

Report to: Cabinet

Date of Meeting: 11 September 2014

Subject: Section 256 Funding and Better Care Fund

Report of: Deputy Chief Executive and Director of Older People

Wards Affected: All

Is this a Key Decision? Yes

Is it included in the Forward Plan? Yes

Exempt/Confidential

No

Purpose/Summary

To inform Members of recent announcements about NHS support for Social Care and to note the latest developments on the Better Care Fund, and agree to the recommendations to a delegation to the Deputy Chief Executive, in consultation with the Chair of the Health and Wellbeing Board and the Cabinet Member for Older People and Health, to sign off the BCF submission on behalf of the Council.

Recommendation(s)

That Members:

- i) Approve the funding allocation as detailed in paragraphs 1.7 (existing MTFP commitments) & 1.8 (additional investment in support of BCF programme); and
- ii) Agree a delegation of authority to Sefton Council's Deputy Chief Executive in consultation with Head of Finance & ICT (Section 151 Officer), the Chair of the Health and Wellbeing Board and the Cabinet Member for Older People and Health, to sign off the Better Care Fund submission on behalf of the Council

How does the decision contribute to the Council's Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		x	
2	Jobs and Prosperity		x	
3	Environmental Sustainability		x	
4	Health and Well-Being	x		
5	Children and Young People		x	
6	Creating Safe Communities		x	
7	Creating Inclusive Communities		x	

8	Improving the Quality of Council Services and Strengthening Local Democracy	x		
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Reasons for the Recommendation:

The deadline for submission of the Better Care Fund has been set for 19th September. There are linkages between the Section 256 agreement and the wider health and social care integration plans for Sefton, which also inform the Better Care Fund plan

What will it cost and how will it be financed?

(A) Revenue Costs

There are no additional revenue costs to the Council as this funding is being transferred over from the Department of Health (DoH) to support Adult Social Care Services, which also have a Health benefit. The funding must also be used to prepare for the implementation of pooled budgets in April 2015 and to make early progress against the national conditions and the performance measures set out in the local agreed plan. A condition of the transfer is that the local authority has agreed a completed Better Care Fund plan with its partner CCG, and that this plan has been signed off by the Health and Well-Being Board. Within the current MTFP budget assumptions £5.7m of this £6.9m Health transfer has already been committed to meet existing Adult Social Care provision.

(B) Capital Costs

N/A

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Legal		
Human Resources		
Equality		
1.	No Equality Implication	<input checked="" type="checkbox"/>
2.	Equality Implications identified and mitigated	<input type="checkbox"/>
3.	Equality Implication identified and risk remains	<input type="checkbox"/>

Impact on Service Delivery:

Positive

What consultations have taken place on the proposals and when?

The Head of Corporate Finance (FD3138/14) and Head of Corporate Legal Services (LD2430/14) have been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

If the Health and Well-Being Board did not agree with the implementation of the additional integration schemes identified within this report then this would delay the transfer of NHS funding to the authority and could have a significant budgetary impact in 2014/15. There would also be a knock-on impact to the larger Better Care Fund transfer anticipated in 2015/16.

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

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Background Papers:

There are no background papers available for inspection.

Introduction/Background

1. Section 256 Agreement

- 1.1 Similar to previous years the Department of Health has allocated non-recurrent budget allocations to NHS England nationally, for transfer to Local Authorities to invest in social care services to benefit health, and to improve overall health gain.
- 1.2 This year, 2014, there are two components to the allocation; NHS transfer and Preparation for the Better Care Fund. The payments are once again to be made via an agreement under Section 256 of the 2006 NHS Act, as agreed in previous years.
- 1.3 The Department of Health announced revised allocations and transfer arrangements for 2014/15. The funding transfer to Local Authorities will be carried out by NHS England and Sefton will expect to receive;

Description of Scheme	£	NHS England Category
Support to Community Care Services for projected demand in relation to Rest and Nursing Home Placements, Home Care, Direct Payments, Supported Tenancies and Day Care	5,082,057	Maintaining Eligibility Criteria
Contribution to provision of Care-line Equipment to support people at home	100,000	Telecare
Contribution to provision of Community Equipment / Adaptations	300,000	Community Equipment & Adaptations
Investment in Sensory Support Services	16,000	Other Social Care
Investment in Carers Card Initiative Programme	20,000	Other Social Care
Additional funding for Short Breaks and Respite	200,000	Other Preventative Services
Investment in support to the agreed BCF schemes and service integration	1,271,000	Delivering Integrated Care and supporting discharge from short stay and AED. Support step up step down service within the community to
Allocated as follows:		
Additional Social Care and Occupational Therapy Staffing	648,000	
Community Beds, Medical Cover	400,000	
Equipment and Tele Care (additional)	73,000	
Domiciliary Care Packages (intensive support)	150,000	

		reduce unnecessary admissions and early discharge.
Total Funding	6,989,057	

1.4 A number of conditions must be satisfied, prior to the transfer of funding:

Main Transfer:

- I. The funding must be used to support Adult Social Care Services, which also has a Health benefit. However, beyond this broad condition, the Department wants to provide flexibility for local areas to determine how this investment in social services is best used.
- II. The Local Authority must agree with local Health partners how the funding is best used and the outcomes expected from this investment, as part of the wider discussions on the use of their total health and care resources.
- III. It is recommended that the Health and Well- Being boards are the most appropriate place to discuss the allocations, ensuring that there is regard to the JSNA and existing commissioning plans.
- IV. Local Authorities must 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.
- V. The funding may be used to support existing services or transformation programmes, where such services or programmes are of benefit to the wider health and care system, provide good outcomes for service users, and would be reduced due to budget pressures in local authorities without this investment.
- VI. The funding may also be used to support new services or transformation, again where joint benefit with the health system and positive outcomes for service users have been identified.
- VII. The Board will also have regard to the recommendations from “Caring for our future” White paper, which may require some small revenue costs.
- VIII. The Local Authority will be required to provide assurances to the NHS commissioning Board, that the conditions for funding transfer are being met.

1.5 Financial Implications

As a Council with Adult Social Care Responsibilities, Sefton Borough Council faces a number of challenges over the next few years related to some of the unique circumstances within the Borough, including:

- Particular challenges with regards to its significantly ageing population, with multiple long term conditions, compounded by unacceptably high health and wellbeing inequalities. Between 2011 and 2021, while the overall population of the Borough is expected to remain largely unchanged (an increase of 1%), it is predicted that there will be a 16% (57,366 to 66,545) increase in our population aged 65 and over, and a 40.5% (7,633 to 10,723) increase in the numbers of people aged 85 years and over in the same period, with those over the age of 90 expected to increase by more than 55%.
- This significant demographic shift time-bomb is compounded by significant reductions in Council resources due to the government's austerity measure
- Further efficiency savings of approximately £27m in 2015/16 and £28m in 2016/17
- In real terms Sefton Council's budget will have reduced by 43% by 31st March 2017
- In Sefton, our spending on the most vulnerable adults and children currently accounts for 50% of the 2014/15 budget. If spending on vulnerable adults and children remains the same, then this would account for around 80% of our budget by 2017.

1.6 In light of the current financial and other pressures within the LA it is proposed that the majority of this allocation is utilised to support existing services, which are of benefit to the wider health and care systems and provide good outcomes for service users

1.7 Proposed funding main allocation for 2014/15:

- Maintain the Telecare Service- £100,000
- Maintain support to Equipment, Aids and Adaptations - £300,000
- Investment in other social care / preventative services - £236,000
- Support of mainstream service delivery - £5,082,057

1.8 The additional investment to support the Implementation & Preparation of Better Care Fund will be primarily support intermediate care, reablement, early discharge and step up / step down programmes set out in the Better Care Fund programme and used as follows:

- Delivering integrated care to support discharge - £648,000
- Support Step Up / Step Down Services - £623,000

2.0 Implications for Council's Priorities

- i) To maintain the capacity, quality and range of social care services ensuring that the services provided are relevant to the health, social care and cultural needs of the local population and support people to remain as independent as practicable through a rehabilitative and enabling approach to care delivery.
- ii) To maintain safe and effective discharge from hospital for residents of Sefton. Promote the protection and dignity of vulnerable adults.

2.1 Risk Analysis

There are increasing financial pressures on the Local Authority's budget, in particular on the Community Care Budget.

If the proposals in relation to the revised funding allocations are not approved, then this will have a detrimental effect on the ability of the Council to be able to deliver existing services. In addition, if the proposal to use a significant proportion of the allocation to support mainstream service delivery is not supported, then this will also impact on the Council's ability to meet the required annual efficiency savings for 15/16 and 16/17

Participation and the associated funding in the Better Care Fund (BCF) will require achievement of performance metrics set out in the BCF Guidance issued by the Department of Health, in particular with regard to the on reduced non-elective admissions,. Accordingly, there is a risk relating to non-achievement in performance on the metrics.

3. Preparing for the Better Care Fund

- 3.1 On 25 July, NHS England – via letter to Chair of the Health and Wellbeing Board – forwarded revised guidance on producing Better Care Fund plans which includes revised planning and technical guidance, revised templates for completion, and a new timetable for submission, with additional conditions to be met. To date, Sefton's Health and Wellbeing Board have already submitted two iterations of the Better Care Fund in February and April 2014 respectively.

3.2 The main changes to the process for this third iteration include:

- a revision of payment of £1bn (nationally) so that the proportion of the monies “...is now linked to performance is dependent solely on an area’s scale of ambition in setting a planned level of reduction in total emergency admissions (i.e. general and acute non-elective activity).” The national planning assumption is that this will be in the region of a 3.5% reduction against the baseline detailed in the technical guidance;
- more evidence of sufficient provider engagement and agreement of the impact of plans;
- greater clarity around the alignment of the BCF plan to wider plans and policies, such as how BCF schemes will align with and work alongside primary care; and
- more evidence of robust finance and activity analytical modelling underpinning plans.

3.3 In terms of metrics, the guidance now requires a greater emphasis on health issues, specifically, as mentioned above, a targeted reduction of total emergency admissions, expected to be 3.5%. This appears to be the key one of 6 expected metrics – the others being:

- permanent admissions of older people to residential and nursing care homes;
- Proportion of older people who were still at home 91 days after discharge from hospital to reablement/ rehabilitation services;
- delayed transfers of care from hospital per 100,000 population;
- a metric on patient/service user experience; and
- a “local metric” to be decided.

3.4 A new section within the BCF plan return seeks confirmed written agreement (with comments) by local Acute Health Providers to the schemes and plans set out in the Integration Plan.

3.5 A challenging deadline of 19th September has been set for this work, and work on the new template and metrics tables is on-going within the Council’s Business Intelligence and Performance Team, in partnership with officers of the Council and Officers from Southport & Formby and South Sefton Clinical Commissioning Groups.

3.6 As with the two previous iterations of the Better Care Fund plans, the final submission needs to be formally signed off by the local Health and Wellbeing Board, and this will be considered at its planned meeting on 17th September. To ensure that the plan is approved, Cabinet are requested to approve that Sefton Council’s Deputy Chief Executive and the Section 151 Officer, in consultation with the Chair of the Health and Wellbeing Board and the Cabinet Member for Older People and Health, are delegated to sign off the BCF submission on behalf of the Council after the Health and Wellbeing Board meeting.

3.7 The ambitions of the wider Health and Social Care integration goes beyond the requirements of the Better Care Fund, and work continues on identifying and working up details on initiatives and pieces of work that will inform the overall plan. The initiatives and details are part of the foundations of the Better Care Fund Plan, and, as indicated at paragraph 3.4 above, will need to align with plans and ambitions of local Acute Sector providers.