

## **SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Slough Wellbeing Board      **DATE:** 25 March 2015

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**WARD(S):** All

### **PART I** **FOR INFORMATION**

#### **BETTER CARE FUND – POOLED BUDGET AGREEMENT 2015/16**

1.      **Purpose of Report**

The report presents the proposed Pooled Budget agreement for the Better Care Fund (BCF) for Slough which brings together health and local authority funding into a single budget for use in commissioning and delivering integrated health and social care services. The creation of a Pooled Budget is part of the national conditions for the Better Care Fund 2015/16 and is permitted in legislation through section 75 of the NHS Act 2006.

2.      **Recommendation(s)/Proposed Action**

The Wellbeing Board is requested to note the following:

- The Council and Clinical Commissioning Group entering into a pooled arrangement under S75 of the NHS Act 2006
- The Council being the host of the Pooled Budget
- The financial contributions to the budget together with the proposed arrangements for governance and management of the plan
- Delegation to the Director of Wellbeing for Slough Borough Council (following consultation with the Leader and Commissioner for Finance & Strategy and Commissioner for Health and Wellbeing) and the Chief Financial Officer of Slough CCG (subject to approval by the Slough CCG Governing Body) for the final signing of the Section 75 agreement.

The BCF spend plan for 2015/16 was agreed by the Slough Wellbeing Board in September 2014 and subsequently assured and approved by NHS England through a national assurance review programme of BCF plan submissions in December 2014. The fund is made available to local areas subject to it being used in accordance with the final approved plan and through a section 75 pooled fund agreement.

3.      **The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**

The Slough Joint Wellbeing Strategy (SJWS) is the document that details the priorities agreed for Slough with partner organisations. The SJWS has been

developed using a comprehensive evidence base that includes the Joint Strategic Needs Assessment (JSNA).

### 3.1 **Slough Joint Wellbeing Strategy Priorities**

The actions the local authority and CCG will take to address the requirements of the BCF, will aim to both improve, directly and indirectly, the wellbeing outcomes of the people of Slough against all the priorities as set out below:

- Economy and Skills
- Health
- Regeneration and Environment
- Housing
- Safer Communities

It will do this by promoting people's wellbeing, enabling people and families to prevent and postpone the need for care and support, and putting people in control of their lives so they can pursue opportunities underpinned by the theme of civic responsibility. The longer term impact of improved wellbeing will be visible, thus contributing positively in improving the image of the town.

The BCF plan addresses a range of activities which focus on diversion from A&E and increasing community based support services. These services improve health and wellbeing outcomes for people in Slough. The plan seeks to address key cross cutting themes such as prevention, early intervention and management of conditions which limit inclusion.

3.2 The BCF plan has been produced in alignment with the key needs assessment data in the Slough JSNA so as to develop areas of prevention, through integration of commissioning and in delivery of care to bring about improvements in the management and support of people with health and social care needs in the community and reduce hospital admissions where possible.

### 3.3 **Five Year Plan Outcomes**

The BCF Plan will in its delivery contribute to the Council's 5 year plan outcomes of:

- More people will take responsibility and manage their own health, care and support needs.

The plan has within it a focus on supporting people and communities to maintain or regain independence where possible and support a culture of greater self-care and shared responsibility.

- Children and young people in Slough will be healthy, resilient and have positive life chances.

The plan has in part a focus on the proactive identification and support of children and young people with health conditions that put them at risk of admission to hospital which will enable them to be better supported at home and in their community.

## 4. **Other Implications**

### (a) Financial

The creation of a Pooled Budget for the BCF will bring financial benefits to the health and social care system for Slough. It will do this in a variety of ways including:

- Joint planning and joint prioritising of investment
- A proactive approach to intervention of support or treatment so as to prevent or delay a decline in health and reduce likelihood of an admission to hospital
- Improved efficiencies from working better across the system both in the sharing of information and in bringing together services
- Flexibility in the way that health and social care funds can be used to meet population needs
- Transparency over use of funds.

The development of the BCF has other financial implications for both the Council and the CCG for the following reasons:

- the ongoing financial and demographic pressures facing Councils and the NHS
- the creation of a formal pooled budget agreement requires changes to governance and management of risks related to the identified funds
- there are financial implications for elements of the Care Act arising from new health and social care responsibilities
- The release of funding from the acute hospital to further support the implementation of the BCF
- The risk the fund carries from the performance payment if agreed outcomes measures are not delivered
- Costs arising from the escalation of non-elective admissions into the acute sector hospitals

Financial risks will be managed within the risk and issues log and project plan of the BCF Joint Commissioning Board with escalation to the Wellbeing Board, CCG Governing Body and SBC Cabinet as appropriate.

#### (b) Risk Management

Within the pooled budget agreement schedule 1 is an outline of planned expenditure for 2015/16 and the corresponding risk share arrangement in respect of the commissioning arrangements of each scheme within the pool and whether funded in full or part from the pooled budget. Governance of the programme is directed through the Joint Commissioning Board with equal voting members from the Council and CCG (this is described in schedule 2 of the agreement).

To help prepare and manage financial risk the BCF Plan has identified £1.158m contingency monies within the pooled budget to cover possible areas of risk including failing to achieve the target of 3.5% reduction of non-elective admissions (the 'Payment for Performance' element within the BCF) together with a further £483,000 for additional protection of social care services.

The following specific risks have been highlighted within the programme plan and outline the high level risks currently identified in relation to delivery of our BCF plans and strategy. The programme is part of a dynamic and fast evolving environment with many interdependencies and a proactive approach to risk mitigation and management is required.

We are committed to maintaining a risk register and regularly reviewing this jointly within the fortnightly BCF Delivery Group meetings and at the quarterly BCF Joint Commissioning Board meetings. The following high level risks are included in the plan together with how they are to be managed and mitigated:

1. Improvements in the quality of care do not translate in to the required reductions in acute and social care activity impacting on the funding available to invest in further preventative capacity
2. Changes to acute patterns of activity exacerbate the instability of the main Provider and plans to address this prove difficult to realise, leading to prolonged uncertainty within the local provider market with an impact on the quality and financial health of the local economy
3. The financial outlook for the health and care economy continues to be uncertain and challenging with a knock on effect on the ability to invest on a sustained basis to alter patterns of care
4. The introduction of the Care Act and wider social care reform will result in unanticipated consequences including additional unforeseen costs.
5. The changes to Slough's population and unexpected patterns of demand (e.g. transient and or migrant populations) exceed JSNA projections resulting in greater demand for health and care services which in turn outstrip the ability of the local economy to manage them
6. The culture change and change management associated with moving to new ways of working take longer to achieve due to operational pressures on staff, delaying the take up of new services and impacting on required activity reductions
7. Information Governance: local arrangements contingent upon national agreement. There are difficulties in sharing patient / service user information between health and social care professionals.

The following risks and mitigating actions also apply under these categories:

<b>Risk</b>	<b>Mitigating action</b>	<b>Opportunities</b>
Legal	The pooled budget agreement to be in place by 1 April 2015.  <i>*(This date will not now met as is pending agreement from the CCG Governing Body)</i>	Improved joint working and better value for money.
Property	None	None
Human Rights	Engage residents and service users in BCF development.	Improved wellbeing for residents and positive experience of services.
Health and Safety	None	None
Employment Issues	Consultations will be carried out with staff if necessary.	Improved joint working and better value for money.
Equalities Issues	EIA to be carried out on proposed changes.	Improved wellbeing for all residents.
Community Support	Engage community services in BCF development.	Improved joint working and better value for money.

Communications	Utilise communication functions to keep stakeholders up to date.	Better understanding of BCF and health and wellbeing in Slough.
Community Safety	Engage community safety services in BCF development.	Improved joint working and better value for money.
Financial	Robust risk and project management in place.	Improved joint working and better value for money.
Timetable for delivery	Timetable agreed with SWB, CCG and SBC. Programme managed to deliver on agreed milestones on time.	Improved joint working.
Project Capacity	BCF Programme Manager for Slough in post	Improved joint working and better value for money.
Acute Sector.	Ensure that Acute Health Sector is part of planning and delivery of BCF priorities.	Improved joint working and better value for money.

### (c) Human Rights Act and Other Legal Implications

No Human Rights implications arise.

There are legal implications arising from the establishment of this Pooled Budget arrangement. The Slough legal team have provided support to the development of the agreement and will give approval to the agreement before it is signed.

### (d) Equalities Impact Assessment

The BCF aims to improve outcomes and wellbeing for the people of Slough through effective protection of social care and integrated activity to reduce emergency and urgent health demand. Impact assessments will be undertaken within project planning to ensure that there is a clear understanding of how various groups are affected.

### (e) Workforce

There will be workforce implications for staff but these are not known yet as all developments are in the early stages of scoping and planning. Any changes to workforce will follow due process for formal consultation as and when required. It is likely that this will be a step approach and that changes will be incremental focusing on bringing together of access points across services initially.

## 5. Supporting Information

### **National context**

- 5.1 In the 2013 Chancellor's Spending Round a £3.8 billion fund was announced for 2015-16 for integrating health and social care services. This fund is known as the 'Better Care Fund' (BCF).

The purpose of the BCF is to create a health and social care pooled budget which brings together services for adults in order to improve integrated and holistic working and improve outcomes for service users.

The funding of parts of the implementation of the Care Act 2014 will also form part of the responsibilities of the BCF. It was announced as part of the Spending Round that the BCF would include funding for some of the costs to councils resulting from care and support reform.

- 5.2 Key outcome measures for the BCF are:
- Reducing emergency admissions;

- Reducing delayed transfers of care;
- Increasing the effectiveness of re-ablement;
- Reducing admissions to residential and nursing care;
- Improving patient and service user experience;
- And one further locally agreed outcome measure from a pick list provided by NHS England. Slough's chosen measure is *improving the health-related quality of life for people with long-term conditions*.

5.3 Key conditions to be met as part of the BCF plan are:

- A jointly agreed local plan approved by each areas Health and Wellbeing Board
- Protection for social care services (not spending);
- 7-day working in health and social care to support patient discharge and prevent unnecessary admissions at weekends;
- Improved data sharing between health and social care, using the NHS patient number;
- Joint assessments and care planning;
- One point of contact (an accountable professional) for integrated packages of care;
- Risk-sharing principles and contingency plans in place if targets are not met – including redeployment of the funding if local agreement is not reached; and
- Agreement on the consequential impact of changes in the acute sector.

### Local Context

5.4 In the final BCF plan Slough has agreed on a pooled budget of £8.762 million for 2015/16. This is the minimum amount required for 2015/16 by NHS England.

Organisation	Contribution 2015/16 (£000's)
Slough Borough Council	£694
Slough CCG This includes: - funds to social care £5.122m - other CCG commitments of £2.946m	£8,068
TOTAL	£8,762

5.5 The pooled budget contains funding contributions from both partners to the agreement.

There is significant element of CCG contribution to the pool that is delivering social care services and support to the value of £5.122m.

The SBC contribution of £694,000 comprises of Disabled Facilities Grant (£407k) and Social Care Capital Grant (£282k). The DFG funding will be pass-ported to SBC housing to fund adaptations in people's homes to support and retain independence. The social care capital grant will be used to support the capital expenditure within the implementation of the care act.

Both of these elements of the pool will be commissioned by the Council.

There is a further £2.946m CCG funding with the pooled budget which is made up of either NHS spend, where the CCG will be the commissioner, or joint projects where either the Council or the CCG will be the commissioner. This will be outlined scheme by scheme in the agreement.

5.6 The Section 75 agreement is made up of a standard legal agreement and a series of schedules that cover agreed schemes to be funded, governance, risk share and over/underspends, joint working obligations and performance.

5.7 The reports to the CCG Governing Body and the Cabinet make the recommendation that the Council be the host for the pool as the majority of the spend of the pool will be by social care and the agreement will be initially for one year with agreement for a further year to be undertaken after a review of year one.

#### 5.8 **Governance**

The contributions to the pool will be made annually before the start of each financial year by each parties governing body and changes in year can be made with the agreement of both partners.

The management of the pooled budget will be by the Joint Commissioning Board that will have four voting members:

CCG: Chief Finance Officer and Director of Strategy and Development

SBC: Corporate Finance Partner and Assistant Director Adult Social Care.

This board will meet quarterly.

The board will be supported by a BCF delivery group that meets fortnightly and is made up of key officers from CCG and SBC.

5.9 The pooled budget will be audited by the hosts external auditors and the Councils S151 Officer will have to produce a signed statement about the year-end expenditure and how it has been spent.

#### 5.10 **Risk Sharing Agreement**

Schedule 3 of the agreement covers risk share and overspends. It identifies the ways in which the pooled budget will not overspend and actions that will be taken to achieve this – including:

- agreeing an action plan to reduce expenditure in one or all schemes
- identifying underspend in schemes where funding can be vired to other schemes
- agreeing additional contributions where possible
- decommissioning of services and reducing activity
- use of the contingency built into the BCF

Risk share will be on a scheme by scheme basis and related to the responsible commissioner. This is necessary at this stage because of the pay for performance element of the BCF that is related to reducing admission rates to hospitals. The BCF plan has identified a contingency fund to manage this that is made up of CCG contributions.

5.11 The pooled budget will deliver the Slough BCF vision of:

*“My health, My care: Slough health and social care services will join together to provide consistent, high quality personalised support for me and the people who support me when I’m ill, keeping me well and acting early to enable me to stay happy and healthy at home.”*

5.12 Slough’s BCF Plan centres on the following priority areas:

### **Proactive Care**

Identifying those people in our community who are the most vulnerable and supporting them through care planning and providing access to an accountable professional. Also will include the targeting of effective intervention and support to those who most benefit and most at risk of ill health.

### **A Single Point of Access into Integrated Care Services**

Establishing and running a single contact point (with a single phone number) for accessing a range of short term health and social care services that will support those in crisis and direct them into the right services in a co-ordinated and timely way. Through this there will be greater co-ordination of the range of services locally that support people in crisis or short term need. This will lead into the integration of local care teams and services where appropriate and will bring greater benefit.

### **Strengthening Community Capacity**

Greater utilisation and development of the voluntary and community sector through a more co-ordinated and integrated commissioning approach under a potential prospectus based approach to help deliver better outcomes for vulnerable people by supporting them within the community. This will encourage contribution from the community and voluntary sector to integrated care services locally and improving and maintaining the health of Slough residents.

## **6. Comments of Other Committees**

The Pooled Budget is a joint agreement between Slough Borough Council and the Slough Clinical Commissioning Group. As such the agreement requires approval and sign off from both the CCG Governing Body and the SBC Cabinet.

SBC Cabinet approved the Pooled Budget at its meeting on the 9<sup>th</sup> March 2015.

The report will be going to the CCG Governing Body meeting on 7 April 2015. This means that the Pooled Budget will not be in place from 1 April but will come into effect when agreed by both partner organisations.

## **7. Conclusion**

The creation of a Pooled Budget under a section 75 agreement is part of the conditions of the Better Care Fund plan. It aims to enhance and progress local integration through a shared commitment to managing a budget in partnership to address shared priorities and better outcomes for people using services.

The Wellbeing Board is requested to note the following:



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8. **Background Papers**

'1' [Better Care Fund Plan submission September 2014](#)

'2' [Better Care Fund Planning Guidance, Templates and Allocations](#)