

HEALTH AND WELLBEING BOARD

29 October 2014

Title of paper:	Better Care Fund	
Director(s)/ Corporate Director(s):	Maria Principe – Director of Primary Care Development and Service Integration Candida Brudenell, Director Quality and Commissioning, NCC	Wards affected: All
Report author(s) and contact details:	Jo Williams, Programme Manager for Adult Integrated Care, NHS Nottingham City CCG Joanne.Williams@nottinghamcity.nhs.uk	
Other colleagues who have provided input:	Antony Dixon, Strategic Commissioning Manager, Nottingham City Council	
Date of consultation with Portfolio Holder(s) (if relevant)		
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 type="checkbox"/>
Deliver effective, value for money services to our citizens		<input type="checkbox"/>
Relevant Health and Wellbeing Strategy Priority:		
Healthy Nottingham: Preventing alcohol misuse		√
Integrated care: Supporting older people		√
Early Intervention: Improving Mental Health		√
Changing culture and systems: Priority Families		<input type="checkbox"/>
Summary of issues (including benefits to citizens/service users):		
<p>This paper provides the Health and Wellbeing Board with detail of the revised Better Care Fund Plan which was originally approved by the Board on February 25th 2014. Revisions to the original plan were required as a result of changes in national guidance by NHS England which are summarised in this paper.</p>		
Recommendation(s):		
1	The Health and Wellbeing Board approves the revised Better Care Fund plan for 2014/15 and 2015/16 as detailed in appendix 1 and 2 as required by NHS England.	

1. REASONS FOR RECOMMENDATIONS

- 1.1 The Better Care Fund provides for £3.8 billion worth of funding nationally (23.297m 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).
- 1.2 Following assurance of plans submitted in April 2014 NHS England announced that all plans would need to be resubmitted. Revised planning and technical guidance for resubmission were published in July 2014. The key substantive changes are as follows:
- Total emergency admissions replaces the original metric of avoidable emergency admissions
 - Of the £1.9bn additional NHS contribution to the BCF, £1bn will remain within the BCF but will now be either commissioned by the NHS on out-of-hospital services or be linked to a reduction in total emergency admissions (as in Nottingham). The intention of this policy change is to ensure that the risk of failure for the NHS in reducing emergency admissions is mitigated, and CCGs are effectively compensated for unplanned non elective activity. This replaces the 'pay for performance' fund linked to the production of a plan and delivery against national and local metrics. No payment will now be linked to these metrics, although Health and Wellbeing Boards will be expected to continue to set levels of ambition for these within their plans.
 - All plans will be expected to clarify the level of protection of social care from the £1.9bn NHS additional contribution to the BCF, including that at least £135m has been identified for implementation of the Care Act
 - Every Health and Wellbeing Board is asked to sign off and resubmit their Better Care Fund Plan by 19 September. Up to and after this date there will be a support and assurance process so that the Chief Executive of NHS England (as the accounting officer of the BCF) and Ministers can be confident that the plans are affordable and deliverable in 2015/16
- 1.3 The BCF Plan was submitted to NHS England on 19th September in accordance with guidance requirements. The Plan has subsequently been reviewed by a team appointed by NHS England. The feedback from the review was very positive and the plan has been rated as 'high'. In the guidance this is described as a: *'high quality, coherent, comprehensive and credible plan, it is well written and there are no issues with the financial or metric elements'*. The NHS England Area Team and Local Government regional peers will now determine the approval status of the plan. Plans will be approved, approved with support, approved with conditions or not approved. An announcement is expected by the end of October.
- 1.4 Work is now underway to support implementation of the Better Care Fund Plan. This includes development of a section 75 agreement, agreeing processes for managing the pooled budget, establishing a work group to oversee performance. Further guidance is expected following the assurance process currently underway.

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.

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 includes funding previously transferred by local NHS commissioners to the Council under Section 256 Agreements and a further £1.9 billion nationally NHS Contribution.

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.

2.2 Nottingham City’s approach to implementing the Better Care Fund Principles

A sub group made up of CCG and LA members met 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 non-elective admissions
 - Improve Delayed Transfers of Care
 - Reduce admissions to residential care
 - Remain at home after 90 days after re-ablement

2.3 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.

<p>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</p>	<p>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.</p>
---	--

2.4 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”*

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.

4. FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)

4.1 Council and Health commissioners have proposed a 50/50 split of the risk should the performance related element of the BCF Plan not be delivered. This totals £1,556,052 annually which will be paid proportionately on a quarterly basis dependent on the extent to which the 3.5% reduction in non-elective emergency admissions to acute care is delivered. BCF planning guidance requires risk sharing arrangements for the performance related element to be detailed within the Plan.

4.2 The BCF Plan is over-committed with the total value of the plan standing at £25,845m, an over-commitment of £2.548m. Of this £1.489m is additional CCG funding for reablement provision and £0.373 is City Council funding for Care Act requirements that are not already contained within the BCF Plan. It is proposed to share the £0.686 remaining over-commitment on a 50/50 basis.

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

5.1 **Performance Related Pay**

As detailed in revised national guidance the performance related element of the BCF will now be based on performance against a target of a 3.5% reduction in total emergency admissions (as suggested in the National Guidance). This funding will be released from the CCG into the pooled budget on a quarterly basis, depending on performance. These payments start in May 2015 based on Quarter 4 performance in 2014/15. The remaining proportion of the £1bn will be released to the CCG upfront in Quarter 1 in 2015/16. Funding linked to total emergency admissions will be based on the total figure for the whole Health and Wellbeing Board area, not just to the portion resulting from BCF schemes. The performance related element will be based on the proportionate delivery against target on a quarterly basis

- 5.2 Concerted efforts are being made across the local health and social care economy in a number of ways to ensure that these reductions are achieved. For instance, senior leaders meet on a weekly basis through the System Resilience Group to escalate and resolve issues. In addition an Urgent Care Programme Director has recently been appointed on behalf of the City and County CCGs to lead on this agenda.
- 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 Assistant Director post has been appointed and 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. EQUALITY IMPACT ASSESSMENT

Has the equality impact been assessed?

Not needed (report does not contain proposals or financial decisions)

No

Yes – Equality Impact Assessment attached

Due regard should be given to the equality implications identified in the EIA.

7. LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

None

8. PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

Health and Wellbeing Board paper 'Better Care Fund' February 2014.