

From: Graham Gibbens, Cabinet Member for Adult Social Care and Public Health
Andrew Ireland, Corporate Director - Social Care Health and Wellbeing

To: Adult Social Care and Health Cabinet Committee
3 March 2015

Decision No: 15/00015

Subject: **BETTER CARE FUND SECTION 75 AGREEMENT**

Classification: Unrestricted

Past Pathway: Social Care, Health and Wellbeing DMT – 28 January 2015

Future Pathway: None

Electoral Division: All

Summary: This report seeks endorsement to enter into a Section 75 agreement with Kent Clinical Commissioning Groups which will formalise the implementation of the Better Care Fund and establish the required pooled fund.

Recommendation: The Adult Social Care and Health Cabinet Committee is asked to:

- a) **CONSIDER** and **ENDORSE** a recommendation to the Cabinet Member for Adult Social Care and Public Health on the proposed decision as set out below:
 - i. **AGREE** that Kent County Council will enter into a Section 75 agreement with Kent Clinical Commissioning Groups which will formalise the implementation of the Better Care Fund and establish the required pooled fund.
 - ii. **DELEGATE** authority to the Corporate Director - Social Care Health and Wellbeing or other suitable delegated officer to arrange the sealing of the Section 75 agreement.

1. Introduction

- 1.1 Health and social care integration in Kent is about improving outcomes for the 1.5 million residents by transforming services within the community to support independent living, empower people and place a greater emphasis on the role played by the citizen and their communities in managing care. The Better Care Fund (BCF) will be used to continue to provide opportunities to go further faster and continue the longer programme of transformation required.

- 1.2 Kent's BCF plan was agreed by the Health and Wellbeing Board in September 2014 and moved to fully approved status in December 2014. A pooled fund is required to implement the BCF plan, which will be formalised through the proposed Section 75 agreement with Kent Clinical Commissioning Groups (CCG).
- 1.3 The purpose of this report is to provide the information necessary for the key decision to be taken to enter into a Section 75 agreement with Kent CCGs and to allow the Cabinet Committee to comment on the proposed decision.

2. Financial Implications

- 2.1 The Section 75 agreement will include the pooling of £101.4m for the Better Care Fund. This will include £10.6m Capital Grant from the County Council and £90.8m Revenue from the CCGs. The County Council will be the host and the agreement outlines the financial contributions to the pool, the funding flows out of the pool including, for the protection of social care, VAT implications and financial reporting requirements.
- 2.2 The flow of funds within the agreement is as follows:

Source of Funds	Pooled Fund	Application of funds
KCC £10.640m	£101.404m	KCC Protection of social care £28.254m
CCGs £90.764m		KCC Care Act implementation £3.566 m
Total £101.404m		KCC Social Care Capital grant £3.432 m
		Districts Disabled facilities grant £7.208m
		BCF schemes (Ring-fenced CCG out of hospital commissioned services) £18.591m
		BCF Payment for performance £7.641m
		CCG carers' break schemes £3.443m
		BCF schemes £29.269m
		Total £101.404 m

3. Policy Context

- 3.1 The Section 75 agreement will allow the pool fund to be established and, in turn, the integration plans under the BCF to proceed. This supports the integration of health and social care in Kent and the implementation of the Care Act, in line with corporate objectives and national policy.
- 3.2 The BCF is one of the strategic priorities of the Adult Services Transformation Portfolio within the Social Care, Health and Wellbeing Business Plan and supports Phase Two of the Adult Social Care transformation programme through facilitating partnership working and joint commissioning of health and social services across the Kent health economy.

- 3.4 It supports the Kent Vision, as a national Integration Pioneer, to put the citizen at the centre with services wrapped around what's important to them. In doing this, the BCF will deliver several benefits to the residents of Kent:
- Better access – co-designed integrated teams working 24/7 around GP practices.
 - Increased independence – supported by agencies working together.
 - More control – empowerment for citizens to self-manage.
 - Improved care at home – a reduction in acute admissions and long term care placements and rapid community response, particularly for people with dementia.
 - To live and die safely at home – supported by anticipatory care plans.
 - 'No information about me without me' – the citizen in control of electronic information sharing.
 - Better use of information intelligence – evidence-based integrated commissioning.

4. The Section 75 Agreement

- 4.1 The BCF Section 75 agreement is being finalised between Kent County Council Legal Services and the CCGs' jointly nominated legal team. There is one Section 75 agreement with CCG-specific schedules attached to reflect the slightly different approaches to delivery and governance across local areas. Based on progress to date, it is anticipated that this agreement will be ready for approval in time for the go live date of 1 April 2015.
- 4.2 A Chief Finance Officer (CFO) Group (NHS Area team led group of CCG CFOs and senior council finance leads) has been working to discuss and recommend options for pooled fund arrangements and proposed governance arrangements for the BCF. The Kent Health and Wellbeing Board approved progress to date and proposed arrangements for the Section 75 agreement on 28 January 2015.
- 4.3 More people are living with multiple long-term conditions. This is a challenge locally and nationally to the public's health but also an opportunity to deliver services in a way that improves outcomes, improves experience of care and makes best use of resources. Through the implementation of the BCF plan, it is anticipated that this agreement will have a positive impact on health inequalities across the Kent health economy.
- 4.4 The County Council will be the host of the pooled fund and will be responsible for its management. The Director of Older People and Physical Disability SCHWB has been named the Pooled Fund Manager in the Section 75 agreement and will delegate the tasks and responsibilities associated with this role to an appointed council officer.
- 4.5 Final signature of the Section 75 agreement will need to be undertaken by the appointed representative who has delegated authority from each of the CCGs and the County Council to do so. At the council, the process would involve the Cabinet Member for Adult Social Care and Public Health taking the decision and thereafter, delegating authority to the Corporate Director, Social Care Health and Wellbeing to seal the agreement.

5. Legal Implications

- 5.1 Kent County Council Legal Services are currently engaged in drafting the Section 75 Agreement, which will then be reviewed and agreed by all relevant Parties and approved by the Kent Health and Wellbeing Board.

6. Equality Implications

- 6.1 The Section 75 agreement will allow for the implementation of the BCF plan. The plan is centred on improving health and social care outcomes for all the residents of Kent by transforming services within the community.

7. Conclusions

- 7.1 By 2018, Kent as an Integration Pioneer wants to achieve an integrated system that is sustainable for the future with improved outcomes for people and includes the “Kent £” across the entire health and social care economy. The Better Care Fund is a key step toward achieving this vision.
- 7.2 The Section 75 agreement is essential to the implementation of the Better Care Fund and must be finalised and signed in order for the pooled fund to be set up and the relevant funding to be received on the go live date of 1 April 2015.

8. Recommendation: The Adult Social Care and Health Cabinet Committee is asked to:

- a) **CONSIDER** and **ENDORSE** a recommendation to the Cabinet Member for Adult Social Care and Public Health on the proposed decision as set out below:

i. **AGREE** that Kent County Council will enter into a Section 75 agreement with Kent Clinical Commissioning Groups which will formalise the implementation of the Better Care Fund and establish the required pooled fund.

ii. **DELEGATE** authority to the Corporate Director - Social Care Health and Wellbeing or other suitable delegated officer to arrange the sealing of the Section 75 agreement.

9. Background Documents

The Better Care Fund Plan:

<http://www.kent.gov.uk/social-care-and-health/health/health-and-public-health-policies/better-care-fund-plan>

8. Contact details

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