Meeting	Health and Well-Being Board
Date	21st November 2013
Subject	**Minutes of the Financial Planning Sub-group**
Report of	Director for People
Summary of item and decision being sought	This report is a standing item which presents the minutes of the Financial Planning Sub-group and updates the Board on the joint planning of health and social care funding in accordance with the Council's Medium Term Financial Strategy (MTFS) and Priorities and Spending Review (PSR), and Barnet CCG's Quality Improvement and Productivity Plan (QIPP) and financial recovery plan.

Officer Contributors	Claire Mundle, Commissioning & Policy Advisor- Public Health/ Health & Well-Being
Reason for Report	To note the minutes of the previous two Financial Planning sub-group meetings
Partnership flexibility being exercised	The report encompasses partnership flexibilities such as those under Sections 75 and 256 of the NHS Act 2006.
Wards Affected	All
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Appendices	Minutes of the Financial Planning Group, 25th September and 17th October 2013

1. RECOMMENDATION

1.1 That the Health and Well-Being Board notes the minutes of the Financial Planning Group of 25th September 2013 and 17th October 2013 set out in Appendix A.

2. RELEVANT PREVIOUS DISCUSSIONS AND WHERE HELD

2.1 Cabinet, 14 February 2011– agreed partnership working for health in Barnet that proposed to delegate responsibility for the social care allocation through the NHS to the shadow Health and Well-Being Board via a section 256 agreement.

2.2 Cabinet Resources Committee, 2 March 2011 – approved criteria for the allocation of funds within the section 256 agreement and agreed high level spending areas to be overseen by the Health and Well-Being Board.

2.3 Health and Well-Being Board, 26th May 2011 – item 5 approved the establishment of the Financial Planning Group as a sub-group of the Health and Well-Being Board.

3. LINK AND IMPLICATIONS FOR STRATEGIC PARTNERSHIP-WIDE GOALS (SUSTAINABLE COMMUNITY STRATEGY; HEALTH AND WELL-BEING STRATEGY; COMMISSIONING STRATEGIES)

3.1 The Medium Term Financial Strategy (MTFS) and Priorities and Spending Review (PSR) of the Council and the NHS Quality, Innovation, Productivity and Prevention Plan (QIPP) and Financial Recovery Plan for Barnet CCG are aligned to both the achievement of the Sustainable Community Strategy objective of 'Healthy and Independent Living', and to the objectives of the Health and Well-Being Strategy. Underpinning the achievement of these strategies is the requirement to shift resources to the community with statutory services working alongside people to take greater responsibility for their own and their families' health.

4 NEEDS ASSESSMENT AND EQUALITIES IMPLICATIONS

4.1 The MTFS has been subject to an equality impact assessment considered by Cabinet, as will the specific plans within the Priorities and Spending Review as these are developed. The QIPP plan has been subject to an equality impact assessment considered by NHS North Central London Board.

5. RISK MANAGEMENT

5.1 There is a risk that without aligned financial strategies across health and social care of financial and service improvements not being realised or costs being shunted across the health and social care boundary. The Financial Planning sub-group has identified this as a key priority risk to mitigate, and the group works to align timescales and leadership of relevant work plans which affect both health and social care.

6. LEGAL POWERS AND IMPLICATIONS

6.1 The Council and NHS partners have the power to enter into integrated arrangements in relation to prescribed functions of the NHS and health-related functions of local authorities for the commissioning, planning and provision of staff, goods or services under Section 75 of the National Health Service Act 2006 and the NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000. This legislative framework for partnership working allows for funds to be pooled into a single budget by two or more local authorities and NHS bodies in order to meet local needs and priorities in a more efficient and seamless manner. Funds pooled by the participating bodies into single budget can be utilised flexibly to support the implementation of commissioning strategies and improved service delivery. Arrangements made pursuant to Section 75 do not affect the liability of NHS bodies and local authorities for the exercise of their respective functions. The Council and CCG now have two overarching section 75 agreements in place.

6.2 Under the Health and Social Care Act 2012, a new s2B is inserted into the National Health Service Act 2006 introducing a duty that each Local Authority must take such steps as it considers appropriate for improving the health of the people in its area. The 2012 Act also amends the Local Government and Public Involvement in Health Act 2007 and requires local authorities in conjunction with their partner CCG to prepare a strategy for meeting the needs of their local population. This strategy must consider the extent to which local needs can be more effectively met by partnering arrangements between CCGs and local authorities, and at 195 there is a new duty-- Duty to encourage integrated working:

s195 (1) A Health and Wellbeing Board must, for the purpose of advancing the health and wellbeing of the people in its area, encourage persons who arrange for the provision of any health or social care services in that area to work in an integrated manner.
s195 (2) A Health and Wellbeing Board must, in particular, provide such advice, assistance or other support as it thinks appropriate for the purpose of encouraging the making of arrangements under section 75 of the National Health Service Act 2006 in connection with the provision of such services.

6.3 As yet, there is no express provision in statute or regulations which sets out new integrated health budgets arrangements, and so the s75 power remains.

6.4 NHS organisations also have the power to transfer funding to the Council under Section 256 of the National Health Service Act 2006, and the Council similarly has the power to transfer money to the NHS under Section 76 of the NHS Act 2006. These powers enable NHS and Council partners to work collaboratively and to plan and commission integrated services for the benefit of their population. The new integrated budgets arrangements replace the current use of Section 256 money although Section 256 will remain in place.

7. USE OF RESOURCES IMPLICATIONS- FINANCE, STAFFING, IT ETC

7.1 There is work underway to estimate the health and adult social care savings that integration across these services will bring, which will be completed in December 2013. These savings, once calculated, will be factored into the Quality, Innovation, Productivity and Prevention (QIPP) and CCG Recovery Plan in the NHS, and the Council savings requirements in the Medium-Term Financial Strategy and Priorities and Spending Review.

7.2 Projects and enablement schemes linked to Section 256 funding are reviewed by the Financial Planning sub-group to ensure that the projects have a clear programme of work and that approved business cases are adequately resourced to deliver the agreed outcomes.

8. COMMUNICATION AND ENGAGEMENT WITH USERS AND STAKEHOLDERS

8.1 The Financial Planning sub-group has commissioned Ernst and Young to develop the integrated care model for frail elderly/ people with long term conditions. Ernst and Young are currently developing a Stakeholder Engagement Plan to make sure that they consult with relevant stakeholders as work on the integrated care model progresses.

8.2 The Financial Planning sub-group will also factor in engagement with users and stakeholders to shape its decision-making in support of the Priorities and Spending Review, and Barnet CCG's financial recovery plan.

9. ENGAGEMENT AND INVOLVEMENT WITH PROVIDERS

9.1 Ernst and Young have already engaged with providers to shape the model they are developing, and they will continue to work with providers in Phase 2 of this work to ensure their views are considered. Ernst and Young presented the model they have developed so far to the Health and Social Care Integration Board on the 30th October 2013, for their comments and approval.

9.2 The Financial Planning sub-group will also factor in engagement with providers to shape its decision-making in support of the Priorities and Spending Review, and Barnet CCG's financial recovery plan.

10. DETAILS

10.1 The Barnet Health and Well-Being Board on the 26th May 2011 agreed to establish a Financial Planning sub-group to co-ordinate financial planning and resource deployment across health and social care in Barnet. The financial planning sub-group meets bi-monthly and is required to report back to the Health and Well-Being Board.

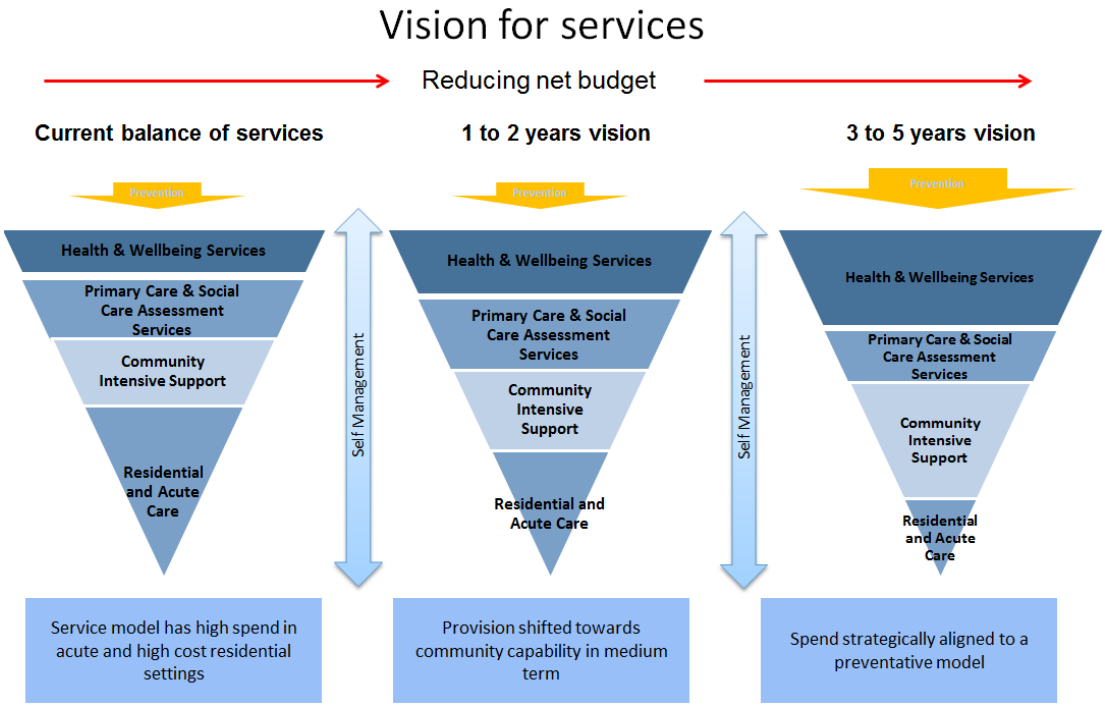
10.2 Minutes of the meeting of the sub-group held on the 25th September 2013 and the 17th October 2013 are attached at Appendix A.

10.3 The Health and Well-Being Board is asked specifically to note the progress that has been made since the 8th August 2013 to develop a high level target operating model for health and social care integration. The work has focused on the services that are needed to support frail elderly residents, and those with long-term conditions.

10.4 Ernst and Young have been commissioned to lead this piece of work. They presented the results from Phase 1 of the work at the Financial Planning sub-group meeting on the 17th October. The output from Phase 1 has been attached as a background paper to this report, for the Board's information. The output attached is subject to final revisions; the finalised version will be submitted to the Health and Well-Being Financial Planning sub-group for further review.

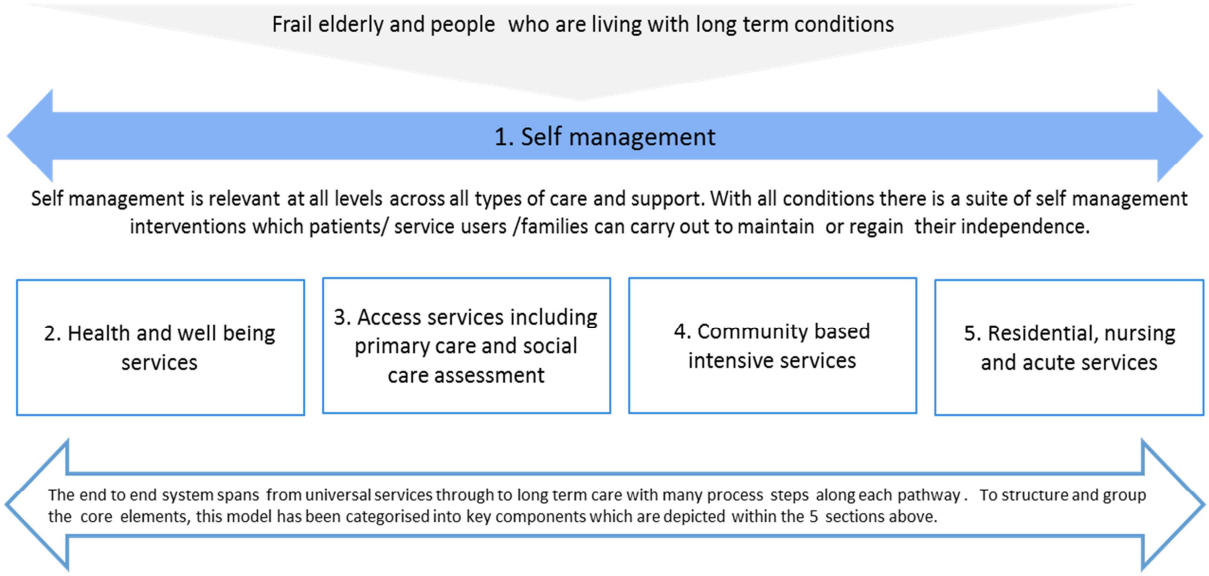
10.5 Phase 1 of the work involved the agreeing a high-level model for the future of integrated care in the Borough that breaks the care pathway down into different levels, spanning preventive services through to acute and residential care provision. The services required under each level of the model have been established, as has an assessment of the work that has already taken place at each level.

10.6 The vision for integrated care services created during Phase 1 is set out below[1].



10.7 The headline model for integrated care that was agreed on the 17th October been presented below. Further information about the model that has been developed to date is included as a background paper to this report.

[1] NB the diagram below is not drawn to scale



10.8 The Financial Planning sub-group has agreed to continue to work with Ernst & Young to develop the integrated care model into a detailed set of proposals that will inform the 2 year integrated care locality plan that the Borough needs to have in place by February 2014. This plan is required ahead of the roll-out of the £3.8 billion national Integration Transformation Fund that will release funds to local areas for integrated care.

10.9 The next phase of the work that Ernst and Young will be leading will last until December 2013, and will involve the following activities:

- Mapping current service expenditure across health and social care
- Assessing the interventions/ service changes that will support the delivery of a successful model (this will include identifying examples of good practice from elsewhere that can be included in the model)
- An options appraisal of the delivery vehicles that will support the model with recommendations on the preferred option

11 BACKGROUND PAPERS

11.1 Integrated Care Operating Model for Health and Social Care: presentation to update the Health and Social Care Integration Board on 30th October 2013.

Legal – SC
CFO – AD