

Birmingham City Council

Report to Cabinet

21st March 2023



Subject: ICB SUPPORT FUNDING 2022/23 VIA SECTION 256

Report of: Professor Graeme Betts, CBE
Strategic Director for Adult Social Care

Relevant Cabinet Member: Cllr Mariam Khan - Health and Social Care
Cllr Yvonne Mosquito - Finance and Resource

Relevant O & S Chair(s): Cllr Mick Brown - Health and Social Care
Cllr Mohammed Aikhlaq - Resources

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Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 011116/2023		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential:		

1 Executive Summary

- 1.1 As a response to the financial pressures facing Birmingham City Council and the need for investment in areas of mutual benefit, the Birmingham and Solihull Integrated Care Board have identified one-off funding of £16.765m to cover

expenditure incurred in the financial year 2022/23 by the Adult Social Care Directorate of Birmingham City Council.

- 1.2 Accepting this funding will allow Birmingham City Council to meet in-year financial pressures, fund new areas of provision and enhance preventative services, to the benefit of the whole Health and Social Care system.

2 Recommendations

- 2.1 Cabinet is recommended to; -

- 2.1.1 Accept the funding to contribute towards the 2022/23 pressures as well as invest in new areas of mutual benefit in Adult Social Care and approves the s151 officer to enter into a S256 agreement to that effect.
- 2.1.2 Approve the release of £2m of this funding to existing commissioned Vulnerable Adults providers in recognition of the value of maintaining and enhancing the capacity of these providers to support wider pressures on the Health and Social Care system.

3 Background

- 3.1 Birmingham City Council has an established record of working with NHS partners to align, and integrate where appropriate, delivery, commissioning, reporting, and funding of services, through pooled budgets, shared resources, and joint models of service delivery. The strength of this relationship and the existing joint working is recognised as fundamental to the success of the Birmingham system's response to the post pandemic market, as well as investing in preventative and transformative areas for the mutual benefit of the health and social care system.
- 3.2 Following on from a similar arrangement last year which has proved successful in containing and managing the financial risks in the system, both organisations have again agreed to put in place a S256 agreement to fund the services which we provide and commission, in order to recognise the value of these services, and their benefit to the whole system of Health and Social Care in Birmingham.
- 3.3 As such the ICB has:
 - 3.3.1 Offered funding to support the Council's Adult Social Care pressures, by covering expenditure already incurred in the financial year 2022/23.
 - 3.3.2 Offered funding as a contribution to the Council's programme of support to citizens experiencing hardship as a result of the cost-of-living crisis
 - 3.3.3 Offered funding to enhance the support delivered by BCC commissioned Vulnerable Adults providers to citizens who are at increased risk of accessing statutory health and social care services. This will support specialist providers working with a range of cohorts including those with lived experience of homelessness, domestic abuse and disability.
 - 3.3.4 Offered funding to meet 22/23 adult social care costs that thereby enable the Council to invest in extending the Fairer Futures Fund for an additional year.

This fund will support a range of integrated activities to address health inequalities in the city.

4 Options considered and Recommended Proposal

- 4.1 The alternative option is to not accept the offer of funding from the ICB. This would represent the loss of an opportunity to mitigate existing in-year pressures and to enable greater investment into the delivery of ICS priorities via the Fairer Futures Fund. **The only option considered is the recommended option of accepting the funding.**

5 Consultation

- 5.1 All joint initiatives in section 3.3 have been discussed with system partners including through the Better Care Fund Programme Board.

6 Risk Management

- 6.1 If funding is not accepted and received by 31st March 2023 the option for support funding will be lost for 2022-2023 as it cannot be carried into next financial year. This means that the Adult Social Care Directorate will report an overspent budget position. Cabinet approval is required immediately in order to remove this risk.
- 6.2 The S256 agreement governs the use of this funding to ensure that there is no future legal issue with the transfer

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

- 7.1.1 This support funding is partnership working across the local Health and Social Care system to ensure core activity, prevention and future investment is maintained at a level which ensures the best outcomes for citizens in need of, or soon to be in need of social care support.

7.2 Legal Implications

- 7.2.1 The S256 agreement comes under the National Health Service Act 2006 (a) and gives the Secretary of State the power to enter into this agreement.
- 7.2.2 The Section 256 agreement has been drafted in consultation with Legal Services and does not commit the authority to further expenditure.
- 7.2.3 Other initiatives detailed as part of the partnership funding will be governed by separate legal agreements and brought to Cabinet in due course as set out in section 3.3.
- 7.2.4 Nothing in the S256 agreement for consideration in this report legally commits the Council to that future spending decision.
- 7.2.5 There is no personal data involved in the funding agreement.

7.3 Financial Implications

- 7.3.1 The impact of the General Fund resources freed up allows the Council to meet the pressures on the general fund reported in 2022-2023, continue the preventative work which will reduce longer term pressures on social care, and fund future Council investment in Social Care and systemwide initiatives, including contribution to the longer-term investment pool, without needing to increase Adult Social Care budget beyond that already set in the Medium-Term Financial Plan.
- 7.3.2 Future initiatives funded by these investment pools will bring financial benefit to the local system as a whole – with agreements still to be drawn up around how much of this can be released to each organisation and how much should be reinvested.

7.4 Procurement Implications (if required)

- 7.4.1 Approval is required from Cabinet to enable payment of additional funding to Vulnerable Adults providers on a one-off, non-recurrent basis. This equates to a increase of 8.5% against a single year of contract values; well within the 50% threshold for varying contracts. Allocations to individual providers (Appendix 2) have been determined on a strictly proportionate basis relative to the value of each contract held.

7.5 Human Resources Implications (if required)

- 7.5.1 None

7.6 Public Sector Equality Duty

- 7.6.1 There are no equality implications from the acceptance of the support funding as this covers expenditure already incurred through arrangements in place for the discharge of the Council's social care responsibilities.

7.7 Environmental and Sustainability Implications

- 7.7.1 None. This is a financial report with no sustainability/environmental implications.

8 Appendices

- 8.1 Appendix 1 – Section 256 Partnership Arrangements 2022/23
- 8.2 Appendix 2 – Schedule of allocations to Vulnerable Adults Providers
- 8.3 Appendix 3 – EQUA 1104

9 Background Documents

None.