75 joint governance arrangements between CCGs and the Local Authority. Funding will be routed through NHS England to protect the overall level of health spending. Legislation is needed to ring fence NHS contributions at national and local levels and to ensure local authorities not party to the Fund can be paid from it, through additional conditions in Section 31 of the Local Government Act 2003. This will ensure the DFG can be included in the Fund.

5.2. Measures will be introduced to ensure the DH Adult Social Care capital grants will reach local areas as part of the fund.

5.3. There are national conditions which will govern access to the BCF including that the plans should be jointly agreed. They are as follows:

- Protection for social care services (not spending)
- 7 day services in health and social care to support patients being discharged
- Better data sharing between health and social care based on the NHS number
- A joint approach to assessments and care planning and that where funding is used for integrated packages of care there will be an accountable professional
- Agreement on the consequential impact of changes in the acute sector

## **6. Assurance**

6.1. Prior to being presented at the Board the draft plan has been shared and approved at each of the CCG Governing Body meetings in January 2013.

6.2. The format of the plan is based on a national template of two parts.

Part 1:

- Names of commissioning organisations associated with the plan
- Boundary differences
- Authorisation and sign off
- Service provider engagement
- Patient, service user and public engagement
- Related documentation
- Vision and schemes
  - Vision for health and care services
  - Aims and objectives
  - Description of planned changes

- Implications for the acute sector
- Governance
- National Conditions
- Risks

#### Part 2

- Outcomes and finances

6.3. NHS England's process for assuring CCG strategic and operational plans will include a specific focus relating to the BCF, allowing NHS England to rate and aggregate all plans against criteria agreed with government departments and the LGA. The revised Better Care Plan will then be submitted to NHS England by 4 April 2014.

### **7. Local Implications and Risks**

7.1. An Equality Impact Assessment is being developed as part of the final submission due in April 2014

7.2. As part of the plan development, it has been necessary for CCGs to identify where existing funding to be invested in the Pooled arrangement is currently being invested, in the context of a small real terms increase in budget. This will have implications for current services as the scale of funding shift is unlikely to be achieved without significant service transformation. The impact on service providers within the health and social care economy is also currently being discussed.

7.3. Similarly, the historic s256 transfers included in the £900m sum and built into budgets to fund key services e.g. placements and personal care will be incorporated into the overall Pooled budget arrangements and therefore could present risks to the Local Authority financial position.

7.4. Our delivery of the plan will be dependent upon the quality of communication, engagement and involvement to enable us to secure the necessary buy in and confidence to support the changes.

7.5. There are also future risks associated with both the inclusion of the impact of the proposed Care Bill implementation and significantly failure of the system to deliver the improvements. Central Government have determined that in future year's performance related funds would be withdrawn to be reallocated elsewhere. This would result in the system bearing the cost of failing services.

### **8. Conclusion**

8.1. Better Care Fund provides an opportunity to improve the lives of some of the most vulnerable people in our society, giving them control, placing them at the centre of their own care and support, and, in doing so, providing them with a better service and better quality of life.

8.2. The Joint Health and Wellbeing Strategy development provided a clear mandate for increased joined up working and improving the service experience and outcomes for local people. The focus of the Fund will support the aspiration of local people.

## **9. Recommendations**

9.1. The Board is requested to:

- Note the progress to date to develop the draft plan
- Agree the draft plan for submission by 14 February 2014

**CORPORATE OR LEGAL INFORMATION:****Links to the Corporate Strategy**

<b>Hampshire safer and more secure for all:</b>	no
<b>Maximising well-being:</b>	yes
<ul style="list-style-type: none"> <li>Promote and support healthy choices for all, reducing the difference between those with the best and worst health</li> <li>Help people to manage their health conditions, giving them choice and maintaining their independence</li> </ul>	
<b>Enhancing our quality of place:</b>	yes
<ul style="list-style-type: none"> <li>Work with local communities to improve services</li> </ul>	

**Section 100 D - Local Government Act 1972 - background documents**

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

## **IMPACT ASSESSMENTS:**

### **1. Equalities Impact Assessment:**

The final Equalities Impact Assessment is under development.

### **2. Impact on Crime and Disorder:**

Not applicable.

### **3. Climate Change:**

- a) How does what is being proposed impact on our carbon footprint / energy consumption?
- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Not applicable.