

<b>Meeting:</b>	<b>Cabinet</b>
<b>Meeting date:</b>	<b>Thursday 16 November 2017</b>
<b>Title of report:</b>	<b>Herefordshire's Better Care Fund (BCF) and Integration Plan 2017-2019 and extension of section 75 agreement</b>
<b>Report by:</b>	<b>Cabinet member for health and wellbeing</b>

## **Classification**

Open

## **Decision type**

Key

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

## **Wards affected**

(All Wards);

## **Purpose and summary**

To agree the extension of the existing section 75 agreement to 31 March 2019 and approve the council's contribution to the Herefordshire's Better Care Fund (BCF) and Integration Plan 2017-2019.

## **Recommendation(s)**

**That:**

- (a) the council's contribution to the better care fund of £20.147m revenue and £1.706m capital for 2017/18 and £20.530m revenue and £1.853m capital for 2018/19, as set out**

in paragraph 26 of the report below, be agreed;

- (b) **the option to enact the extension of the existing section 75 agreement to 31 March 2019 is agreed; and**
- (c) **the director for adults and wellbeing be authorised, following consultation with the solicitor to the council and s151 officer, to take all operational decisions necessary to approve the scheme level detail within the extended s75 agreement.**

## **Alternative options**

1. As per the national requirements, the content of the plan was approved by the health and wellbeing board on 7 September 2017, with authority delegated to the director for adults and wellbeing, the chief officer of the Clinical Commissioning Group (CCG), and the chief finance officers of both organisations for finalising detail. The plan was submitted to the national better care support team in line with the 11 September 2017 deadline and following an assurance process, has been approved.
2. It is a national requirement, set by NHS England, that the better care fund is transferred into one or more pooled funds established under section 75 of the NHS Act 2006. The existing section 75 agreement is due to end on 31 March 2018. There is no alternative as such an agreement must be in place; therefore it is recommended that the option to extend the existing section 75 agreement to 31 March 2019 is approved.

## **Key considerations**

3. In June 2013, the government announced the allocation of £3.8 billion to create the BCF, though the bulk of the funding was already in the health and social care system. This initiative was implemented in 2015 and is described as 'a single pooled budget for health and social care services to work more closely together in local areas, based on a plan agreed between the NHS and council.'
4. The BCF programme aims to deliver better outcomes and greater efficiencies through more integrated services for adults. A key principle of the BCF is to use a pooled budget approach in order for health and social care to work more closely together and move towards integration.
5. The latest BCF guidance issued on 4 July 2017 sets out national conditions which are the key requirements for the better care fund plan 2017-2019, the current performance and targets are within the presentation slides within the appendices, these are:
  - a. **a jointly agreed narrative plan** which demonstrates a number of key areas, including that local partners have collectively agreed a local vision and model for integration of health and social care;
  - b. **maintain NHS contribution to social care** – The CCG minimum contribution to BCF must be maintained, including an uplift of the minimum required contribution from 2016/17 baselines in both 2017/18 and 2018/19;
  - c. **agreement to invest in NHS out of hospital services** - Ring-fenced amount for use on NHS commissioned out of hospital services, which include intermediate care services, district nurses and the stroke rehabilitation provision;

- d. **managing transfers of care** - Health and social care partners in all areas must work together to implement the High Impact Change Model for Managing Transfers of Care (appendix two).
6. The BCF plan for the two years 2017-2019 has 39 key lines of enquiry (appendix three) that it needs to address in the context of delivering a joint approach to the national conditions.
7. The BCF also has key national metrics for 2017-2019, the targets and performance can be found in appendix one, these include:
- a. reduction in non-elective admissions based on CCG activity plans;
  - b. reduction in permanent placements into residential and nursing homes;
  - c. increasing proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement / rehabilitation services; and
  - d. reduction in delayed transfers of care from hospital (per 100,000 population)
8. The strategic aims of the BCF remain as per previous years:
- Care closer to home and an 'own bed first' ethos
  - Enhanced primary, community and mental health at scale
  - Care co-ordination – navigation through the system and pathways of care
  - Keeping people well at home service configured to support prevention, wellbeing and promoting independence
  - Integrated urgent care provision across social, primary, community and secondary care
  - Acute care for those that need it – revised model of staffing, services, integrated with community and efficiency to deliver sustainable services at scale.
9. Key to the successful delivery of the plan is the community health redesign and social care community redesign. Both of these aim to provide sufficient support in the community to enable people to remain independent in their own homes for longer, thereby reducing hospital admissions and support discharges.
10. In addition to the core BCF, the improved better care fund (iBCF) allocation for Herefordshire adult social care in 2017-2019 is required to be pooled into the local BCF plan. As detailed within the grant conditions, this funding grant can be spent on three purposes:
- a. meeting adult social care needs;
  - b. reducing pressures on the NHS; and
  - c. ensuring that the local social care provider market is supported.
11. Partners have agreed to the following principles in relation to the allocation of the iBCF and are continuing to work together to implement robust spending plans, as located at appendix two, to:
- a) support market development and sustainability for social care providers in Herefordshire;
  - b) support short term health initiatives that demonstrate future benefits to residents, and across the health and social care system;

- c) integrate services through joint pathways and not building functions and services silos;
  - d) utilise a pilot approach to new initiatives to enable the evidence of benefits and learn from what works in practice;
  - e) invest in systems to identify and track individuals to demonstrate the evidence of need and outcomes;
  - f) invest in initiatives that prevent or delay the need for formal care and prevent hospital admission; and
  - g) invest in technology enabled care to support the care workforce challenge across the health and social care system.
12. The integration and BCF plan demonstrates the progress made during 2016/17, details of the key milestones for 2017-2019 and describes the future vision for the county. This plan is a key component of, and wholly consistent with, the system wide transformation of Herefordshire's health and social care economy. Many of the schemes will continue with focus on delivering the outcomes within the plan.
  13. The schemes and services within the plan will be monitored on a monthly basis through the better care fund partnership group and highlighted to the joint commissioning board. Quarterly national performance reports will be submitted, following approval from the health and wellbeing board.
  14. The proposed content of the integration and BCF plan was approved by the health and wellbeing board on 7 September and was submitted for the national deadline on 11 September. A regional assurance process has been undertaken and Herefordshire's plan has been approved.
  15. It is a national requirement, set by NHS England, that the better care fund is transferred into one or more pooled funds established under section 75 of the NHS Act 2006. The existing section 75 agreement is due to end on 31 March 2018. Within the existing agreement there is an option to extend for a period of up to 18 months. It is recommended that the option to extend is taken up to 31 March 2019, which will be consistent with the Herefordshire integration and better care fund plan 2017-2019.
  16. All of the schemes within the BCF plan will be included within the section 75 agreement, details of which are located within the planning template at appendix 2. In addition, a number of other schemes are included within the section 75 agreement. These are held within pool 3 which includes the children's commissioning unit, children's short breaks, children's complex needs solutions and children's and adults' safeguarding boards. The budget and contributions for pool 3 are currently under review for 2018/19 and will be finalised as part of the budget setting process.

## **Community impact**

17. The BCF plays a key enabling role in delivering the system wide vision, *'The vision for the local health and care system in Herefordshire is one where strong communities encourage individual citizens to live healthy lives and offer support when this is required for them to*

*maintain their independence, with sustainable, aligned health and care services for local people’.*

18. In developing the integration and BCF plan 2017-2019, insights from the Herefordshire joint strategic needs assessment (JSNA) have been used to further understand the current future population trends, as well as the real and predicted changes in use of unplanned care and those being supported through primary care and social care services.
19. The key information provided by the JSNA includes the impact of demographics on social care including services such as domiciliary / home care and care homes and the likely impact in the future as well as hospital care and the transfers of care.
20. The impact of the integration and BCF plan on the community will be measured through a wide range of indicators, including the rate of delayed transfers of care (leaving hospital), the rate of older people admitted to residential care, and the rate of people remaining in their own homes following discharge from hospital.
21. The integration and BCF plan fully supports the council’s corporate plan and assists the delivery of its priority to *‘enable residents to live safe, healthy and independent lives’*.

## **Equality duty**

22. Under section 149 of the Equality Act 2010, the ‘general duty’ on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to –

  - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
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, and demonstrate that we are paying ‘due regard’ in our decision making in the design of policies and in the delivery of services.
24. It is not envisaged that the recommendations in this report will negatively disadvantage 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.
25. The BCF programme aims to deliver better outcomes for older and disabled people and supports the council in proactively delivering its equality duty under the act. This is through improving the health and wellbeing of people in Herefordshire by enabling them to take greater control over their own health and the health of their families, and helping them to remain independent within their own homes and communities.

## Resource implications

26. Herefordshire's minimum fund contributions and indicative additional contributions from each partner for 2017/18 and 2018/19 are summarised below.

<b>Better Care Fund 2017-2019</b>	<b>2017/18 £'000</b>	<b>2018/19 £'000</b>
Protection of adult social care	5,142	5,240
CCG community care	6,818	6,947
<b>Minimum revenue fund (CCG contribution)</b>	<b>11,960</b>	<b>12,187</b>
Disabled facilities grant	1,706	1,853
<b>Sub-total minimum BCF</b>	<b>13,666</b>	<b>14,040</b>
<b>iBCF</b>	<b>3,573</b>	<b>4,722</b>
<b>Minimum fund, including iBCF</b>	<b>17,239</b>	<b>18,762</b>
<b>Additional pool – Care home market management</b>		
Council contribution	20,147	20,530
CCG contribution	8,594	8,757
<b>Total additional pool</b>	<b>28,741</b>	<b>29,287</b>
<b>Total BCF</b>	<b>45,980</b>	<b>48,049</b>

27. The council's contribution to the better care fund is £20.147m revenue and £1.706m capital for 2017/18 and £20.530m revenue and £1.853m capital for 2018/19. The CCG's contribution is £20.554m for 2017/18 and £20.944m for 2018/19, the balancing figure is the iBCF funding.
28. The Herefordshire BCF plan maintains the schemes identified in the 2016/17 BCF submission. These include community equipment and adaptations, intermediate care services, integrated care services and other social care demands. Also included within the financial allocations, as mandated by the national BCF guidance and policy framework, are funds for Care Act duties, reablement and carers breaks. A full breakdown is within the integration and BCF plan in appendix one.
29. The disabled facilities grant (DFG) is a mandatory grant provided under the Housing Grants, Construction and Regeneration Act 1996. A clear DFG spending plan is in place, as instructed by BCF requirements, and is detailed within the narrative BCF plan submission, as located at appendix one.
30. In addition to the core BCF funding, the government's spending review in 2016 and the 2017 spring budget announced new money known as the improved better care fund (iBCF). For Herefordshire, it represents additional funding of £3.57m in 2017/18, which increases to £4.72m in 2018/19.
31. A detailed expenditure plan for 2017/18 and 2018/19 is located within the planning template at appendix two.

## Legal implications

32. The Care Act 2014 amended the NHS Act 2006 to provide the legislative basis for the better care fund, which brings together health and social care funding.
33. The agreed budget will be managed through the existing section 75 agreement between the council and the CCG, which is in place until 31 March 2018. The spring budget 2017 provided that the improved better care fund (iBCF) funding for adult social care in 2017-2019 must be pooled into the local better care fund.
34. Section 75 of the National Health Service Act 2006 contains powers enabling NHS bodies (as defined in section 275 and 276 of the NHS Act 2006) to exercise certain local authority functions and for local authorities / council to exercise various NHS functions. The parties entered into a section 75 agreement in exercise of those powers under and pursuant of the NHS Regulations 2000. Once the plan has been formally approved, the section 75 will be extended to cover its duration.
35. As detailed within the section 75 agreement, the financial contributions from the partners required for each individual scheme in each financial year are dependent upon the allocation of the BCF funding by NHS England and the agreement of partners on the values of any additional pool contributions, the centrally awarded disabled facilities grant, and the outcomes of budget setting by both partners for 2017/18 and 2018/19.
36. The new iBCF is paid directly to the council via a Section 31 grant from the Department for Communities and Local Government. The government has attached a set of conditions to the Section 31 grant to ensure it is included in the BCF at a local level and will be spent on adult social care. The council is legally obliged to comply with the grant conditions as specified in appendix 2 to this report.

## Risk management

37. A risk register, specific to the BCF, has been developed and is located within the plan at appendix 1. Risks are also identified within the council's adults and wellbeing directorate risk register and will be escalated as appropriate.
38. Both the council and CCG are under increasing financial pressures and have been advised that should delayed transfers of care (DToC) targets not be met, this may potentially result in a reduction of iBCF funding allocation for 2018/19. The current DToC performance requirements are challenging and require targets to be achieved in a limited timeframe. To mitigate this risk, partners continue to work together to develop and implement a number of system changes and specific projects to assist in achieving DToC aims. However, should providers such as Wye Valley NHS Trust or 2gether NHS Foundation Trust not be successful in managing their DToCs, the impact on the system wide financial pressures may be significant. The council is aware of data quality and reporting issues in relation to DToC performance and is working with partners to investigate and provide clarity.
39. The Integration and BCF plan was part of a regional and national assurance process and there was a risk that the plan might not be approved or approved with conditions, however this was mitigated by Herefordshire agreeing to the targets set by NHS England and the regional BCF manager providing advice on Herefordshire's plan. Had the plan been approved with conditions, the plan would have needed to be updated to respond to any

queries by 31 October. In the event, no conditions were imposed and formal confirmation has been received from NHSE that the plan had been approved.

## **Consultees**

- 40. Public engagement is not required for this submission; however consultations with officers within the council and CCG have been undertaken on a regular basis to ensure a joint plan in developed.
- 41. A number of workshop sessions with service providers have been held and used to inform the direction and content of the BCF plan.
- 42. The joint commissioning board, which is a committee of the CCGs governing body, has discussed and agreed several elements of the proposed contents. Formal papers were submitted to the CCG governing body on 22 August 2017.
- 43. Political group leaders have been consulted and no comments have been received.

## **Appendices**

- 44. Appendix 1 – Herefordshire BCF and Integration Plan 2017-2019
- 45. Appendix 2 – Herefordshire planning template
- 46. Appendix 3 – Section 75 agreement

## **Background papers**

None.