



7 December 2015

Agenda Item: 4

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

**BETTER CARE FUND POOLED BUDGET – Q1 AND Q2 RECONCILIATION  
AND PLANNING FOR 2016/17**

**Purpose of the Report**

1. This report sets out progress to date against the Nottinghamshire Better Care Fund (BCF) plan and the impact of recent policy changes. The Finance and Property Committee are requested to:
  - a. Note the findings of the reconciliation of the BCF Pooled Fund.
  - b. Note the changes to the pooled fund agreed at the October Health and Wellbeing Board and the need to vary the Section 75 agreement for 2015/16.
  - c. Note the current advice for 2016/17 and the need to extend the Section 75 BCF Pooled Fund Agreement to incorporate 2016/17.

**Information and Advice**

**Quarter 1 and 2 reconciliation**

2. Nottinghamshire County Council and the six Nottinghamshire Clinical Commissioning Groups (CCGs) contributing to the pooled fund undertook a reconciliation exercise of Quarter 1 and Quarter 2 2015/16 income and expenditure. Table 1 shows the reconciliation of Quarter 1 and demonstrates a £3.4m underspend on funds drawn from the pooled fund. During Quarter 2 there was a £1.1m overspend on the pooled fund (Table 2). To period 6 there was an underspend of £2.3m.
3. It should be noted that a full spend by year end is forecast for all organisations and the variance seen is due to re-phasing of schemes throughout the year.

Table 1: Quarter 1 2015/16

Contributing partner	Nottinghamshire Clinical Commissioning Groups (CCGs)	Nottinghamshire County Council	Total
£'000s			
Payments made into pooled budget	£12,567	£5,168	£17,735
Payments received from pooled budget	£7,512	£10,223	£17,735
Total spend to period 3	£6,134	£8,194	£14,328
<i>Under/(over) spend to period 3</i>	-£1,378	-£2,029	-£3,407

Table 2: Quarter 2 2015/16

Contributing partner	Nottinghamshire Clinical Commissioning Groups	Nottinghamshire County Council	Total
£'000s			
Payments made into pooled budget	£12,567	£0	£12,567
Payments received from pooled budget	£7,512	£5,055	£12,567
Total spend in periods 4-6	£8,792	£4,856	£13,648
<i>Under/(over) spend in periods 4-6</i>	£1,280	-£199	£1,081

Table 3: Quarters 1 and 2 2015/16

Contributing partner	Nottinghamshire Clinical Commissioning Groups	Nottinghamshire County Council	Total
£'000s			
Payments made into pooled budget	£25,134	£5,168	£30,302
Payments received from pooled budget	£15,024	£15,278	£30,302
Total spend to period 6	£14,927	£13,050	£27,977
<i>Under/(over) spend to period 6</i>	- £97	-£2,228	-£2,325

### Changes to the pooled fund

- At their October 2015 meeting, the Health and Wellbeing Board approved amendments to the pooled fund.
- During the 2015/16 planning round, NHS Mansfield and Ashfield and NHS Newark and Sherwood CCGs significantly increased plans for emergency and planned care activity in response to confirm and challenge sessions with NHS England. This impacted on the

associated financial plan resulting in a reduction in the BCF investment.

6. The Mid Nottinghamshire Better Together programme is the bedrock of the CCG's contribution to the Nottinghamshire BCF plan. Delivery is moving at pace with the successful implementation of key schemes. The programme has been undergoing a full review to assess progress, refresh milestones and revise investments and benefits, as necessary and in line with the CCGs planning reconciliation processes with NHSE.
7. This review has prompted a number of changes:
  - a. Scheme l; self-care and care planning, is now live but experienced two months delay in implementation therefore the CCG's in-year costs have been reduced accordingly.
  - b. Scheme m; specialist intermediate care teams (SICTs); has a key risk around workforce availability, which is delaying set-up. Mitigating actions are being taken in the short-term e.g. the wider use of the "transfer of care" approach
  - c. Longer term plans are in place to resolve the workforce issues and the implementation of the teams is expected to commence in 2016.
8. The financial impact of these changes is managed within Newark and Sherwood CCG's contribution to the BCF fund as mitigations have been put in place to deliver the same outcome as the SICTs in the interim. This includes a change of use of the Fernwood Unit in Newark and also the crisis response teams. However, specific mitigations have not yet been identified for NHS Mansfield and Ashfield CCG, and changes to this plan are shown below (Table 4). The HWB were assured that NHS Mansfield and Ashfield CCG remains £1.9m above the minimum contribution to the BCF.

*Table 4: NHS Mansfield and Ashfield CCG financial plan*

		<b>Original submission £,000</b>	<b>Revised value £,000</b>	<b>Variance £,000</b>	<b>Comments</b>
Locality Integrated Care Teams	k	6,820	3,328	(3,492)	Adjustment of budget to align to project management arrangements stripping out IMT, self-care, specialist and intermediate care from LICTs and putting into SICTs and self-care and care planning.
Self care and care planning	l	99	357	258	Realignment of budget to include all self-care costs, additional costs transferred from LICTs balanced by two-months slippage in costs associated with a delayed go-live date. This is now live.

		<b>Original submission £,000</b>	<b>Revised value £,000</b>	<b>Variance £,000</b>	<b>Comments</b>
Specialist Integrated Care Teams	m	1,968	3,557	1,589	Re-phasing of implementation of SICTs has reduced 2015/16 expenditure; this is now budgeted for 2016/17. This is masked by the inclusion of specialist and intermediate aspects of the LICT teams and also includes short term mitigations such as transfer of care.
Improved primary care access and support closer to home	n	1,302	1,128	(174)	Discrete MACCG primary care project improving GP access now funded through the Prime Ministers Challenge Fund and therefore excluded from the BCF.
Better Together implementation support	o	583	1,409	826	IMT costs now excluded from other lines and included within implementation to facilitate effective monitoring.
Communications (social marketing).	p	62	86	24	Small increase in the cost of the planned communications project following the commercial tender.
Care Act funding		486	486	-	No change
Protecting social care		3,936	3,936	-	No change
<b>Total</b>		<b>15,257</b>	<b>14,287</b>	<b>(969)</b>	

9. As outlined in Table 4 the proposed changes to the Mid Nottinghamshire CCGs' schemes will result in a reduction of the size of the Pooled Budget from £59.3m to £57.9m. This is still above the minimum requirement of £49.7m. This necessitates a variation to the Pooled Fund Agreement and work is underway to transact this.

### **Planning for 2016/17**

10. At the date of writing this report, confirmation that the Better Care Fund will continue in 2016/17 has been received. Further details will be available following Spending Review 2015 and a verbal update will be provided when the Committee meet.

11. The continuation of the Better Care Fund will necessitate a variation to the Section 75 Pooled Fund Agreement which will be done in accordance with the terms set out in Section 2 of the BCF Pooled Fund Agreement:
- a. the matter is discussed at least 3 months prior to the expiry of this Agreement (in accordance with clause 2.2);
  - b. the Partners are in unanimous agreement; and
  - c. the maximum period in respect of the extension shall be twelve (12) months.

### **Reason/s for Recommendation/s**

12. To confirm appropriate governance is in place to oversee the delivery of the pooled fund as the Host Organisation.

### **Statutory and Policy Implications**

13. 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 services), the public sector equality duty, safeguarding of children and adults at risk, 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.

### **Legal Implications**

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

### **RECOMMENDATION/S**

That the Committee:

- 1) Note the findings of the reconciliation of the BCF Pooled Fund.
- 2) Note the changes to the pooled fund agreed at the October Health and Wellbeing Board and the need to vary the Section 75 agreement for 2015/16.
- 3) Note the current advice for 2016/17 and the need to extend the Section 75 BCF Pooled Fund Agreement to incorporate 2016/17.

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### **Constitutional Comments**

14. Because this report is for noting only no Constitutional Comments are required.

## **Financial Comments (KAS 23/11/15)**

15. There are no financial implications arising from this 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.

- 'Terms of Reference for BCF Programme Board and Finance, Planning and Performance sub-group.
- Section 75 pooled budget agreement
- Better Care Fund Pooled Budget March 2015

## **Electoral Division(s) and Member(s) Affected**

- All