



HEALTH AND WELLBEING BOARD: 21 SEPTEMBER 2017

REPORT OF THE DIRECTOR OF HEALTH AND CARE INTEGRATION

BETTER CARE FUND PLAN 2017/18 – 2018/19

Purpose of report

1. The purpose of this report is to provide an update on the refresh and final submission of the Leicestershire Better Care Fund (BCF) Plan, including the expenditure plan and outcome metrics for 2017/18 and 2018/19, all of which was submitted to NHS England on 8th September 2017.

Recommendation

2. The Health and Wellbeing Board is asked to:
 - a. **Note** that, in line with approved delegation, the Health and Wellbeing Board had authorised the Chief Executive to finalise the BCF Plan and submit it to NHS England, and that members of the Leicestershire Integration Executive (a subgroup of the Health and Wellbeing Board responsible for the delivery of the BCF plan), were asked to indicate their agreement with the final submission to NHS England, at a meeting on 7 September 2017.
 - b. **Receive assurance** that the final BCF Plan for 2017/18 – 2018/19 was submitted to NHS England on 8th September 2017.

Policy Framework and Previous Decisions

3. The BCF policy framework was introduced by the Government in 2014, with the first year of BCF plan delivery being 2015/16. The Cabinet in February 2014 authorised the Health and Wellbeing Board to approve the BCF Plan and plans arising from its use.
4. The Board received a presentation and report on the work in progress to refresh the BCF Plan for 2017/18 – 2018/19 at its meeting on 5 January 2017.
5. The Board received papers to provide an update on progress to prepare the BCF Plan at its meetings on 16 March and 22 June 2017.

Background

6. The purpose of the BCF is to transform and improve the integration of local health and care services, in particular to reduce the dependency on acute hospital services, by providing more integrated community based support.

7. The strategic framework is set by BCF national policy requirements, BCF national conditions, BCF metrics, Clinical Commissioning Group (CCG) commissioning intentions, and key local authority duties with respect to integration and the Care Act 2014.
8. High priorities within the integration agenda nationally and locally include:
 - a. Improving hospital discharge.
 - b. Keeping people out of statutory and acute provision wherever possible.
 - c. Sustaining adult social care within new models of care locally.
 - d. Ensuring there is a cohesive plan for data integration at population and care planning levels.
 - e. Implementing seven-day services.
 - f. Developing the approach and infrastructure for joint commissioning.

Current Position

9. East Leicestershire and Rutland Clinical Commissioning Group (CCG) Governing Body and West Leicestershire CCG Board received the draft BCF Plan at their meetings on 8th August 2017 and both Boards approved the BCF Plan. However, further information was requested from East Leicestershire and Rutland CCG on the delayed transfer of care (DTC) target. This was received and approved at the Integrated Governance Committee on 5th September 2017.
10. The Integration Executive reviewed and approved the final BCF Plan its meeting on 7th September 2017.
11. The Leicestershire BCF Plan for 2017/18-2018/19 was submitted to NHS England on 8th September 2017.

BCF National Conditions

12. The *Integration and Better Care Fund Policy Framework 2017/18 – 2018/19*, which was published on 31st March 2017 confirms the national conditions and metrics which will apply to BCF Plans with effect from April 2017. <http://ow.ly/C58J30f0h0h>
13. The national conditions require that BCF Plans must:
 - a. Be jointly agreed including approvals via the local Health and Wellbeing Board.
 - b. Maintain NHS contribution to social care in line with inflation.
 - c. Demonstrate commitment to investment in NHS-commissioned out-of-hospital services.
 - d. Deliver improvements in managing (delayed) transfers of care.
14. There is also an expectation that the BCF Plan will continue to show progress on the previous national conditions set out in the 2016/17 BCF Plan. These include data sharing, case management for people with multiple conditions, and developing seven-day services. They are still fundamental to transforming integrated care and are expected to be addressed at system level as part of the 44 Sustainability and Transformation Partnerships in place across the country.

15. In terms of the national condition targeted to managing transfers of care, each local BCF Plan must evidence in particular how the Department of Health's '*high impact changes for improving hospital discharge*' are being implemented locally.
16. The High Impact Changes Framework <http://ow.ly/2q8S30f0hQt> provides a basis for each health and care system to assess their local position and identify where further changes are needed so that all the evidence-based and recommended interventions are made.
17. The grant conditions associated with the new adult social care allocation reference the importance of improved hospital discharge and the Government expects a proportion of the allocation be spent on this priority, according to local gaps and needs.
18. The BCF narrative document sets out the detail of how each of the national conditions will be met (see pages 40-44 of Appendix A). An overview is given below:
- a. **National Condition to maintain investment in Adult Social Care from the CCG minimum contribution.**
- This investment is separate from the additional allocation for adult social care for Local Authorities announced in the spring budget, which comes with distinct grant conditions – see c) below.
 - The BCF investment plan requires an inflationary uplift in the CCG contribution in support of adult social care of 1.79% in 2017/18 and 1.9% in 2018/19. The Leicestershire BCF plan has ensured that the required investment level per the CCG contribution is in place and the priorities for this investment have been agreed with NHS partners.
- b. **National Condition: Disabled Facilities Grant (DFG) Allocations**
- Funding allocations for major adaptations in the home will continue to be routed via the BCF to each district council in line with national policy. Growth funding has been issued by the Government in line with the expectations set out in the 2015 comprehensive spending review. The allocations for each District Council are –

	2017/18	2018/19
Leicestershire	£3,349,869	£3,632,291
Blaby	£499,481	£542,165
Charnwood	£846,293	£920,160
Harborough	£385,744	£418,476
Hinckley and Bosworth	£439,674	£472,848
Melton	£259,427	£281,543
North West Leicestershire	£572,989	£621,202
Oadby and Wigston	£346,261	£375,897

- The BCF Policy Framework confirms upper tier authorities are required to passport the DFG allocation in full to each District Council, unless local

agreement has been reached to direct resources to other strategic housing priorities.

- During 2016/17 significant work has been undertaken with District Councils to forecast DFG demand across Leicestershire to inform the local position, and quarterly reporting is in place to compare actual demand against the allocations made.
- Where individual Districts wish to consider the use of DFG funds for other strategic housing solutions, this will be welcomed and supported by the County Council and other partners, given the transformation already being undertaken via the Lightbulb Housing Service.

c. **The additional adult social care allocation announced in the Spring 2017 Budget (£19.7m non-recurrent grant over three years)**

- In response to this announcement additional working sessions with Adult Social Care, CCG partners, NHS providers and the Leicester, Leicestershire and Rutland (LLR) A&E Delivery Board took place in April and May to prioritise this additional funding which, whilst allocated to the County Council, in accordance with the grant conditions set by the Government and the BCF Policy Framework, must be included within the local BCF pooled budget.
- The funding is being allocated in the form of a Section 31 (Local Authority) Grant on a non-recurrent basis. Therefore, any expenditure against the grant must be targeted to relieving short-term service pressures, provide transformational capacity, or manage demand in the longer term.
- There are clear areas of spend identified in support of adult social care service capacity, as well as investment in priorities within the high impact assessment for hospital discharge and the STP Home First workstream.
- A proportion of the investment is specifically targeted to the BCF national condition “**Managing Transfers of Care**” which is measured in terms of our performance on delayed discharges from hospital (DTCOs).

19. Within the BCF expenditure plan (Appendix A – annex 6), £16.4m is invested in delivering improved DTCO performance per the agreed action plan priorities:

- £11.4m of this is recurrent investment from our refreshed BCF plan, for example our existing seven day social care services which supports hospital discharge, the Intensive Community Support Service and the Improving Mental Health Discharge scheme.
- £5m is new investment with effect from April 2017, funded from the IBCF, for example Hospital Housing Discharge Enabler scheme and the development of an integrated discharge pathway/team at the Bradgate Unit.

20. The Government has made clear that part of this funding is intended to enable local authorities to quickly provide stability and extra capacity in local care systems.

BCF PLAN

21. The BCF narrative plan at Appendix A sets out the local vision and aims, along with the ten priority areas for health and care integration (pages 24-35) where partners have jointly agreed to pool their BCF allocations and deliver transformational change, how the Leicestershire BCF has been aligned with and supports the LLR five year plan, how we will meet the BCF national metrics and conditions, and how delivery of the BCF plan is measured and governed.

BCF EXPENDITURE PLAN

22. The BCF expenditure plan totals £52m in 2017/18 and £56m in 2018/19. The table below provides a summary of the Leicestershire BCF allocations, setting out the source of funds for the two year period:

<u>Better Care Fund Funding 2017/18 and 2018/19</u>		
<u>Funding Source</u>	<u>2017/18</u> <u>£000</u>	<u>2018/19</u> <u>£000</u>
<u>CCG Minimum Contributions</u>		
East Leicestershire & Rutland CCG*	15,838	16,139
West Leicestershire CCG*	20,843	21,239
	36,682	37,378
<u>DCLG Funding</u>		
Disabled Facilities Grants	3,350	3,632
IBCF (Comprehensive Spending Review -Autumn 2015)	Nil	5,582
IBCF (Adult Social Care Grant Spring Budget 2017)	9,526	6,837
	12,876	16,051
<u>Additional Contributions</u>		
Additional CCG allocations (ICS Scheme)	2,563	2,563
Total BCF Funding	£52,120	£55,993
* Inclusive of Care Act Funding	1,388	1,388

23. Notwithstanding the additional allocation, significant financial pressure remains on all public sector partners, which in turn has affected the BCF expenditure plan. These pressures are caused primarily by two issues:-
- The requirement from the two County CCGs that up to £2m of savings should be sought in the BCF Plan in 2017/18, to support the significant financial risks affecting NHS commissioners in 2017/18;
 - The social care capital grant being removed from the BCF in 2016/17 and replaced with an unfunded uplift in DFG allocations.
24. The BCF Expenditure Plan at Appendix A (annex 6) sets out the line items/service areas for each element of the BCF pooled budget. There is colour coding for those areas that support sustaining adult social care and improving hospital discharge, where additional investment is being made via the new Local Authority non-recurrent

grant. The BCF narrative document also contains a section at page 45 which explains all the sources of funds into the BCF and the requirements placed upon these.

SECTION 75 AGREEMENT

25. The BCF is operated as a pooled budget under Section 75 of the NHS Act 2006. The Leicestershire BCF Section 75 Agreement is a rolling agreement originally approved in July 2014.
26. Assurance is required locally and nationally that the BCF Section 75 Agreement has been extended for a further 12 months and plans are in place, via the Integration Executive, to complete this work by the end of October.
27. The deadline for final sign-off of Section 75 Agreements, in line with the BCF Planning Requirements, is 30th November 2017.

BCF METRICS

28. BCF Plans for the period 2017-19 will be assessed against four national BCF metrics. As before, these will be reported nationally, on a quarterly basis, to NHS England.
29. The tables at pages 50-51 of the BCF narrative (Appendix A) set out each BCF metric, performance in 2016/17, the proposed trajectory for the two year period of the BCF Plan and a summary of the rationale for the level of performance being aimed for.
30. The table below provides an update on performance to date for 2017/18 against the four BCF national metrics:

Metric	Target	Forecast	RAG	Commentary
Metric 1: Permanent admissions of older people (aged 65 and over) to residential and nursing care homes, per 100,000 population per year.	630.6	582.7	G	The BCF target for 2017/18 is a maximum of 879 admissions. The current full year forecast is 812 admissions (or 582.7 per 100,000 population).
Metric 2: Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement/ rehabilitation services	87.0%	84.4%	A	The target relates to people discharged from between November 2016 and January 2017 and their accommodation location between February and April 2017. Performance is 84.4%,
Metric 3: Delayed transfers of care (DTC) from hospital per 100,000 population	318.39	318.39	R	In June there were 1,739 days delayed for Leicestershire residents, a rate of 318.39 per 100,000 population aged 18+. Due to the delays in releasing the national BCF guidance, it was confirmed that targets for April, May and June would be set at the actual performance, although the current position is above expected performance and therefore has been RAG-rated red. From July, NHS England targets apply for the overall rate, and the different

				attributable organisations (NHS, social care and jointly attributable).
Metric 4: Total non-elective admissions into hospital (general and acute), per 100,000 population, per month	737.92	773.62	R	For the period April 2017 to July 2017 there have been 21,104 non-elective admissions, against a target of 20,157. Furthermore, the forecast for the year end of 2017/18 is that there could be 63,730 admissions, against a target of 60,582 (RAG-rated red). The target is set by the clinical commissioning groups based on the amount of emergency activity planned for and commissioned on an annual basis.

31. At their meeting on the 7th September, the Integration Executive focused on the delayed transfers of care (DTC) target, which was felt to be the main risk to assurance and delivery of the BCF Plan.
32. The local target, agreed by the A&E Delivery Board, set a trajectory for achievement of 3.5% DTC by March 2018. However, the national requirement was for the 3.5% target to be met by November 2017. Therefore, there is a risk that the BCF Plan will be not approved. The technical guidance also states that if performance is not satisfactory by November 2017, some of the IBCF monies could be removed for 2018/19.
33. Members of the Integration Executive considered the level of risk involved in agreeing the DTC target in terms of achieving the 3.5% target by March 2018. It was agreed to approve the 3.5% target by March, with the caveat that demonstrable progress must be made by November 2017.
34. The BCF Planning Requirements document states that the Government will review progress in November 2017, and will consider changes to the IBCF (Spring 2017) allocations for poorly performing areas. The Care Quality Commission (CQC) will be involved in reviewing 12 local areas (already identified) as poorly performing in the first tranche of this process. No areas within LLR were identified. Further inspections of local areas are planned between February and April 2017, which may include some high performing areas.

Regional and National Assurance

35. The BCF planning guidance outlined the timetable for regional and national assurance. This indicates that approval letters will be issued from 6th October 2017 giving formal permission to spend the BCF allocation (CCG minimum spend).
36. For areas where the BCF Plan is rated 'not approved', escalation panels will start the week commencing the 10th October 2017.
37. BCF Plans that are rated 'approved with conditions' will be asked to submit an updated BCF Plan by 31st October 2017.

Consultation/Patient and Public Involvement

38. Findings from service user engagement activities across the health and care economy have also been used to inform the BCF refresh, a selection of which are listed below:

- Service user metrics have been analysed to assess improvements in the experience of local people using integrated care and support across settings of care in Leicestershire, including the quality of life score in the Adult Social Care Outcome Framework, support for people with Long Term Conditions via the GP survey, and experience of coordination of care and support on discharge from CQC surveys;
- A Better Care Together customer insight survey undertaken in 2015/16 focused on the views and experiences of carers;
- Engagement with service users undertaken for the introduction of the “Help To Live At Home” domiciliary care services, used to shape the outcomes and service model;
- Engagement with service users across eight BCF services as part of the evaluation conducted with Loughborough University and Healthwatch, focused particularly on community based services targeted to admissions avoidance;
- Engagement and customer insight analysis undertaken for the Lightbulb Housing Project which informed the service model;
- Engagement with service users on integrating customer services points of access across health and care, used to inform the future options and solutions for an LLR-wide operating model;
- Engagement undertaken by Leicestershire Healthwatch, reported bi-monthly to the Leicestershire Health and Wellbeing Board, with thematic analysis on areas such as mental health, primary care access, urgent care and hospital discharge;
- Findings and recommendations from local authority scrutiny committees and scrutiny panels; and
- Feedback from LLR engagement events for Better Care Together and the STP.

Background papers

Report to the Health and Wellbeing Board on 5 January 2017 ‘Better Care Fund Refresh 2017/18’ - <http://ow.ly/30DZ309bfTt>

Report to Health Overview and Scrutiny, 1 March 2017 ‘Better Care Fund Refresh’ (agenda item 12) <http://ow.ly/MV9m30f5ICz>

Report to the Health and Wellbeing Board on 16 March 2017 ‘Better Care Fund Plan 2017/18 – 2018/19’ - <http://politics.leics.gov.uk/ieListDocuments.aspx?MIId=4938>

Report to the Cabinet, 23 June 2017 ‘Better Care Fund 2017/18 – 2018/19’ (agenda item 10) <http://politics.leics.gov.uk/ieListDocuments.aspx?MIId=5120&x=1>

Report to the Health and Wellbeing Board, 22 June 2017 'Better Care Fund 2017/18 – 2018/19' (agenda item 9) <http://ow.ly/3RBL30f5lJb>

Position Statement to the Health and Wellbeing Board, 20 July 2017 (agenda item 4) <http://politics.leics.gov.uk/ieListDocuments.aspx?MIId=5075&x=1>

Leicester, Leicestershire and Rutland Sustainability and Transformation Plan - <http://www.bettercareleicester.nhs.uk/Easysiteweb/getresource.axd?AssetID=47665>

Better Care Fund Policy Framework 2017-19 - <http://ow.ly/C58J30f0h0h>

Better Care Fund Planning requirements 2017-19 - <http://ow.ly/mD7F30f0haT>

Circulation under the Local Issues Alert Procedure

None.

Officer to Contact

Cheryl Davenport, Director of Health and Care Integration (Joint Appointment)
Telephone: 0116 305 4212
Email: Cheryl.Davenport@leics.gov.uk

List of Appendices

- Appendix A - Better Care Fund Narrative Plan 2017-19
 - Annex 1 – Case for Change
 - Annex 2 – DTOC benchmarking
 - Annex 3 – LLR – 8 High Impact Changes Model Gap Analysis
 - Annex 4 – LLR DTOC Action Plan (*the action plan is currently being updated and will be submitted to NHS England by end of September*)
 - Annex 5 – Leicestershire County Council's Adult Social Care Department DTOC Improvement Plan
 - Annex 6 – BCF Expenditure Plan
 - Annex 7 – Unified Prevention Model
 - Annex 8 – BCF Engagement Plan
 - Annex 9 – BCF Programme Plan
 - Annex 10 – BCF Risk Register
 - Annex 11 – BCF Mapping Tables

Relevant Impact Assessments

Equality and Human Rights Implications

39. Developments within the BCF Plan are subject to an equality impact assessment and the evidence base supporting the BCF Plan has been tested with respect to Leicestershire Joint Strategic Needs Assessment. An equalities and human rights impact assessment has been undertaken which is provided at <http://ow.ly/vHKS30f5m9R>. The assessment concluded that the impact of the BCF is neutral and therefore a full assessment was not required.
40. The document underwent an annual review by Leicestershire County Council's (Adults and Communities Department) Equalities Group on 14 March 2017.

Partnership Working and associated issues

41. The delivery of the BCF Plan and the governance of the associated pooled budget are managed in partnership through the collaboration of commissioners and providers in Leicestershire.
42. Wide ranging engagement across all partners has been undertaken to refresh the BCF Plan as shown in Appendix A (Annex 8).
43. Day to day oversight of delivery is undertaken by the Integration Executive, an officer subgroup of the Health and Wellbeing Board comprising all partners represented on the Health and Wellbeing Board, with the exceptions of the Police and NHS England.
44. The delivery of the Leicestershire BCF ensures that a number of key integrated services are in place and contribute to the system wide changes being implemented through the Sustainability and Transformation Plan (STP), the five-year plan to transform health and care across Leicester, Leicestershire and Rutland.
<http://ow.ly/IPsP309cK2D>.

RISK ASSESSMENT

45. The risk register for the BCF plan has been fully updated in light of the new two year planning requirement, the impact of the updated national conditions, metrics, and planning guidance, and in the context of the financial framework/financial pressures affecting the Leicestershire BCF plan. (See Appendix A – Annex 10 to this report).
46. The updated risk register has been reviewed in detailed by partners including at the Integration Finance and Performance Group on 12th May 2017 and 18th August 2017, and the Integration Executive on 23rd May, 1st August and 7th September 2017.
47. The BCF risk register was updated again in August 2017 to reflect the analysis undertaken on the delayed transfers of care target and the challenge of making improvements across the LLR area before March 2018.
48. The key risks relating to the delivery of the BCF plan are summarised below. These are can characterised as a combination of:
- Overall LLR system level risks (service, financial and transformational), per the LLR STP, and

- Specific risks affecting the Leicestershire BCF plan/pooled budget (arising from both the LLR system level risks and the national policy position for the BCF).

49. The following is a summary of key strategic risks associated with the BCF refresh as at September 2017:

- a) Impact of the 2017/18 financial position across the health and care economy – risk that partners are forced to address immediate/short term system pressures versus investing in medium term solutions/ transformation, e.g. per the STP priorities.
- b) Lack of financial headroom within the Leicestershire BCF Plan, including lack of reserves and contingencies from 2017/18 onwards.
- c) Increased significant risks in CCG financial plans from 2017/18 onwards.
- d) Ongoing urgent care pressures, including the ongoing upward trend of emergency attendances/admissions.
- e) Improving Delayed Transfers of Care (DTC) performance following the deterioration in performance experienced in 2016/17.
- f) Reliance on the delivery of further in-year savings from service review and redesign across a number of BCF service lines in order to deliver a more sustainable medium term financial plan. A number of these BCF service lines are subject to work being led by LLR STP workstreams during 2017/18, with key milestones and quantifiable impact in some areas still to be confirmed.
- g) Implementation of large and complex areas of transformation across LLR such as solutions for Integrated Points of Access, new models for Integrated Locality Teams, adoption of the electronic summary care record.

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