

	Health and Wellbeing Board 18 September 2014
Title	Better Care Fund and Business Case for Barnet Health and Social Care – Integration of Services
Report of	Barnet CCG Interim Chief Officer / Adults and Communities Director
Wards	All
Date added to Forward Plan	June 2014
Status	Public
Enclosures	Appendix 1- Draft of Better Care Fund Appendix 2- Draft Better Care Fund Plan Appendix 3- Draft Business Case for Barnet Health and Social Care – Integration of Services
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Summary

This report presents a working draft of the Better Care Fund (BCF) plan and a full draft business case for health and social care integration, following on from the presentation to HWBB of the outline business case for integration in March 2014. Collectively they represent an ambitious statement for achieving a transformation in integrated health and social care in Barnet. The BCF covers the period 2014-15 and 2015-16 and moves us towards a single pooled budget to support health and social care services to work more closely together in local areas. The business case presents the care model in detail with a benefits analysis.

The formal submission date to NHS England for the final BCF is 19 September 2014. In the period leading up to this date, from the publication date of papers for HWBB of 10th September, it is expected that there will be revisions to the BCF as details and data are finalised, including any comments from NHS England as part of the assurance process.

Any material changes will be delegated to the Adults and Communities Director, in consultation with the Chairman of the HWBB, to agree any material changes to the BCF submission made following the HWBB meeting following prior endorsement of the BCF plan by the Chief Officer, Barnet CCG and Chief Executive, Barnet Council before submission of the draft Plan to NHS England by 19 September 2014

Recommendations

- 1) That the Health & Wellbeing Board (HWB) comment on and agree the draft BCF plan.**
- 2) That the HWBB note and comment on the draft Business Case for integrated care, prior to its submission to the Adults and Safeguarding Committee and the CCG board in October.**
- 3) That authority be delegated to the Adults and Communities Director, in consultation with the Chairman of the HWBB, to agree any material changes to the BCF submission made following the HWBB meeting following prior endorsement of the BCF plan by the Chief Officer, Barnet CCG and Chief Executive, Barnet Council before submission of the draft Plan to NHS England by 19 September 2014.**

1. WHY THIS REPORT IS NEEDED

- 1.1 The £3.8bn Better Care Fund (BCF) (formerly the Integration Transformation Fund) was announced by the Government in the June 2013 spending round, to ensure a transformation in integrated health and social care. The BCF is a single pooled budget to support health and social care services to work more closely together in local areas. The Fund will be an important enabler to take the integration agenda forward at scale and pace. It should be noted that most of the BCF is not new or additional resources, but the reallocation of existing service provision budgets to a new pooled budget format. The BCF is intended to provide 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. The Fund will support the aim of providing people with the right care, in the right place, at the right time, including through a significant expansion of care in community settings. This will build on the work already underway in Barnet.
- 1.2 This version of the BCF replaces that which was previously approved by HWBB on 20 March 2014 and submitted to NHS England on 4 April because of changes at a national level to the policy framework underpinning the BCF. Feedback from regional and national assurance relating to the original (4 April) submission was that Barnet's plan was strong. However, all HWBB areas are required to submit revised BCF plans. The following paragraphs summarises the key policy framework changes for the BCF and Barnet.
- 1.3 The original purpose of the fund was to promote better outcomes for people with complex health and care needs by underpinning local integrated services across health and social care. Original submissions had to address 6 performance metrics: emergency admissions, delayed transfers of care, effectiveness of re-ablement (people still at home 3 months after admission),

residential care admissions, user/patient satisfaction, plus one local indicator of choice. The pay for performance element kicked in for 2015/16 and was linked to all aspects of the plan, including achieving performance targets against all 6 PIs. Previous guidance said that the pay for the performance element would be given in two parts: the first part at the beginning of 2015/16 based on 2014/15 performance; and the second part midway through 2015/16, based on achieving 2015/16 targets up to that point.

- 1.4 The revised policy framework, announced on 5 July 2014, stated that “Local areas will agree their own ambition on reducing emergency admissions and they will be allocated a portion of the £1 billion performance money in the £3.8bn fund in accordance with the level of performance against this ambition. The remaining money from the performance pot not earned through reducing emergency admissions will be used to support NHS-commissioned local services, as agreed by Health and Wellbeing Boards.” The release also stated: “Health and Wellbeing Boards will be able to set their own performance pot with a guideline reduction in unplanned admissions of at least 3.5%. The balance of their current performance allocation will then be spent on NHS-commissioned community services”.
- 1.5 The Pay for Performance element is therefore linked solely to reducing total emergency admissions to hospitals in 2015/6. Health and Well Being Boards are invited to agree a target reduction in admissions and to agree the savings that would accrue from such a reduction. This would form one element of the pay for performance fund. The balance of the pay for performance element would have to be spent on NHS commissioned services. In effect of the £1.9bn NHS contribution to the Better Care Fund in 2015/6, £1bn must either come from reduced emergency admissions, or be spent by the NHS. The Local Government Association has voiced concerns that resources to protect social care and promote integration in 2015/6 have been reduced as a result of this change.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The attached draft BCF plan and draft business case therefore set out a clear, analytically driven understanding of how care for the frail elderly population can be improved by health and social care integration in Barnet. The BCF plan has been subject to consultation and agreement amongst all key stakeholders in the Barnet health and social care economy.
- 2.2 The draft business case sets out the detail of the 5 tier integrated care model for the first time and demonstrates how investment from Public Health, s256, CCG and LBB adult social care funding will be used to develop the new models of care. The draft BCF shows how the integrated care model is a key delivery vehicle for CCG QIPP plans and savings and Council PSR priorities and savings, The narrative document is published alongside the BCF plan, with the financial analysis elements being published in the exempt papers for commercial reasons.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Not applicable – as stated in paragraph 1.2 all areas are required to submit BCF plans based on greater integration of health and social care.

4. POST DECISION IMPLEMENTATION

- 4.1 Following submission of the BCF plan 19 September 2014, there will be an intensive 2-week period of quality assurance by NHS England with eventual recommendations by senior civil servants for sign-off by Government Ministers. Each area will then have to evidence delivery of its plan including the aforementioned performance for pay metric, reducing total emergency admissions (general and acute non-elective admissions).

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The BCF Plan and Business Care are in alignment with the 2012-15 Health and Wellbeing Strategy's twin overarching aims (Keeping Well; and Keeping Independent). Clear links are also made to: the Barnet Council Corporate Plan, the Priorities and Spending Review, the outline aims of the Council's 5 year commissioning intentions for adult social care and Barnet CCG 2 & 5 year Strategic Plans. Barnet Council and the CCG will play key roles in delivering the plan through the Joint Commissioning Unit (JCU) and Public Health.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 The draft business case sets out the overall investment required to implement the 5 tier integrated care model and the links between the model and published QIPP schemes and PSR proposals.
- 5.2.2 The BCF Plan details the financial contributions from Barnet CCG / Council which comprise the single pooled budget that will be used to support health and social care working more closely together to deliver integrated outcomes for patients and service users. Table 1 below provides a breakdown of the 2015/16 BCF funding. Of this total the allocation for *protecting social care* is £4.20m (rounded) plus £1.206m for Care Act implementation. It can be seen that most of the BCF is not new or additional resources, but the re-allocation of existing service provision budgets to a new pooled budget format. Aligned budgets will be bought alongside this pooled budget, including an agreed public health contribution to support delivery of the model. It should also be noted that existing 2014/15 s256 funding (£6.634m) previously agreed by HWB will be continued into 2015/16.

Table 1 – 2015 /16 BCF

	£000
ASC Capital Grant	806
s256 (includes £1,206 for Care Act*)	6,634
Carers Breaks	806
Enablement	1,860
Care Act (* see reference to s256 above)	1,206* memorandum item
Disabled Facilities Grant	1,066
NHS funding	12,240
Total	23,412

5.3 Legal and Constitutional References

- 5.3.1 In 2015/16 the BCF (the Fund) will be allocated to local areas, where it will be put into pooled budgets under Section 75 joint governance arrangements between CCGs and councils. (Note: Section 75 of the NHS Act, 2006, provides for CCGs and local authorities to pool budgets). A condition of accessing the money in the Fund is that CCGs and Councils must jointly agree plans for how the money will be spent, and these plans must meet certain requirements. Funding will be routed through NHS England to protect the overall level of health spending and ensure a process that works coherently with wider NHS funding arrangements.
- 5.3.2 The Department of Health (DH) will use the Mandate for 2015/16 to instruct NHS England to ring-fence its contribution to the Fund and to ensure this is deployed in specified amounts at local level for use in pooled budgets by CCGs and local authorities.
- 5.3.3 Legislation is needed to ring-fence NHS contributions to the Fund at national and local levels, to give NHS England powers to assure local plans and performance, and to ensure that local authorities not party to the pooled budget can be paid from it, through additional conditions in Section 31 of the Local Government Act 2003. This will ensure that the Disabled Facilities Grant (DFG) can be included in the Fund
- 5.3.4 The DFG has been included in the Fund so that the provision of adaptations can be incorporated in the strategic consideration and planning of investment to improve outcomes for service users. DFG will be paid to upper-tier authorities in 2015/16. However, the statutory duty on local housing

authorities to provide DFG to those who qualify for it will remain. Therefore each area will have to allocate this funding to their respective housing authorities (district councils in two-tier areas) from the pooled budget to enable them to continue to meet their statutory duty to provide adaptations to the homes of disabled people, including in relation to young people aged 17 and under.

- 5.3.5 Special conditions will be added to the DFG Conditions of Grant Usage (under Section 31 of the Local Government Act 2003) which stipulate that, where relevant, upper-tier local authorities or CCGs must ensure they cascade the DFG allocation to district council level in a timely manner such that it can be spent within year. Further indicative minimum allocations for DFG have been provided for all upper-tier authorities, with further breakdowns for allocations at district council level as the holders of the Fund may decide that additional funding is appropriate to top up the minimum DFG funding levels.
- 5.3.6 DH and the Department for Communities and Local Government (DCLG) will also use Section 31 of the Local Government Act 2003 to ensure that DH Adult Social Care capital grants (£134m) will reach local areas as part of the Fund. Relevant conditions will be attached to these grants so that they are used in pooled budgets for the purposes of the Fund.
- 5.3.7 Terms of reference of Health and Well Being Board - No. 3 - 'To work together to ensure the best fit between available resources to meet the health and social care needs of the population of Barnet (including children), by both improving services for health and social care and helping people to move as close as possible to a state of complete physical, mental and social well-being. Specific resources to be overseen include money for social care being allocated through the NHS; dedicated public health budgets; and Section 75 partnership agreements between the NHS and the Council.'

5.4 Risk Management

- 5.4.1 Barnet Council / CCG projects are delivered within a project management and governance framework whereby individual and aggregate project risks are identified, reported and managed by Programme Management Offices and the senior management teams within the CCG and Adults & Communities Delivery Unit (A&CDU).
- 5.4.2 Specific risks relating to the BCF are outlined in the submission, along with mitigating actions. These will be monitored regularly in accordance with the aforementioned governance process.
- 5.4.3 At a more strategic level, next steps will include an assessment of the over-arching governance arrangements for the BCF in the context of a pooled budget and shared risk. This will be essential to ensure robust management of the fund especially as the size and scope of the BCF and true pool will increase subject to necessary due diligence).

5.5 Equalities and Diversity

- 5.5.1 Equality and Diversity issues are a mandatory consideration in decision-making in the Council pursuant to the Equality Act 2010. This means the Council and all other organisations acting on its behalf must have due regard to the equality duties when exercising a public function. The broad purpose of this duty is to integrate considerations of equality and good relations into day to day business, requiring equality considerations to be reflected into the design of policies and the delivery of services and for these to be kept under review.
- 5.5.2 The specific duty set out in s149 of the Equality Act is to have due regard to need to:
- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 5.5.3 The relevant protected characteristics are – age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation.
- 5.5.4 Health partners as relevant public bodies must similarly discharge their duties under the Equality Act 2010 and consideration of equalities issues should therefore form part of their reports. Proposals are therefore assessed for their impact on equality and diversity in line with the CCG's Equality Delivery System. A requirement of the BCF is to guarantee that no community is left behind or disadvantaged – the commissioning system therefore needs to be focused on reducing health inequalities and advancing equality in its drive to improve outcomes for patients and service users.

5.6 Consultation and Engagement

- 5.6.1 The BCF Plan details the public engagement with patients and service users as well as with providers.

6. BACKGROUND PAPERS

- 6.1 The 'first cut' draft of the BCF was presented at the HWBB on 23 January 2014, a revised draft to the HWBB on 20 March 2014 and was subsequently submitted to NHS England in accordance with the nationally mandated timescales on 4 April 2014.
- 6.2 In addition, the meetings of the HWBB 19 September and 21 November 2013, discussed health and social care integration and the Integration Transformation Fund (which then became the BCF). Closely linked are discussions at the 21 November 2013 meeting (Agenda Item 10) regarding NHS England's "Call to Action" Programme, part of a national engagement exercise designed to build public awareness of the challenges facing health and social care in order to create a platform for future transformational change. The BCF represents part of the government's response to this challenge.
- 6.3 BCF Guidance and Planning is provided in a letter dated 25 July 2014, *NHS England Publications Gateway Ref No. 01977*.