



# **Follow up of agreed actions from the previous Better Care Fund (BCF) audit**

**City of York Council  
2016/17**

## **Memorandum**

Responsible Officer: Director of Adult Social Care  
Status: Final  
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# 1 INTRODUCTION

- 1.1 The Better Care Fund (BCF) was established in 2013 with the aim of integrating health and social care to improve outcomes for patients and use resources more efficiently. It requires Clinical Commissioning Groups (CCG) and local authorities to pool budgets and agree spending plans for how they will use their BCF allocation. The BCF budget shared between City of York Council and Vale of York CCG is around £12.2m for 2016/17. There is an additional risk-share of around £1.2m that is split equally between the Council and the CCG.
- 1.2 The previous audit in 2015/16 reviewed reporting and performance monitoring arrangements, as well as risk management. Four actions were raised as a result of the audit and these have been followed up as part of this audit.
- 1.3 More recently, Mazars have carried out a review into the BCF and made several recommendations regarding performance reporting, governance and oversight arrangements at strategic and implementation levels, as well as the need to liaise with NHS England's (NHSE) Better Care Support Team and Managers. These findings were reported to the Audit and Governance Committee in December 2016 and are broadly in line with the findings of the 2015/16 Veritau audit.

## **Scope and Objectives**

- 1.4 The primary objective of this audit was to establish the progress made towards resolving the four actions agreed with management as part of the 2015/16 audit.
- 1.5 The secondary objective of this audit was to agree further actions where necessary to address outstanding issues.

## **Key Findings**

- 1.6 It was found that good progress had been made towards achieving the actions agreed as part of the previous audit. These actions can now be considered complete. However, there remains progress to be made in some areas and a detailed discussion of the findings is set out below.
- 1.7 The Council feels that financial pressures and legal directions imposed on the CCG have led to the BCF receiving less attention than required from the CCG. The challenges facing the CCG have been noted in the Integration and Transformation Board (ITB) report presented to the Health and Wellbeing Board (HWB) on the 18<sup>th</sup> January 2017 and have also been recorded in the minutes of the ITB.<sup>1</sup> The CCG has acknowledged that its contribution was not

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<sup>1</sup> For example, the November 2016 meeting states: 'Through discussion it was noted that resources were stretched in the CCG which w[as] affecting the amount of time devoted to BCF.'

as effective as it should have been in 2016, but made a public commitment at the 18<sup>th</sup> January HWB meeting to rectify this.<sup>2</sup>

## **2 FINDINGS**

### **Area Reviewed: Reporting lines and monitoring arrangements**

- 2.1 The 2015/16 audit found that the overall responsibilities and reporting lines for delivery of the BCF programme were under review, but had not been formally agreed at the time of the audit.
- 2.2 Formal reporting lines and monitoring arrangements have been set out in the narrative submission to NHSE and in the Section 75 agreement. Responsibility for BCF lies with the HWB, which provides strategic oversight and ensures compliance. It is supported in this by the inter-agency ITB, which reports to HWB on a quarterly basis. The ITB is in turn supported by the Performance and Delivery Group (PDG), which is made up of representatives from the Council, CCG, and other bodies.
- 2.3 Schedule 2 of the Section 75 agreement sets out the role and governance arrangements of the ITB. It is responsible for reviewing and performance managing various areas related to the scheme, such as approving individual schemes and financial management. The delegated authority of the members of the ITB is set out in the Schedule. The ITB initially had an independent chair, but it was agreed at the September 2016 meeting that the chair should be shared between the partners.
- 2.4 There are also Terms of Reference (TOR) for the ITB that were agreed in May 2016. It was agreed at the December ITB meeting that these need reviewing as its role and geographical remit is changing. Some discussion was had at the January 2017 ITB workshop and the Director of Adult Social Care has agreed to review them.
- 2.5 Schedule 4 of the Section 75 agreement sets out the role of the PDG. It states that the PDG has been established to support the delivery of the BCF plan and report on operational issues and key performance metrics to the ITB on an 'exception' basis. The inaugural meeting of the PDG in August 2016 set out the values and purpose of the group and these have now been turned into formal TOR.
- 2.6 Discussion with officers found that the chair of the PDG is shared between the Council and the CCG. The Senior Strategic Commissioning Lead for the Council and the BCF Programme Manager, who chair the PDG, provide updates to the ITB on the performance of BCF.<sup>3</sup> The responsible officers for each programme are accountable to the BCF Programme Manager for the

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<sup>2</sup> See Agenda Item 9, 01:49:04 – 02:14:22, Health and Wellbeing Board, 18<sup>th</sup> January 2017, <https://www.youtube.com/user/cityofyorkcouncil>.

<sup>3</sup> The BCF Programme Manager is provided by the CCG and the CCG has overall responsibility for programme management.

performance of each scheme. Currently, the PDG is asking one responsible officer to report at each PDG meeting on the performance of their scheme. These reporting arrangements have evolved since the BCF plan was submitted to NHSE and since the Section 75 agreement was finalised. These documents require amending in future versions to reflect these developments.

- 2.7 The responsibilities and reporting lines for the delivery of the BCF programme have evolved considerably since the previous audit, with more formal monitoring and reporting arrangements now in place. Nevertheless, there is still progress to be made in clarifying the reporting lines between the individual schemes, the PDG and the ITB.

**Area Reviewed: Agreement on Council-specific risks, including risk owners and action plans**

- 2.8 The 2015/16 audit found that there was no overall risk register within the Council for BCF.
- 2.9 There is a risk register for Health, Housing and Adult Social Care that deals with nine risks to the directorate, some of which are related to BCF. These have all been given risk ratings and risk owners, as well as action plans and due dates.
- 2.10 Furthermore, the Section 75 agreement sets out financial risk-share principles. Minutes of the PDG and ITB meetings show that financial risks and risks to meeting the national metrics are being discussed. The financial risks to the Council were reported at the January meeting of HWB and Members raised concerns about the impact on the Council's budget.
- 2.11 A risk log has been included in the narrative submission to NHSE, based on risks identified by the Council and CCG. Elements of the action plans have been carried out, such as agreeing a Joint Commissioning Strategy, but actions to address the key risks need to be recorded systematically to provide the necessary level of assurance.

**Area Reviewed: Section 75 agreement**

- 2.12 The 2015/16 audit found that the Section 75 agreement had not been agreed at the time of the audit.
- 2.13 The latest Section 75 agreement is now in place between the Council and the CCG. The agreement was finalised on 12<sup>th</sup> October 2016 and signed by representatives of both parties. The agreement sets out pooled funding arrangements and the responsibilities of each Partner regarding over- or under-spends. Schedule 3 sets out the financial risk-share principles for BCF.
- 2.14 As the Section 75 agreement is now in place, the action can be considered complete.

**Area Reviewed: Agreement on and monitoring of timescales and actions for specific elements of the BCF plan**

- 2.15 The 2015/16 audit found that targets for the implementation of elements of the BCF plan had been missed. Most of these schemes were rolled over into the 2016/17 plan due to time constraints that prevented new schemes being developed.
- 2.16 All of the BCF schemes should be laid out in 'plans on a page' documents. These summarise the purpose, intended outcomes, metrics, finances, benefits and risks to each individual scheme. The intention was for the Council and CCG to share their respective plans at the November 2016 meeting of the PDG. However, the CCG's plans were not presented and were still not available at the time of this audit.
- 2.17 The PDG has developed a local performance dashboard, which shows performance against national and local metrics on a monthly and quarterly basis. Discussion with officers found that the initial intention was for this dashboard to show the RAG rating of individual schemes and which required an exception report to ITB. This is no longer the case because it was found that this format did not focus on the highest risks, nor did it demonstrate whether the national targets were being met. There is now a focus on collating all the data from partners for analysis and challenge, as well as receiving an in-depth report on a single scheme each month.
- 2.18 Minutes for the PDG and ITB meetings show that the plans are being monitored and discussed. Responsible officers are also providing updates at the PDG meetings. Furthermore, performance is being reported in the quarterly report to HWB by the ITB and back to NHSE in the quarterly submission by the PDG. However, discussion with officers found that NHSE has not commented on the submissions even when performance against national metrics was off-track and deteriorating.
- 2.19 The most recent report by the ITB to the HWB stated that it was unlikely that the BCF schemes would meet their targets for 2016/17, which reflects the performance of BCF schemes nationally, and that guidance for preparing a BCF plan for 2017/18 had been delayed. Nevertheless, progress has been made since the previous audit in agreeing and monitoring timescales and actions for elements of the BCF plan.

### **3 CONCLUSION**

- 3.1 The Section 75 agreement has been signed off and reporting and performance monitoring arrangements have developed considerably. Nevertheless, changes to the responsibilities and reporting arrangements between the responsible officers for individual schemes, the PDG and ITB need to be reflected in the Section 75 agreement as arrangements evolve.
- 3.2 Performance and risk monitoring has improved since the previous audit. The PDG has developed a dashboard that sets out performance against national and local metrics and is working on compiling data and agreeing a reporting format for the individual schemes.
- 3.3 Risks are now documented on several levels: to the individual schemes; to the BCF plan as a whole; to the financing of BCF; and to the national metrics set by NHSE. Nevertheless, although Council-specific risks have been incorporated into the BCF plan and are reported on an exception basis, evidence of systematic reviews of the risks should be documented in the records of PDG and ITB meetings.
- 3.4 Although governance arrangements have evolved significantly since the previous audit, there is still progress to be made to ensure that the BCF plan has robust governance, performance and risk monitoring arrangements.