

EXECUTIVE BOARD COMMISSIONING SUB-COMMITTEE

12 March 2014

Subject:	Better Care Fund		
Corporate Director(s)/ Director(s):	Alison Michalska Corporate Director Children & Families		
Portfolio Holder(s):	Councillor Norris		
Report author and contact details:	Antony Dixon, Strategic Commissioning Manager – 0115 8763491 antony.dixon@nottinghamcity.gov.uk		
Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Subject to call-in	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reasons: <input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision			<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input type="checkbox"/> Yes <input type="checkbox"/> No
Total value of the decision: £1.292m			
Wards affected: All		Date of consultation with Portfolio Holder(s): 13 February	
Relevant Council Plan Strategic Priority:			
Cutting unemployment by a quarter			<input type="checkbox"/>
Cut crime and anti-social behaviour			<input type="checkbox"/>
Ensure more school leavers get a job, training or further education than any other City			<input type="checkbox"/>
Your neighbourhood as clean as the City Centre			<input type="checkbox"/>
Help keep your energy bills down			<input type="checkbox"/>
Good access to public transport			<input type="checkbox"/>
Nottingham has a good mix of housing			<input type="checkbox"/>
Nottingham is a good place to do business, invest and create jobs			<input type="checkbox"/>
Nottingham offers a wide range of leisure activities, parks and sporting events			<input type="checkbox"/>
Support early intervention activities			<input checked="" type="checkbox"/>
Deliver effective, value for money services to our citizens			<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users):			
This paper provides Committee with context in relation to the establishment of the Better Care Fund (BCF) as an enabler to deliver the integration agenda at scale and paste. It sets out national guidance and performance expectations in relation to the Fund and associated sign-off and governance requirements			
Exempt information:			
None			
Recommendation(s):			
1 To approve the Better Care Fund plan for 2014/15 and 2015/16 as detailed in appendix 1 and 2 as required by the NHS England Regional Team.			
2 To approve the allocation of the additional £1.292m BCF funding in 2014/15 to be transferred from Nottingham Clinical Commissioning Group (CCG) via a Section 256 agreement as detailed in Appendix 3.			
3 To approve external spend to the value of £0.447m as detailed in Appendix 3.			
4 To approve the re-allocation of BCF funding (previously known as NHS Transferred Funding) totalling £0.840m against the services detailed in Appendix 4			

1 REASONS FOR RECOMMENDATIONS

1.1 The Fund provides for £3.8 billion worth of funding nationally (£23.2m Nottingham City) in 2015/16 to be spent locally on health and care to drive closer integration and improve outcomes for patients and service users and carers. In 2014/15, in addition to the £900m (£5.81m Nottingham City) transfer already planned from the NHS to adult social care, a further £200m (£1.292m Nottingham City) will transfer to enable localities to prepare for the Better Care Fund in 2015/16. For 2014/15 there are no additional conditions attached to the £900m transfer already announced, but NHS England will only pay out the additional £200m to Councils that have jointly agreed and signed off two-year plans for the Better Care Fund (BCF).

1.1.1 Appendix 1 and 2 details the Nottingham BCF in the template format that is required by NHS England. This document is required to be formally signed off by the Health and Well-being Board

1.1.2 The additive elements of the Nottingham BCF are as follows:

- Care Coordination Service to support the Care Deliver Groups
- Expansion of Health and Care Point
- Support 7 Day working across primary care
- Development of the Tele-health programme
- Mental Health In-reach Discharge Coordinators

1.2 It is a stipulation of the fund that Councils should use the additional £200m (£1.292m for Nottingham City) to prepare for the implementation of pooled budgets in April 2015 and to make early progress against the national conditions and the performance measures set out in the locally agreed plan. This is important, since some of the performance-related money is linked to performance in 2014/15.

1.3 Approval is required to spend an element of the £1.292m additional funding on external provision. Contracts are already in place for these elements.

1.4 An internal budget transfer is required to ensure continuation of funding for previously NHS funded services which are still strategically relevant but do not directly contribute to delivery of BCF priorities. These services have been substituted by other areas of provision not previously funded via this route

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

2.1 Over the past four years, funding from the Department of Health has been passed, via local NHS commissioners (previously the Primary Care Trust, now, following NHS Reform, a combination of the Clinical Commissioning Group and NHS England Area Team). Funding streams have included: additional support funding for social care; improving and sustaining performance on access (primarily to hospital services); and reablement support. Each funding stream has typically come with guidance about use of the funding, which has informed the development of local agreements between the NHS and Local Authority about use of the funding. These agreements are termed "Section 256" Agreements as they are made under the terms of Section 256 of the National Health Service Act 2006.

- 2.2 Following NHS Reform, a proportion of the funding for 2013/14 is covered by a Section 256 Agreement between the Clinical Commissioning Group (CCG) and Council. In the June 2013 spending round covering 2015/16 a national £3.8 billion "Integration Transformation Fund" was announced. This fund, established by the Department of Health, is to be held by local authorities and will include funding previously transferred by local NHS commissioners to the Council under Section 256 Agreements.
- 2.3 Guidance on developing plans for the Better Care Fund (formerly the Integration Transformation Fund) were published by both NHS England and the Department of Communities and Local Government on 20th December 2013 along with local allocations of the first full year of the fund in 2015/16.
- 2.3 What is the Better Care Fund? The Better Care Fund (previously referred to as the Integration Transformation Fund) was announced in June as part of the 2013 Spending Round. It provides an opportunity to transform local services so that people are provided with better integrated care and support. It encompasses a substantial level of funding to help local areas manage pressures and improve long term sustainability. The Fund will be an important enabler to take the integration agenda forward at scale and pace, acting as a significant catalyst for change.
- 2.4 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 Clinical Commissioning Groups (CCGs) and councils are already doing.
- 2.5 Nottingham City's approach to implementing the Better Care Fund Principles. A sub group made up of CCG and LA members has been meeting on a weekly basis to agree principles that will ensure a consistent and transparent approach to the allocation of the better care funds. It was agreed that the overarching principles of the BCF should:
- Support the priorities in the Joint Health and Wellbeing Strategy as well as align with the CCG Plan, NHS England operational plan and others;
 - Acknowledge the extent of integrated commissioning and service delivery already in place, and where applicable use the Fund to formalise what is already in place;
 - Acknowledge that the Fund does not represent "new" money flowing into the local health and social care system;
 - Utilise the Integrated Programme Board for operational systems and processes to ensure engagement and consistent feed through.
 - Utilise The Health and Wellbeing Commissioning Executive Group to strategically oversee performance and outcomes of the fund.
 - Work towards achieving the national metrics to:-
 - Reduce Length of Stay
 - Improve Delayed Transfers of Care
 - Reduce emergency admissions
 - Remain at home after 90 days after re-ablement
- 2.6 National Conditions. The Spending Round established six national conditions for access to the Fund:

National Condition	Definition
Plans to be jointly agreed	The Better Care Fund Plan, covering a minimum of the pooled fund specified in the Spending Round, and potentially extending to the totality of the health and care spend in the Health and Wellbeing Board area, should be signed off by the Health and Well Being Board itself, and by the constituent Councils and Clinical Commissioning Groups.
Protection for social care services (not spending)	Local areas must include an explanation of how local adult social care services will be protected within their plans.
As part of agreed local plans, 7-day services in health and social care to support patients being discharged and prevent unnecessary admissions at weekends	Local areas are asked to confirm how their plans will provide 7-day services to support patients being discharged and prevent unnecessary admissions at weekends.
Better data sharing between health and social care, based on the NHS number	Local areas should confirm that they are using the NHS Number as the primary identifier for health and care services, and if they are not, when they plan to.
Ensure a joint approach to assessments and care planning and ensure that, where funding is used for integrated packages of care, there will be an accountable professional	Local areas should identify which proportion of their population will be receiving case management and a lead accountable professional, and which proportions will be receiving self-management help - following the principles of person-centred care planning. Dementia services will be a particularly important priority for better integrated health and social care services, supported by accountable professionals.

2.7 The requirements for the use of the funds transferred from the NHS to local authorities in 2014/15 remain consistent with the guidance from the Department of Health (DH) to NHS England on 19 December 2012 on the funding transfer from NHS to social care in 2013/14. In line with the following conditions:

- “The funding must be used to support adult social care services in each local authority, which also has a health benefit. However, beyond this broad condition we want to provide flexibility for local areas to determine how this investment in social care services is best used.
- A condition of the transfer is that the local authority agrees with its local health partners how the funding is best used within social care, and the outcomes expected from this investment. Health and wellbeing boards will be the natural place for discussions between NHS England, clinical commissioning groups and councils on how the funding should be spent,

as part of their wider discussions on the use of their total health and care resources.

- In line with our responsibilities under the Health and Social Care Act, an additional condition of the transfer is that councils and clinical commissioning groups have regard to the Joint Strategic Needs Assessment for their local population, and existing commissioning plans for both health and social care, in how the funding is used.
- A further condition of the transfer is that local authorities councils and clinical commissioning groups demonstrate how the funding transfer will make a positive difference to social care services, and outcomes for service users, compared to service plans in the absence of the funding transfer”

2.8 From 2015/16 it is anticipated that Nottingham City Council will have responsibility for administering the pooled BCF budget. Funding for Nottingham City Council elements of the BCF (not already paid directly to the Council) in 2014/15 will be required to be transferred from the CCG to the Council by means of a Section 256 Agreement (as in previous years).

2.9 The BCF Plan was presented to the Health & Well-being Board on February 25 2014. Board approved submission of the Plan

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

3.1 In developing the Nottingham Better Care Fund commissioners had regard to the national guidance and expectations issued by NHS England and the agreed outcomes contained within the Nottingham Health and Well-being Strategy and the Integrated Care Programme. These criteria were used to inform how the additive elements of the Fund should be allocated recognising that the Fund is predominantly comprised of existing allocated funding. As such alternative options for use of the fund were not considered. Despite the ‘new’ element of the Fund comprising only 5% the commissioners will deliver efficiencies to enable the additive elements of the Nottingham BCF to total 18% of available funding.

4 FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)

4.1 For the 2015/16 BCF allocation, proposals were submitted and approved by Health and Wellbeing Board on 26 February 2014. Within these proposals the confirmed allocation of funding is £23.2m however, the total value of schemes was valued at £24.04m. The report identified that further negotiation is required by partners to meet the 2015/16 BCF allocation of £23.2m. Finalisation of the 2015/16 BCF allocation and schemes will need to be aligned to the MTFP and presented back to EBCSC for further approval.

4.2 Table 1 below details the elements that form the BCF allocation for Nottingham City for 2014/15 and 2015/16. The financial implications requiring approval within this report relate to items 1 and 2 of Table 1 below.

TABLE 1 - NOTTINGHAM CITY BETTER CARE FUND ALLOCATION					
		2014/15		2015/16	
		Revenue (£m)	Capital (£m)	Revenue (£m)	Capital (£m)
1	Existing Agreed Value of Transfer from Health to Social Care	5.812		5.812	
2	Additional Transfer from Health to Social Care	1.292		1.292	
3	Carers' Break Funding Allocation	0.819		0.819	
4	Reablement Funding Allocation	1.891		1.891	
5	Additional Allocation of Health Funding			11.600	
6	Disabled Facilities Grant and Social Care Capital Grant		1.876		1.876
	Sub-Total	9.814	1.876	21.414	1.876
	Total	11.690*		23.290*	

* Figures align to latest NHS England funding allocations.

4.3 Table 1 Item 2 - £1.292m in 2014/15

Appendix 3 details the proposed allocation of the additional £1.292m transferred funds. The elements within this are:

- Total allocation and approval of schemes to the value of £1.292m.
- Approve spend on external contracts to the value of £0.447m.
- Staffing expenditure is a non executive decision and therefore will be subject to the appropriate officer approval process.
- Spend associated with 'Maintaining Eligibility Criteria' will be approved through the council's scheme of delegation for adults care packages.

4.4 Table 1 Item 1 - £5.812m in 2014/15.

The allocation and use of the £5.812m was approved at Executive Board Commissioning Sub-Committee on 27 March 2013 and 16 October 2013. A summary of this is set out in Appendix 4 (that supports recommendation 4) and shows the element of the proposed reallocation of schemes to be supported by the BCF.

4.5 The reason for the realignment is to due to schemes previously funded under the Health Transferred Funding, do not now align to the priorities of the BCF. This requires the BCF to be allocated against existing service provision funded from within the Council's Medium Term Financial Plan (MTFP) and the release of the Council's budget to support the previously Health Transfer Funded schemes.

4.6 This funding arrangement will be reviewed and actioned on an annual basis to ensure alignment to the BCF, the Council's priorities and the MTFP.

5 RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)

5.1 Performance Related Pay

The Spending Round indicated that £1bn of the £3.8bn would be linked to achieving outcomes. For Nottingham City this equates to approximately £6m. Ministers have agreed the basis on which this payment-for- performance element of the Fund will operate.

5.1.1 Half of the £1bn will be released in April 2015. £250m of this will depend on progress against four of the six national conditions and the other £250m will relate to performance against a number of national and locally determined metrics during 2014/15. The remainder (£500m) will be released in October 2015 and will relate to further progress against the national and locally determined metrics.

5.1.2 The (national) performance payment arrangements are summarised in the table below:

When:	Payment for performance amount	Paid for:
April 2015	£250m	<ul style="list-style-type: none"> • Progress against four of the national conditions: • protection for adult social care services • providing 7-day services to support patients being discharged and prevent unnecessary admissions at weekends • agreement on the consequential impact of changes in the acute sector; • ensuring that where funding is used for integrated packages of care there will be an accountable lead professional
	£250m	Progress against the local metric and two of the national metrics: <ul style="list-style-type: none"> • delayed transfers of care; • avoidable emergency admissions; and
When:	Payment for performance amount	Paid for:
October 2015	£500m	Further progress against all of the national and local metrics.

5.2 Nottingham City Better Care Fund metrics

The following table details the performance aspirations for Nottingham against each of the agreed national metrics. These targets have been developed based on guidance issued by NHS England and are subject to approval by the Regional Team

NHS Outcomes Framework	
Metrics	How we will measure this
<ul style="list-style-type: none"> • 4% increase of people feeling supported to manage their (long term)condition • 13% Reduction in admissions to residential and care homes; • 6% increase in the effectiveness of reablement; • 5% Reduction in delayed transfers of care; • 10% Reduction in avoidable emergency admissions • Patient Experience metric (TBA). 	<ul style="list-style-type: none"> • Non-elective admissions aged 65+ per 1,000 pop 65+ • Non-elective bed days aged 65+ per head of 1,000 pop 65+ • Non-elective re-admission rate within 30 days • Non-elective re-admission rate within 90 days • Excess winter deaths for over 65s • No of delayed transfer of care days aged 18+ per 100,000 pop • Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement/rehabilitation • Proportion of people aged 65+ discharged direct to residential care • Outcome of short-term support to maximise independence for new and existing clients (STS002a/b) • Permanent admissions to residential / nursing care aged 65+ per 100,000 pop 65+ • Count of clients receiving long-term services (LTS001a)

5.3 To ensure that the performance expectations are delivered a performance dashboard will be created and monitored via the Health and Wellbeing Commissioning Executive Group (HWBCEG). A joint programme Manager post will have the responsibility for ensuring the necessary performance and outcomes are delivering against the agreed metrics, with the HWBCEG providing oversight and guidance, feeding into the Health and Wellbeing Board through quarterly reports. Joint service specifications with clear performance expectations will also be developed for all BCF funded service areas.

5.4 Legal services will assist the commissioning team as required to finalise the Section 256 agreement which is the legal mechanism for the transfer of Health funds to the Council. To mitigate the risk of the performance related payments being withheld the Council must ensure that appropriate provisions are included in its commissioning contracts.

6 SOCIAL VALUE CONSIDERATIONS

6.1 Consideration will be given to how new BCF funded provision could improve the economic social and environmental well-being in Nottingham. By virtue of the integrated nature of services being developed, social improvements are expected to be delivered, particularly for those receiving services. Supporting local communities to better care for their residents is a cornerstone of the

Integrated Adult Care Programme. It is anticipated that a proportion of efficiencies generated from closer integration will in future be made available to pump prime an expansion of community provision.

7 REGARD TO THE NHS CONSTITUTION

7.1 Not applicable

8 EQUALITY IMPACT ASSESSMENT (EIA)

8.1 Due regard has been given to the equality implications identified in the attached EIA. (appendix 5)

9 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

9.1 None

10 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

10.1 None

11 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT

11.1 Jo Williams – Integrated Adult Care Programme Manager, Nottingham CCG

11.2 Maria Principe – Director Primary Care & Service Integration, Nottingham CCG

11.3 Andrew James – Team Leader, Legal, Nottingham City Council

11.4 Darren Revill – Finance Analyst, Nottingham City Council