

03 December 2014

Agenda Item: 7

REPORT OF THE CORPORATE DIRECTOR, ADULT SOCIAL CARE, HEALTH AND PUBLIC PROTECTION

BETTER CARE FUND GOVERNANCE STRUCTURE AND POOLED BUDGET

Purpose of the Report

1. To seek approval to establish the Better Care Fund (BCF) Programme Board as a subgroup of the Health and Wellbeing Board.
2. To seek approval on plans to agree the Section 75 pooled budget for 2015/16.

Information and Advice

3. The existing governance structure for ensuring delivery of the BCF consists of three County wide groups providing assurance that the BCF is delivered in Nottinghamshire. This structure was aligned to the Health and Wellbeing Board (HWB) as the accountable body for signing off the BCF plans. As the focus moves from agreeing the plan to delivering the plan objectives, the Working Group needs to be formalised as a subgroup of the HWB with responsibility for plan delivery.
4. The three existing groups are: BCF Reference Group, BCF Finance and Performance subgroup and the BCF Working Group. Representatives from the three geographical units of planning attend each group.
5. The **Reference Group** is a small group made up of CCG and local authority representatives with the function of providing early challenge of plan delivery. The **Finance and Performance subgroup** consists of CCG, local authority, District Council and provider representatives. The subgroup is responsible for reporting on delivery of the performance and finance metrics contained in the plan, and managing risks to delivery. Significant risks to delivery are escalated to the **Working Group** which is made up of senior officers from CCGs, the local authority, District Councils and providers. The group has oversight of plan delivery with clear lines of accountability into the three planning units within the county.
6. The **Working Group** reports formally to the Health and Wellbeing Board (HWB) on a quarterly basis. The Working Group is updating its Terms of Reference (to be submitted to HWB in February 2015) with the group renamed as the **BCF Programme Board** to reflect its current role in plan delivery. It is proposed the **BCF Programme Board** is established as a subgroup of the HWB to ensure scrutiny of plan delivery, with reporting to HWB on progress

and risks to delivery on an exception basis. This will allow rapid decision making with regard to actions required in relation to performance and finance.

7. The Nottinghamshire BCF was signed off in August as one of the five national exemplar plans. The plan was “approved with support” with the removal of support being principally conditional upon the establishment of a pooled budget. The principles of the pooled budget need to be agreed by January 2015, with final agreements made as part of the contracting round and therefore final sign-off in March 2015. It is imperative that the Programme Board develops a pooled budget arrangement for operation from 1st April 2015. If this is not in place, the HWB will come under scrutiny from the national task force for not resolving all issues in the action plan agreed at the time of plan approval.
8. The pooled budget can be held by any of the partner organisations. It has previously been recommended by the Working Group that Nottinghamshire County Council hold the pooled budget as the host organisation of the HWB. The national policy direction is for HWBs to assume greater budgetary responsibility as further integration is progressed. The BCF Programme Manager will be the named pooled budget holder and will work to the agreed procedures for managing the budget.
9. It is recommended that the BCF Programme Board assume responsibility for the operation of the pooled budget. The terms of reference for this group will need to be revisited to ensure they are constituted to support the implementation of a pooled budget. National guidance indicates the HWB terms of reference will also need to be reviewed.
10. There are practical challenges around the pooled budget in terms of financial reporting with differences between health and local authority requirements. This is being discussed at a national level with further guidance anticipated shortly. There is a resource implication for Nottinghamshire County Council’s finance team in undertaking the necessary financial transactions and accounting requirements. This will be quantified as further work on the pooled budget is undertaken between now and February 2015.
11. Proposals for the risk sharing arrangements and decision making procedures are being drafted by finance officers from all contributing partner organisations and will be presented to CCG Governing Bodies in January and February 2015 for sign off by the BCF Programme Board on 18th March 2015. Work will be undertaken throughout this period to ensure financial procedures are amended in line with financial regulations. The final pooled budget agreement, authorised by each CCG and the local authority, will be available for consideration by the HWB immediately after the Programme Board meeting. Current guidance suggests the final document will need to be signed under hand by CCGs and executed by the local authority under seal. A further update will be submitted to the January HWB with confirmed sign off arrangements taking into account further national guidance.

Reason/s for Recommendation/s

12. To confirm appropriate governance structures are in place to ensure oversight of delivery of the BCF by partner organisations across Nottinghamshire.
13. To meet the Department of Health expectation that a pooled budget will be in operation for the BCF in 2015/16.

Statutory and Policy Implications

14. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

15. The financial implications are detailed in the Nottinghamshire BCF plan. The pooled budget amounts to a minimum of £59.3m in 2015/16.

Human Resources Implications

16. Support will be required from Nottinghamshire County Council's finance team to administer the pooled budget in accordance with the conditions of the pooled budget.

Legal Implications

17. The Care Act facilitates the establishment of the BCF by providing a mechanism that will allow the sharing of NHS funding with local authorities to be made mandatory. The wider powers to use Health Act flexibilities to pool funds, share information and staff are unaffected.

RECOMMENDATION/S

That the Board:

- 1) Approves the BCF Programme Board as a formal subgroup of the Health and Wellbeing Board in place of the BCF Working Group, with the same membership as the Working Group, subject to the Programme Board's terms of reference being approved by the Health and Wellbeing Board in February 2015.
- 2) Approves in principle the plans to establish a pooled budget hosted by Nottinghamshire County Council subject to further work on the s75 agreement.

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Constitutional Comments (LMC 24/11/14)

18. The recommendations in the report fall within the terms of reference of the Health and Wellbeing Board.

Financial Comments (KAS 24/11/14)

19. The financial implications are contained within paragraph 15 of the report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Divisions and Members Affected

- All