

Report Title	Better Care Fund Budget 2021/22		
Committee	Health and Wellbeing Board		
Committee Date	18 May 2021		
Committee Chair	Councillor Ruth Dombey		
Report From	Nick Ireland, Strategic Director of People Services		
Report Author(s)	Luke Addams, Assistant Director of Adult Social Care Michelle Rahman, Director of Transformation, SWL CCG		
Ward(s) Affected	All Wards		
Ambitious for Sutton priorities	Being Active Citizens Making Informed Choices Living Well Independently Keeping People Safe		
Open/Exempt	Open		
Signed		Date	5 May 2021

1. Summary

- 1.1. The Council and Sutton CCG have set out ambitious plans in our local Health and Care programme to support residents to start well, live well and age well. This report sets out the Better Care Fund (BCF) budget for 2021/22 and our ambitious plans for Sutton Council and NHS SW London CCG's spending priorities for Health and Care Integration.

2. Recommendation(s)

- 2.1. To approve the Better Care Fund (BCF) Budget for 2021/22 and to note that work is underway to develop the 2022/23 budget.

3. Background and Key Information

- 3.1. The Better Care Fund (BCF) supports local authorities and clinical commissioning groups to work together to join up health and care services. The BCF provides a mechanism to bring together resources and services to provide care and support at the right time and in the right place for the residents of Sutton, allowing us to successfully deliver the integration of health and social care in a way that supports person-centred care, sustainability and better outcomes for residents and their carers. The majority of funding is passed locally via the NHS for the local system to agree how it should be spent mainly to support and relieve pressure on local health services.

- 3.2. At the January 2021 Health and Wellbeing Board meeting an update on the BCF budget for 2021/22 was presented. COVID-19 naturally had an impact on the spend within the BCF for 2020/21, as in many different areas of our work. The intense focus on discharges from acute care and support for care homes – and the additional funding that came with this from central government – has resulted in a BCF under-spend in some areas of our work. This has led to a carry forward of funding for identified programmes of work and expected pressures, as the system continues to support the response to Covid-19 and the support needs of local residents. This is reflected in the budget for 2021/22.
- 3.3. Sutton's BCF Plan in 2021/22 is a continuation of our previously agreed programme of work that supports Sutton residents to remain at home. We will continue to measure locally agreed targets (which support the overall aim of relieving pressure on local health provision) and report back to the HWBB once the 2021/22 guidance is published. However, whilst we await the prescribed guidance and template it is our intention to undertake a full review of all schemes and their relation to the Health and Social Care Programme in Q1 & 2 of 2021/22 so that the Better Care Plan (BCP) continues to support the delivery of our ambitious Health & Care Plans for the residents of Sutton. It is expected that this will start to be implemented within the current year and within the budget set out in this report.
- 3.4. The 2021/22 plan will, as is usually the case, be delivered in a prescribed template for NHS England. National measures and planning guidance for 2021/22 are still awaited.

Update on Performance Metrics

- 3.5. As reported at the January 2021 meeting, in 2020/21 there were no metric reporting requirements, however locally we continue to monitor 3 of the 4 set targets. Delayed Transfers of Care (DTOC) which reports on the system's success in managing patient flow and preventing avoidable time in hospital will not be captured in 2020/21 due to Covid-19. Updates on the remaining 3 metrics are below.

Proportion of older people who are still at home 91 days post discharge from reablement and rehabilitation services – **on track**

- 3.6. This target is an indicator of the system's success in supporting older people to remain living in their own homes after a hospital stay. This target is currently 95%. Sutton has consistently performed well to date and as at March 2021 is exceeding this target at 95.4%. The metric is calculated on a rolling 12 months.
- 3.7. This demonstrates the success of our integration plans, in that even through a global pandemic we have still been able to support people to remain at Home following a period of Hospital stay. The success here also impacts on our performance around Non-Elective admissions, set out at 3.11.

Rate of permanent admissions to residential care per 100,000 population (65+) – **not on track**

- 3.8. Locally the council has set a target to monitor the number of older people that have required additional support through a placement in a Care Home rather than receiving care at home, using the national definition to monitor.
- 3.9. In 2020/21 the target is 283 per 100,000 population over 65 and is calculated on a rolling 12 month, with current performance at 290.9. In real terms this equates to no more than 87 placements per year. In the last 12 months 62 new placements have been made and the council has started funding placements for 30 people already in a Care Home. This is due to self-funders going below the threshold in which they no longer pay for care, deferred payment arrangements due to assessment of assets or individuals who were funded through health and no longer meet this threshold, and become the authorities responsibility. A total of 92 placements have therefore been funded. When compared nationally Sutton continues to perform well against other Local Authorities.
- 3.10. This performance continues to demonstrate the success as a local system in Sutton on supporting residents to remain at home. This success comes through what has been a challenging year across the system as it dealt with the Covid-19 pandemic and its impact on the older population.

Non-elective admissions – on track

- 3.11. Local systems are required to reduce non-elective admissions (NELs) to Hospitals via their BCF and iBCF programmes. Non-elective admissions were declining during 2019/20 and this continued throughout 2020/21. As a result of admissions avoidance and the implementation of Same Day Emergency Care (SDEC) there continues to be a reduction in non-elective admissions in 20/21, even after taking Covid-19 into account. As at March 2021, NEL were 10,267.

BCF Budget 2021/22 & Draft Budget for 2022/23

- 3.12. Funding contributions from the CCG and Local Authority for BCF Budget 2021/22 have been agreed in accordance with the current Section 75 agreement.
- 3.13. Based on the draft outturn position for 2020/21 a £2.6m underspend for the pooled BCF is expected to be available for carry forward into future years. This will be carried forward to help mitigate the financial impact of the ongoing pandemic and the likely care needs that will arise from it. The Department for Health & Social Care launched the Covid-19 Discharge Fund in 2020 to fund covid related activities that would otherwise be funded via the BCF. This funding is due to cease in 2021 though there is likely to be ongoing pressures as people recover from covid, particularly on areas of spend such as Community Equipment and Deprivation of Liberty Safeguards (DoLS. The 2020/21 underspend will be carried forward to help meet these pressures with £1.4m moved into 2021/22, and £1.2m moved into 2022/23.
- 3.14. The Council have secured additional Disabled Facilities Grant (DFG) of £0.2m for 2020/21. This will be carried forward to 2022/23 to 'top up' the carry forward of £1.2m

underspend from 2020/21, bringing the total level of additional funding for non-recurrent pressures in 2022/23 to £1.4m (the same as 2021/22).

- 3.15. The 2021/22 total pooled BCF budget is £22.6m of which £22.4m is revenue budget. This is £1.6m higher than the 2020/21 budget of £20.8m. The increase is due to the level of underspend carried forward (£1.4m) being £1.25m higher than the £0.150m carried forward from 2019/20 to 2020/21, and inflation funding from the CCG of £0.3m. The Council has not provided inflation funding as the pay award for relevant staff has not yet been confirmed.
- 3.16. The revenue budget, excluding the £1.4m carried forward from 2020/21, will be funded by the Council (35%) and the CCG (65%). The budgets for 2021/22 and 2022/23 are shown in the table below:

	£m	£m
Budget B/Fwd from 2020/21		20.8
Remove non-recurrent underspend carried forward from 2019/20	-0.1	
Add 2020/21 Underspend carry forwards	1.4	
Total change in non-recurrent budgets		1.3
CCG inflation		0.3
TOTAL 2021/22 BUDGET		22.4
Remove 21/22 share of 20/21 underspend	-1.4	
Add 22/23 share of 2020/21 underspend	1.2	
Add DFG	0.2	
Total change in non-recurrent budgets		0.0
TOTAL 2022/23 FORECAST BUDGET		22.4

- 3.17. The Budget, as proposed, continues to support ambitions for health and social care integration locally, as is demonstrated by our continued performance set out at 3.5 above. There is £1.4m additional one-off funding available in each year to meet the non-recurrent increased spending. This combined with the inflation uplift to support day to day spending, plus a review by the Council's and CCG commissioning teams of contract costs for the BCF to obtain better value, should ensure that the proposed increase is affordable and will not endanger the councils or CCG's finances in future years.

3.18. The areas and reasons for increased spend in 2021/22 are set out below.

Programme	Reason	Key Deliverables
Mental Capacity Act Responsibilities	The IBCF is ring-fenced for Adult Social Care provision and the protection of adult social care in accordance with BCF guidance. This is a new expenditure line using IBCF carry-forward comprising: Best Interest Assessors (BIA) (£300k), DoLS (£240k) and Approved Mental Health Professional (AMHP) & DoLS leads (£100k) for 2021/22 and 2022/23 (£640k per annum). Pressures on this budget have increased during Covid due to increased numbers of Mental capacity assessments and 'furthers' in the community. Additional resources are required to avoid further backlog.	BIAs are undertaken in a timely manner.
Community Equipment	The Community Equipment Service budget for 2021/22 has been increased to cover increased demand. Historically, this budget has overspent, with underspends elsewhere balancing it. The proposed budget for 2021/22 is more realistic than in previous years and is anticipated to cover demand in 2021/22.	Ensure Community Equipment is available to support Hospital Discharge in a timely manner.

3.19. The Treasury's spending review, SR20, announced that the minimum CCG contribution to social care would increase by a national average of 5.3%. As the CCG minimum contribution is yet to be calculated at a local level, the CCG has requested that the draft 2021/22 budget includes a 2.5% increase to the CCG contribution which equates to £333k. The CCG expects to make up the difference to the minimum level through adjustment to funding lines for community services, for example district nursing, where the current value is understated pending work by Epsom St Helier Trust on the current actual costs.

3.20. National metrics have yet to be agreed but the abandonment of measures around delayed transfers of care (DToC) and the impact of Covid on other long-established measures means that the framework for reporting will be significantly revised during 2021/22.

4. Benefits to Sutton and its Residents

- 4.1. The BCF supports the Sutton system to develop integrated services that will improve the life outcomes for Sutton Residents. These include:
- Local residents benefit from post discharge assessment and rehabilitation in their own home.
 - Residents have access to equipment to support discharge from Hospital
 - The integrated Sutton Health and Care @Home Team support residents to remain at home rather being admitted to Hospital
 - Residents are supported to live independently for as long as possible in their own home.

5. Implications

- 5.1. The BCF provides financial support for Sutton Council and NHS Sutton to jointly plan and deliver local services to improve outcomes for Sutton residents. The government's mandate to the NHS, published in March 2020, set a deliverable for the NHS to 'help ensure delivery of its wider priorities, which include manifesto commitments to further improve the experience of NHS patients, working with local government to support integration and the sustainability of social care through the BCF.
- 5.2. Approval of the recommendation in this paper will enable the Council and the CCG to meet the four national conditions imposed by NHS England and continue to work together to have a positive impact on integration of health and social care.

6. Finance and Legal Commentary

Finance Comment

- 6.1. The report outlines the impact the pandemic has had on the budget and spending in 2020/21. Significant funding to support Covid related health care has been received in year, meaning an underspend has been achieved on the BCF budget and is available for carry forward into future years. It has been agreed to carry forward this underspend and use it across the next two years to help meet non-recurrent spend plans.
- 6.2. The total 2021/22 Better Care Fund pooled budget is £22.6m, split £22.4m revenue funding and £0.2m capital funding. This is funded by LBS (£7.5m), NHS SW London CCG (Sutton Borough) (£13.7m) & 20/21 Revenue Carry Forward Funds (£1.4m). The use of the 2020/21 Revenue Carry Forward to fund the 2021/22 budget has been agreed by LBS and Sutton CCG in accordance with the terms of the Section 75 agreement.
- 6.3. The 2021/22 budget is £1.6m higher than the budget for 2020/21 and this is due to £1.4m of underspend carried forward from 2020/21, less the removal of last years one-off carry forward budget of £0.1m, plus the £0.3m inflationary increase as set out in section 3.15. This means the remaining £1.2m underspend from 2020/21 will be available in 2022/23, as well as £0.2m in additional DFG. This brings the total amount of one-off funding in the budget, available to meet the non-recurrent covid related costs, to £1.4m in each year.

Financial Risks

- 6.4. Even though budgets are set based on the best information available there is a risk of costs exceeding budget on services that are demand led. In accordance with the Section 75 agreement any overspend at year end will be split 66% to the CCG and 34% to the Council.
- 6.5. The Covid pandemic places significant risk on the BCF budget as long term demand for support through recovery and/or “Long Covid” is currently unknown and whilst the budget is based on our experience to date, there is a risk that these estimates may be inaccurate or that the pandemic again increases in intensity.
- 6.6. Existing additional Government funding to help meet Covid related costs is due to cease after the first quarter of 2021/22, meaning there is considerable uncertainty about how any ongoing financial impact from the pandemic will be funded. This is an issue for both Council and NHS budgets more widely but the nature of care needs arising from this pandemic make it likely that both health and social care services will experience significant pressures this year and ongoing into 2022/23, and consequently the BCF carries a high level of financial risk and uncertainty.
- 6.7. This risk has been mitigated by carrying forward £2.6m of unspent 2020/21 funding and securing an additional £0.2m in DFG funding. This will be allocated as £1.4m in each of the next two years to help meet temporary additional pressures.

Legal Comment

- 6.8. The Care Act 2014 places a duty on the Council to exercise its functions by ensuring the integration of care and support provision with health provision, promote the well-being of adults in its area with needs for care and support and contribute to the prevention or delay of the development by adults in its area of needs for care and support. The 2014 Act also amended the National Health Service Act 2006 to provide the legislative basis for the Better Care Fund. It allows for the NHS Mandate to include specific requirements relating to the establishment and use of an integration fund.
- 6.9. The Government provides funding to local authorities under the Better Care Fund to integrate local services. The funding is through a pooled budget which is made available upon the Council entering into an agreement with a relevant NHS body under section 75 of the NHS Act 2006. Such agreements may be entered into where arrangements are proposed which are likely to lead to improvement in the way that prescribed NHS functions and prescribed health-related functions of the Council are exercised.
- 6.10. In order to receive the Better Care funding, the Government requires the Council to set out its plans for the application of those monies. The Government published a policy framework for the 2016/17 Better Care Fund programme in January 2016 which indicated that plans should be agreed by the Council’s Health and Wellbeing Board (“HWB”), then signed off by the Council and CCG. This is consistent with the general policy, reflected in the Health and Social Care Act 2012, of giving HWBs responsibility for joint health and wellbeing strategies and the joint strategic needs assessment. The 2016/17 policy

framework sets out the requirements for the plan to demonstrate how the area will meet certain national conditions, for example the delivery of 7-day services. Contracting.

- 6.11. Pursuant to section 75 of the National Health Service Act 2006, the NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000, the s75 Agreement provides for the establishment of funds made up of contributions from the Council and NHS CCG out of which payments may be made towards expenditure incurred in the exercise of their functions; for the exercise by NHS CCG of the Council's functions and for the exercise by the Council of the NHS CCG's functions in writing.
- 6.12. The London Borough of Sutton and the Sutton Clinical Commissioning Group have in place a partnership agreement entered into pursuant to s75 of the National Health Service Act 2006 (as agreed by the Health and Wellbeing Board, as part of the governance arrangements for the Better Care Fund). The s75 Agreement defines the services to be delivered, the mechanism for expenditure; and delivery of outcomes to ensure each party knows exactly how it will operate and to reduce the risk of disputes and non- performance.
- 6.13. The delegation being recommended is permissible under s101 Local Government Act 1972.

Legal Risks

- 6.14. There are no legal risks associated with the recommendation under this report.

7. Appendices and Background Documents

7.1. Appendices

Appendix Letter	Appendix Title
A	BCF Budget 2021/22

7.2. Background Documents

Date of Expiry	Background Document
N/A	N/A

8. Audit Trail and Consultations

Consultees	Yes/No	Officer	Date of Comments
Finance	Yes	Neil Jones Strategic Finance Business Partner for ASC, LBS Victoria Goodard Assistant Director, Finance, LBS	05/05/2021
Legal	Yes	Rachel Godson-Amamoo, SLLP Solicitor	05/05/2021
Others	No		
EQIA	No		

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