

## **Health and Wellbeing Board**

**20th April 2016**

Joint Report of the Director of Adult Social Care, City of York Council and the Chief Operating Officer, NHS Vale of York Clinical Commissioning Group.

## **Better Care Fund Submission 2016/17**

### **Summary**

1. The purpose of the report is to update the Health and Wellbeing Board (HWBB) on progress to finalise a submission for the Better Care Fund (BCF) in 2016/17 and beyond.
2. Negotiations between the Council and the CCG are continuing and a joint spending plan and narrative are still being developed. These documents will be circulated to members of the Health and Wellbeing Board as soon as they are available.
3. To consider and comment on the draft joint spending plan and narrative, subject to agreement being reached between Officers of the Council and the Clinical Commissioning Group ahead of the meeting.

### **Background**

4. The BCF was introduced as a tool to encourage and speed up the integration of health and social care, and prompt local authorities and Clinical Commissioning Groups to develop transformational projects through the use of pooled budgets and integrated spending plans. A series of national conditions were specified, governing the development of detailed plans. The BCF did not however result in an allocation of any additional funding; instead the challenge was how to use existing resources in a more imaginative and joined up way to integrate services around the customer.

5. In 2015-16, the Government earmarked £3.8 billion against the BCF with local areas contributing an additional £1.5 billion, taking the total spending power of the BCF to £5.3 billion. Locally, this equated to a BCF budget for York of £12.127 million. Plans for how this budget was to be spent in 15/16 were agreed between the CCG and City of York Council and were signed off by the HWBB in April 2015.
6. In 2016/17 the BCF is being increased to a mandated minimum of £3.9 billion to be deployed locally on health and social care through pooled budget arrangements between local authorities and CCGs. The local flexibility to pool more than the mandatory amount will remain. Locally, this will equate to a minimum pooled BCF budget for York of £12.203 million.
7. The HWBB received a report at its last meeting setting out the main aims of the 2015/16 plan and the projects that made up the programme. National guidance for preparing and submitting the BCF joint spending plan for 2016/17 suggests using the 2015/16 plan as a starting point.

### **Deadline for submission**

8. York has to submit a final BCF plan for 2016/17 to NHS England by 3<sup>rd</sup> May 2016, a recently revised deadline. National Conditions require the joint spending plan and narrative for our submission to be approved and signed off by the Health and Wellbeing Board, the Council and the CCG.
9. Two previous deadlines, for the submission of draft plans for 2016/17, have already been missed, although the CCG and local authority did agree a holding response that articulated the work being undertaken to close discussions.
10. The financial context of the CCG/ CYC, and the under-performance of the 2015/16 programme are the two issues that have proven difficult in reaching agreement about the BCF plan for 2016/17.

### **Approach to developing a plan**

11. The Council and CCG have formally met on numerous occasions since the technical guidance for the current submission round was published on 23<sup>rd</sup> February 2016 by NHS England, with a deadline of 2<sup>nd</sup> March for the first draft submission. Work on the BCF is taking priority over other issues.

12. Members of the Board will be aware of the financial context in which the CCG and the Council is operating. The 2015/16 BCF Plan failed to achieve the level of savings and efficiencies originally envisaged, potentially worsening the deficit and increasing pressures on CCG and Council budgets.
13. Recognising these issues officers from the CCG and the Council agreed a pragmatic way forward, a three stage approach which would involve:
  - Reviewing confidence levels in 2015/16 projects submitted by CCG/CYC and agreeing schemes for inclusion in 2016/17. This has involved reviewing purpose, outputs, implementation problems and fit with overall direction of travel.
  - Identifying other projects, funding streams and 'pathways' that would complement and could later be added to the agreed programme to help realise additional efficiencies and desired outcomes
  - A look at the whole system and totality of funding to fit with the emerging vision for health and social care in York.
14. Although good progress has been made it was not possible to submit draft plans on 2nd March or 21st March because of difficulties described above. It is also increasingly apparent that some of the assumptions in the 2015/16 plan were over optimistic, affecting our ability to collectively achieve the scale of financial efficiencies required from a programme of this size.
15. Further progress has subsequently been made with almost 80% of the expenditure (£9.513m) agreed between the local authority and the CCG. However, the most difficult issue to resolve is the amount that should be set aside within the joint spending plan to account for underachievement of targets in 2015/16, that is therefore resulting in spend on A&E attendances and non-elective admissions.
16. The CCG wish to see a sum in the region of £3.3 million earmarked for this purpose whereas the Council believe a smaller sum of approximately £2 million is appropriate. SCIE are providing support to get underneath the rationale and detail behind these figures, from an independent perspective.

## **Next Steps**

17. There is great deal of work still to be done if we are to make this final deadline and we are hopeful that an agreed draft spending plan and narrative will be available for this meeting. The current position is that:
  - The total cost of schemes subject to negotiation exceeds the agreed pooled budget by approximately £1.5 million. This gap needs to be closed as part of the final negotiations.
  - Senior Managers from the CCG and the Council are jointly writing a draft narrative to accompany the plan.
  - SCIE will review our project templates, provide an independent view of what our funding plan could look like and help finesse the narrative for submission with the plan.
  - These discussions will also need to conclude with an agreement on a financial risk share, subject to the detail of what is agreed with regards to the above.
  
18. It is also recognized that there is a need to include a broader range of partners in developing the programme in the future. It feels appropriate to begin this process as soon as a joint spending plan and submission document have been drafted.

## **Consultation**

19. In previous years there has been extensive engagement across all groups through a variety of forums. A refreshed, joint communication and engagement strategy, with earlier engagement of strategic partners as well as local people would make a positive statement about the intentions of all parties and be consistent with discussions around co-production.

## **Options**

20. These will be presented at the meeting.

## **Analysis**

21. This will be concluded as part of the negotiations between the Council and the Clinical Commissioning Group

## Strategic/Operational Plans

22. The BCF does not sit in isolation and is an integral enabler that supports numerous operational and strategic planning frameworks. Although the detail of where BCF resources will be focused in 16/17 is still to be finalised, there are clear links to the CCG Operational Plan, the council Plan and the fledgling Sustainability and Transformation Plan. Addressing the key health and social care drivers and inequalities highlighted in the Joint Strategic Needs Assessment (JSNA) are also the focus of BCF planning.

## Implications

23. The following implications have been addressed in this report
- **Financial** – The financial pressures faced by all organisations across the system are one of the key drivers behind the refreshed approach to BCF planning and delivery. Senior leaders are committed to ensuring that addressing financial pressure in one part of the system does not create additional pressures in other parts. This is a significant move towards a more integrated and whole system approach and will require strong leadership and buy in to succeed.
  - **Human Resources (HR)** - There are no specific HR implications at this stage of the planning process
  - **Equalities** – Equalities are continuously addressed through the engagement and consultation approach and recognised methods of assessing this through Equality Impact Assessments are followed
  - **Legal** – There are no specific legal implications at this stage of the planning process
  - **Crime and Disorder** – There are no specific crime and disorder implications at this stage of the planning process
  - **Information Technology (IT)** – Progress towards a more joined up approach to IT is being addressed through the Digital Roadmap, progress on which is outside the scope of this report
  - **Property** – There are no specific property implications at this stage of the planning process

## **Risk Management**

24. The whole system approach to BCF planning for 16/17 is not without risk, primarily that pressures in specific parts of the system will force organisations to take an inward facing approach to addressing these, rather than how these pressures can be managed across the system.

## **Recommendations**

25. The Health and Wellbeing Board are requested to note and comment on progress.
26. Subject to agreement reached between senior managers from the Council and the Clinical Commissioning Group ahead of the meeting, consider the draft spending plan for submission to NHS England on 3<sup>rd</sup> May.
27. Provide delegated authority for the Chair of HWBB to authorise any final alterations to the narrative part of the submission, after receiving comments from members of the Board.
28. The Chief Operating Officer and Director of Adult Social Care to report agreement to their respective executive management teams.

**Reason:** To keep the HWBB abreast of progress and to seek a decision from the Board in relation to a joint spending plan for 2016/17.

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**Report  
Approved**



**Date** 14.04.2016

**Specialist Implications Officer(s)** *List information for all i.e*

Finance Officers within different organisations

**Wards Affected:**

**All**

**For further information please contact the author of the report**

**Background Papers:**

Report to the Health and Wellbeing Board on 9<sup>th</sup> March 2016

<http://modgov.york.gov.uk/ieListDocuments.aspx?CId=763&MId=8771&Ver=4>

**Abbreviations used in the Report:**

A&E- Accident and Emergency

BCF- Better Care Fund

CCG- Clinical Commissioning Group

CYC- City of York Council

HR- Human Resources

HWBB- Health and Wellbeing Board

IT- Information Technology

JSNA- Joint Strategic Needs Assessment

NHS- National Health Service

SCIE- Social Care Institute for Excellence