

**REPORT TO THE HEALTH AND WELLBEING BOARD  
3 February 2014**

**BETTER CARE FUND APPROVAL LETTER AND SECTION 75 DEVELOPMENT**

**Report Sponsor:** BMBC and CCG  
**Report Author:** Scott Matthewman  
**Received by SSDG:** 19.01.15  
**Date of Report:** 23.01.15

**1. PURPOSE OF REPORT**

- 1.1 The purpose of this report is to provide Board Members with an update on the Better Care Fund (BCF) Assurance Process and the development of a formal Section 75 Agreement between the Council and CCG.

**2. RECOMMENDATIONS**

**It is recommended that:-**

- 2.1 **Members note the successful outcome of BCF submission being ‘approved’ on the 22 December 2014 and the work taking place to establish a formal Section 75 Agreement between the Council and the CCG for the 1<sup>st</sup> April 2015.**
- 2.2 **Members delegate responsibility to the Chair and Vice Chair to formally endorse the Section 75 Agreement for the BCF, on behalf of the Health and Wellbeing Board (H&WB).**
- 2.3 **Members ask the Senior Strategic Development Group (Executive Group of the Health and Wellbeing Board) to ensure all BCF schemes are able to deliver the benefits agreed in the submission, in particular the national outcome of reducing emergency admissions, and report progress on an exception basis into the HWB.**
- 2.4 **Members note the risk to the pooled budget and the need to agree risk sharing arrangements between the CCG and BMBC.**
- 2.5 **Members ask the SSDG to put in place appropriate measures to manage and mitigate risk in relation to delivery of the BCF ambitions.**

**3. INTRODUCTION/BACKGROUND**

- 3.1 On the 22 December 2014, Barnsley received notification that the BCF submission had been approved as a product of the national assurance process. The correspondence (attached at appendix 1) also states that ongoing assurance will be lead through the NHS Local Area Team.
- 3.2 This represents significant progress, particularly over the summer and autumn period, with the full and active engagement of all local stakeholders. However, this

is the start of the process rather than the end in itself as the programme moves into implementation and delivery.

- 3.2 A statement of the source and the application of funds in the BCF is shown at Appendix A.

#### **4. Section 75 Development**

- 4.1 One of the legal requirements of the BCF is that the Commissioning Bodies have to enter into a formal Section 75 Agreement; as set out in the NHS Act 2006, to oversee and administer the fund on behalf of the H&WB. For Barnsley this is a formal pool of £20,374,000 for the financial year 2015/16.
- 4.2 At present colleagues from the Council and CCG are progressing with the formal Section 75 Agreement. This will be underpinned by a formal risk share agreement, which will include a financial risk share and it is intended to be available before the end of February for final consideration in March 2015. It is important that both respective organisations are fully sighted on the detail of the Agreement before it is endorsed by the H&WB. The BCF goes live from April 2015.
- 4.3 It is also important to note, that the Council and CCG currently have a formal Section 75 Agreement in place in Children's Services.

#### **5. CONCLUSION / NEXT STEPS**

- 5.1 Once the Council and CCG have finalised and agreed the Section 75 Agreement, it will be recommended to the H&WB. Due to the tight timescales, it is requested that the H&WB delegate this to the Chair and Vice Chair to enable the April deadline to be met.
- 5.2 This will clearly set out the formal arrangements for the pool. It is however important to note that to ensure the delivery of the benefits articulated in the BCF submission and to meet the national expectations around reducing emergency admissions to hospital, all schemes should contribute to the national expectation and be monitored robustly with progress reported on an exception basis into the H&WB.
- 5.3 The Barnsley Systems Resilience Group has flagged up an immediate risk relating to intermediate care and the availability of Tier 1 beds. The SSDG has agreed to investigate the implications and take appropriate steps to ensure that our ability to meet our BCF outcomes, targets and our collective ability to provide safe and effective intermediate care for the people of Barnsley, as part of the BCF, is not compromised.
- 5.4 Following a best practice in governance, a risk register in relation to the BCF is being developed which will be managed by the SSDG and reported on a regular basis to the HWB.
- 5.5 The BCF approval letter also presents an opportunity to review the level of ambition around the emergency admissions target, due in the main, to continued levels of demand throughout the Country. This will form part of the CCG's Commissioning Planning and will to be agreed with NHS England over the next few months.

However members are asked to note that if we do not achieve the agreed reductions in emergency admissions, we will not secure the performance fund in the pool. This presents a financial risk to the pool and an appropriate risk share agreement has to be agreed between the CCG and BMBC. This should reflect our collective sign up to partnership working by not only pooling resources and sharing benefit, but also through sharing the risk that our collective endeavours do not deliver.

**6. FINANCIAL IMPLICATIONS**

6.1 None within the report.

**7. CONSULTATION WITH STAKEHOLDERS**

7.1 Report content discussed at SSDG.

**8. Appendix**

8.1 Appendix A – Source and allocation of funds in the BCF.

8.2 Appendix 1 – BCF Approval Letter 22.12.14.

**9. Background Papers**

9.1 BCF Submission 19.09.14.

**Officer Contact: Scott Matthewman Telephone No: 772349**

**Date: 23.01.14**

**BCF in Barnsley**

The Barnsley BCF for 2015/16 totals £20,374,000. The source of the funding is as follows:

<b>Barnsley CCG</b>	<b>£000s</b>	<b>BMBC</b>	<b>£000s</b>
Reablement funding	2,363	Disabilities Facilities grant	1,326
Carer's break	771	Social care Adaptations grant	690
Mental health	303		
Supporting Voluntary Action Barnsley	114		
Intermediate care	6,718		
S256 *	5,676		
Further CCG contribution to BCF pool	2,413		
<b>Total CCG</b>	<b>18,358</b>	<b>Total BMBC</b>	<b>2,016</b>

\*S256 are funds transferred from health to social care if can be demonstrated that spending in social care will result in a health gain higher than could be expected by spending the resource on NHS commissioned care.

In summary 90.1% of BCF funding is coming from the NHS and 9.9% from BMBC.

**Application of the BCF Funds**

The Barnsley BCF is being applied as follows;

<b>Health Services</b>	<b>£000s</b>	<b>Adult Social Care</b>	<b>£000s</b>
7 day working - BHNFT	1,700	Maintaining eligibility for social care	3,501
<b>Intermediate care - SWYFT</b>	<b>6,718</b>	<b>Intermediate care – BMBC contracts</b>	<b>3,246</b>
Technology Developments	439	Maintaining eligibility for social care – demographic increase	1,244
		Reablement	49
		Carers groups	51
		Short term residential placements	710
		Care Act implementation	700
		Disabilities facilities	1,326
		Social care adaptations	690
<b>Total Health</b>	<b>8,857</b>	<b>Total BMBC</b>	<b>11,517</b>

43.5% of funding, £8.8m, is being applied to NHS commissioned Intermediate care and 7 day working. 56.5% of resource, £11.5m, is being applied to protecting adult social care.

To:  
Councillor Sir Stephen Houghton - Barnsley  
Health and Wellbeing Board  
Lesley Smith, Dr Balac - Barnsley CCG

22 December 2014

Copy to:  
Diana Terris - Barnsley Metropolitan Borough  
Council

Dear colleague,

Thank you for submitting further evidence to move your Better Care Fund plan to a fully approved status. We know that the BCF is an ambitious programme and preparing the plans at pace has proved an immensely challenging task. However, your plan is now part of an ongoing process to transform local services and improve the lives of people in your community.

It is clear that your team and partners have worked very hard over the last year, making valuable changes to your plan in order to improve people's care.

NHS England is now able to formally approve plans following the publication of the 2015/16 Mandate. I am delighted to let you know that, following the subsequent Nationally Consistent Assurance Review (NCAR) process, your plan has been classified as '**Approved**'. Essentially, your plan is clear and ambitious and we support your ambitions. This puts you in a strong position for delivering the change outlined above.

Your BCF funding will be made available to you subject to the following standard conditions which apply to all BCF plans:

- The Fund being used in accordance with your final approved plan and through a section 75 pooled fund agreement;
- The full value of the element of the Fund linked to non-elective admissions reduction target will be paid over to CCGs at the start of the financial year. However, CCGs may only release the full value of this funding into the pool if the admissions reduction target is met as detailed in the BCF Technical Guidance<sup>1</sup>. If the target is not met, the CCG(s) may only release into the pool a part of that funding proportionate to the partial achievement of the target. Any part of this funding that is not released into the pool due to the target not being met must be dealt with in accordance with NHS England requirements. Full details are set out in the BCF Technical Guidance

The conditions are being imposed through NHS England's powers under sections 223G and 223GA of the NHS Act 2006 (as amended by the Care Act 2014). These allow NHS England to make payment of the BCF allocation subject to conditions. If the conditions are not complied with, NHS England is able to withhold or recover funding, or direct the CCG that it be spent in a particular way.

We are confident that there are no areas of high risk in your plan and as such you should progress with your plans for implementation.

Any ongoing support and oversight with your BCF plan will be led by your NHS England Regional/Area Team along with your Local Government Regional peer rather than the BCF Taskforce from this point onwards.

#### Non-elective (general and acute) admissions reductions ambition

We recognise that some areas may want to revisit their ambitions for the level of reduction of non-elective admissions, in light of their experience of actual performance over the winter, and as they become more confident of the 2014/15 outturn, and firm-up their plans to inform the 2015/16 contracting round. Any such review should include appropriate involvement from local authorities and be approved by HWBs. NHS England will assess the extent to which any proposed change has been locally agreed in line with BCF requirements, as well as the risk to delivery of the ambition, as part of its assurance of CCGs' operational plans.

Once again, thank you for your work and we look forward to the next stage.

Yours sincerely,



**Dame Barbara Hakin**  
**National Director: Commissioning Operations**  
**NHS England**

<sup>1</sup> <http://www.england.nhs.uk/wp-content/uploads/2014/08/bcf-technical-guidance-v2.pdf>