

**Report of:** Mick Ward – Head of Commissioning, Adult Social Care

**Report to:** Director of Adult Social Services

**Date:** 03.09.15

**Subject:** Better Care Fund Partnership Agreement

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

### Summary of main issues

1. The purpose of this report is to seek approval to the Better Care Fund (BCF) Partnership Agreement and the incorporation of Leeds City Council's existing funding contributions for the Leeds Community Equipment Service and the South Leeds Independence Centre within the Better Care Fund.
2. The Partnership Agreement sets out the terms on which the three Leeds CCGs, and Leeds City Council have agreed to collaborate, and establishes a framework through which these Partners can secure the future position of health and social care services through lead or joint commissioning arrangements in regard to the BCF. It is also the means through which the Partners will to pool funds and align budgets.
3. A Partnership Agreement must be put in place in order to be legally compliant in our delivery of the Better Care Fund Plan.

### Recommendations

4. It is recommended that that the Director of Adult Social Services approves the BCF Partnership Agreement and becomes a signatory to the agreement on behalf of Leeds City Council.
5. It is recommended that the Director of Adult Social Services approves the incorporation of Leeds City Council's existing funding contributions for the Leeds Community Equipment Service and the South Leeds Independence Centre within Fund 2 of the Better Care Fund.

## **1 Purpose of this report**

- 1.1 The purpose of this report is to seek approval and signature to the Better Care Fund (BCF) Partnership Agreement and approval to the incorporation of Leeds City Council's existing funding contributions for the Leeds Community Equipment Service and the South Leeds Independence Centre within the Better Care Fund.

## **2 Background information**

- 2.1 The Better Care Fund (formerly the Integration Transformation Fund) was announced by the Government in the June 2013, to deliver transformation in integrated health and social care. It creates a local pooled budget to incentivise the NHS and local government to work more closely together around people, placing their well-being as the focus of health and care services.
- 2.2 Leeds' BCF plan was given final approval by NHS England on 31st December 2014. As of 1st April 2015 the Leeds BCF schemes for 2015/16 are live.
- 2.3 A background paper providing a concise introduction to the Better Care Fund, including national conditions and objectives is provided at **Appendix 1** for information.
- 2.4 A Partnership Agreement has been developed which sets out the terms on which the three Leeds CCGs, and Leeds City Council have agreed to collaborate and to establish a framework through which these Partners can secure the future position of health and social care services through lead or joint commissioning arrangements. The Agreement is also the means through which the partners will to pool funds and align budgets.

## **3 Main issues**

- 3.1 In May 2015 the Integrated Commissioning Executive supported the proposed governance structure which will be implemented to oversee the delivery of Leeds BCF plans.
- 3.2 These proposals identify the Leeds BCF as two distinct pooled funds, with one fund hosted by Leeds Council and one by the CCGs – all under an overarching partnership governance structure which is led by the 'BCF Partnership Board' which is a sub-group of the Integrated Commissioning Executive (ICE), with strategic oversight by the Health & Well-Being Board.
- 3.3 These two pooled funds are supported by non-pooled (nominal) funds – which in the short term will provide flexibility to move from our current individually commissioned services towards new jointly commissioned services.
- 3.4 These proposals have now been formalised within a BCF Partnership Agreement. An overview of this document is provided at **Appendix 2**. The Agreement itself is provided at **Appendix 3**.
- 3.5 The aims and benefits of the Partners in entering in to this Agreement are to:
- improve the quality and efficiency of the Services;
  - meet the National BCF Conditions and Local BCF Objectives;

- make more effective use of resources through the establishment and maintenance of a pooled fund for revenue expenditure on the Services;
- remove barriers to working across organisations and professional groups so that people receive seamless integrated support;
- ensure high quality services are provided in the right place, backed by excellent research, innovation and technology- including more support at home and in the community, and using hospitals for specialised care;
- reduce the need for people to go into hospital or residential care, and help people to leave hospital quickly.

3.6 The Partnership Agreement has been subject to discussion by senior officers within the three CCGs and also Leeds City Council throughout its development. The document was approved by a meeting of the BCF Partnership Board in August, but requires formal approval and signature via CCG Governing Bodies and the Council's delegated decision making process.

3.7 The proposed arrangements have been designed to accommodate existing structures, and permit a degree of flexibility in terms of the fine detail of the implementation.

3.8 A Partnership Agreement must be put in place in order to be legally compliant in our delivery of the Better Care Fund Plan. The Agreement can be updated in future if potential improvements are identified.

3.9 It is also proposed that Leeds City Council's existing funding contributions for the Leeds Community Equipment Service (£2,362,050) and the South Leeds Independence Centre (£640,000) now be incorporated within Fund 2 of the Better Care Fund. These elements were previously contained within a separate non-BCF Section 75 agreement.

3.10 By incorporating these sums into Fund 2, alongside CCG BCF contributions for these services, it is possible to manage this spend more effectively, though a single process. Leeds City Council will fulfil the role of lead Commissioner for Fund 2.

3.11 Subject to incorporation of the above funding, the total value of the Leeds Better Care Fund will be £57,924,441 with a total contribution of £7,804,050 from Leeds City Council.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

4.1.1 Significant consultation and engagement activity was undertaken throughout the development of the approved Leeds BCF plan. This included a Healthy Lives Leeds hosted event for the 3rd Sector with BCF leads, public engagement through HealthWatch Leeds and a special session of LCC cabinet with CCG BCF leads and the Chief Executives of NHS Provider organisations.

### **4.2 Equality and Diversity / Cohesion and Integration**

4.2.1 Through the BCF, it is vital that equity of access to services is maintained and that quality of experience of care is not compromised. Given that 'improving the health of the poorest, fastest' is an underpinning principle of the Joint Health and Wellbeing Board Strategy, consideration has been given to how the BCF plan will support the reduction of health inequalities.

### **4.3 Council policies and the Best Council Plan**

4.3.1 The objectives of the Better Care Fund in Leeds have been designed to support and deliver the objectives of Leeds Joint Health and Wellbeing Strategy. Specifically, BCF schemes will support the following objectives:

- People will live longer and have healthier lives
- People will live full, active and independent lives
- People will enjoy the best possible quality of life.

4.3.2 The Council's 'Best Council Plan' prioritises the delivery of the 'Better Lives Leeds' plan, including commissioning services to help people stay out of hospital. Key success measures include reducing hospital admissions, bed days and readmissions. The BCF Plan actively targets improvements to these measures.

4.3.3 An agreed BCF Partnership Agreement is a necessary step to facilitate the delivery of the BCF Plan in Leeds.

### **4.4 Resources and value for money**

4.4.1 Whilst the BCF does not bring any new money into the system, it has presented Leeds with the opportunity to further strengthen integrated working and to focus on preventive services through reducing demand on the acute sector. As such, the agreed approach locally is to use the BCF in such a way as to derive maximum benefit to meet the financial challenge facing the whole health and social care system over the next five years.

4.4.2 As outlined at paragraph 3.11, subject to approval of the recommendations within this report, the total value of the Better Care Fund will stand at £57,924,441 including £7,804,050 funding from Leeds City Council.

4.4.3 A Payment for Performance mechanism exists within BCF which means that in Leeds up to £2million could be released into the fund subject to the realisation of a 3.5% reduction in the number of non-elective admissions.

4.4.4 Paragraph 12 and Schedule 4 of the Agreement provide for financial risks arising through the commissioning of services from the pooled and non-pooled funds and the financial risk arising from the payment for performance element of the Better Care Fund.

4.4.5 The host organisation for each pooled fund will be responsible for managing expenditure within the identified financial contributions, and shall ensure that the expenditure is limited to 'Permitted Expenditure' as defined by the agreement.

### **4.5 Legal Implications, Access to Information and Call In**

4.5.1 The Partnership Agreement is based upon a national template developed by Bevan Brittan. The document has been developed by the Leeds South and East

CCG Contract Development Manager with input from Gerry Gillen, Corporate Lawyer within Leeds City Council's Legal Services Department.

4.5.2 It is recommended that that the Director of Adult Social Services approves the BCF Partnership Agreement and becomes a signatory to the agreement on behalf of Leeds City Council through a delegated decision.

4.5.3 The Council will then be bound by the terms and obligations contained within the Agreement.

4.5.4 This is a significant operational decision and therefore is not subject to call in.

## **4.6 Risk Management**

4.6.1 The following risks have been identified in relation to the BCF:

- Failure to effect whole systems change as set out in the BCF plans.
- Failure to meet national performance targets, which may lead to NHS England intervention and money set aside for the BCF schemes being reallocated to LTHT.
- Reduced quality of service for people of Leeds.
- Implications for successful partnership working and high quality relationships.

4.6.2 The lack of workforce capacity in respect of some specialisms (most notably community nursing) presents a current challenge for partners across the city, with implications for the successful delivery of some BCF schemes. This is being considered as part of the scope of the 'Workforce' BCF scheme.

4.6.3 Financial Risk Management is outlined in paragraph 4.4.4 above.

## **5 Conclusions**

5.1 The Partnership Agreement ensures a common understanding regarding the governance, funding, and risk share arrangements which will be applied to the Leeds Better Care Fund.

5.2 Adoption of this Agreement by all partners is required in order to be legally compliant in our delivery of the Better Care Fund Plan.

## **6 Recommendations**

6.1 It is recommended that that the Director of Adult Social Services approves the BCF Partnership Agreement and becomes a signatory to the agreement on behalf of Leeds City Council.

6.2 It is recommended that the Director of Adult Social Services approves the incorporation of Leeds City Council's existing funding contributions for the Leeds Community Equipment Service and the South Leeds Independence Centre within Fund 2 of the Better Care Fund.

## **7 Background documents<sup>1</sup>**

7.1 None

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.