

BETTER CARE FUND

To: **Adults Committee**

Meeting Date: **6th January 2015**

From: **Adrian Loades, Executive Director: Children, Families and Adults Services**

Electoral division(s): **All**

Forward Plan ref: **Not applicable** *Key decision:* **No**

Purpose: **To update the Committee on Cambridgeshire's Better Care Fund plan and to discuss arrangements to establish a pooled budget for the implementation of the Better Care Fund plan in Cambridgeshire.**

Recommendation: **The Committee is asked to:**

- a) Note the update contained in the report;**
- b) Comment on arrangements for the creation of a section 75 agreement for the BCF.**

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1.0 BACKGROUND

- 1.1 The Better Care Fund (BCF) was announced by the Government in the June 2013 spending round, with the aim of supporting transformation in integrated health and social care services. The BCF was announced as a single pooled budget to support health and social care services to work more closely together in local areas. The pooled budget is expected to be in place from April 2015. In Cambridgeshire, the amount allocated to the fund is £37.7m. However, this is not new funding granted by Government, but rather a re-organisation of existing funding that is currently used to provide health and social care services in the county.
- 1.2 The Cambridgeshire Health and Wellbeing Board previously approved BCF plans for submission to central Government in February and April 2014. In July 2014, the government introduced a new set of guidance for the BCF and asked all local areas to resubmit their plans by 19 September 2014. The background to this process is outlined in more detail in the papers for the 9 September 2014 meeting of the Adults Committee.

2.0 RESUBMISSION OF THE BCF PLAN

- 2.1 As reported to the Committee in November, following submission Cambridgeshire's plan was rated by NHS England as 'approved with conditions'; this requires the plan to be resubmitted by no later than 9 January, with amendments to address the four conditions placed on it. Most of the conditions relate to elements of detail that were not available at the time of submission, primarily due to the timescales of the Older People and Adult Community Services procurement by the CCG (the Preferred Bidder was not appointed until 30 September, after the submission deadline). In summary, feedback was:

The assessment of Cambridgeshire's BCF plan is dominated by one issue, namely the fact that the procurement process for an Older People and Community Services (OPACS) rightly prevented a lot of specific detail being incorporated in the latest version. Delivering the desired outcomes to achieve the vision is very much dependent on the success of the appointed provider (named on 1 October). However, Cambridgeshire has signed up only to a 1% reduction in non-elective admissions on the grounds that they are rising [on a trend equivalent to] 7% year on year and, by comparison with [other areas], they start from a low base. The volume of further detail needed was such that it could not be provided within a one month timeframe, and in particular further detail is needed in relation to the approach for providing a Lead Accountable Health Professional. ... For the reasons outlined, the narrative is short on detail.

- 2.2 By the date of the meeting, work on the resubmission of the plan will be largely completed; a verbal update will be provided at the meeting on progress with the resubmission.

3.0 PREPARATIONS FOR IMPLEMENTING THE BETTER CARE FUND

- 3.1 In order to deliver the Better Care Fund plan, it will be necessary to establish pooled budget arrangements between the Council and CCG; as well as arrangements for passing funding that is included within the scope of the BCF but is ring-fenced for passing direct to District Councils for Disabled Facilities Grant. The pooled budget will only consist of BCF funding and it is not proposed that any additional County Council funds are added to the budget.
- 3.2 Discussions are ongoing about the pooled budget requirements. A clear steer was given by NHS England for local areas not to enter into formal arrangements until plan approval has been obtained. NHS England has committed to providing feedback on the latest plans by 3 February 2015, at which point it is expected that Cambridgeshire will be given approval to implement its plan.
- 3.3 In order to ensure adequate joint governance of the budgets to be included in the BCF, the BCF allocation will be allocated into a pooled fund under section 75 of the NHS Act 2006, which makes arrangements for the sharing of funding between health organisations and local authorities. A section 75 agreement will need to be agreed and signed by representatives of both the Council and Clinical Commissioning Group.
- 3.4 Developing a section 75 requires skills and experience from a number of different areas of the Council including adult social care, legal and finance; a small officer working group is being established to oversee the development of the draft agreement. The agreement will then require approval from Members. It is proposed that the officer group should report to the Member Working Party appointed by the Adults Committee to guide the Council's approach to BCF; and that a draft section 75 agreement be brought to the Adults Committee for sign-off at its meeting in March 2015. At that point, a delegated authority may be requested to allow for final amendments to be made to the document before sign-off.

5 ALIGNMENT WITH CORPORATE PRIORITIES

5.1 *Developing the local economy for the benefit of all*

There are no significant implications for this priority.

5.2 *Helping people live independent and healthy lives*

Work to develop the BCF plan and improve the health and social care system more generally contributes to the Council's strategy to support people to live independent and healthy lives for as long as possible.

5.3 *Supporting and protecting vulnerable people*

The work to transform the health and social care system discussed in this paper is intended to result in improved support for vulnerable people to live safely and independently for as long as possible. This will be achieved by

more integrated working between agencies, care and support that offers service users and patients choice and control, and a service model that facilitates support from their own community.

6 SIGNIFICANT IMPLICATIONS

6.1 *Resource Implications*

In line with the National Health Service Act 2006, under a 'Section 256 Agreement', health monies are transferred annually to local authorities to support adult social care.

CCC budgets for 2014-15 therefore anticipate the transfer of £10.7m from NHS England to fund social care activity. The transfer includes a £1.9m 'integration payment' which is part of BCF. CCC budgets for 2014-15 also anticipate the transfer of £1.3m of capital funding from health services, labelled as the 'Community capacity grant'.

In 2015-16 and onwards, these transfers will be part of the BCF pooled budget, which CCC budget planning takes account of. A national condition of the BCF is that plans must protect social care services – any changes to budgets as a result of BCF plans therefore must not reduce social care services (although they may be provided differently). An additional sum of £2.5 million has been reserved in the BCF plan for the protection of social care services; and a sum of £1.4m is reserved for implementation of duties relating to the Care Act 2014.

6.2 *Statutory, Risk and Legal Implications*

The key risk for BCF planning is that the negative impact on demand-led services as a result of disinvestment is not balanced by a positive impact from the preventative or transformed services that receive investment. This could result in the destabilisation of the whole health and social care system if resources are shifted to social and / or community services but demand remains high for acute services and social / community services do not reduce that demand. The pace of the creation of the pooled budget that is set by statutory requirements exacerbates this risk.

However, a failure to take the opportunity provided by the BCF and the associated transformation activity risks reducing the possible impact of change, increasing the likelihood of budget and demand pressures created as a result of growing demand that has not been mitigated by successful transformation of the system.

6.3 *Equality and Diversity Implications*

There are no significant implications in this category.

6.4 *Engagement and Consultation Implications*

A stakeholder and public consultation on the vision for transformation within the BCF, and on proposals for better services, has already taken place and was reported to Cabinet on 4 March 2014 (see references in source documents below). Further consultation with stakeholders, as part of the development of a BCF plan to agree an operating model for the health and social care system, will take place in late 2014.

6.5 *Public Health Implications*

The activity that is expected to be undertaken as a result of the BCF plan is expected to improve the health of people living in Cambridgeshire so more people than currently can live independently of long-term intensive or acute health and social care services for as long as possible.

6.6 *Localism and Local Member Involvement*

The strategy and vision for BCF, approved by the Health and Wellbeing Board, is of a wide range of local community services available to help people to live independently. Work undertaken as part of BCF is expected to support this strategy.

Source Documents	Location
<i>Better Care Fund submission</i> Included in papers for the Health and Wellbeing Board 2 October 2014: http://www2.cambridgeshire.gov.uk/CommitteeMinutes/Committees/AgendaItem.aspx?agendaItemID=10369	Room C006 Castle Court