



Derby City Council

HEALTH AND WELLBEING BOARD
13 November 2014

ITEM 10

Joint Report of the Strategic Director of Adults Health and Housing & the Chief Operating Officer of Southern Derbyshire CCG.

Adults Integrated Commissioning Board

SUMMARY

- 1.1 Under section 256 of the NHS Act 2006, NHS England has power to transfer funding to local authorities to spend on adult social care which also has a benefit to the health system.
- 1.2 Within the current Comprehensive Spending Review (CSR) period there has been an annual transfer of funds to local authorities from the NHS, in recognition of the wider benefits to the health system of social care. Nationally, in 2014/15 there is a sum of £1.1bn to be transferred to Councils from NHS budgets by NHS England.
- 1.3 The amount of funding to be transferred to the Council for adult social care in 2014/15 is £5.264m. The receipt of this amount of funding has already been accounted for in the Councils budget setting process for 2014/15. Therefore this is not additional funding, albeit that the transfer of funds is yet to take place.
- 1.4 The Better Care Fund plan national approval process is outlined in the paper below. This process considers the quality of the plan together with the risks associated with delivery.
- 1.5 Southern Derbyshire CCG has commissioned support to develop a five year integrated business transformation plan for health and social care in South Derbyshire. Further details are contained within the report below. The final plan shall be scheduled for a future HWBB for approval.

RECOMMENDATION

- 2.1 To approve the allocation of S256 funding as detailed in this report.
- 2.2 To note the Better Care Fund plan national approval process and likely outcome.
- 2.3 To note the development of the Five Year Health and Social Care plan for Southern Derbyshire.

REASONS FOR RECOMMENDATION

- 3.1 The S256 funding is required to balance the overall budget of the Council. NHS England requires local HWBB's to approve the S256 transfer.
- 3.2 The HWBB requires an understanding of the Better Care Fund national approval process.
- 3.3 The development of the five year Integrated business transformation plan is likely to have significant implications for the health and social care system in south Derbyshire.

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| SUPPORTING INFORMATION |
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NHS Act 2006 Section 256 Funding Transfer

- 4.1 Under section 256 of the NHS Act 2006, NHS England has power to transfer funding to local authorities to spend on adult social care which also has a benefit to the health system.
- 4.2 Funding transfer from NHS to adult social care has taken place annually for a number of years, in recognition of the close connection and benefits to the overall health and care system.
- 4.3 Nationally, in 2014/15 there is a sum of £1.1bn to be transferred to Councils from NHS budgets by NHS England. The share of funding for individual Councils is hypothecated on the adult social care relative needs formula. The sum for Derby City in 2014/15 is £5.264m. This sum has already been factored into the Council's budget setting process for 2014/15.
- 4.4 The planned spending has continuity with the spending areas in 2013/14 as detailed below.

| | Scheme | Benefits | Funding £k |
|-----|-------------------------------|---|---------------|
| 4.5 | Community Equipment | To support hospital discharge and keep people living independently in their own homes. | 363 |
| | Assessment & Support Planning | To continue to provide a social care assessment and support planning service to benefit the health and social care system. Working in an integrated way with the community support teams. Thereby reducing hospital admission and facilitating discharge. | 1,220 |
| | Reablement Service | To support people regain essential independent living skills, to help maintain them in the community, reducing care home and hospital admissions. | 1,890 |

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| Bed Based Respite Care | To fund respite care to support families needing a regular break from their caring role in order to sustain the caring role. Reducing the need for increased statutory intervention and support. | 1,098 |
| Local Area Co-ordinators | An additional three Local area co-ordinators to build community resilience and find natural support outlets for people to engage in activities to promote their well-being. | 150 |
| Intermediate Care bed based | Funding to support intermediate care at Perth House. Facility resourced to provide step up and step down intermediate care capacity within the overall health and social care system. | 340 |
| Healthy Housing & Handy Person | Scheme to support elderly with housing needs, winter warmth, energy efficiency, minor repairs. Keeping people independent in the community. | 163 |
| Miscellaneous | Care Act Implementation | 40 |

- 4.6 The above table illustrates the areas of spending adding up to £5.264m of NHS funding underpinning the Adults, Health and Housing 2014/15 budget.
- 4.7 Members of the Board are requested to note and approve the above areas of spending in support of the health and care system.
- 4.8 Members of the board may also wish to note that for 2015/16 the S256 funding allocation is absorbed into and is part of the Better Care Fund allocation for Derby City of £17.403m. Members will already have seen plans as to how this is to be allocated.
- 4.9 The Better Care Fund resources for Derby City shall be funded by Southern Derbyshire Clinical Commissioning Group, following consolidation of funding streams to SDCCG, by NHS England.

Better Care Fund Plan National Assurance Process

- 4.10 Better Care Fund (BCF) plans were submitted to NHS England on 19 September 2014 from all Health and Well Being Boards.
- 4.11 A national methodology has been devised by NHS England to assess the consistency and to judge the quality of plans and the risks to delivery.
- 4.12 The quality of plans will be judged by technical experts undertaking a review and talking to local staff involved in the development of plans. The experts then form a view about the overall quality and risk of the plan, based on all known information about the locality.

4.13 The quality categorisations are as follows;

- High Quality - this is a high quality, coherent, comprehensive and credible plan.
- Medium to High Quality - this is a reasonably high quality plan. It is well written, and there are no major issues with the financial and/or metric elements.
- Medium Quality - this is a reasonable plan. It covers all major areas, although lacks depth in one or more area. There are some issues with the financial and/or metric elements. There are a number of suggested actions, a few of which are considered to be material for the approval of this plan.
- Medium to Low Quality - this is a reasonably low quality plan. It lacks coherence and depth and it is not always clear how the plan will be delivered. There are major issues with the financial and/or metric elements. There are a large number of actions, most of which are considered to be material for the approval of this plan. This area is likely to require support to see the actions through.
- Low Quality - this plan was not received, OR this is a low quality plan. It has no coherence or depth and it is not clear how the plan will be delivered. There are fundamental issues with the financial and/ or metric elements. There are a large number of actions, all of which are considered to be material for the approval of this plan. This area will require extensive support to see the actions through.

4.14 The risks to delivery are being judged through a series of checkpoint reviews that have taken place and the known context of each local health and care economy. E.g. if the local Hospitals Foundation Trust is in an overspend position. Plans will be judged on whether there is a supportive or challenging local context rendering the plan low or high risk respectively.

4.15 Following the quality and risk judgment an overall final status shall be assigned to each BCF plan.

- Approved – The local area has a strong written plan, and is operating in a low risk environment.
- Approved with support - This local area has a reasonably strong written plan and/ or has some challenges to overcome in the local environment in which they are operating
- Approved with Conditions - This local area has some fundamental problems with the written plan and/ or has some large challenges to overcome in the local environment in which they are operating.
- Not Approved - This local area did not submit a BCF plan, or has not signed off the plan locally at HWB level, or this local area has a weak written plan and has some large challenges to overcome in the local environment in which they are operating.

- 4.16 It was originally intended that the outcome of the assurance process would be known by end of October 2014. The latest forecast suggests the timetable is still on course, but due to the lead in time required to write reports for HWBB, the outcome is not known at the time of writing.
- 4.17 From the issues and risks identified through the assurance process to date the Derby BCF plan is likely to be approved with support or with conditions. The primary reasons for this are;
- The level of implementation detail contained within the plan
 - The scale of financial challenge within the local health and care economy
 - Strong correlation with longer term plans
 - Mitigation of risks associated with delivery.

These reasons are likely to be common across many health and well-being board areas.

Five Year Health & Social Care Integrated Business Transformation Plan

- 4.18 In order to support health and social care system transformation in South Derbyshire including Derby city, a joint five year transformation plan is being developed, led by Southern Derbyshire CCG. A similar plan is being developed in the north of the County. A new composite plan will address some of the findings of the BCF assurance process, as identified above.
- 4.19 Health and Care system specialist support has been commissioned to produce the plan in consultation with key members of staff from commissioning and provider organisation operating in South Derbyshire. All local authority and NHS commissioner and provider organisations have been engaged and are signed up to supporting the delivery of a system wide five year plan.
- 4.20 Our five year integrated shall consider how sustainable the system is in terms of:
- Quality - do people experience good quality care, close to home, in the most appropriate setting?
 - Access - do people have access to all services in time, including GP, Out of Hours and social care services at all times?
 - Affordability - do we provide services in the most cost effective way?
- 4.21 To make the future strategy and policy changes fit for purpose, it will look at the following care pathways:
- Urgent care
 - Planned care
 - Frail elderly and long term conditions
 - Mental Health
 - Children's

4.22 Key components of the plan are;

- Health and social care demographic, activity and spend analysis and future forecasts, including the profile of expenditure across primary, community and acute services.
- Develop a system wide response to the ‘do nothing’ challenge based on maximising productivity and transforming services in line with the strategic direction of travel. This response will incorporate all the transformation work that is already taking place within organisations, and will assess the impact of the planned whole system transformation work
- Benchmark, at a high level, health and social care services against available information (e.g. better care, better value statistics) to identify potential areas for improvement and to test and challenge existing assumptions in respect of activity reductions.
- Demonstrate how the identified financial challenge across the Unit of Planning over the next five years can be mitigated, the first two years (15/16-16/17) in detail, the next 3 at high level.
- An assessment of the risks associated with the Delivery Plan with a supporting sensitivity analysis (base case, best case, worst case) identifying the financial consequences of these risks and proposed mitigation actions.

4.23 The timeline for completion of the five year plan is as follows:

| TASK | DATES |
|---|----------------------------|
| Baseline analysis Demand forecasts “Do nothing scenario” Benchmarking and best practice analysis | 29 September to 20 October |
| Leadership and pathway workshops | 3 November to 1 December |
| Quantify impact of policy changes and run sensitivity analysis Review governance structure | 24 November to 15 December |
| Final report | 19 December |

4.24 The final five year plan shall be presented to the HWBB for approval at a future meeting.

OTHER OPTIONS CONSIDERED

- 5.1 The S256 transfer is a statutory transfer of funds from the NHS to adult social care. No other options were considered.
- 5.2 To not develop a medium term integrated plan for health and social care. Given the scale of the financial, demographic and risk challenges the health and care system the do nothing option was dismissed.

This report has been approved by the following officers:

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| Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s) | Olu Idowu Toni Nash Liz Moore N/A |
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| For more information contact: Background papers: List of appendices: | Perveez Sadiq 01332 642796 perveez.sadiq@derby.gov.uk None Appendix 1 – Implications |
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| IMPLICATIONS |
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Financial and Value for Money

- 1.1 S256 funding of £5.264m is required to balance the Councils budget for 2014/15. The request for the transfer of this funding shall be made to the Area Team of NHS England.
- 1.2 The Better Care Fund for Derby amounts to £17.403m in 2015/16. This funding has been allocated to work streams through the Better Care Fund plan.

Legal

- 2.1 S256 of the NHS Act 2006 provides powers to NHS organisations to transfer funding to local authorities

Personnel

- 3.1 None

IT

- 4.1 None

Equalities Impact

- 5.1 The schemes identified in 4.5 all have a positive impact on older people, disabled people and carers and the community as a whole.

Health and Safety

- 6.1 None

Environmental Sustainability

- 7.1 None

Property and Asset Management

- 8.1 None

Risk Management

9.1 The transfer of this funding to the Council reduces the financial risk to the authority.

Corporate objectives and priorities for change

10.1 This paper supports the Councils objective of promoting good health, well- being and prevent ill health.