

## 2023/24 BETTER CARE FUND SECTION 75 AGREEMENT

<b>Cabinet Member(s)</b>	Cllr Jane Palmer
<b>Cabinet Portfolio(s)</b>	Health and Social Care
<b>Officer Contact(s)</b>	Gary Collier – Adult Social Care and Health
<b>Papers with report</b>	Appendix 1 - Draft 2023/24 Better Care Fund Section 75 Agreement ( <b><u>circulated on separate appendix</u></b> )

### HEADLINES

<b>Summary</b>	<p>The Better Care Fund (BCF) is a mandatory process through which Council and North West London Integrated Care Board (ICB) budgets are 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. The BCF is also a route through which the Government targets funding to support the local health and care systems.</p> <p>The focus of Hillingdon's 2023/25 Better Care Fund plan is improving care outcomes for older people, adults living with long-term conditions and people with learning disabilities and/or autism. The Council and the ICB are required to enter into an agreement under section 75 of the National Health Service Act 2006 for 2023/24 in order to give legal effect to the financial and partnership arrangements within the plan.</p>
<b>Putting our Residents First</b>  <b>Delivering on the Council Strategy 2022-2026</b>	<p>This report supports our ambition for residents / the Council of:</p> <ul style="list-style-type: none"><li>• Live active and healthy lives.</li><li>• Staying independent for as long as they are able.</li></ul> <p>This report supports our commitments to residents of:</p> <ul style="list-style-type: none"><li>• Thriving, Healthy Households</li></ul> <p>This report will contribute to delivery of priorities within the 2022 – 2025 Joint Health and Wellbeing Strategy.</p>
<b>Financial Cost</b>	<p>The recommended total amount for the BCF for 2023/24 is £96,535k made up of a Council contribution of £66,876k and an ICB contribution of £29,659k.</p>

Select Committee	Health and Social Care
Wards	All

## RECOMMENDATIONS

### That Cabinet:

1. **Agrees to the London Borough of Hillingdon entering into an agreement with North West London Integrated Care Board (NHS North West London) under section 75 of the National Health Service Act 2006 for the delivery of the Better Care Fund plan as described in the report from the 3<sup>rd</sup> April 2023 to 31<sup>st</sup> March 2024 at a value of £96,534,618.**
2. **Agrees that this includes the provision to extend the agreement for up to a further 12 months, delegating approval of any extension to the Leader of the Council and Cabinet Member for Health and Social Care, in consultation with the Corporate Director, Adult Social Care and Health.**
3. **Delegates to the Corporate Director, Adult Social Care and Health authority to amend the terms of the agreement with NHS North West London during 2023/24, in consultation with the Leader of the Council and the Cabinet Member for Health and Social Care.**

### Reasons for recommendation

1. **Entering Section 75 agreement:** Using powers under the 2006 National Health Service Act, NHS England makes the release of the £20,485k element of Hillingdon's Better Care Fund (BCF) that is under its control conditional on a pooled budget being established between the Council and North West London Integrated Care Board (ICB) through an agreement established under section 75 (s75) of the National Health Service Act 2006 (NHS Act). Local authorities and ICBs can enter into s75 agreements once written notification has been received from NHS England that plans have 'assured' status. This confirmation was received on the 5<sup>th</sup> October 2023.

2. Cabinet is once again being requested to agree to entering into the s75 agreement for the 2023/25 BCF plan at such a late stage in the year as a result of a timetable set by the Department of Health and Social Care (DHSC). This is consequently not a matter that the Council has any control over.

3. **Agreement extension facility:** The BCF plan is for two years, but the national requirement is that a s75 agreement be entered into for 2023/24. Recommendation 1 will ensure compliance with this requirement. A review of schemes within the BCF as well as out-of-hospital support services is being undertaken jointly between the Council, the ICB and health and care partners that will be taking place in Q3 2023/24. This report makes Cabinet aware of provisional arrangements for 2024/25, but the agreement extension recommendation will avoid the necessity of the matter coming back for decision unless the Leader of the Council and Cabinet Member consider this to be necessary.

4. **Delegated authority to amend s75 agreement in-year:** The recommendation will facilitate a prompt response to the outcome of the review of out of hospital services and BCF schemes mentioned in paragraph 3. It will also enable the Council and ICB to respond quickly to any opportunities presented by evolving national policy, such as additional funding.

#### **Alternative options considered / risk management**

5. **Not entering into the s75 agreement:** Cabinet could decide not to enter the agreement with the ICB for 2023/24, but this is not recommended as it would impact on the availability of £22,869k in 2023/24 NHS funding to support the local health and care system, including £8,340k to protect adult social care. It could also impact on the £5,511k Disabled Facilities Grant that is paid directly to the Council by the Department of Levelling Up, Housing & Communities (DLUHC) and also the £7,467k Improved Better Care Fund Grant (iBCF) that is also paid directly to the Council by the DLUHC. In each case, grant conditions require that the Council has an agreed BCF plan in place that meets national conditions.

6. **Have an agreement for a longer period:** This option would be a logical step if there was certainty about the composition of schemes and related funding arrangements in 2024/25; however, this is not the case and certainty will only be arrived at following the conclusion of the review referred to in paragraph 3. It is therefore proposed that the one-year agreement and option to extend set out in this report is the most pragmatic approach.

7. **Not to agree agreement extension delegation arrangements:** Entering into a s75 agreement for 2024/25 will be a national BCF requirement. The proposed delegation arrangements will avoid the need for the matter to come back to Cabinet unless the Leader and Cabinet Member consider this to be appropriate.

8. **Not delegated authority to amend s75 agreement in-year:** Cabinet could decide not to approve delegation arrangements or to add some additional requirements. This option is not recommended as the recommendation is intended create agility within the health and care system to respond to evolving circumstances, including new funding opportunities.

#### **Select Committee comments**

9. None at this time.

## **SUPPORTING INFORMATION**

### **Background**

10. The Better Care Fund (BCF) is a national initiative intended to deliver integration between health and social care to improve outcomes for residents. Cabinet is reminded that Department of Health and Social Care's vision for the BCF is that it supports people to live healthy, independent, and dignified lives through joining up health, social care, and housing services seamlessly around the person. The vision is underpinned by the following national objectives:

- **National BCF Objective 1:** Enable people to stay well, safe, and independent at home for longer.

- **National BCF Objective 2:** Provide the right care in the right place at the right time.

11. The BCF is also a mechanism that is being used by government to implement the integration duty under the 2014 Care Act. The first BCF plan was for 2015/16 and the latest iteration covers the two-year period from April 2023 to March 2025. The requirements for 2023/25 plan are contained within the *Better Care Fund Planning Requirements, 2023/25* published by the Department of Health and Social Care (DHSC) and NHS England on the 4<sup>th</sup> April 2023.

12. The documents that formed part of Hillingdon's BCF submission can be accessed via the Council's website using the following link: [Better Care Fund - Hillingdon Council](#). In addition to the detailed financial breakdown, the relevant documents include:

- 2023/25 Narrative Plan.
- National Metrics Proposed Targets and Rationale.
- Submission Template Intermediate Care Demand and Capacity Breakdown.

13. The minimum amount required to be included within the BCF pooled budget for 2023/24 is £35,448k. The 2023/24 value approved by the Health and Wellbeing Board under delegated arrangements is £96,535k, which is £61,087k above the minimum required and reflects local ambition. The provisional value of the 2024/25 plan is £98,520k, which would be £61,778k above the minimum required. Inclusion of a contribution greater than the minimum reflects an incremental step towards the BCF providing the legal framework that gives visibility and transparency about investment in meeting the health and wellbeing needs of Hillingdon's population.

### **BCF Changes 2023/25**

14. *Adults focus:* The planning requirements for the 2023/25 BCF plan places much greater emphasis on supporting adults and, for this reason, the scheme concerning integrated care and support for children and young people has been removed from the plan. This results in a reduction of £4,860k (£2,537k for the Council and £2,323k for the ICB) in the value of the BCF compared to 2022/23; however, Cabinet is asked to note that this makes no material difference as partnership and financial arrangements will continue.

15. *BCF review:* For 2023/24, the ICB has sought to achieve some consistency in approach across the eight boroughs within the North West London sub-region whilst recognising local circumstances. This has resulted in some schemes funded from the additional NHS contribution funding stream being removed pending the outcome of a review of out-of-hospital services and BCF schemes that will take place in the autumn. There is a resultant £23,878k reduction in ICB voluntary contribution for 2023/24 compared to 2022/23 (including the £2,323k in respect of children and young people's services). This has no significant effect in 2023/24 as there is a commitment to continue all schemes pending the outcome of the review and the expectation is that no changes will be made during this financial year without agreement.

16. The Council has increased its voluntary contribution to the 2023/25 BCF plan from £45,454k in 2022/23 to £53,250k in 2023/24, which reflects the ambition to move towards a place-based health and care budget within the BCF legal framework referred to above and as discussed at Health and Wellbeing Board meetings over the last two years. This is funding in existing placement and homecare budgets and does not represent an additional financial pressure on the Council.

17. The intention of local health and care partners is to conclude our own place-based review to inform that being undertaken by ICB with the aim of securing mutual agreement on the final content of the 2024/25 plan, if possible, by the end of November 2023. Any reference to 2024/25 financial arrangements within this report is therefore identified as provisional subject to this review.

18. *Mental health discharges*: Funding from the Discharge Fund and additional ICB contribution is facilitating additional social work capacity to support the discharge from hospital of adults with mental health needs. These cases tend to be complex, which can lead to increased length of stay in hospital. The additional social capacity is intended to contribute to a reduction in length of stay. Support for some people with mental health needs leaving hospital will also be provided by a new hospital discharge floating support service funded via the ICB additional contribution.

### **2023/24 BCF Schemes**

19. For ease of reference the scheme headings are shown in table 1 below. The 2023/24 priorities within each scheme can be found in Schedule 1 of the s75 agreement attached as **Appendix 1**.

<b>Table 1: 2023/25 BCF Schemes</b>
<b>Scheme 1:</b> Neighbourhood development.
<b>Scheme 2:</b> Supporting carers.
<b>Scheme 3:</b> Reactive care.
<b>Scheme 4:</b> Improved market management and development.
<b>Scheme 5:</b> Integrated support for people with learning disabilities and/or autistic people.

### **s75 Agreement Key Features**

20. The s75 agreement is largely a roll forward from 2022/23; however, the main features can be summarised as follows:

- **Agreement duration**: The term of the 2023/24 agreement is 3<sup>rd</sup> April 2023 until 31<sup>st</sup> March 2024 but with the option to extend for a further year to 31<sup>st</sup> March 2025, subject to approval of recommendation 2 in this report.
- **Hosting**: The practice since the inception of the BCF has been for the Council to host the pooled budget, which is the equivalent of a joint bank account.

- **Hospital discharge arrangements:** Schedule 1D of the s75 agreement in **Appendix 1** sets out financial arrangements supporting hospital discharge. This includes funding for short-term bed-based block contracts as well as financial arrangements for out-of-hospital services that are not bed-based. It sets out services funded from the Discharge Fund as well as other funding streams within the BCF. The agreement allows for funding arrangements for some services within the Schedule 1D to continue to continue beyond 31<sup>st</sup> March 2024, subject to termination arrangements within the schedule, or an extension of the current agreement, or a new s75 agreement being established.
- The agreement also identifies usage of underspend from 2022/23 winter pressures funding and also funding transferred to LBH by the NHS under section 256 (s256) of the 2006 Act. The s256 funding is not included within the pooled budget and will not continue beyond 2023/24.
- **Delegations:** These have been amended to permit the Council to act as lead commissioner on behalf of the ICB in respect of the Carer Support Service.
- **Risk share:** It is established practice that both partners manage their own risks and it is proposed that this be extended to the 2023/24 plan.
- **Dispute resolution:** The dispute provisions of the agreement have been rolled over from the agreement supporting the 2022/23 BCF plan.
- **Governance:** The delivery of the successive iterations of Hillingdon's plans has been overseen by the Core Officer Group comprising of the ICB's Joint Borough Directors for Hillingdon, the Council's Corporate Director for Adult Social Care and Health, HHCP's Managing Director, and the BCF Programme Manager. The governance schedule (Schedule 3) within the s75 agreement demonstrates the interrelationship between the Core Officer Group, HHCP's Delivery Board and the HWB.

## Financial Implications

### **BCF Value 2023/25**

21. The value of the BCF for 2023/24 as shown in table 2 below is **£96,535k** and the provisional value for 2024/25 is **£98,520k**. The expenditure tab from the template submitted to NHSE can be accessed via this link [Better Care Fund - Hillingdon Council](#). This provides Cabinet with a detailed breakdown of investment for 2023/24 that is within the scope of the 2023/24 section 75 agreement. The link also provides access to the provisional investment breakdown for 2024/25.

<b>Table 2: Financial Contributions by Organisation 2023/24 and 204/25 Compared</b>		
<b>Organisation</b>	<b>2023/24 (£)</b>	<b>2024/25 (£)</b>
NHS	29,658,745	30,953,164
LBH	66,875,873	67,566,876
<b>TOTAL</b>	<b>96,534,618</b>	<b>98,520,040</b>

22. Table 3 below provides a breakdown of the mandated funding streams for the BCF and also the additional voluntary contributions.

<b>Table 3: Financial Contributions by Funding Stream 2023/24 and 2024/25 Compared</b>		
<b>FUNDING SOURCE</b>	<b>FUNDING</b>	
	<b>2023/24 (£)</b>	<b>2024/25 (£)</b>
Minimum NHS Contribution	22,869,590	24,164,009
Additional NHS Contribution	5,524,379	5,524,379*
ICB Discharge Fund	1,264,776	1,264,776*
<b>NHS TOTAL</b>	<b>29,658,745</b>	<b>30,953,164</b>
Minimum LBH Contribution	12,578,861	12,578,861
Additional LBH Contribution	53,250,038	53,250,038
LBH Discharge Fund	1,046,974	1,737,977
<b>LBH TOTAL</b>	<b>66,875,873</b>	<b>67,566,876</b>
<b>TOTAL BCF VALUE</b>	<b>96,534,618</b>	<b>98,520,040</b>

23. Table 4 provides a breakdown of the minimum BCF financial contributions.

<b>Table 4: BCF MINIMUM CONTRIBUTIONS SUMMARY 2023/25</b>		
<b>Funding Breakdown</b>	<b>2023/24 (£)</b>	<b>2024/25 (£)</b>
<b>NHS MINIMUM CONTRIBUTION BREAKDOWN</b>	<b>22,869,590</b>	<b>24,164,009</b>
• Protecting Social Care	8,339,569	8,811,589
• Out of Hospital	6,489,889	6,866,726
• Other minimum spend	8,040,132	8,485,694
<b>LBH MINIMUM CONTRIBUTION BREAKDOWN</b>	<b>12,578,861</b>	<b>12,578,861</b>
• Disabled Facilities Grant (DFG)	5,111,058	5,111,058
• Improved Better Care Fund (iBCF)	7,467,803	7,467,803
<b>MINIMUM BCF VALUE</b>	<b>35,448,451</b>	<b>36,742,870</b>

24. Table 5 below summarises the LBH and NHS contributions for the period of the 2023 to 2025 plan by scheme.

<b>Table 5: ICB and LBH Financial Contribution by Scheme Summary</b>							
<b>Scheme</b>		<b>2023/24</b>			<b>2024/25</b>		
		<b>LBH (£,000)</b>	<b>NHS (£,000)</b>	<b>TOTAL (£,000)</b>	<b>LBH (£,000)</b>	<b>NHS (£,000)</b>	<b>TOTAL (£,000)</b>
1.	Neighbourhood development	3,052	3,025	<b>6,077</b>	3,052	3,084	<b>6,136</b>
2.	Supporting carers	690	471	<b>1,161</b>	690	475	<b>1,165</b>
3.	Reactive care	5,489	19,990	<b>25,479</b>	6,180	20,964	<b>27,144</b>
4.	Improving care market management and development.	26,232	5,083	<b>31,315</b>	26,272	5,287	<b>31,559</b>
5.	Integrated care and support for people with learning disabilities and/or autistic people.	31,412	993	<b>32,405</b>	31,372	1,044	<b>32,416</b>
Programme Management		0	97	<b>97</b>	0	100	<b>100</b>
<b>TOTAL</b>		<b>66,875</b>	<b>29,659</b>	<b>96,534</b>	<b>67,566</b>	<b>30,954</b>	<b>98,520</b>

### Summary of Financial Changes

25. For ease of reference, the main financial changes from the 2022/23 plan are:

- **Additional LBH contribution:**
  - Scheme 4: Long-term residential care home budget 65 + (£5,193k).
  - Scheme 4: Long-term nursing care home budget 65 + (£7,468k).
  - Scheme 4: Long-term homecare budget 65 + (£5,962k)
- **Minimum NHS contribution**
  - Scheme 1: Safeguarding children hub (£63.6k).
  - Scheme 1: Ageing Well Ambulant Clinic (£207.5k).
  - Scheme 3: Ageing Well Integrated Discharge Team (£141.5k).
- **Additional NHS contribution to Social Care:**
  - Scheme 3: Hospital discharge Approved Mental Health Professional (AMHP) (£67k).
  - Scheme 3: Mental Health Discharge Social Worker post (£50k).
  - Scheme 3: Mental Discharge Floating Support Service pilot (£50.9k).
  - Scheme 3: Short-term nursing care home bed block contract (£491k)

26. In addition to the services within the former integrated care and support for children and young people scheme mentioned earlier in this report that have been removed from the 2023/25 BCF, £905k core funding for voluntary and community organisations such as Age UK, Carers Trust Hillingdon, the Disablement Association Hillingdon (DASH) and Hillingdon Mind has also been removed from the BCF Pooled Budget. This reflects the move away from grants to commissioned services under longer-term contracts and 2023/24 is a transition year during which current provision will be reviewed to determine the future service model. This work is aligned to the review of out of hospital services and BCF schemes outlined earlier in this report.



## **Hospital Discharge Funding Arrangements**

27. *Discharge Fund*: This includes a component that is paid directly to the Council as a Section 31 grant by the DLUHC and an allocation by the ICB. The values are shown in table 3 above. Cabinet may wish to note that the ICB allocation for 2024/25 is provisional and dependent on the outcome of the review of out of hospital services and BCF schemes previously mentioned. The total allocation to the ICB for 2024/25 by the DHSC is £20m, which is double the 2023/24 allocation. The Discharge Fund spending plan can be found using the link provided in paragraph 12 of this report.

28. *Improved Better Care Fund (iBCF)*: The iBCF funding is paid directly to the Council from Department of Levelling-up, Housing and Communities (DLUHC) under Section 31 of the Local Government Act 2003, with specific grant conditions, including a requirement that the funding is pooled in the BCF. The grant conditions for 2023/25 are the same as for the last three years, namely that the funding is used for:

- Meeting adult social care needs;
- Reducing pressures on the NHS, including supporting more people to be discharged from hospital when they are ready; and/or
- Ensuring that the local social care provider market is supported.

29. Table 4 above shows that the Hillingdon allocation for both 2023/24 and 2024/25 will be maintained at £7,467k. It is proposed to continue to commit the £220k uplift that the Council received in its 2022/23 iBCF allocation to contributing to the costs of short-term placements to support hospital discharge.

30. As for the last three years, it is proposed to continue to use the remainder of the funding to support the local care market, i.e., long-term placements. This will fund the annualised effect of the fee uplifts as well as additional fee increases to reflect the financial pressures faced by regulated care providers due to higher staff, energy, and supply costs.

## **RESIDENT BENEFIT & CONSULTATION**

### **The benefit or impact upon Hillingdon residents, service users and communities**

31. The Council and ICB will be able to comply with the national BCF requirements for 2023/24.

### **Consultation carried out or required**

32. The ICB has been consulted in the drafting of this report. The HHCP Delivery Board will be considering the provisions of the s75 at its meeting on the 16<sup>th</sup> November 2023.

## CORPORATE CONSIDERATIONS

### Corporate Finance

33. Corporate Finance has reviewed this report and associated financial implication, noting the funding split laid out in the tables referenced above and confirm that this is consistent with both Council's Budget Monitoring and MTFF position for the Better Care Fund (BCF). The total amount for the BCF for 2023/24 is £96,535k made up of Council contribution of £66,876k and an Integrated Care Board contribution (ICB) of £29,659k.

### Legal

34. Legal Services confirm that the Council is empowered to carry out this function pursuant to section 75 of the National Health Service Act 2006.

35. Under the Council's Constitution, the Cabinet may delegate certain functions to the specified individual Cabinet Members, or an individual officer. The delegation must not go beyond the scope of any delegated authority.

36. Legal Services confirm there are no legal impediments to the Council completing the action recommended by this report, namely: entering into a section 75 agreement with North West London Integrated Care Board for the delivery of the Better Care Fund plan, including in that agreement a 12-month extension option, and delegating various authorities in relation to that agreement to the Leader of the Council and Cabinet Member for Health and Social Care, and the Corporate Director of Adult Social Care and Health.

## BACKGROUND PAPERS

*Better Care Fund Planning Requirements, 2023/25* (NHS England/DHSC April 2023: PR00315)