

# Cabinet Meeting

## 26 April 2017

<b>Report title</b>	Better Care Fund Section 75 Agreement (Pooled Budget 2017-18) & Additional Adult Social Care monies announced during the Spring 2017 Budget statement	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Sandra Samuels Cabinet Member for Adults	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	No	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Linda Sanders Strategic Director - People	
<b>Originating service</b>	Commissioning, People	
<b>Accountable employee(s)</b>	Paul Smith	Head of Strategic Commissioning Tel: 01902 555318 Email: paul.smith@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	People Leadership Team	12 April 2017
	Strategic Executive Board	11 April 2017

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### Recommendation(s) for action or decision:

Cabinet is recommended to:

1. Note and receive the report proposing the use of the additional non-recurring monies announced during the Spring 2017 budget statement.
2. Agree to renew the Section 75 Agreement (Pooled Fund) with NHS Wolverhampton Clinical Commissioning Group ("WCCG") for 2017-18.
3. Delegate authority to approve the final terms of the proposed Section 75 Agreement to Cabinet members for Adults, Public Health and Well Being and Resources, (Cllrs. Paul Sweet, Sandra Samuels OBE and Andrew Johnson) in consultation with Strategic Director for People and Director of Finance.

## **1.0 Purpose**

1.1 The purpose of the report is to:

- Provide Cabinet with an update report regarding renewal of the Better Care Fund Section 75 Agreement (s75 Pooled Budget) with NHS Wolverhampton Clinical Commissioning Group (“WCCG”) for 2017-18 and use of the additional Adult Social Care grant announced in the Chancellor’s Spring 2017 budget announcement.
- Seek Cabinet approval to renew the Section 75 Agreement (Pooled Fund) with NHS Wolverhampton Clinical Commissioning Group (“WCCG”) for 2017-18.
- Seek Cabinet delegation of authority to approve the final terms of the proposed Section 75 Agreement to Cabinet members for Adults, Public Health and Well Being and Resources, (Cllrs. Paul Sweet, Sandra Samuels OBE and Andrew Johnson) in consultation with Strategic Director for People and Strategic Director of Finance.

## **2.0 Background**

- 2.1 Adult Social Care funding has received both greater political and public attention at a national level during the last quarter of 2016/2017. This has culminated in an alignment between the additional Social Care grant announced during the Chancellors Spring 2017 budget announcement and updated policy guidance in relation to the improved Better Care Fund (BCF).
- 2.2 On 1 March 2017 Council approved the revenue budget for 2017/18. Subsequently, on 8 March, in the Spring Budget, the Chancellor announced additional funding for Adult Social Care amounting to £2 billion nationally over a 3 year period. The allocation for 2017/18 for the City of Wolverhampton Council is £6.402 million, however this tapers significantly over the following two years.
- 2.3 One of the conditions attached to the grant is that it needs to be aligned with the Better Care Fund pooled budget through section 75 of the NHS Act 2006 (s.75).

## **3.0 Better Care Fund Progress**

- 3.1 Local Better Care Fund plans are subject to national conditions and guidance. Local plans are monitored through NHS England and there are strict timelines regarding submission of plans for both regional and national assurance of plans to take place.
- 3.2 National Conditions for 2017-19

In 2017-19, NHS England will require that BCF plans demonstrate how the area will meet the following national conditions:

- Plans to be jointly agreed;
- NHS contribution to adult social care is maintained in line with inflation;
- Agreement to invest in NHS commissioned out-of-hospital services, which may include 7 day services and adult social care; and

- Managing Transfers of Care

- 3.3 Local BCF plans would normally be fully developed and submitted well in advance of the start of a new fiscal year to enable implementation to commence at the start of the year. There has been an absence of planning guidance and agreed timelines from NHS England to enable local plans to be fully developed in preparation for submission.
- 3.4 On 31 March 2017 the DH and DCLG published the 2017-19 Integration and Better Care Fund Policy Framework. A draft plan is required to be submitted by the 9 May 2017 for regional and national assurance to take place.
- 3.5 A S.75 agreement is already in place for 2016-17. Council officers and Wolverhampton Clinical Commissioning Group have been developing the plan to refresh the s.75 agreement for 2017-18. With the condensed timescale for submission it will be necessary for signing of the detailed submission to be appropriately delegated and a further report to be provided to Cabinet at a later date advising of the detailed revised s.75 pooled budget.

#### **4.0 Additional Adult Social Care grant (Spring 2017 budget statement Announcement)**

- 4.1 The Local Government Finance Settlement includes New Better Care Fund monies of £1.173 million for 2017-18. In addition to this an additional £6.402 million was announced in the Spring Budget to support adult social care. The final conditions are expected in April, but draft conditions were circulated in March which are detailed below:
- 4.2 The 2017-19 Integration and Better Care Fund also makes reference to these funds in that:
- 4.3 The new BCF grant will be paid directly to local authorities via a Section 31 grant from the Department of Communities and Local Government. The Government will attach a set of conditions to the Section 31 grant, to ensure it is included in the BCF at local level and will be spent on adult social care. The final conditions will be issued in April. However, a draft has been shared with areas in March. The **draft** conditions of use of the Grant can be summarised as:
1. Grant paid to a local authority under this determination is to be spent on adult social care and used for the purposes of meeting adult social care needs, reducing pressures on the NHS - including supporting more people to be discharged from hospital when they are ready - and stabilising the social care provider market.
  2. A recipient local authority must:
    - a. pool the grant funding into the local Better Care Fund, unless the authority has written Ministerial exemption;
    - b. work with the relevant Clinical Commissioning Group(s) and providers to meet National Condition 4 (Managing Transfers of Care) in the Integration and Better Care Fund Policy Framework and Planning Requirements 2017-19; and

c. provide quarterly reports as required by the Secretary of State.

3. The Government has made clear that part of this funding is intended to enable local authorities to quickly provide stability and extra capacity in local care systems. Local authorities are therefore able to spend the grant, including to commission care, subject to the conditions set out in the grant determination, as soon as plans have been locally agreed.

4.4 In terms of the wider context, the funding is also intended to support councils to continue to focus on core services, including to help cover the costs of the National Living Wage, which is expected to benefit up to 900,000 care workers. This includes maintaining adult social care services, which could not otherwise be maintained, as well as investing in new services, such as those which support best practice in managing transfers of care.

The Council is required to pool these funds into the BCF which are

<b>Funding Source</b>	<b>2017-18 allocation £000</b>
New Better Care Fund	1,173
Additional funds (Spring Budget)	6,402
<b>Total</b>	<b>7,575</b>

4.5 Scheme proposals

It is currently proposed to allocate the funds broadly as detailed in the table below. A more detailed plan will be developed and agreed through the BCF governance process as required in draft condition 2 above.

<b>Scheme</b>	<b>Estimated allocation £000</b>	<b>Notes</b>
<b>Behaviour Change/Demand Management programme implementation</b> <ul style="list-style-type: none"> <li>- Intensive change programme on hospital discharge</li> <li>- Developing the Community Offer</li> </ul>	800	<ul style="list-style-type: none"> <li>- Non-recurring spend with implementation timeline spanning two financial years.</li> <li>- Any recurring spend to be met through service redesign.</li> </ul>
Reconfiguration of Older People's service activity <ul style="list-style-type: none"> <li>- management of existing cost pressures (including</li> </ul>	6,775	<ul style="list-style-type: none"> <li>- Recurring commitment</li> </ul>

Scheme	Estimated allocation £000	Notes
<p>National Living Wage)</p> <ul style="list-style-type: none"> <li>- Additional home care reablement including twin tracking the externalisation of in house provision with development of independent sector home care reablement capacity</li> <li>- Enhancement of step down (extra care)</li> </ul>		<ul style="list-style-type: none"> <li>- To extend use of HARP for six months to 31/3/18 and create a managed twin track transition period (non-recurring)</li> <li>- Pump prime additional capacity with invest to save evaluation and potential re-configuration of spend within the BCF for any continuation</li> </ul>
<b>Total</b>	<b>7,575</b>	

4.6 Detailed Implementation Plans are being developed and will be shared and monitored by BCF Board and will also be provided to the Wolverhampton Health and Wellbeing board on a quarterly basis.

4.7 There may still be further guidance and performance monitoring requirements published that may inform financial allocations and priorities.

## 5.0 Financial implications

5.1 The value of the pooled fund for 2016-17 was £56.8 million revenue; of which £21.6 million related to council funded services and £35.1 million related to CCG funded services. The fund also includes £2.4 million capital grant which is managed by the council.

5.2 The draft BCF revenue pooled fund for 2017-18 is still being developed and agreed. Agreement can only be finalised once the minimum allocations have been released by NHS England to the CCG and the CCG are in agreement with the use of the additional social care grant announced in the Spring 2017 budget.

5.3 The CCG will be required to make a minimum contribution to the budget. Their allocation will also include an NHS transfer to social care (previously Section 256 funding). In 2016-17 this was £6.4 million, however, the level for 2017-18 is yet to be confirmed.

5.4 The Council's minimum contribution includes the section 256 funding mentioned above which is a transfer from the CCG. The Council's contribution will also need to include the £7.6 million of grants detailed in paragraph 4.5 of this report as well as the Disabled Facilities grant (capital funding).

5.5 The S.75 will make provision for risk sharing arrangements for any overspend/underspends across the pooled fund. The risk share has previously been agreed on the basis of the partners contributions to the overall fund. For 2016-17 the Council's share of risk was 38%, however the risk share may alter as a result of contributions to the fund for 2017-18.

5.6 Once detailed schemes and budgets have been agreed by partners this will enable the plan to be signed off through the delegated authority being sought through this report. [AS/13042017/Y]

## **6.0 Legal implications**

6.1 Under Section 75 of the National Health Service Act 2006, NHS bodies may enter into arrangements with local authorities in relation to NHS functions and the health functions of local authorities.

6.2 The Council may therefore enter into an agreement with Wolverhampton Clinical Commissioning Group under S.75 of the NHS Act 2006 or renew an existing agreement.

6.3 Legal advice will be required in respect of the specific terms of the agreement. [TS/13042017/Q]

## **7.0 Equalities implications**

7.1 Current proposals are developed at a high level. This report seeks approval for delegation to enter in to a new financial agreement with WCCG and provides broad areas on which additional social care grant is proposed to be used. Where required the detailed proposals will have individual equalities analysis undertaken.

## **8.0 Environmental implications**

8.1 There are no specific environmental implications identified, however any detailed plans will considered in their own rights as they are scoped for implementation.

## **9.0 Human resources implications**

9.1 There are no specific human resources implications identified, however any detailed plans will considered in their own rights as they are scoped for implementation.

## **10.0 Corporate landlord implications**

10.1 There are no specific human resources implications identified, however any detailed plans will considered in their own rights as they are scoped for implementation.

## **11.0 Schedule of background papers**

- 11.1 Budget Adjustment to reflect Adult Social Care Funding, report to Cabinet, 22 February 2017 and Full Council, 1 March 2017.