

# BETTER CARE FUND SECTION 75 AGREEMENT

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| <b>Cabinet Member(s)</b>    | Councillor Philip Corthorne                    |
| <b>Cabinet Portfolio(s)</b> | Social Services, Housing, Health and Wellbeing |
| <b>Officer Contact(s)</b>   | Gary Collier, Social Care                      |
| <b>Papers with report</b>   | Draft Better Care Fund Section 75 Agreement.   |

## HEADLINES

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| <b>Summary</b>                            | <p>The Better Care Fund (BCF) is a mandatory process through which existing Council and Hillingdon Clinical Commissioning Group (HCCG) budgets will be pooled and then reallocated on the basis of an approved plan intended to achieve closer integration of health and social care activities. This is intended to lead to improved outcomes for residents.</p> <p>The main focus of Hillingdon's 2017/19 BCF Plan continues to be supporting the independence of the 65 and over population. The plan also considers the needs of broader population groups where it is logical to do so, e.g. Carers of all ages and all age provision of homecare and outreach services.</p> <p>The result of the assurance process is expected by the date of the Cabinet meeting but the next phase is to establish a formal agreement between the Council and HCCG under Section 75 of the National Health Service Act, 2006. This is in order to give legal effect to the financial arrangements within the plan.</p> <p>This report highlights the key terms and conditions of the proposed agreement and seeks Cabinet approval to enter into it with HCCG for the two year period of the plan.</p> |
| <b>Putting our Residents First</b>        | The recommendation will contribute to the Council's objectives of: <i>Our People and Financial Management</i> . It also supports the joint delivery of the Health and Wellbeing Strategy.  |
| <b>Financial Cost</b>                     | The pooled funds within the Section 75 total £36,814k in 2017/18 and £54,049k in 2018/19.  |
| <b>Relevant Policy Overview Committee</b> | Social Services, Housing and Public Health   |
| <b>Ward(s) affected</b>                   | All  |

## RECOMMENDATIONS

That Cabinet agrees to:

- a) Enter into a pooled budget arrangement for the Better Care Fund with Hillingdon Clinical Commissioning Group (known as NHS Hillingdon) at a total value of £90,863k for the period 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2019 (£36,814k for 2017/18 and £54,049k for 2018/19) ; and
- b) Delegate authority to the Leader of the Council and the Cabinet Member for Social Services, Housing, Health and Wellbeing, in consultation with the Corporate Director of Finance and the Corporate Director of Social Care, to amend the Better Care Fund Section 75 agreement during the term of the agreement, where this will benefit residents.

### Reasons for recommendations

1. *Section 75 agreement* - Using powers under the 2006 National Health Service Act, NHSE makes the release of the £16,854k in 2017/18 (and £17,175k in 2018/19) element of Hillingdon's Better Care Fund that is under its control conditional on a pooled budget being established between the Council and Hillingdon Clinical Commissioning Group (HCCG) under a section 75 (s.75) agreement.

2. *Amendments to the s.75 agreement* - The recommendation enables the Council to be more responsive to opportunities to deliver better outcomes for residents that may arise during the period of the s.75 agreement.

### Alternative options considered /risk management

3. *BCF s.75 approval* - Cabinet could decide not to enter the agreement with HCCG for 2017/19 but this is not recommended as it would mean that the Council would not receive £6,085k additional protecting social care funding in 2017/18 (£6,201k in 2018/19). It could also impact on the £3,457k Disabled Facilities Grant in 2017/18 (£4,174k in 2018/19) that is paid directly to the Council by the Department of Communities and Local Government (DCLG) and also the £4,054k Improved Better Care Fund Grant (IBCF) that is paid directly to the Council by the DCLG (£2,947k in 2018/19). In both cases grant conditions require that the Council has an agreed BCF plan in place that meets national conditions, including having a s.75 in place.

4. *Amendments to the s.75 agreement* - Cabinet could decide that it wants any changes to the s.75 considered by a full meeting of Cabinet. This is not recommended as it increases the workload of Cabinet and reduces the responsiveness of the Council.

### Policy Overview Committee comments

5. External Services Scrutiny Committee and Social Services, Housing and Public Health Overview and Scrutiny Committee have been informed of the content of the plan approved by the Health and Wellbeing Board. This provided both Committees with an opportunity to inform any potential amendments to the plan in 2018/19.

## INFORMATION

### Background

6. The Better Care Fund (BCF) is a national initiative intended to deliver integration between health and social care in order to improve outcomes for residents. It is the mechanism that is being used by Government to implement the new integration duty under the 2014 Care Act and the 2017/19 plan is the third year and builds on the achievements of the two previous years.

7. The minimum amount required to be included within the BCF pooled budget for 2017/18 is £16,854k and £17,175k in 2018/19. Both the Council and the CCG have agreed to an increase in the level of ambition and a resultant increase of £19.9m above the minimum required in 2017/18 to £36,814k and £36.8m to £54,049k in 2018/19.

8. The 2017/19 plan was approved at the Health and Wellbeing Board meeting on the 26<sup>th</sup> September and formally submitted on the 27<sup>th</sup> September. The plan completed the CCG's governance processes on 27<sup>th</sup> September. Notification was received from NHSE on 31<sup>st</sup> October that Hillingdon's plan had been approved without conditions.

### Hillingdon's BCF Plan Summarised

9. The focus of the 2017/19 plan approved by the HWB and HCCG Governing Body in September will continue to be on the 65 and over population. The plan comprises of six schemes and the aims of these schemes are summarised in table 1 below.

| <b>Table 1: Better Care Fund Schemes Summary</b>              |   |
|---|---|
| <b>Scheme</b>   | <b>Scheme Aim</b>   |
| <i>Scheme 1:</i> Early intervention and prevention.           | To manage demand arising from demographic pressures by reducing the movement of Hillingdon residents/patients from lower tiers of risk into higher tiers of risk through proactive early identification and facilitating access to preventative pathways.   |
| <i>Scheme 2:</i> An integrated approach to supporting Carers. | To maximise the amount of time that Carers are willing and able to undertake a caring role.   |
| <i>Scheme 3:</i> Better care at end of life.                  | To realign and better integrate the services provided to support people towards the end of their life in order to deliver the ethos of a 'good death.'<br>The main goals of the scheme are to: <ul style="list-style-type: none"> <li>• Ensure that people at end of life are able to be cared for and die in their preferred place of care; and</li> <li>• To ensure that people at end of life are only admitted to hospital where this is clinically necessary or where a hospital is their preferred place of care or death.</li> </ul> |

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| <p><i>Scheme 4: Integrated hospital discharge.</i></p>                   | <p>This scheme seeks to prevent admission and readmission to acute care following an event or a health exacerbation and enabling recovery through intermediate care interventions with the aim of maximising the person's independence, ability to self-care and remain in their usual place of residence for as long as possible.</p> <p>A further objective of this scheme is to support discharge from mental health community beds in recognition of the impact of these delays on patient flow through Hillingdon Hospital.</p>   |
| <p><i>Scheme 5: Improving care market management and development</i></p> | <p>This scheme is intended to contribute to the STP 2020/21 outcomes of achieving:</p> <ul style="list-style-type: none"> <li>• A market capable of meeting the health and care needs of the local population within financial constraints; and</li> <li>• A diverse market of quality providers maximising choice for local people.</li> </ul>  |
| <p><i>Scheme 6: Living well with dementia</i></p>                        | <p>The objective of this scheme is that people with dementia and their family carers are enabled to live well with dementia and are able to say:</p> <ul style="list-style-type: none"> <li>• <i>I was diagnosed in a timely way.</i></li> <li>• <i>I know what I can do to help myself and who else can help me.</i></li> <li>• <i>Those around me and looking after me are well supported.</i></li> <li>• <i>I get the treatment and support, best for my dementia, and for my life.</i></li> <li>• <i>I feel included as part of society.</i></li> <li>• <i>I understand so I am able to make decisions.</i></li> <li>• <i>I am treated with dignity and respect.</i></li> <li>• <i>I am confident my end of life wishes will be respected. I can expect a good death.</i></li> </ul> |

10. The main areas of progression from the 2016/17 plan include:

- **Joint market management and development approach** - This is the area that represents step-change for Hillingdon. It includes:

- Development of an all-age joint brokerage service. This service will arrange homecare packages, short and long-term nursing home placements and Direct Payments and Personal Health Budgets on behalf of the Council and the CCG as a pilot that will be reviewed after a year;
- Commissioning of integrated, all-age homecare provision in 2017/18 on behalf of the Council and the CCG. This will be developed as a pilot of approximately two years and results from the pilot will help to inform the longer-term commissioning model;
- Commissioning of integrated end of life care at home provision in 2017/18 on behalf of the Council and the CCG. Included within the homecare pilot mentioned above, this will also be subject to a review to inform the longer-term commissioning model;
- Development of an integrated commissioning model for nursing home placements from 2019/20;
- Supporting care homes - This is a combination of preventing emergency admissions that are avoidable and using different approaches to ensure sufficient supply of residential care homes and nursing care homes for people living with dementia as well as general nursing homes.
- **Getting hospital discharge right** - The plan is proposing to bring together the various services involved in facilitating discharge from hospital into the community into a more integrated model.
- **Developing the Accountable Care Partnership (ACP)** - The Council will consider joining the ACP if the case can be made that this will result in better outcomes for residents.
- **Developing a single point of access for older people** - The scope for developing a single point of access into third sector provided services for older people linked with the H4All Wellbeing Service will be explored.
- **An integrated approach to supporting Carers** - The intention is to consolidate the work that has taken place so far in supporting Carers to ensure a shared commitment across partners to the identification and referral of people who are Carers so that they can access timely support.
- **Exploring use of Disabled Facilities Grant flexibilities** - Options for using Disabled Facilities Grants more flexibly to meet anticipated needs of people with long-term conditions and also for supporting the hospital discharge process will be developed for Cabinet's consideration during 2017/18.

## **Section 75 Agreement: Key Features**

11. The key features of the draft Agreement are as follows:

- **Agreement duration:** In compliance with Government requirements, the proposed agreement is for two years backdated to the start of 2017/18. This would be compliant with national conditions;
- **Hosting:** The practice for the last two years has been for the Council to host the pooled budget and it is proposed that this be replicated for the 2017/19 plan. This will once again be the equivalent of a joint bank account for 2017/19 and means that no existing contracts will transfer to the Council from HCCG and that therefore all provider payment arrangements will remain as during 2016/17;
- **Risk share:** The Council and CCG agreed that for both the 2015/16 and 2016/17 BCF plans both organisations would manage their own risks. It is proposed that a similar approach is taken during 2017/18 except for two specific service areas and these are:
  - *Community equipment* - It is proposed that the risks associated with under or over-performance would be shared proportionate to the financial contribution of each organisation. This was 50:50 in 2016/17 in reflection of established practice since 2010 and it is proposed that this arrangement continue for the duration of the agreement;
  - *Integrated homecare service* - During the period of the pilot it is proposed that shadow arrangements be put in place whereby the Council and HCCG are responsible for the costs of meeting the needs of their own referrals. This will help to determine the appropriateness of contributions by each organisation and this will then help to inform risk share arrangements as part of the agreed commissioning model from October 2019. In October 2019 the contracts with three main homecare providers will end, which creates an opportunity to have in place a longer-term model with consistent service standards across the Borough.
- **Dispute resolution:** Any disputes will be referred to the Leader of the Council and the Chairman of the HCCG Governing Body and will be final and binding.
- **Governance:** The delivery of the plans over the last two years was overseen by the Core Officer Group comprising of the Council's Chief Finance Officer, the CCG's Deputy Chief Finance Officer, the Corporate Director of Social Care (a statutory member of the HWB), the CCG's Chief Operating Officer and the Council's Head of Health Integration and Voluntary Sector Partnerships. This is reflected within the 2017/19 Agreement and aligned with the broader governance arrangements for the delivery of the Health and Wellbeing Strategy, which represents the local aspect of the North West London sector Sustainability and Transformation Plan (STP).
- **Review mechanism:** A provision is included within the agreement that allows for a review and variation during its term in order to respond to changed circumstances.
- **Service-specific schedules:** Reflecting the increased level of ambition within the 2017/19 plan with a more integrated approach to market management and development that can be seen with the integrated brokerage and integrated homecare pilots, there are specific schedules within the agreement that address how these services will operate. A schedule

has also been included that reflects a more integrated approach to the provision of Personal Health Budgets (PHBs) and Direct Payments.

## Implementation and Performance Monitoring

12. Performance updates on the delivery of the BCF plan will continue to be a standing item on the agenda of the Health and Wellbeing Board during 2017/19 from Q3 and performance reports will also be considered by HCCG's Governing Body.

## Financial Implications

13. The sources and allocation of funding is set out in table 2 below:

| <b>Table 2 : Overall draft Funding Summary 2016/19</b> |                |                |                |
|--|----------------|----------------|----------------|
|  | 2016/17        | 2017/18        | 2018/19        |
|  | £000's         | £000's         | £000's         |
| Protecting Social Care                                 | £5,937         | £6,085         | £6,201         |
| CCG Share of Minimum Contribution                      | £10,619        | £10,769        | £10,974        |
| <b>Total Minimum Level of Pooled BCF funding</b>       | <b>£16,556</b> | <b>£16,854</b> | <b>£17,175</b> |
| Disabled Facilities Grant                              | £3,457         | £3,815         | £4,174         |
| Additional Council Contribution                        | £1,172         | £5,702         | £11,646        |
| IBCF Section 31 Grant                                  | £0             | £4,054         | £5,258         |
| Additional CCG Contribution                            | £1,346         | £6,389         | £15,796        |
| <b>Total BCF Funding 2017/18</b>                       | <b>£22,531</b> | <b>£36,814</b> | <b>£54,049</b> |

14. LB Hillingdon will host the Pooled Budget and will invoice HCCG for their total contribution to the Pool in 2017/19 (£23,243k in 2017/18 and £32,971k in 2018/19) and offset this by their allocation from the Pool (£17,158k in 2017/18 and £26,770k in 2018/19) resulting in a net payment of £6,085k to LB Hillingdon in 2017/18 and £6,201k in 2018/19.

15. LB Hillingdon's contribution to the Pooled Budget is contained within the overall budget for the Council and includes budgets from Social Care, Residents Service and Chief Executive's Office directorates.

## EFFECT ON RESIDENTS, SERVICE USERS & COMMUNITIES

### What will be the effect of the recommendation?

16. The Council and its partners will be able to proceed with the implementation of the BCF Plan, which should deliver better outcomes for residents through the closer integration of health and social care.

## Consultation Carried Out or Required

17. Extensive consultation was undertaken as part of the development of the 2015/16 BCF plan, for which most of the proposals in the 2016/17 are a logical extension. There has been additional consultation with the Metrohealth GP network, Hillingdon Hospital, CNWL (community health and community mental health), the voluntary sector (H4All) and private residential and nursing care home providers through the Older People's Care Home Provider Forum. Residents have been consulted on the proposals through the Disabled Tenants' and Residents' Association and the Older People's Assembly.

18. HCCG has been consulted in the development of the s.75 agreement and HCCG's Governing Body approved the agreement at its meeting on the 3<sup>rd</sup> November 2017.

## CORPORATE IMPLICATIONS

### Corporate Finance

19. Corporate Finance has reviewed this report and the associated financial implications, noting that entering into local Better Care Fund arrangements for 2017/18 to 2018/19 will enable the Council to secure substantial grant funding to support Adult Social Care services. As in previous years, proposed Section 75 Agreement is not expected to expose the Council to additional financial risk as both parties will retain responsibility for their respective service areas.

20. The 2017/18 Better Care Fund proposals include the £4,054k Improved BCF grant which is being utilised to stabilise the Social Care Provider Market in response to a number of financial pressures, including the annual uprating of the London Living Wage and associated impact of workforce costs. Broader financial pressures impacting upon Social Care provision, including both population-led and inflationary pressures are expanded upon within the MTFP report also being presented to Cabinet on this agenda.

### Legal

21. The Borough Solicitor confirms that the proposed agreement between the Council and the CCG complies with the requirements of Section 75 of the National Health Service Act 2006 and the NHS Bodies 2nd Local Authorities Partnership Regulations 2000 (as amended).

22. There are no Legal impediments to prevent the agreement being concluded.

## BACKGROUND PAPERS

2017/19 Better Care Fund Plan and supporting documents

<http://www.hillingdon.gov.uk/article/28647/Introducing-the-Better-Care-Fund>