

CHESHIRE EAST COUNCIL

REPORT TO: Audit and Governance Committee

Date of Meeting: 20th November 2014
Report of: Lorraine Butcher, Executive Director of Strategic Commissioning
Title: Better Care Fund Update
Portfolio Holder: Councillor Janet Clowes – Health and Social Care

1.0 Report Summary

- 1.1 To update the Audit and Governance Committee on the progress of the Cheshire East Better Care Fund plan and to advise on the next stages of delivery towards the implementation date of 1st April 2015.
- 1.2 The Better Care Fund is being driven nationally by the Department of Health and is a key part of Public Sector reform supporting the integration of Health and Social Care. The Better Care Fund is a national pooling of £3.8bn from a variety of existing funding sources within the health and social care system, with £23.9m being pooled locally within the Cheshire East Health and Wellbeing Board area. The local pooling is made up of Local Authority funding from the Disabled Facilities Grant and Capital Allocation for Adult Social Care of £1.8m, South Cheshire CCG funding of £10.5m and Eastern Cheshire CCG of £11.6m.
- 1.3 The Better Care Fund requires a pooled budget to be entered into with governance and monitoring arrangements to be formalised under a s75 agreement. It is anticipated that the Council will host the s75 pooled budget arrangement. The draft s75 agreement needs to be completed and approved during early 2015 to meet the reporting and governance arrangements of respective organisations to ensure that an approved s75 agreement is in operation from April 2015.
- 1.4 The Cheshire East Health and Wellbeing Board are responsible for the oversight of the Better Care Fund plan and have approved the 19th September 2014 submitted plan.
- 1.5 The outcomes of the implementation of the Better Care Fund Plan will see improved, integrated health and social care for the residents of Cheshire East.

2.0 Recommendation

2.1 Members of the Audit and Governance Committee are asked to note:

- i) the submission of the revised Cheshire East Better Care Fund plan on Friday 19th September 2014
- ii) the National Consistent Assurance Review (NCAR) process carried out on behalf of the Department of Health has given approval for the plan to proceed with a category of *'Approved with Support'*, Appendix 1 has a summary and explanation of the categories
- iii) the work underway to progress governance, delivery and risk sharing arrangements across partners as part of the development of the s75 partnership agreement

3.0 Reasons for Recommendation

3.1 The Audit and Governance Committee has a key role in overseeing governance arrangements and ensuring the Council has appropriate policies and mechanisms to safeguard resources in place.

3.2 At its meeting in June 2014, the Audit and Governance Committee agreed that an update report on the Better Care Fund would be added to the Committee's work plan for November 2014.

3.3 The Better Care Fund is a national initiative overseen by the Department of Health and locally by the Cheshire East Health and Wellbeing Board and partner organisations.

3.4 The governance arrangements supporting the s75 Better Care Fund pooled budget arrangement are fundamental to the smooth delivery of the expected changes and ensuring the level of risk both financial and non-financial the council, partner organisations and providers are exposed to.

4.0 Wards Affected

4.1 All wards.

5.0 Local Wards Affected

5.1 Not applicable.

6.0 Policy Implications

6.1 Health and Social Care integration is a key element of public sector reform. The Better Care Fund formalises these joint initiatives during 2015/16.

6.2 Elements of the Better Care Fund funding are linked to the implementation of the Social Care Act, in particular carers, safeguarding boards and maintaining eligibility criteria.

7.0 Financial Implications (Authorised by the Chief Operating Officer)

7.1 The Better Care Fund is a national pooling of £3.8bn from a variety of existing funding sources within the health and social care system, with £23.9m being pooled locally within the Cheshire East Health and Wellbeing Board area. The local pooling is made up of Local Authority funding from the Disabled Facilities Grant and Capital Allocation for Adult Social Care of £1.8m, South Cheshire CCG funding of £10.5m and Eastern Cheshire CCG of £11.6m. The local health and social care economy will work together to deliver better care arrangements for its population, seeking to keep individuals within the community, avoiding hospital/residential nursing care.

7.2 The revised guidance in July 2014 introduced a payment for performance element related to the reduction in Non Elective Admissions (these are unplanned, often urgent admissions mainly via Accident & Emergency). The potential performance payment for Cheshire East is £2.11m and this is based on a 3.5% reduction in Non Elective Admissions.

7.3 The Better Care Fund requires a pooled budget to be entered into with governance and monitoring arrangements to be formalised under a s75 agreement. A breakdown of the Cheshire East BCF pooled budget of £23.9m by scheme area is available at Appendix 2.

7.4 It is anticipated that the Council will host the s75 pooled budget arrangement. The draft s75 agreement needs to be completed and approved during early 2015 to meet the reporting and governance arrangements of respective organisations to ensure that an approved s75 agreement is in operation from April 2015.

7.5 The proposed contingency plans and risk sharing arrangements between the Council and partner organisations included in the Better Care Fund plan are being reviewed following feedback as part of the NCAR process and will be confirmed as part of the action plan to progress the plan from '*Approved with Support*' status to '*Approved*'. It is the aim of all partner organisations to limit exposure to the risk of financial pressures as part of the delivery of the Better Care Fund and robust financial management and monitoring will be key and the design of the s75 agreement will reflect this.

8.0 Legal Implications (Authorised by the Head of Legal Services)

- 8.1 S141 of the Care Act 2014 provides for the Better Care Fund Pooled Funds to be held under and governed by an overarching s75 National Health Service Act 2006 Partnership Agreement.
- 8.2 Under Section 75 of the National Health Service Act 2006 and the NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000 (the “Regulations”), NHS bodies and local authorities can enter into partnership arrangements for the exercise of specified functions. The regulations define the nature of those arrangements. They provide for the establishment of a fund made up of contributions from the partners out of which payments may be made towards expenditure incurred in the exercise of their functions; for the exercise by NHS bodies of local authority functions and for the exercise by local authorities of NHS functions; and require the partners to set out the terms of the arrangements in writing. The specific objectives for implementing Section 75 Agreements are:
 - 8.2.1 To facilitate a co-ordinated network of health and social care services, allowing flexibility to fill any gaps in provision;
 - 8.2.2 To ensure the best use of resources by reducing duplication (across organisations) and achieving greater economies of scale; and
 - 8.2.3 To enable service providers to be more responsive to the needs and views of users, without distortion by separate funding streams for different service inputs.
- 8.3 NHS England has provided a template overarching s75 Agreement which is in the process of being reviewed. The overarching Section 75 Agreement is intended to allow each specific initiative that will be delivered under the Better Care Fund to be governed through an arrangement most suitable to the individual circumstances of that initiative.
- 8.4 The template document is in the process of being reviewed by the Council and separately by its partners (NHS Eastern Community Care Group and the South Cheshire Community Care Group).
- 8.5 The template itself provides a starting point for discussion and agreement of matters such as:
 - 8.5.1 the legal and regulatory responsibilities of the partners;
 - 8.5.2 Operational arrangements for managing the partnership. This includes commissioning arrangements, joint performance and governance arrangements, information sharing, length of term, renewal and termination provisions, risk sharing, disputes resolution, complaints procedures, treatment of VAT, provision and mechanism for review;

- 8.5.3 The respective financial contributions and other resources provided in support of the partnership (it includes the arrangements for financial monitoring, reporting and management of pooled budgets);
- 8.5.4 The initiative and services that will be delivered via the Better Care Fund (and provision for any additional services to be added);
- 8.5.5 How to achieve good performance and value for money of services and ensure that providers are regularly monitored and meet the specified outcomes and represent value for money.

8.6

The above is not an exhaustive list of the matters to be considered and agreed in finalising the document. The Service will liaise closely with the Legal Services Section as the specific terms are negotiated and agreed and provide the Legal Services Section with instructions on how the partnership is to be structured and how the specific outcomes are to be delivered in order to ensure that the document properly reflects the aims and outcomes of the Better Care Fund plan, protects the Council's position and reflects and promotes the arrangements agreed between the partners.

- 8.7 The template s75 Agreement contains a statement that "The Partners have jointly carried out consultations on the proposals for this Agreement with all those persons likely to be affected by the arrangements". The guidance notes go on to say that the partners need to be satisfied that consultation occurred as stated (and as required by the Regulations) and that this is likely to include providers and users.
- 8.8 Consideration needs to be given (together with partners) as to how to discharge this duty to consult. Partner organisations have a duty to involve (Section 14Z(2) of the Health and Social care Act 2012). The duty to consult may also arise due to the need to adequately consider equality matters or due to the service integration/reconfiguration having a significant impact on a particular group (such as users) which gives rise to a legitimate expectation that consultation will occur.

9 Risk Assessment

- 9.1 The Better Care Fund plan includes a risk register and it is recommended that each work stream develops its own risk register. It is proposed that these risks are monitored by the Joint Commissioning Leadership Board pending discussions about the ongoing Governance arrangements supporting the delivery and monitoring of the Better Care Fund and that the corporate risk registers for respective organisations incorporates significant risks relating to BCF.

9.2 The most significant risks in the plan are as follows:

- The funding for Social Care Act responsibilities funded from the Better Care Fund, including carers assessment and support packages; advocacy and information and advice is not sufficient to cope with the statutory duties.
- The investment in community based interventions does not deliver the expected benefits in reducing Non Elective Admissions this may lead to cost pressures within the acute sector and the performance payment is not released.
- Governance and decision making arrangements supporting the Better Care Fund are not clear and this may lead to delays with decision making; decisions not being made and decisions being made that are not aligned with the overall vision of the Better Care Fund plan.

9.3 These risks will be managed as part of the delivery of the Better Care Fund plan.

10 Background

10.1 The Better Care Fund was originally announced in June 2013 as part of the Government's spending review and is due to implemented from April 2015. The Better Care Fund supports the acceleration of the integration of Health and Social Care services particularly in the Community. Locally, there are two health and social care transformational programmes called Connecting Care (South Clinical Commissioning Group) and Caring Together (Eastern Cheshire Clinical Commissioning Group).

10.2 The Cheshire East Health and Wellbeing Board are responsible for the oversight of the Better Care Fund plan and approved the April 2014 plan and this was submitted to the Department of Health for review and approval.

10.3 The Better Care Fund plan is aligned with the two respective health and social care transformation programmes: Caring Together (Eastern Cheshire CCG and Cheshire East Council) and Connecting Care (South Cheshire CCG, Vale Royal CCG, Cheshire East Council and Cheshire West and Chester Council). As part of the delivery of the Better Care Fund, options are currently being considered at a strategic level as to whether the s75 agreements are set up to reflect the respective transformation programmes. These options will be discussed at the forthcoming Cheshire East Health and Wellbeing board on 18th November 2014.

Summary of Activity (July 2014 to September 2014)

- 10.4 Following the release of the revised Better Care Fund guidance from NHS England in July 2014, a cross partner working group focused on updating and strengthening the original plan submission. In particular focus was given to
- Evidencing the case for change including understanding the risk stratification for the Cheshire East population
 - Strengthening the narrative to meet the revised guidance and cross referencing the narrative to the costs/benefits
 - Incorporating the performance payment linked to the reduction of non elective admissions into the plan and understanding the implication on the acute providers capacity
 - Aligning the Better Care Fund plan with the 2 year operational and 5 year strategic plans of the Clinical Commissioning Group
 - Updated and revised risk register to recognise the risk across a range of stakeholders, including service users, hospitals and GP's
 - Reflecting the implications of funding elements of the Social Care Act
 - Further developing the scheme specifications to provide more detail and including reference to the evidence base
- 10.5 The final Cheshire East Better Care Fund Plan was submitted on Friday 19th September 2014, this was following agreement and consultation with the Health and Wellbeing Board and sign off with partners including acute providers.
- 10.6 Following the submission of the plans there has been a National Consistent Assurance Review process, to review, validate and provide assurance on the plans on a consistent basis. On 29th October 2014, the Cheshire East plan was assessed as '*Approved with Support*', from the four available categories of:
1. Approved
 2. Approved with support
 3. Approved with conditions
 4. Not approved
- 10.7 This means that the plan will be approved and the BCF funding will be made available subject to the following standard conditions which apply to all BCF plans:
- That we complete the agreed actions from the NCAR in the timescales agreed with NHS England;
 - The Fund being used in accordance with our final approved plan and through a section 75 agreement;
 - The full value of the element of the Fund linked to non-elective admissions reduction target will be paid over to CCGs at the start of the financial year. However, CCGs may only release the full value of this funding into the pool if the admissions reduction target is met as detailed in the BCF Technical Guidance¹. If the target is not met, the CCG(s) may

only release into the pool a part of that funding proportionate to the partial achievement of the target. Any part of this funding that is not released into the pool due to the target not being met must be dealt with in accordance with NHS England requirements. Full details are set out in the BCF Technical Guidance.

The Way Forwards

- 10.8 As a priority the action plan included in the NCAR process will be actioned and submitted to NHS England by 28th November. The areas highlighted for action can be progressed relatively quickly and the NCAR review has established that 'no showstoppers' have been identified.
- 10.9 Over the coming months there will be a significant amount of work involved in progressing and implementing the Better Care Fund plan. The next stage of delivering the Better Care Fund plan will focus on developing and implementing the proposed schemes and developing the s75 agreement. The Joint Commissioning Leadership Team are currently reviewing the following:
- Governance and Commissioning Arrangements
 - Implementation and Delivery
 - Risk management and risk sharing
 - Ongoing management of the pooled budget following implementation on 1st April 2015

Resources are being identified to support the development of the s75 agreement and a plan is being developed to ensure that key milestones are identified and monitored.

A lead officer will be identified for the schemes to ensure that there is an accountable officer who is responsible for progressing the implementation and delivery of schemes.

11 Access to information

The background papers relating to this report can be inspected by contacting:

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Appendix 1: National Consistent Assurance Review, Rating Summary (extracted from Better Care Fund Weekly update from Andrew Ridley)

Approved

The aim is for all plans to have reached this standard by April. If your plan is 'Approved' following the NCAR process at the end of October, the regional and national team will request to work with you in order to provide support as you prepare for delivery.

Approved with Support

This means that overall the review team and the moderation panel have confidence in your plan. However, there may be some items of evidence or information that will need to be submitted to provide full assurance. The team will want to review these before your plan can be fully approved. Areas in this category will be assigned a relationship manager from the task force to agree a plan to provide the further information identified through the NCAR process – this will be a straightforward and light-touch process and we would aim for all HWBs in this category to be fully approved before December.

Approved subject to Conditions

If your plan is approved subject to conditions, it means there are some substantial issues or risks in your plan without enough demonstration of how these will be mitigated. Areas in this category will not be able to progress to implementation for the aspects of their plan affected by the conditions placed on them. They will be assigned a relationship manager who will work with the local team to agree an action plan to address areas of weakness identified through NCAR, access available support and agree the level of resubmission required to secure removal of conditions. The aim is to have these areas fully approved before January.

Not Approved

Areas in this category will not be given approval for their plan, and will not be able to progress to implementation until their plan is approved. They will be assigned a relationship manager and will be required to work closely with them to agree an action plan that will ensure they submit a fully revised plan in January so they are approved in time to begin implementation. Areas in this category will receive more intensive support to help them improve their plan. These areas will be required to resubmit a full plan for a further NCAR assessment process at the end of January.

Appendix 2: Breakdown of Cheshire East Better Care Fund Schemes

Ref	Scheme	Funding
1	Self care and self management	
BCF1 (1a)	<p>Supporting Empowerment – Information, advice, prevention and early intervention</p> <p>The principle of the ‘Empowered Person’ has been one of the key underpinning principles of the whole system redesign in both Caring Together and Connecting Care programmes.</p> <p>It focuses on the cultural shift required to further enable individuals to take responsibility for their own health and wellbeing by ensuring that they have access to a range of information advice and support to do this effectively.</p> <p>The planning is further enhanced by the requirements for this scheme within the Care Act 2014 to ensure that information and advice is made available to those individuals who may need to access social care support.</p> <p>The strategic objective of this scheme is to reduce the demand on health and social care services over the longer term by ensuring access to information and advice at an early stage in order to increase the chance of prevention or delays in deterioration of health conditions. (Includes care navigation services)</p>	£604,000
BCF2 (1b)	<p>Universal Access to low level assistive technology, occupational therapy advice and assessment</p> <p>To support and enable people to access early practical help to support them with health and social care related problems.</p> <p>Utilising evidence-based practice principles relating to early help to maintain independence and self reliance. It is intended that this initiative will encourage individuals to access support in a variety of community settings where they can have low level assessment which would indicate a range of assistive technology solutions and/or low level equipment, together with advice regarding self heal and self care support.</p> <p>This meets the objectives in the prevention and early intervention agenda. It builds on the premise that individuals want to remain in control and to have the low level support/tools to do this allowing the self care/self management principles to be encouraged and maintained.</p>	£552,000
BCF3 (1c)	<p>Assistive Technology Pilot for adults with a learning disability</p> <p>To pilot the use of Assistive Technology options within 24 hour supported tenancy based schemes and individuals living in their own homes.</p>	£743,000

Ref	Scheme	Funding
	<p>The objective is to primarily seek out solutions to provide access to support and assistance without the need for continued staff supervision. The long-term objective is to respect individuals' rights to privacy at the same time as ensuring safety and risk management is maintained.</p>	
BCF4 (1d)	<p>Facilitating Early Discharge To provide a service that prevents Delayed Discharge from Hospital.</p>	£228,000
BCF5 (1e)	<p>Disabled Facilities Grant funded service A suitable, well adapted home can be the defining factor in enabling a disabled person to live well and independently. The Disabled Facilities Grant scheme forms part of the vision for health and social care services by increasing opportunities for frail older people and disabled people to take control of their own care and support, increasing their independence and enabling them to remain in the home their choice. There is a growing number of older people in Cheshire East, and an increasing number of non-elective admissions to hospital services, which is putting unsustainable financial pressure on acute services. Home adaptations have the potential to deliver dividends in terms of both social and financial outcomes, enabling care to be delivered in the patient / service user's own home, and maintaining their safety and independence to prevent unnecessary hospital admissions.</p>	£990,000,
BCF6 (1f)	<p>Carer's Assessment and Support</p> <ul style="list-style-type: none"> • Develop revised guidance for carer's eligibility criteria which is aligned with the social care act. • To effectively commission carers support services across Cheshire East across the health and social care boundary. • To ensure Cheshire East Council meets its duties under the Social Care Act to provide assessment and support planning to Carers, and further, to ensure assessment and support planning are truly personalised and provided by skilled staff. • Increase the number of carers assessments performed and to develop a clearer understanding of residents who rely on carer support. 	£743,000
2	Integrated community services	
BCF7 (2a)	<p>Dementia Reablement To pilot a Dementia Reablement service with a view to providing early help to newly diagnosed patients and those in the early stages of Dementia.</p>	£637,000

Ref	Scheme	Funding
	<p>The aim of the service is to pilot and test the principles of reablement to focus on learning new skills/techniques to retain memory and delay memory impairment.</p> <p>Drawing on a range of evidence, the pilot will utilise techniques where patients can use practical measures to assist them in maintaining daily living skills and support family/carers to promote independence and positive risk taking.</p>	
BCF8 2b	<p>Community based co-ordinated care The Community Based Co-ordinated Care delivered by integrated health and social care teams has been designed to provide joined up care for the wellbeing of people with the most complex needs. Its purpose is to proactively work with people identified through a risk stratification approach and their carers to identify their individual needs and goals, design a personal care plan and support their long term care needs by a dedicated care co-ordinator.</p>	£3,019,000
BCF 9 2c	<p>Integrated Community Service Model – Connecting Care Community Based Co-ordinated Care will be delivered by integrated health and social care teams which have been designed to provide joined up care for the wellbeing of people with the more complex needs. Its purpose is to proactively work with people identified through a risk stratification approach and their carers to identify their individual needs and goals, design a personal care plan and support their long term care needs by a dedicated care co-ordinator.</p> <p>This means that instead of citizens trying to navigate their way around the multitude of health and social care services, we are redesigning services to fit around their needs. We want to reduce duplication of care, prevent people having to tell their story multiple times and to minimise waste across care settings.</p>	£3,029,000
3	Community based urgent care/rapid response	
BCF10 3a	<p>Implementing a Short Term Assessment Intervention recovery & Rehabilitation Service (STAIRRS) The need for an integrated community rapid response service has been identified in both Caring Together and Connecting care. Whilst the core objectives and overarching ambition for this service is shared across the two health economies, the delivery model will differ, to take account of the local context and population need</p>	£12,293,000
4	Social Care Capital and Programme Enablers	
BCF11 4a	<p>To utilise the social care capital grant (former Community Capacity Grant) to support development in three key areas:</p> <ol style="list-style-type: none"> 1. Personalisation 2. Reform 3. Efficiency 	£1,053,000

Ref	Scheme	Funding
	To provide enabling support to the Better Care Fund programme, through programme management support; developing governance arrangement including the s75 agreement and commissioning capacity.	
		£23,891,000