



Cabinet Report

Date	14 SEPTEMBER 2023
Title	BETTER CARE FUND
Report of	DEPUTY LEADER AND CABINET MEMBER FOR ADULT SERVICES AND HOUSING, PUBLIC HEALTH AND HOMELESSNESS

EXECUTIVE SUMMARY

1. The Better Care Fund (BCF) programme supports the Isle of Wight Council (IWC) and Integrated Care Board (ICB) to successfully deliver integrated working that best supports Island residents. The requirements of the BCF are set by NHS England (NHSE), including details on financial and contractual arrangements.
2. This paper provides an update for Cabinet about the...
 - a) 2022/2023 Better Care Fund (BCF) End of Year template submission to the National Better Care Fund team (Appendix 1), and
 - b) proposal for the 2023-25 BCF (Appendices 2 and 3).
3. For 2022/23 we can confirm that all requirements have been complied with to date. The final national requirement for 2022/23 was the submission of an End of Year template reviewing the delivery performance against plan for both the BCF and the Adult Social Care Discharge Fund.
4. On 4 April 2023 the Department of Health and Social Care (DHSC) issued the 2023 to 2025 Better Care Fund policy framework and accompanying Better Care Fund planning requirements 2023-25 guidance document.
5. Cabinet is asked to note the update on the 2022/2023 year end position.
6. Cabinet are asked to note and approve the work undertaken to date and to delegate to the Director for Adult Social Care and Housing Needs the authority on behalf of the Isle of Wight Council in consultation with the Deputy Leader and Cabinet Member for Adult Services and Housing, Public Health and Homelessness to further develop and submit the BCF 2023 – 2025 templates in line with the national deadlines, and make amendments to the allocations and provision of services within the BCF during its 2 year period.

RECOMMENDATION

7. That the cabinet note the 2022/2023 BCF End of Year submission and approve the BCF 2023-2025 BCF submission.

That the cabinet delegate authority to the Director for Adult Social Care and Housing Needs the authority on behalf of the Isle of Wight Council in consultation with the Deputy Leader and Cabinet Member for Adult Services and Housing, Public Health and Homelessness Needs to further develop and submit the BCF 2023 – 2025 templates in line with the national deadlines, and make amendments to the allocations and provision of services within the BCF during its 2 year period.

BACKGROUND

8. The Isle of Wight BCF has been in place since April 2017 and is a statutory vehicle for pooled funding. Since 2018/2019 the BCF has been stable in terms of the workstreams it contains, and the funding provided by both the council and the Integrated Care Board (ICB).
9. Locally the BCF is split into 4 key themes:
 - (a) Integrated Help and Early Prevention
This includes services and support such as the Living Well and Early Help service and the Voluntary Sector Infrastructure Support Grant
 - (b) Integrated Discharge and Admission Avoidance
This includes services and support such as Crisis Rapid Response, Carers Support Services, DFG and Rehabilitation and Reablement
 - (c) Integrated Community Support
This includes services and support such as Community Outreach, Integrated Community Equipment Store, User Led Organisation
 - (d) Integrated mental Health and learning Disability Support
This includes services and support such as Woodlands, Westminster House and Supported Living
10. The only significant changes in year (2022/23) is the inclusion of the short-term funding arrangement of the Adult Social Care Discharge Fund. This fund temporarily introduced the following projects for the period of 16 November 2022 to 31 March 2023 (Breakdown included in Appendix.) For 2023-25 the notable change has been the move from the DHSC to a 2-year plan and submission for 2023-25 for the BCF, which in the past has been for 1 year at a time.
11. The Government also uses the BCF as a mechanism for additional grant funding such as the Adult Social Care Discharge Fund. This is to ensure a joint approach and transparency across Local Authorities and Integrated Care Boards.
12. To ensure responsiveness to additional government funding and the move to 2-year period, which will likely require changes to the original submitted plan, require the delegation of authority to the to the Director for Adult Social Care and Housing Needs the authority on behalf of the Isle of Wight Council to further develop the plans, spend and services within the BCF.

CORPORATE PRIORITIES AND STRATEGIC CONTEXT

13. The Isle of Wight BCF plan underpinned by section 75 agreement. This is a key system initiative dating back to its inception in 2014 revised for 2017/19 and rolled forward to successive years by deed of variation.
14. The BCF plan and section 75 needs to be considered within the context of the refreshed Isle of Wight Health and Care Plan to drive system transformation, financial savings and efficiencies. The section 75 agreement will remain in place as the financial and contractual vehicle between the ICB and Local Authority and supports the development of an integrated health and care partnership.
15. The framework for the BCF derives from the government's mandate to the NHS issued under section 13A of the NHS Act 2006. The BCF provides a mechanism to promote and strengthen integration of health, social care and housing planning and commissioning.
16. It brings together ring-fenced ICB allocations, and funding directly to local government, including iBCF, DFG and winter pressures alongside locally identified budgets into pooled budget arrangements.
17. The BCF plan aligns with a number of strategic plans including the:
 - a) The Isle of Wight Health and Wellbeing strategy
 - b) The Isle of Wight Health and Care Plan
 - c) The ASC Care Close to Home strategy (CCH) which also aligns with the Council's Corporate Plan.
 - d) The Isle of Wight ICB partnership delivery plan
 - e) The System Winter Resilience Plan
 - f) The Independent Living Strategy
 - g) Dementia Strategy
 - h) NHS Long Term Plan

CONSULTATION

18. The BCF planning template is developed and updated by the ICB and Council, robust processes are in place to ensure that the submission is reflective of input and consultation from officers across the Council and ICB.
19. As part of the review process an extensive engagement process has been undertaken with service leads and wider stakeholders, which will inform the development of the plan. Providers including the voluntary and community sector and IOW NHS Trust have been engaged to lead on review of specific services and shape new service models. For example, Early Help and Prevention Service, Reablement and Rehabilitation service.
20. The oversight of the BCF on the Isle of Wight is in collaboration between the ICB and Council commissioners. This is overseen by both the ICB Place Director for the Isle of Wight and the Director of Adult Social Care and Housing Needs, IW Council. Proposals to use the BCF monies must be submitted to both the IW Health and Care Partnership and then via the Health and Wellbeing Board for formal sign off and approval. This is in addition to the sovereign organisations' internal governance

routes (for example, ICB Board and Council’s Cabinet). Monitoring of BCF spend is provided through quarterly monitoring reports.

FINANCIAL / BUDGET IMPLICATIONS

21. The total value of the Better Care Fund in 2022/23 is £31,059,697. The value is made up of both mandated and discretionary funding contributions from both the ICB and the Council detailed in the table below.
22. From this allocation, services are then agreed in line with the BCF guidance and funding transferred to either the ICB or Council based on who commissions the service. The table below shows the schemes within the BCF plan and whether the money has been transferred to provide the services and contractual payment commitments against each of the four identified themes:

IW BCF	Yr 1 2023/24	Yr 2 2024/25
DFG	£2,272,039	£2,272,039
Minimum NHS Contribution	£13,972,426	£14,763,265
iBCF	£6,180,112	£6,180,112
Additional LA Contribution	£3,943,489	£3,943,489
Additional ICB Contribution	£2,739,223	£1,948,384
Local Authority Discharge Funding	£866,442	£1,438,294
ICB Discharge Funding	£1,085,966	£1,513,972
Total	£31,059,697	£32,059,555

Note: table shows the BCF funds pooled together (£31,059,697) and how much of this is then allocated to each organisation to undertake the commissioning activities it is responsible for.

23. The BCF template that will be submitted includes a summary of the expected income and expenditure that will form the basis of the Section 75 finances. It outlines the quantum of financial resource included on a scheme-by-scheme basis, including reference to both the mandated ICB contribution, mandated Council elements and additional local investments and pooled funds.
24. The ICB has approved the Isle of Wight local planning approach and are satisfied that all mandatory contributions have been refreshed and uplifted in line with the national technical guidance.
25. The section 75 agreement sets out the arrangements for financial risk sharing between the ICB and the Council should the aligned budget over spend or underspend. The current provision of the section 75 agreement provide that each organisation is responsible for overspend/underspend relating to its own functions. Therefore the BCF does not increase the financial risk to either organisation

LEGAL IMPLICATIONS

26. The BCF Policy Framework set out by the Department of Health and Social Care (DHSC) and the Department for Levelling Up, Housing and Communities provides the mechanisms for joint health, social care, housing, planning and commissioning of integrated care to support independence (including reducing admissions to care homes), avoid hospital admissions and delays at discharge to appropriate care.

27. The BCF is mentioned 13 times in the NHS White Paper “Integration and Innovation” (February 2021) mainly in the context of:
 - a) changes to the legal functioning of the BCF (standalone from the NHS Mandate) and
 - b) re-invigoration of place-based structures for NHS/Adult Social Care (ASC) integration (Health and Wellbeing Boards (HWB) and BCF/S75 arrangements), as a mechanism for agreeing priorities, particularly local mental health, community, and primary care services integrated care pathways.
28. The general legal implications are that national policy sets out the BCF requirements that the council and ICB are required to work within. The way this is achieved is by the IW BCF Section 75 agreement. The document sets out the legal basis, governance (BCF S75 Board via Integrated Care Board (ICP) now Health Care Partnership Board, to Health and Wellbeing Board); Key Performance Indicators and reporting; and schemes descriptions/service specifications etc.
29. Although required to review and revise the Section 75 agreement around the agreed priorities, it is not necessary to create a complete re-write of the Section 75 document every year to form a new agreement. In considering revisions:
 - (a) It will be reviewed to reflect any specific changes and will maintain the financial risk sharing between the ICB and council should the pooled budget overspend or underspend;
 - (b) It will clarify the transfer of the ICB minimum mandated contribution to Adult Social Care and the agreed way in which that will be spent;
 - (c) It will seek to simplify the Section 75 Agreement to reflect new governance and aspirations based on emerging Health Care Partnership place principles, priorities, and fit with both NHS Integrated Care Systems and Local Government direction of travel.
 - (d) It continues to maintain the spirit of the original Section 75 rather than seeking to start a new agreement that would take considerable time and resource to produce a very large agreement document from scratch with little change to the needs of the agreement.
30. The risks associated with the BCF plan for 2023-2025 not being agreed are set out at paragraph 36 of this paper. The legal implications of these risks are that the local authority could lack sufficient funding to comply with its statutory and regulatory obligations with the associated risk of legal action for failures or omissions, particularly where these have led to lack of support for or neglect of vulnerable adults.

EQUALITY AND DIVERSITY

31. 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.
32. The review of the BCF schemes will include equality impact assessments. These will determine how a service promotes equality and diversity to ensure legal

compliance in how the services we provide and the decisions we make meet the needs of our local community under our equality and diversity duties.

OPTIONS

33. Options 1 – For cabinet to note the 2022/2023 BCF End of Year submission and approve the BCF 2023-2025 BCF submission and delegate to the Director for Adult Social Care and Housing Needs the authority on behalf of the Isle of Wight Council in consultation with the Cabinet Member for Adult Social Care, Public Health and Housing Needs to further develop and submit the BCF 2023 – 2025 templates in line with the national deadlines, and make amendments to the allocations and provision of services within the BCF during its 2 year period.
34. Option 2 – For cabinet **not** to note the 2022/2023 BCF End of Year submission and approve the BCF 2023-2025 BCF submission and delegate to the Director for Adult Social Care and Housing Needs the authority on behalf of the Isle of Wight Council in consultation with the Cabinet Member for Adult Social Care, Public Health and Housing Needs to further develop and submit the BCF 2023 – 2025 templates in line with the national deadlines, and make amendments to the allocations and provision of services within the BCF during its 2 year period.

RISK MANAGEMENT

35. There is significant risk to both the IW Council, ICB and the wider system if the BCF plan for 2023 - 2025 is not agreed and subsequently approved by regulators.

No.	Risk	Level	Mitigation
1	Should the system not agree and fail to submit its plan by September 2023, Isle of Wight system will not receive additional funding earmarked for local systems to support ASC. In particular, the Improved Better Care Fund (iBCF) and Disabled Facilities Grant (DFG) continue to be paid to local authorities on the condition that they are pooled locally into the BCF and spent on specific purposes set out in the grant determinations and conditions. The worst-case scenario could see mandatory funding withheld from the system.	A	Cabinet to support and approve the proposals for BCF plan 2023/25 Cabinet to approve delegated authority for the Director for Adult Social Care and Housing Needs in consultation with the Cabinet Member for Adult Social Care, Public Health and Housing Needs to further develop and submit the BCF 2023 – 2025 templates in line with the national deadlines and make amendments to the allocations and provision of services within the BCF during its 2-year period.
2	Failure to submit presents a significant reputational risk to the ICB, LA, HWB and wider system. In particular, the BCF planning guidance forms part of the core NHS Operational Planning and Contracting Guidance. ICBs are therefore required to have regard to this guidance by section 14Z11 of	A	Fortnightly planning meetings in place with representatives from the ICB and IWC. Plan in place for meeting all the required deadlines including final submission on 26 September.

	<p>the NHS Act 2006. With a view to the wider system; having published a single system Health and Care Plan, that includes a single control total, failing to submit the BCF plan will likely result in external scrutiny from National regulators and further scrutiny of system plans and agreements to develop ICP arrangements.</p>		<p>As the set deadline does not allow for sign off by HWB at a meeting virtual HWB sign-off process prior to the final deadline</p>
3	<p>Failure to agree financial contributions within the BCF plan may result in the requirement to undertake a significant BCF and S75 refresh placing additional resource strain upon the system.</p>	A	<p>Financial contributions have been agreed by the finance leads in line with policy guidelines.</p>
4	<p>HWB governance arrangements and decision making does not support effective BCF development and delivery.</p> <p>Where there are concerns over the submission, performance or compliance with BCF requirements the Better Care Fund Support team (BCST) and Better Care Manager (BCM) will take action that could range from informal support, advice and guidance moving through formalized support and formal regional meetings up to formal escalation panels that involve NHS England and LGA.</p> <p>In the event of national escalation, under the NHS Act 2006 NHS England does have the ability to direct the use of ICB funds where an area fails to meet the BCF conditions.</p> <p>The escalation panel may also make recommendation that an area should amend plans that relate to spending of the DFG, Winter pressures or IBCF- however this money is not subject to NHS E powers. However, if there is not agreement and a plan cannot be agreed Departments can recover grant payments or withhold future funding.</p>	A	<p>HWB to agree BCF management and decision-making infrastructure as part of the Health and Care Plan implementation.</p> <p>To engage with the local BCM for guidance prior to final submission.</p> <p>To have cross organisational contribution and review of the plan prior to submission.</p>

36. In addition to the risk associated with failing to agree the plan, the scale of system financial challenge threatens BCF development and delivery. The ICB and the Council continue to review current budgets to ensure BCF schemes are aligned to sustainability plan priorities.

EVALUATION

37. The proposed way forward has been carefully considered with senior staff of both the Council and the ICB. Having considered the above, it is felt that option 1 is preferred, as it maintains the requirement to agree and prepare to sign off and submit BCF planning submission which is due by 26 September prior to virtual sign off by the HWB. It enables continuation of significant funding for Adult Social Care and Health services on the island.

APPENDICES ATTACHED

Appendix 1 – IW BCF End of Year Template 2022 / 23

Appendix 2 – IW BCF 2023-2025 Narrative document

Appendix 3 – IW BCF 2023-2025 Planning template

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