

Health and Wellbeing Board

20th July 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 have continued since April and a joint spending plan and narrative are in draft form awaiting final agreement.
3. To consider and comment on progress to date to agree the spending plan and narrative, subject to final agreement being reached between Officers of the Council and the Clinical Commissioning Group after the meeting.
4. To renew the delegated authority to jointly sign off the BCF plan and submission prior to 29th July 2016 deadline which was previously granted to both the Chair of the City of York Council's Health and Well-being Board and the Chair of NHS Vale of York Clinical Commissioning Group's Governing Body.

Background

5. 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.

6. 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 £12.2 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.
7. 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 £12.2 million.
8. The HWBB received a progress report at its last meeting setting out the main aims of the 2016/17 plan and the projects that made up the programme. Officers of the Council and CCG have followed national guidance for preparing and submitting the BCF joint spending plan for 2016/17 by using the 2015/16 plan as a starting point.
9. Due to the failure to submit a balanced plan by the previous deadlines senior officers were invited to an NHS England Escalation Panel in London on 7th June 2016. The Panel recognised the confidence the CCG and CYC had in jointly concluding matters in a way that puts in place the building blocks for a realistic solution not just for the immediate term in respect of the BCF but for the broader care and health economy going forward.

Deadline for submission

10. York has to submit a final BCF plan for 2016/17 to NHS England by 29th July 2016, an extended deadline agreed following an

Escalation Panel meeting on 7th June 2016 in London. 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.

11. Three 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 in April that articulated the work being undertaken to close discussions.
12. 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.
13. Officers from both the CYC and CCG are working exceptionally hard to finalise and approve the plans to meet the extended deadline of 29th July 2016.

Approach to developing a plan

14. The Council and CCG have formally met on numerous occasions since the technical guidance for the current submission round was published on 23rd February 2016 by NHS England, with a deadline of 2nd March for the first draft submission. Work on the BCF has been taking priority over other issues.
15. 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.
16. 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.
17. Although good progress was made it was not possible to submit draft plans on 2nd March, 21st March or in May because of difficulties described above. It also became 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.
18. Further progress has subsequently been made with all of the expenditure agreed between the local authority and the CCG giving the York health and social care system a balanced BCF financial plan.

Next Steps

19. There is still some work to be done to make this final deadline and we remain hopeful that the Health and Well-being Board are now supportive of the balanced draft spending plan and narrative presented for this meeting. The current position is that:
- The total cost of schemes subject to final negotiation has been agreed as £12.2million.
 - Senior Managers from the CCG and the Council have jointly written a draft narrative to accompany the plan.
 - These discussions now also need to conclude with an agreement about how risk will be managed to include a set of principles governing our risk management approach for inclusion in the S.75 agreement.
 - Although discussions have taken place regarding where System Resilience Group (SRG) funded schemes fit with the wider integration agenda, they are not included in the BCF. It is important that the HWB are aware that the SRG schemes are a pressure on the CCG's core budget. To ensure that HWBB are fully informed of the SRG schemes we would suggest that they are reported to the HWB via the ITB and that the ITB is now asked to have oversight of how it reviews and prioritises these SRG schemes.

20. Engagement with all stakeholders has not been as thorough as we would have liked given the timescales we have had to work to. Numerous individual conversations have taken place but at some point going forward this should be more of a collective discussion regarding the future ownership and direction of the BCF Plan for York. We would propose the HWB inviting the Integration and Transformation Board to take collective ownership of the BCF from hereon in and through this mechanism the HWB would expect the health and social care system to establish formal mechanisms so that, in future, the responsibility for BCF sits at the heart of our governance arrangements for transforming our system.
21. To this end the ITB is asked to now start developing the system's approach to the BCF for 2017/18 ensuring it underpins our longer terms direction for integration of health and social care.

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 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 the intensive drive to deliver a balanced plan.
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 29th July 2016.
27. Provide delegated joint authority for the Chair of HWBB and Chair of the CCG Governing Body 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 and advise of the intention to submit the BCF documentation subject to local authorisation by delegated parties by the required deadline.

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**Report
Approved**

Date 19.07.2016

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 9th March 2016

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

Report to the Health and Well-being Board on 20th April 2016

<http://democracy.york.gov.uk/ieListDocuments.aspx?CId=763&MId=9645&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