

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Adult Social Care and Public Health
Date:	27 January 2015
Title:	Better Care Fund – Section 75 Agreement (Arrangements for a Pooled Budget)
Reference:	6409
Report From:	Director of Adult Services

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1. Executive Summary

1.1. The purpose of this paper is to seek approval for the Council to enter into a pooled budget agreement with the five Clinical Commissioning Groups (CCGs) in Hampshire under Section 75 NHS Act 2006.

1.2. This paper seeks to

- Outline the purpose and requirements of the Better Care Fund
- Provide information on the progress made in respect of integrated working
- Provide information on the outcome of the consultation on entering into a pooled budget
- Set out the proposals for commissioning arrangements by the Council and Clinical Commissioning Groups

2. Contextual information

2.1 The Better Care Fund (BCF) was announced by Government in June 2013 as a single, shared budget between health (NHS) and social care that is designed to bring about closer working to deliver improved outcomes for Hampshire's 1.3 million residents. The national BCF budget is £3.8 billion; in Hampshire the pooled BCF budget is £80 million.

2.2 The aim is that the policy will accelerate local transformation and integration through joint commissioning and partnership working to 'join up' care and support services, reduce duplication and provide local people with the right care, in the right place, at the right time; care that is planned and tailored to a person's individual needs, and delivered in partnership, to the highest possible standards.

2.3 It is expected that by bringing health and social care closer together focusing on care needs, just as much as clinical treatment and working proactively to plan the right support for people to live as well as possible in their

communities, will both prevent people from needing services as well help them to recover more quickly. Doing this effectively will mean that more people will be able to remain at home for longer, be cared for in their own home, or closer to home, and will be supported to live as independently as possible for as long as they are able.

2.4 The BCF requires the five NHS Clinical Commissioning Groups (CCGs) in Hampshire and social care services to set out how we are going to work more effectively together, in partnership with current and future service providers, and how this collaborative approach will result in improvements to care for local residents.

2.5 In September, we submitted our updated BCF Plan to NHS England for approval. This plan set out how partners are going to work together to deliver a phased change programme and transformation on targeted improvements and savings. Following initial feedback on October we were notified in December that our joint plan has been approved.

3. Finance

3.1 The BCF is not new or additional money. We are expected to spend existing budgets differently, in a joined-up co-ordinated way. By working together we intend to help local areas manage pressures and improve long term sustainability.

3.2 In December 2014 Department of Health and Department for Communities and Local Government jointly published policy guidance that recognises specific features and the developmental nature of the formal legal framework required to support the BCF policy, specifically a Section 75 Agreement associated with Better Care plans¹.

3.3 The funding to be contributed by each partner to the pooled budget amounting to £80,765,000 has been agreed and is as stated in the finance schedule (Part 2 of the plan) that has now been formally approved. The funding to be provided by each CCG will be transferred to the Council to be held by the Council together with the funding to be contributed by the Council as a pooled budget.

3.3 The current funding for the Hampshire Equipment Service (HES) is an existing S75 pooled budget covering arrangements for funding and delivery of NHS and Hampshire County Council equipment up to March 2016. The latest guidance² refers to the BCF being held as one or more pooled budgets. The HES agreement will sit outside of the new Section 75 Agreement but will be referenced as being included in the arrangements to meet requirements for the BCF.

¹ <https://www.gov.uk/government/publications/better-care-fund-how-it-will-work-in-2015-to-2016>

² <https://www.gov.uk/government/publications/better-care-fund-how-it-will-work-in-2015-to-2016>

- 3.5 It is agreed that the Section 75 Agreement will be developmental to reflect our phased plan that results in joined up commissioning to support significant whole system integrated health and care delivery.
- 3.6 The Disabled Facilities Grant allocated and paid by central government to Hampshire County Council will be included in the pooled budget but will be transferred in full to the District and Borough Councils in agreed allocated amounts to enable the housing authorities to meet their statutory obligations. A Hampshire-wide working group involving all 11 Districts and Borough Councils has been developing a framework that will support a co-ordinated approach with effect from April 2015.
- 3.7 During 2015 - 16 year the nature of the ongoing arrangements are likely to be clarified nationally (following the General Election). At the present time partners are expecting that in phase 2 we will put in place agreement on commissioning arrangements (e.g. lead commissioning either by Hampshire County Council and / or NHS partners for agreed care groups and community services). This may go beyond aligning commissioning to include joint appointments where applicable and is expected to expand the pooled fund. In the third phase of development the integration will be expanded to cover the needs of young people in transition and those with complex health and care needs such as those deemed eligible for NHS Continuing Healthcare. As a consequence the funding committed to the pooled agreement will be subject to review and revision to reflect widening scope of the joint pool

4 Performance

- 4.1 Concerning the performance relating to the actual Fund, there is an element of the fund is linked to non-elective admissions reduction target. Approximately £6.3m of Hampshire BCF funding out of a total pooled budget of c£80m is linked to a nationally prescribed 3.5% emergency admissions target. The £6.3m relates to the estimated cost to CCGs to cover the costs of emergency admissions, which would otherwise be met through non-BCF funds. If the target is not delivered, the overall NHS funding to the Hampshire system will not be reduced as the savings released through the Hampshire BCF are not predicated on a reduction in emergency admissions over and above those already planned by CCGs.
- 4.2 Concerning the performance of the Section 75 Agreement, the governance arrangements will be as set out in the agreement.

5 Consultation and Equalities *Working with the NHS*

- 5.1 As part of our joint development, we have used the opportunity to extend the formal public consultation programme for the Care Act provisions to include a question relating to Hampshire County Council and the five Hampshire CCGs entering in to a Section 75 agreement: "*Should the Council enter into a Section 75 agreement (under the NHS Act 2006) to pool a budget with the five Hampshire Clinical Commissioning Groups?*"
- 5.2 449 people answered this question. 89% were in favour of the Council entering into a Section 75 agreement to pool a budget with the five Hampshire CCGs. 11% were against.

5.3 162 people responded to the invitation to make “*Any comments about the pooled budget?*” Many said there was not enough information in the question to enable them to give an informed answer. Some thought it was too difficult a question to put to the public. Three thought the question was loaded towards a positive answer. Many said they supported entering into the Agreement, if money saved would be invested into frontline services and/or specialists and give people better/quicker care. Some people felt that having a pooled budget would help bed blocking as it would stop fighting for resources. Many said they supported the Agreement, IF efficiency and flexibility was delivered. Some people were concerned that it was just ‘reorganising’ and that it would result in more bureaucracy and admin to manage and operate it and be more wasteful. There were concerns about how the money would be allocated and managed. There were concerns that the budget would be used to help ‘bail the NHS out’. There was a view amongst some respondents that the NHS wastes money and the funds would be swallowed up and lost. However one respondent was concerned that NHS money would be used to shore up Council services. Some people wanted evidence to be gathered and published on whether the pooled budget is more effective and whether it does deliver better outcomes for people.

6 Other Key Issues

6.1 Risk Sharing between partners - The wider risk sharing issues associated with the BCF work programme have been documented in a risk log and are reflected in CCG risk registers. In particular achievability of the quantum of system transformation is a challenge. A further issue to note is the potential that following the national election the policy direction relating to integration may be accelerated or changed.

7. Recommendation(s)

7.1 That the Executive Member for Adult Social Care and Public Health give approval for the Council to enter into a pooled budget agreement under Section 75 NHS Act 2006 with the 5 Clinical Commissioning Groups in Hampshire being a condition of the Better Care Fund approval

7.2 That the Executive Member for Adult Social Care and Public Health give delegated authority to the Director of Adult Services to negotiate the terms and conditions of the Agreement including taking into account any additional changes to contractual agreements due to legislation, government guidance, funding arrangements and legal advice in consultation with the Executive Member.

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

Hampshire safer and more secure for all:	yes
Maximising well-being:	yes
Enhancing our quality of place:	yes

Other Significant Links

Links to previous Member decisions:		
Better Care Fund	<u>Reference</u> 5983	<u>Date</u> 30 July 2014
Direct links to specific legislation or Government Directives		
https://www.gov.uk/government/publications/better-care-fund-how-it-will-work-in-2015-to-2016		<u>Date</u> 12 December 2014

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. Equality Duty

1.1 The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2 Equalities Impact Assessment:

Detailed equality analysis of specific BCF projects will be carried out in order to focus and priorities actions to mitigate potential negative equality impacts. These more detailed EIAs will build on the findings set out in the joint EIA (which can be found using the below link) specifically paying attention the issues identified and the actions set out.

<http://www3.hants.gov.uk/adultservices/adultservicesprofessionals/aboutas/as-equality-ia-archive.htm>

2 Impact on Crime and Disorder:

2.1 This paper does not request decisions that impact on crime and disorder

3 Climate Change:

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

No impacts have been identified.