



**CABINET – 15 JULY 2014**

**DEVELOPMENT OF A SECTION 75 POOLED BUDGET AGREEMENT  
WITH NHS EAST LEICESTERSHIRE AND RUTLAND AND NHS  
WEST LEICESTERSHIRE CLINICAL COMMISSIONING GROUPS  
FOR THE BETTER CARE FUND**

**JOINT REPORT OF THE CHIEF EXECUTIVE AND THE DIRECTOR  
OF CORPORATE RESOURCES**

**PART A**

**Purpose of Report**

1. The purpose of this report is to set out proposals relating to the Better Care Fund, the intention being to enter into a joint-commissioning agreement under Section 75 of the National Health Service Act 2006 (a section 75 agreement) with NHS East Leicestershire and Rutland and NHS West Leicestershire Clinical Commissioning Groups (CCGs). The arrangement would involve the County Council undertaking the management of a pooled budget on behalf of the CCGs.

**Recommendations**

2. It is recommended that the Chief Executive, in consultation with the Director of Corporate Resources and the County Solicitor, be authorised to negotiate and complete a joint-commissioning agreement under Section 75 of the National Health Service Act 2006 with NHS East Leicestershire and Rutland and NHS West Leicestershire Clinical Commissioning Groups along with any other legal agreements necessary for the joint administration of the Better Care Fund, including setting up a pooled fund to be managed by the County Council.

**Reason for Recommendations**

3. The Department of Health has made it a condition that the operation of the Better Care Fund is subject to a section 75 agreement where joint governance arrangements between the County Council and CCGs will apply.

**Timetable for Decisions (including Scrutiny)**

4. The section 75 agreement must be in place for the start of the 2015/16 financial year.

## **Policy Framework and Previous Decisions**

5. The Better Care Fund (previously referred to as the Integration Transformation Fund) was announced by the Government in June 2013 as part of the 2013 Spending Round.

## **Resource Implications**

6. Leicestershire's Better Care Fund allocation totals £38.3m which the County Council will receive in 2015/16. In order for local authorities and CCGs to prepare for Better Care Fund implementation £2m has also been made available in 2014/15.
7. The Better Care Fund is a pooling of existing health and social care funding streams. It is not 'new' money and as such, any spending on social care needs to generate a saving for the wider health and social care economy. The individual funding streams are outlined below:
  - CCG Revenue Funding £35.3m
  - Disabled Facilities Grants (DFGs) £1.7m
  - Social Care Capital Grant £1.3m
8. The Department of Health has recently requested that all authorities resubmit their plans to provide further assurance that the Better Care Fund will deliver against its objectives. While the detail around this resubmission is not yet available, it is not anticipated that the funding allocation will change.
9. Department of Health guidance for the Better Care Fund allows for the protection of social care services for Leicestershire's most vulnerable citizens. In the County Council's Medium Term Financial Strategy 2014/15 to 2017/18, £10m has been allocated for this purpose. By 2015/16, the total amount of the Better Care Fund that has been allocated to protecting services (including transfers from previous years) will be £16m (42%).
10. The County Solicitor has been consulted on the contents of this report.

## **Circulation under the Local Issues Alert Procedure**

None.

## **Officers to Contact**

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**PART B****Background**

11. The Better Care Fund, announced by Government in the June 2013 Spending Round, is an opportunity to transform local health and social care services to improve the lives of some of the most vulnerable people in our society, giving them control, placing them at the centre of their own care and support, and, in doing so, providing them with a better service and improved quality of life.
12. Planning Guidance was issued by NHS England and the Local Government Association in December 2013, which included a requirement for all Health and Wellbeing Boards to agree a Better Care Fund Plan covering the period from 2014/15 to 2015/16 by 4th April, 2014.
13. The Better Care Fund Plan for Leicestershire sets out joint priorities in order to:
  - Improve the integration of health and care for the benefit of local citizens
  - Develop a more integrated, comprehensive and consistent set of community based services operating on a 7-day basis.
  - The aim is to:
    - (a) Reduce the number of avoidable admissions to hospital.
    - (b) Offer more integrated, proactive care to those with complex needs/long term conditions and prevent their escalation into urgent care wherever possible.
    - (c) Reduce the length of time people spend in hospital, including through improved, integrated discharge and reablement services.
14. The proposals included in Leicestershire's Better Care Fund Plan are a combination of:
  - Existing joint priorities which have been progressed over the past two financial years using the NHS funding transfers to social care.
  - An extension of existing priorities to provide greater coverage and scale to community based services, such as extending services to 7 day working/night cover.
  - New, transformational work to change how we jointly deliver care and support. These will be subject to business case development. For example
    - (a) Options to improve the whole pathway of care for frail older people, which will be developed and considered rapidly in 2014/15.
    - (b) Developing a unified prevention offer to promote wellbeing and self care, by improving the availability, consistency and coordination of advice, information, and support in localities, including housing expertise.
15. Provisions have also been made in the plan in line with national requirements for the introduction of the Care Act 2014 and ensuring there is sufficient protection for those social care services that support hospital discharge and admission avoidance.

16. The section 75 agreement will facilitate the commissioning and provision of services in the Better Care Fund Plan and will set out:
- The financial contributions and the operation and management of the pooled budget.
  - The eligible service users included in the agreement.
  - The County Council and CCGs' respective roles and responsibilities to be exercised in the joint-working arrangements.
  - The scope of the services that are provided in partnership, including the County Council's functions and the CCGs' functions.
  - Review and governance arrangements.
17. Progress of the development of the section 75 agreement will be reported to, and monitored by the Integration Executive on a monthly basis.

### **Background Papers**

Report to the Health and Wellbeing Board on 1<sup>st</sup> April 2014 "Final draft of the Leicestershire Better Care Fund"

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=1038&MId=4131&Ver=4>

Report to the County Council on 19<sup>th</sup> February 2014 "Medium Term Financial Strategy 2014/15 to 2017/18"

[http://politics.leics.gov.uk/Published/C00000134/M00003961/AI00037151/\\$5aBudgetReportoftheCabinet.docx.pdf](http://politics.leics.gov.uk/Published/C00000134/M00003961/AI00037151/$5aBudgetReportoftheCabinet.docx.pdf)

### **Equal Opportunities Implications**

18. The Better Care Fund aims to improve outcomes and wellbeing for the people of Leicestershire, with effective protection of social care and integrated activity to reduce emergency and urgent health demand.
19. As part of the implementation of the Plan, an Equalities and Human Rights Impact Assessment and other relevant impact assessments will be undertaken to ensure that there is a clear understanding of how various groups are affected.