

<b>MEETING:</b>	<b>HEALTH AND WELLBEING BOARD</b>
<b>MEETING DATE:</b>	<b>26<sup>th</sup> March 2014</b>
<b>TITLE OF REPORT:</b>	<b>Better Care Fund</b>
<b>REPORT BY:</b>	<b>Director Adult Wellbeing</b>

## **Classification**

Open

## **Key Decision**

This is not an executive decision.

## **Wards Affected**

County-wide

## **Purpose**

To agree the draft Herefordshire Council and Clinical Commissioning Group joint submission for the Better Care Fund including confirmation of the future governance arrangements for the programme of work, and to note the final sign-off arrangements for the submission.

## **Recommendations**

### **THAT:**

- (a) The draft Better Care Fund (BCF) submission is agreed for submission to NHS England on the 4<sup>th</sup> April 2014;**
- (b) Sign off of the final submission will be through a meeting of the Chief Officer Clinical Commissioning Group, Director of Adult Well Being Herefordshire Council, Chair of Health and Wellbeing Board on 2<sup>nd</sup> April 2014;**
- (c) The proposed governance arrangements for the programme of activities associated with the BCF in 2014/15 is agreed;**
- (d) The terms of reference for the Health and Wellbeing Board are reviewed to ensure that they reflect the requirements of the BCF.**

## Alternative Options

- 1 There are no Alternative Options as the submission and allied governance arrangements have been developed, considered and agreed by the partners and other options have been considered and discounted in this process.

## Reasons for Recommendations

- 2 To ensure that the BCF submission is agreed and approved through the Health and Wellbeing governance arrangements, provide assurance to the Health and Wellbeing Board (HWB) that the future joint commissioning arrangements to support implementation are in line with national guidance and take into account organisational and system wide governance structures and decision making processes.

### The Better Care Fund

- 3 The Better Care Fund (BCF) (formerly the Integration Transformation Fund) is a £3.8 billion fund put in place *to ensure a transformation in integrated health and social care*. It is a single pooled budget that brings together NHS and Local Government resources that aims to provide *a real opportunity to improve services and value for money, protecting and improving social care services by shifting resources from acute services into community and preventative settings*. The BCF guidance has changed considerably since it was first introduced, for example national expectations on performance related elements in 15/16 have been amended, and the submission process itself is becoming more iterative in nature. In addition, new peer review processes have been introduced, with Local Area Teams and the Association of Directors of Social Services (ADASS) undertaking additional assurance on submissions made during February 2014. Herefordshire's submission compared favourably with others across the West Midlands region, with a recognition that progress had been made and recognising specifically the financially challenged system wide issue within Herefordshire and the position particularly of the Acute provider. Further BCF submissions will be made on the 4<sup>th</sup> April 2014 and again in June 2014, when in addition the CCG is required to submit its 5 year plan. The emphasis from both local government and the NHS is that the BCF plans should continue to evolve and develop throughout 2014.
- 4 Since the submission of the February 14<sup>th</sup> 2014 progress has been made in three key areas, governance, additional potential areas for pooling funding, and the non recurrent nature of current funding streams.
- 5 The CCG and the local authority have reached agreement that the schemes currently funded (2014/25) and the additional funding from the CCG (2015/16 top slice) and other funding streams will all be initially considered non-recurrent. This will ensure that all services are reviewed by the autumn of 2014 with a view to potential disinvestment, (partial or full) in order that funds are released to invest in new schemes, service and pathways which support the transformation of services from acute, reactive to preventative and pro-active. It is recognised that this may have workforce and other implications and this requires further impact assessment.
- 6 It is not expected that all services will change from April 2015 due to current contractual commitments/length of time required to commission/de-commission services but wherever possible changes which can be implemented will be.
- 7 The BCF is being created through combining existing funds comprising section 256 funding received by local authorities, but with the majority of the funds coming from a

top slice of CCG budgets. It is not additional funding but a re-direction of current funding. The new fund comes into existence in April 2015 and will create pooled health and social care budgets which aim to develop the focus on prevention and maintaining independence to deliver a long term change which will reduce pressures on both acute health services and social care. The Department of Health has notified local authorities and CCG's of the minimum funding which must be included within the BCF in 2015/16 but is encouraging both parties to include additional funds within the pooled budget arrangements in order to maximise the transformation impact.

- 8 Both the local authority and the CCG are in agreement that they want to include additional monies within the pooled budgets to ensure that we achieve the system wide transformational change that is needed. Initial discussions have taken place to consider which services may be included, however it is important that partner and provider organisations are fully engaged in the process and additional engagement is required before a definitive list of services and associated financial values for inclusion is agreed. Examples of additional areas under discussion include Learning Disabilities, Mental Health, Continuing Health Care and Community Health budgets for adults and complex care budgets and transitions budgets for children's. The process of engagement with providers is being managed on behalf of the local authority and CCG through a joint integrated project manager

### **Herefordshire's BCF Submission**

- 9 In accordance with the national process the Herefordshire Better Care Fund document was submitted in February 2014. The response to the submission is largely positive recognising the experiences of the partners in joint working and the pragmatic approach to the BCF as a result of the lessons learned from this. Specific areas for further clarification have been set out and work has been undertaken to improve the original document detail for final submission on the 4<sup>th</sup> April.
- 10 The full detail of the current draft document is shown at Appendix One. Key items for consideration from the document are summarised in the paragraphs below.
- 11 There is a requirement within the BCF to state the vision for 2015/16. This has been articulated as follows:

*Our vision for Herefordshire in 2015/16 is that it will be at the leading edge of seamless integration of care and support around individuals and their families. For patients, service users and their families this will mean that services "wrap around them", to provide co-ordinated consistent and high quality services across organisational boundaries.*

*Primary care and practice populations will act as the focal point around which we will organise community based services, social care services, the voluntary sector and communities. In this way we will:*

- *Support patients, service users and their families to maximise their independence,*
- *Promote proactive anticipatory care planning,*
- *Support self-management,*
- *Deliver effective reablement and integration back into communities.*
- *Provided improved information, advice and care planning*

*This will ensure that the residents of Herefordshire and their children are at the heart of decision making about their health and wellbeing. We will enable community led planning to reflect local need and aspiration. We will in transforming our current*

*service delivery ensure that we have a range of interventions that can respond to individuals, families and communities in a joined up way, with a specific focus on the most vulnerable children and adults building on nationally recognised programmes we are already involved in such as the Troubled Families.*

- 12 The Aim for Herefordshire is *to provide integrated services which promote self-management and independence across Herefordshire's population. Robust sustainable community based services which will form part of an integrated continuum, with seamless pathways of care that integrate primary, community, secondary, mental health and social care services around the residents of Herefordshire, their children and communities.* The objectives and measures of health allied to this are set out within the BCF submission at Appendix One
- 13 The BCF commits the partner organisations to transformational change and in Herefordshire's submission there are five key transformational change priorities.
- Creating Care Closer to Home
  - Transforming Community Services
  - Promoting Ambulatory Care (Providing appropriate alternatives to hospital admission)
  - Delivering 7 day access to health and social care interventions
  - Implementing all ages mental health pathways that include enablement and crisis resolution

The financial modelling to support this level of change will need further work, however the Herefordshire BCF shows that *as a health and social care system we are committed to boldness of action, a pace of change and a commitment to moving beyond organisational boundaries and priorities to deliver what the residents of Herefordshire and their families are asking for.* Since the development of the BCF submission further discussion at the System Leaders Group and then between the local authority and CCG commissioning Chief Officers has led to agreement on system wide transformation that extends beyond the BCF. This includes a sixth priority

- Acute Services and Primary Care

- 14 There are implications for the Acute Sector within the aspirations set out in the document and these are set out as follows:

*To achieve the level of transformation required and manage the Herefordshire financial challenge we have recognised that investment in health and social care will not only reduce but also shift from crisis and more complex care into primary and community based care. We will be seeking to reduce demand for urgent care in all settings and move from a model of delivering crisis care to a model of prevention. However, we have not completed and agreed the financial model and how we will manage the financial consequences of a shift from crisis resolution to crisis prevention within primary and community based settings, this is especially important in the context of rising demand in the older population which is growing faster than the national average. We also have to take into account the significant financial local authority budget cuts that have already taken place and those planned over the next three years along with the risk that these place on NHS acute care.*

- 15 It is a BCF requirement that the agreed local definition of protecting Adult Social Care Services is outlined and this has been set out for Herefordshire as follows: *Protecting*

*social care services in Herefordshire means ensuring that those who meet FACS (Fair Access to Care Criteria) eligibility which in Herefordshire is Substantial and Critical and require public funding (in line with the Fairer Charging policy) for care packages have their eligible need met in a time of growing demand and budgetary pressures. The council is committed to delivering on its statutory responsibilities, which will change and grow as the Care and Support Bill is implemented (which may require changes to local policy, guidance and operating models). The Council has recognised the importance of a range of prevention and early intervention approaches including Telecare, community equipment and reablement in keeping people independent but due to the need to prioritise meeting its statutory responsibilities it is only able to offer these interventions to those with eligible need as defined by the FACS criteria.*

### **Outcome Measures**

- 16 The achievement of the aims and objectives will be indicated through the following measures
- Permanent admissions of older people (aged 65 and over) to residential and nursing care homes
  - Proportion of older people (aged 65 and over) at home 91 days after hospital discharge to reablement/rehabilitation services
  - Delayed transfers of care from hospital
  - Avoidable emergency admissions – Adults and Children
  - Patient/Service user experience – using current measurement tools such as the annual adult social care service user survey and the Friends and Family Test until a national indicator has been developed
  - Local Measure- a greater proportion of people aged 18 and over suffering from a long term condition feeling supported to manage their condition

### **Health and Wellbeing Board and Better Care Fund Governance**

- 17 The Health and Wellbeing Board received a presentation on the Better Care Fund at the meeting of 28<sup>th</sup> January 2014, and a first submission was made to the regional local government and NHS structures on the 14<sup>th</sup> February 2014 for review.
- 18 The Health and Wellbeing Board role in respect of the BCF is to decide whether the plans are the best for the locality and specifically are they
- Engaging with local people
  - Bringing a sector led approach to the process
  - Significantly challenging

And importantly, will they deliver tangible benefits for the local community or population, linked to the Joint Strategic Needs Assessment and the agreed Health and Wellbeing priorities

- 19 The proposed governance structure for 2014 is shown in diagrammatic form at Appendix Two. A Joint Service Transformation and Commissioning Board (JST&CB)

will be put in place for April 2014. It is expected that the governance arrangements will change over the next few months as the planning for 2015 onwards and the increased level of pooled budget and range of activity may require a different approach. This board will meet on a monthly basis and membership will be made up of lead commissioners, finance and performance leads from the council and the CCG. The role of this new board will be to

- Be accountable for all ages health and social care partnerships between Hereford Council and Hereford CCG – including the Better Care Fund and existing s75 pooled budget arrangements between the CCG and the LA;
- Provide leadership for the development and delivery of the Better Care Fund and the development of joint commissioning including the system wide priorities;
- Manage and monitor the finances of the Better Care Fund to ensure that funding is spent as planned ,provides good outcomes for the service user ,offers value for money and delivers the agreed outcomes :
- Manage and monitor performance in relation to key outcomes and metrics;
- Escalate key issues, concerns and successes to the Health and Wellbeing Board update process;

20 Engagement with acute and other NHS providers in determining impact and the management of the change is critical to the success of the BCF and the broader system wide change programme and views on how best they are engaged and involved in system re design will continue over the next weeks and months

## **Community Impact**

- 21 The Herefordshire BCF submission has been developed utilising the needs assessments of the Joint Strategic Needs Assessment (JSNA) *Highlighting Priority Health and Wellbeing Needs in Herefordshire* and supports the Health and Wellbeing Commissioning Strategy.
- 22 Further discussion with key community and service user and carer representative groups will take place to establish a clear engagement and involvement plan that places service users and carer's voice and experience at the centre of design and commissioning plans.

## **Equality and Human Rights**

- 23 The council is committed to equality and diversity using the Public Sector Equality Duty (Equality Act 2010) to eliminate unlawful discrimination, advance equality of opportunity and foster good relations.
- 24 The equality duty covers the following nine groups with protected characteristics: age, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex and sexual orientation. This report does not discontinue service in 2014/15 and has no detrimental impact to eligible service users within Adult Social Care. As discussions and projects develop for 2015/16 Equality Impact Assessments will be undertaken to ensure the proper consideration of any potential impact upon people within the protected characteristic groups.

## Financial Implications

- 25 The local authority currently receives £3,152k (2013/14) section 256 funding from the department of health to support social care services which have a health benefit. These funds will form part of the BCF which comes into being in April 2015 and which will create pooled budgets for health and social care.
- 26 2014/15 is being treated as a transition year before the new arrangements come into being and funding allocations have been notified by the department of health. For Herefordshire the funding comprises the same section 256 funds as for 2013/14 plus an additional allocation of £734k (national BCF fund for 2014/15 of £200m) giving a total allocation of £3,886k.
- 27 The schemes and programmes to be funded for 2014/15 supporting Adult Social Care have been jointly agreed by the local authority and the CCG. Furthermore it has also been agreed that for 2014/15 the funding will be on a non-recurrent basis. This enables all work streams and services falling within the remit of the better care fund to be subject to review and challenge to determine which services will be discontinued / reduced in order to release funds to redirect to new or reconfigured services.
- 28 For 2015/16 the minimum BCF commitment for Herefordshire will be £13,050k. This comprises revenue funding of £11,694k, as well as Disabled Facilities Grant (capital funding) of £866k and Social Care Capital Funding of £490k.
- 29 The allocations for 2015/16 include £458k (£135m nationally) revenue funding for the implementation of the Care Bill, and £183k (£50m nationally) of capital funding to enable delivery of the IT and other changes required to implement the Care Bill in 2016.
- 30 Details of the 2015/16 schemes and services to be funded through the BCF, and additional contributions to the pooled budget above the BCF minimum are currently under discussion and will be developed and confirmed in the period leading up to the submission of the 5 year CCG plan to Department of Health in June. This may include Children's Services.
- 31 From April 2015 the BCF will be managed through a section 75 pooled budget arrangement. It is essential that the risk sharing arrangements are fully explored, documented and agreed on an equitable basis to avoid all the risk falling onto the local authority as was the case with the previous joint working arrangement.

## Legal Implications

- 32 For 2014/15 the agreed budget and activity is managed within the existing Section 256 agreement between the CCG and the local authority. A new section 75 agreement will be developed and taken through the required governance process for commencement in April 2015.

## Risk Management

- 33 The risks allied to the BCF are set out in the submission document as shown below. A risk register for the BCF Programme of activities will be developed and maintained and made available as part of the progress reports and discussions relating to the BCF.

<b>Risk</b>	<b>Risk rating</b>	<b>Mitigating Actions</b>
Activity shifts	Medium	Engagement with providers Advance planning in anticipation of changes New activity in place prior to any decommissioning Advance training Parallel running
Technology and inability to share information	High	Implement physical changes to social care data collection Alternative forms of risk scoring/case finding rolled out Use of alternate methods e.g. EMS mobile
Timescales and capacity	Medium	Apply greater resource Divert resource from elsewhere Reduce focus to projects which only meet very high level criteria Fast track expansion of projects which deliver improvements Review QIPP v NICE approved project list
Culture and relationships/primary care	Medium/Low	Extensive communication Build ethos of shared vision Concentrate on the Patient story – public and practices 1:1 Engagement hearts & minds Use thought leadership to culture shift e.g. Kings Fund
System wide budgetary pressures & £ risk of BCF not delivering	High	Regular programme and project management reviews v objectives Monitoring of KPIs/ £ Outcome improvements Engagement with NHS/ social care providers and care professionals Creation of explicit risk sharing agreements between organisations Development of additional BCF projects
Delays in governance and approvals delaying release of monies	Med/Low	Put Governance structure and TOR in place early for BCF Establish governance procedures using external partners Seek arbitration or independent assessment

Further information on the subject of this report is available from  
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Scale of transformation and change	Med	Make changes in small steps Spread high impact changes over time
Demographic demands on services and budgets	High/Med	Regular review of JSNA and demographic profile Awareness of high impact demographic changes age/condition/need

## Consultees

34 The council's finance and legal teams have been consulted on this report and comments included within the body of the report as appropriate.

## Appendices

Appendix One – Draft Better Care Fund Submission Document

Appendix Two – Diagram for Proposed Governance Structure

## Background Papers

None identified.