

HAMPSHIRE COUNTY COUNCIL

Decision Report

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| Decision Maker: | Employment in Hampshire County Council |
| Date: | 12 March 2014 |
| Title: | Organisation of Adult Social Care and the Better Care Fund |
| Reference: | 5700 |
| Report From: | Chief Executive |

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1. Executive Summary

- 1.1. This report highlights the need to identify and establish transition arrangements between Hampshire County Council and the five Clinical Commissioning Groups (CCGs) in order to meet the requirements of the Better Care Fund (BCF). It also seeks approval to review how Adult Social Care (ASC) is organised and to identify an operating cost model that will work within the likely budgeted resources available for ASC.

2. Background Information

- 2.1 Within the 2014/15 Budget approved by Council on 20th February, there are proposals to utilise resources from the Better Care Fund to support the position on the Adult Social Care budget. During 2014/15 the County Council requires to draw down a further £20 million from the Better Care funding to support Adult Social Care expenditure, subject to the terms and conditions of the Fund. This provides a significant financial focus on the implications of the Better Care Fund.
- 2.2 Equally, joint commissioning of Health and Adult Services, the pooling of care and health budgets, joint appointments and delivery of services, more effective planning and the development of a performance framework over several years will be at the heart of these proposals to integrate Health and Adult Social Care. The County Council is proactively engaging with the five Clinical Commissioning Groups (CCGs) within Hampshire and the wider provider base and supply chain (including Acute hospitals, community providers and Primary Care) which supports Health and Social Care. The Better Care Fund is perhaps one of the more significant opportunities the County Council has and one of the largest risks to its financial stability around Adult Social Care.

3. Organisational Change

- 3.1. The County Council's initial response is to establish separate but connected commissioning and management arrangements that relate to the Council and the five CCGs. These would be 'Transitional arrangements for the Better Care Fund'. The principal function of this new arrangement would be to provide leadership in the Better Care Fund and to provide focus on behalf of the six organisations to the key tasks that need to be delivered. These tasks relate to the decommissioning and recommissioning of services, financial analysis and planning, procurement and commissioning of alternative models of delivery and at a local level the development of approaches to integrated care, which relate to vulnerable adults but comply with the performance criteria of the Better Care Fund. Beyond the CCGs and Adult Social Care the County Council will require to plan its involvement with local GPs, with the acute hospital and community health sector and with other major providers across health and social care.
- 3.2. The development of early intervention in this activity will be key to managing demand and using lower cost channels of delivery. Without successful early engagement the current system is dependant on pathways that are focused on the acute hospital sector and the high cost solutions that it provides. Critical to these developments are how services are organised and planned but delivered locally. Locality management across the County will become significant to any new models of provision.
- 3.3. Even if there was not the significant financial incentive which the Better Care Fund provides, the County Council has for several years been exploring how best to provide local interventions at an earlier stage with a lower cost outcome but provide, particularly for vulnerable adults, greater levels of choice, independence and options around their care. Without the financial incentive it would still be imperative that these issues were explored.

4. Organisational Consequences for the County Council

- 4.1. In the short term and as mentioned above, building transition arrangements with the CCGs is critical to ensure that the five organisations have the initial capacity to meet the terms and conditions of the fund but also the early planning and financial analysis needed to look for both efficiencies and different models of provision. All of the organisations are signed up to these transition arrangements.
- 4.2. At the same time it is inevitable, both to meet the requirements of the Better Care Fund and also the pursuit of an operating cost model that will fit Adult Social Care over the coming years, that we look at how Adult Social Care is organised, adapted and redesigned to meet the challenges of the financial incentives of the Better Care Fund and importantly how best to provide integrated Health and Social Care and successful models of service provision at a local level. Bearing in mind the demographics and complexity associated with the County Council these issues would be central to our thinking of Adult Social Care in any event.

5. Next Steps

- 5.1. The first step is to provide robust transition arrangements on which the Chief Executive has done by writing to, and seeking agreement from, the CCGs. These could be in place for some three years or so. It should also be anticipated that during this time and perhaps after a General Election the role, function, number and shape of CCGs could change, as indeed could the role of Local Government. Beyond the transition arrangements it is inevitable that all the organisations concerned will need to adapt to and remodel their activities to fit with developing models of integrated care which are central to cost effective local government services, Integrated Health and Social Care Services, and for both systems to find operating models that meet the likely levels of expenditure that can be sanctioned locally and centrally.
- 5.2. Beyond the transition arrangements it will be important to look again at how Adult Social Care is organised, whether the existing functional model remains the most effective and in the medium term to look at how integrated care, strategic procurement, market shaping and locality models including the community and voluntary sector could all influence how Adult Social Care Services are organised.
- 5.3. Developing a model of greater community resilience alongside integrated local care services would take the County Council into considering its locality management arrangements and how well these fit with health and social care arrangements. This activity is central to the County Council's budget position as we begin to look beyond Transformation to 2015 to 2018 and beyond.

6. Conclusion

- 6.1. In conclusion it is therefore proposed to:
 - establish initial transition arrangements;
 - review the organisation of Adult Social Care and look forward to how these models would influence the future shape of the department and its different functions;
 - benchmark alongside the requirement of the Better Care Fund; and
 - identify an operating cost model that lies within the likely budgeted resources that we will have for Adult Social Care in Hampshire.

Key will be to lose none of the operational focus and outcomes that we have as we consider what alternative models would make sense for the future.
- 6.2. Any new arrangements or organisation at a senior or organisational level would require the agreement of Employment in Hampshire County Council and the Executive Member for Health and Adult Social Care.
- 6.3. Members will also be aware that the recent transfer of Public Health to the County Council was done to bring about the initial integration of Public Health as part of one of our Corporate Services. Given the nature of the

role that Public Health will play, particularly around early intervention, it is inevitable that a view of the Public Health functions be carried out to look at how they too can be organised to fit the requirement of better outcomes for Integrated Health and Social Care in Hampshire.

7. Recommendations

- 7.1. It is recommended that EHCC approve the report and that a further report on the appropriate organisational changes is brought to the committee in the summer of 2014.

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

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| Hampshire safer and more secure for all: | yes |
| Corporate Improvement plan link number (if appropriate): | |
| Maximising well-being: | yes |
| Corporate Improvement plan link number (if appropriate): | |
| Enhancing our quality of place: | no |
| Corporate Improvement plan link number (if appropriate): | |

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:

- 1.1. The final Equalities Impact Assessment for the Better Care Fund is under development

2. Impact on Crime and Disorder:

- 2.1. N/A

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption? N/A

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts? N/A