



PAPER C

Purpose: For Information

Committee report

Committee	HEALTH AND WELL-BEING BOARD
Date	31 JANUARY 2019
Title	POOLED BUDGETS – TO CONSIDER THE CURRENT AND FUTURE POOLED BUDGET ARRANGEMENTS
Report of	DR CAROL TOZER, DIRECTOR OF ADULT SOCIAL SERVICES

EXECUTIVE SUMMARY

1. This paper sets out an overview of current and future pooled budget arrangements as requested by the Health and Wellbeing Board. The approach and requirements for developing the Better Care Fund (BCF) and Improved Better Care Fund (iBCF) for 2017/19.
2. The report is provided for information and consideration.
3. There is a requirement for the council and the Clinical Commissioning Group (CCG) to have a pooled fund to support integrated commissioning and provision. This is formalised within a Section 75 Agreement under the Better Care Fund (BCF). The BCF provides the primary vehicle for pooled funding although other S.75 agreements have historically existed.
4. The CCG's contribution to the BCF is mandated by central government. The minimum requirement is set annually:

2017-18	£9.7m,
2018-19	£10.8m
2019-20	Subject to confirmation.
5. The pooled fund includes the iBCF, which was new funding to support transformation. For the Isle of Wight the funding totaled £6.5m, which tapers off over a period of 3 years.
6. The value of the total fund varies

2017-18	£35.878m
2019-20	£36.051m

2019-20 TBC (likely to increase with inclusion of Continuing Health Care budget)

7. The Section 75 agreement 'the pooled fund' for 2019-20 is in development and must be in place by the final submission date (as yet not known) however this is progressing slowly as to date the technical guidance in relation to the BCF has not been released.

BACKGROUND

8. The BCF is a single pooled budget for local health and social care services which has been created as a national requirement to drive greater integration of commissioning and provision. After producing detailed proposals, the Island was fully assured on its BCF by NHS England for 2016/17.
9. In March 2017, the government confirmed additional funding for social care to be paid directly to local authorities as part of an expanded Improved Better Care Fund grant (iBCF). The grant has three purposes:
 - Meeting adult social care needs.
 - Reducing pressures on the NHS, including supporting people to be discharged from hospital when they are ready.
 - Ensuring the local social care market is supported.
10. The iBCF allocation for the Isle of Wight is as follows:
 - 2017/18 £3.254m
 - 2018/19 £2.175m
 - 2019/20 £1.081m
11. There was a condition in the grant to require that the money was pooled into the local BCF. Following the announcement of the additional money it was agreed to include a new National Condition in the Better Care Fund. This condition requires all areas to implement the High Impact Change Model for Managing Transfers of Care to support system-wide improvements in transfers of care. There is a complementary grant condition on the iBCF requiring that it be used to implement the High Impact Change Model.
12. The BCF Technical Guidance has not been formally issued at the time of writing, although it is expected imminently. We have been instructed to anticipate a submission deadline of less than six weeks from formal release of the Technical Guidance.
13. Historically the issued guidance has identified four national conditions that must be met:
 - That a BCF Plan, covering a minimum of the pooled Fund specified in the Spending Review, should be signed off by the HWB, and by the constituent Councils and CCGs.
 - A demonstration of how the area will meet the national condition to maintain

provision of social care services for the period covered by the S.75 agreement.

- That a proportion of the area's allocation is invested in NHS commissioned out-of-hospital services, or retained pending release as part of a local risk sharing agreement.
- Agreement on a local action plan to reduce delayed transfers of care, as detailed above.

This represented a reduction in national conditions and it is not anticipated that the guidance will alter significantly from previous guidance issued.

14. The reduction in national conditions was intended to focus the conditionality of the BCF, but did not diminish the importance of the issues that were previously subject to conditions. These remained key enablers of integration. Narrative plans had to describe how partners would continue to build on improvements locally against the formal conditions to:
 - Develop delivery of seven day services across health and social care.
 - Improve data sharing between health and social care.
 - Ensure a joint approach to assessments and care planning.
15. The Island has been making progress against the national conditions as was reported in the required quarterly returns.
16. The Section 75 will commit the CCG and the council to commissioning services in an integrated way.
17. There is a formal assurance process which the CCG and council have to go through to have the BCF plans agreed.
18. The BCF plan and pooled budget are seen as an enabler. For integration and have recently been identified as providing the governance and assurance around the integration of the Continuing Healthcare functions with adult social care.

STRATEGIC CONTEXT

19. The development of the BCF is a legal requirement. This can only be drawn together in a Section 75 Agreement.
20. The BCF is a vehicle for the integration of Health and Social Care.
21. This proposal fits with the Corporate plan in so far as it meets the objective of:
 - People take responsibility for their own health and wellbeing
 - Vulnerable people are supported and protected
 - A financially balanced and sustainable council

CURRENT POOLED BUDGET

22. Officers within the CCG and the council have adopted a focussed approach to inclusions within the pooled budget. Within the existing S.75 agreement there are 10 schemes with key deliverables 'in year'. Existing pooled fund schemes and their budgets were reorganised in 2017-18 with some services removed from the BCF; new iBCF schemes developed and other areas added. (see Appendix A). Work is ongoing in finalising the funding.
23. The BCF pooled budget is currently based on existing council and CCG commissioned / provided services.
24. The IOW Local Care Board and Operational Delivery Group oversee the BCF, finance, performance and risk.

FUTURE POOLED BUDGET

25. No significant changes to the current pooled budget arrangements are proposed at this time save for the inclusion of the existing CCG budget for Continuing Healthcare
26. There is potential for the inclusion of further funding and schemes if identified as part of the current work being undertaken by Carnall Farrah.
27. There is no limit on the scope or value of funds which can be pooled.

CONSULTATION

28. The BCF Section 75 agreement is developed and updated annually in consultation with the CCG. The Isle of Wight NHS Trust, independent sector providers and the voluntary sector are also to ensure that the wider health and social care system is aware of the intentions the S.75 agreement sets out.

FINANCIAL / BUDGET IMPLICATIONS

29. As set out earlier in this report the BCF is a pooled budget between the Clinical Commissioning Group. It consists of a fund made up of contributions from both organisations to deliver agreed health and social care outcomes.
30. The proposed fund for 2019-20 is yet to be determined and will be influenced by the work currently being undertaken by Carnall Farrah.
31. The section 75 agreement will set out the arrangements for financial risk sharing between the CCG and the Council should the pooled budget overspend or underspend. The provisions of the S75 agreement will provide that each organisation is responsible for the over/underspend relating to its own functions; therefore the Better Care Fund in itself does not increase the financial risk to either organisation.

CARBON EMISSIONS

18. The BCF has historically incorporate a number of schemes which in turn deliver a number of different services. Where these services are commissioned due regard will be had to how the carbon emissions of that specific service can be managed and reduced. This will incorporate, where relevant, a contractual obligation requiring contractor to contribute toward reducing the carbon footprint to their service.

LEGAL IMPLICATIONS

32. The development of the BCF is required in accordance with the Care Act 2014.
33. The BCF is the only mandatory policy to facilitate integration and brings together both health and social care funding.

EQUALITY AND DIVERSITY

34. The council as a public body is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
35. Under the Equality Act 2010 we are required to have due regard to our equality duties when making decisions, reviewing services, undertaking projects, developing and reviewing policies. This must be done at the formative stage of your proposal, not retrospectively as justification for the recommendation.
36. Where required for each of the services under the Section 75 agreement equality impact assessments will be carried out in accordance with the council's obligations.

PROPERTY IMPLICATIONS

37. There are no property implications.

OPTIONS

38. This report is provided for information and consideration only.

RISK MANAGEMENT

39. There is significant risk to both the council and the CCG in the event that the BCF developed for 2019-20 is not agreed as should this occur the Department of Health can withhold some of the mandatory funding.

EVALUATION

40. The development of the 2019-20 BCF is ongoing and to date firm decisions in relation to the scope for the agreement cannot be made. In part this is due to It is considered that Option 2 provides the greatest protection for the council, the CCG and the people we serve in terms of continuity of funding and services on the Isle of Wight.

RECOMMENDATION

41. That the report provided is noted and that in due course a further report is provided to ensure that the Health and Wellbeing Board are aware of the full intentions in relation to the Better Care Fund and have every opportunity to approve the same.

APPENDICES ATTACHED

42. [Appendix A – BCF Scheme description and outcomes.](#)

Contact Point: Laura Gaudion, Strategic Commissioning Manager, Adult Social Care,
☎ 821000 x 6337 e-mail laura.gaudion@iow.gov.uk

CAROL TOZER
Director of Adult Social Care

CLARE MOSDELL
Cabinet Member for Adult Social Care and Public Health