



HEALTH AND WELLBEING BOARD: 5 JANUARY 2017

REPORT OF THE DIRECTOR OF HEALTH AND CARE INTEGRATION

BETTER CARE FUND PLAN REFRESH 2017/18 – 2018/19

Purpose of report

1. The purpose of this report is to provide the Health and Wellbeing Board with an update on the work in progress to refresh and prepare the Leicestershire Better Care Fund (BCF) plan for 2017/18 – 2018/19.

Recommendation

2. The Board is requested to:
 - a) Note the content of the report;
 - b) Provide feedback on current progress and next steps to finalise the plan.

Policy Framework and Previous Decisions

3. The Health and Wellbeing Board approved Leicestershire's current BCF plan in May 2016.
<http://politics.leics.gov.uk/documents/s118710/Better%20Care%20Fund%20Plan%20Submission%20and%20Assurance.pdf>
4. The day to day delivery of the BCF is overseen by the Leicestershire Integration Executive as agreed by the Health and Wellbeing Board in March 2014.
<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=1038&MId=3981&Ver=4>. The Integration Executive Terms of Reference have been refreshed, and were approved by the Health and Wellbeing Board in November 2015.
5. NHS England issued BCF implementation guidance in July 2016
<https://www.england.nhs.uk/wp-content/uploads/2016/07/bcf-ops-guid-2016-17-jul16.pdf> which set out the requirements for quarterly reporting along with the draft templates and analytical tools that are required to be used for this purpose.

Background and Milestones

6. NHS planning guidance was published on 22nd September 2016 and covers a two year planning period 2017/18 - 2018/19. One of the key differences this year is that the production of CCG operating plans, and the associated contract setting with NHS providers has to take place by 23rd December 2016, which is three months earlier than usual.
7. It is recognised that for Local Authorities (LAs), planning timescales for 2017/18 and beyond are linked to the autumn statement (issued late November) and publication of

LA allocations (these are imminent at the time of preparing this report), so the planning process and timescales for NHS partners and LAs are not in alignment.

8. The NHS planning guidance confirms the continuation of the BCF, and the ongoing requirements for integration policy implementation by 2020.
9. Specific national guidance about the preparation of BCF plans for 2017/18 – 2018/19 is still pending at the time of writing this report and may not be published before the end of 2016.
10. It is anticipated that a draft BCF submission will be required to be submitted to NHS England by approx. 26th January 2017, with a final submission date TBC (potentially late February/early March 2017).
11. The assurance process for the BCF, which takes place both at regional and national levels, is anticipated to conclude by May 2017.

BCF Refresh 2017/18: Strategic and Policy Context

12. BCF national policy requirements, BCF national conditions, BCF metrics, CCG commissioning intentions, and key LA duties with respect to integration and the Care Act set the strategic framework for the BCF plan refresh.
13. Locally, the introduction of the Leicester, Leicestershire and Rutland (LLR) Sustainability and Transformation Plan (STP) essentially reframes priorities and financial plans across the LLR health and care economy.
14. Keeping people out of statutory and acute provision wherever possible, sustaining adult social care within new models of care locally, ensuring there is a cohesive plan for data integration at population and care planning levels, implementing seven day services, improving hospital discharge and developing an infrastructure and platform for joint commissioning remain high priorities within the integration agenda nationally and locally.

BCF Refresh 2017/18 – Financial Context

15. National CCG and LA allocations, the financial model of the LLR STP, the council's Medium Term Financial Strategy (MTFS) and respective CCG operating plan financial targets/control totals for 2017/18 – 2018/19 all set the financial framework for the Leicestershire BCF plan.
16. The financial pressures on individual organisations are considerable and increasing so the negotiation of the BCF refresh is set in this context.
17. Ahead of the publication of the BCF guidance for 2017/18-2018/19 work is already well underway locally to refresh the plan.
18. An initial financial refresh of the plan has been undertaken through liaison with CCG integration and finance leads, linking the BCF plan to:
 - a) STP planning assumptions and workstreams.
 - b) CCG commissioning intentions.
 - c) LA assumptions – in particular Adult Social Care services/finances and the council's MTFS and transformation plans.

- d) NHS planning guidance.
- e) CCG operating plan submissions.

19. The key features of this work to date have been as follows:

- Resolving the allocations for District Councils for the Disabled Facilities Grants component of the plan.
- Agreeing the adult social care protection levels for the 2017 – 2019 BCF plan.
- Understanding the implications of the BCF financial allocations into CCGs and LAs for 2017/18 and 2018/19, including any uplift related to inflation or growth.
- Assessing the opportunities for generating further savings and headroom within the BCF plan from 2017/18 onwards, recognising the significant financial pressures affecting all partners.
- Assessing the overall affordability of the plan.
- Determining the plan's contribution to key metrics across LLR such as emergency admissions avoidance and improving delayed transfers of care.
- Ensuring alignment with STP activity, capacity and financial planning, CCG operating plan assumptions, and the new urgent care pathway.
- The implications of new models of service which will come into effect from 2017/18 onwards, and which rely on existing/redesigned Leicestershire BCF components/investments, for example:
 - a. Integrated Locality Teams across LLR (new workstream of the STP)
 - b. Integrated discharge support (per the business case received at the Integration Executive on 1st November).
 - c. The “home first” reablement model (emerging workstream of the STP)
 - d. The new LLR urgent care model, which being commissioned with effect from April 2017.
- Assessing the impact of individual components of the plan, and the impact of the BCF plan overall, on
 - a. The BCF national conditions and metrics
 - b. The overall vision for health and care integration in Leicestershire and across LLR.

BCF Refresh: Status at 22nd December 2016

- 20. On 13th October, a multiagency workshop of the Leicestershire Integration Operational Group took place where the group discussed the strategic context of the refresh including how to align the plan more effectively with emerging STP priorities and workstreams.
- 21. The workshop broadly reviewed the components of the current plan categorising those likely to be considered recurrent, those which are subject to further evaluation/

decisions, those which should be removed due to being non-recurrent or decommissioned, and any emerging new areas to consider.

22. It should be noted that the majority of the BCF plan is attributed to core NHS and LA services, with some components dating back to 2011/12
23. Any changes need to be incorporated into contracts and any decommissioning/re-commissioning activities are subject to the usual processes and governance depending on the lead commissioners (e.g. consultation/lead times/notice periods/procurement decisions etc.).
24. From the workshop in October an action plan was created to identify a number commissioning lines of enquiry and key decisions needed. The group identified those which were likely to be taken by 23rd December (e.g. in time for CCG operating plan submissions), and those that are planned to be addressed later, e.g. from Q4 2016/17 onwards.
25. Follow up meetings were held on the 10th November and 8th December to review progress with the action plan and confirm the position line by line across the BCF plan.

Indicative Financial Refresh

26. The following sections outline the key assumptions that have informed the refresh so far and an indication of areas where further information is expected to be confirmed during Q4 of 2016/17.
 - a) It has been confirmed that CCGs will be required to allocate 1.79% uplift in 2017/18 and a 1.9% uplift in 2018/19 (linked to inflation) per the national CCG allocations for the minimum pooling requirements for the BCF.
 - b) For ELRCCG this equates to approx. an additional £278.52k (figure to be confirmed when the split between County and Rutland is finalised) and for WLCCG this equates to £368.6k for 2017/18.
 - c) It is assumed the same approach will apply in 2017/18 as in the previous two years of the BCF, in that:
 - Partners are expected to pool their minimum BCF allocation and show a scheme level breakdown of how this has been prioritised to meet the BCF policy, conditions and metrics.
 - The financial template provided by NHS England for the submission of the BCF (to be made available once the BCF guidance is published) will be pre-populated with the respective CCG and LA allocations, which together form the basis of the minimum pooled budget.
 - d) Pending the outcome of LLR Urgent Care Procurement the refresh assumes that both County CCGs will require all their existing BCF urgent care service allocations to support the new model of urgent care from 2017/18.
 - e) The components of the plan that associated with core discharge support services operating across UHL, LPT and adult social care, are essential to support system flow and improving our local DTOC performance.

- f) However these investments and services are subject to redesign leading into 2017, via the County's integrated discharge redesign business case.
- g) The components of the plan that are associated with rehabilitation and reablement services are currently being reviewed by CCG commissioning/contracting leads with a view to identifying which should be earmarked in relation to the redesign work linked to the emerging STP home first workstream.
- h) The BCF investment lines associated with case management for people for Long Term Conditions (LTC) in both CCGs ("proactive care" in WLCCG and "integrated care" in ELRCCG) are assumed to be a core component of the future Integrated Locality Teams development in LLR.
- i) CCG contributions for the Supporting Leicestershire Families (SLF) service have been removed from the 2017/18 BCF financial plan. It has not been possible for the service to provide the outcome data CCGs have requested in the timescales required for BCF refresh decisions, so the BCF plan currently assumes no SLF investment from CCGs for 2017/18.
- j) CCG commissioning intentions for Local Area Coordination (LAC) are subject to further confirmation via the LAC evaluation and business case – work currently in progress through governance channels in both CCGs.
- k) A business case for the new (LLR-wide) falls pathway is expected by the end of January. Some non-recurrent enabling investments have been agreed from the 2016/17 BCF plan, to aid preparation of the new service. Additional non-recurrent investment for 2017/18 may be required subject to further confirmation.

LA/Adult Social Care Services Considerations

- l) The government's comprehensive spending review of 2015 indicated that, from 2017/18, additional allocations would be made via LAs for the BCF with a view to increasing the LA allocation specifically to support adult social care.
- m) LA allocations for 2017/18 should be known by the time this report is presented and a verbal update will be given when the report is presented.
- n) Adult Social Care Protection – a working session with senior representatives from Adults and Communities and CCGs was held on 1st November to review financial assumptions for the Adult Social Care investments within the plan.
- o) It was agreed that the initial cut of the 2017/18 BCF plan should assume the same level of adult social care protection as in 2016/17 (£17m). This figure may require adjustment following confirmation of points above.
- p) Disabled Facilities Grants (DFG) Allocations (for major adaptations in the home) will continue to be routed via the BCF. DFG allocations totalling £2.85m have been included in the plan from 2017/18 onwards.
- q) This reflects the inclusion of an additional £1m which must be committed to DFG allocations in 2017/18 in the Leicestershire plan, compared with the levels committed to this component in 2016/17.
- r) This is due to the fact that partners withheld £1.3m of the DFG allocation in 2016/17 due to the late notification of BCF guidance and a late change in the composition of the allocation affecting DFGs.

- s) This position is being resolved for 2017/18, as we anticipate the BCF national guidance will clearly reinforce this requirement.
- t) The funding levels associated with this component of the BCF plan will require further confirmation following the publication of 2017/18 LA allocations, and following reaching final agreement with District Councils based on their forecasting information (work currently in progress).

Line by Line BCF Refresh Work

- u) Every BCF scheme has been scrutinised by partners in the Integration Operational Group over three working sessions held between October and December 2016.
 - v) In particular to identify where further commissioning confirm and challenge could be applied including identifying where additional savings could be made in 2017/18.
 - w) Where these have been identified based on specific agreed commissioning intentions for 2017/18, these have been factored into the indicative position as at 13th December.
 - x) Mandatory/Statutory BCF allocation components (such as Care Act statutory duties including carer respite services, Care Act assessments, and Disabled Facilities Grants etc.) have all been included as part of the line by line refresh of the BCF undertaken by the BCF operational group.
 - y) An initial workplan of areas that should be the subject of further commissioning review activity in 2018/19 has been created, with a focus on where partners can foresee additional savings/VFM could be achieved.
 - z) Should there be any material changes needed to the above assumptions following publication of the BCF guidance these will be taken into account in the next iteration of the BCF plan/financial plan.
27. As at 13th December the BCF plan shows proposed expenditure proposed of £39.8m against a budget of £39.1m.
28. These figures are based on the 2016/17 BCF allocation. The baseline budget for 2017/18 will be confirmed in January, following publication of the BCF guidance, and confirmation of CCG and LA allocations associated with the BCF from 2017/18 onwards.

Key Risks

29. Key risks affecting the refreshed plan at this stage include
- a) Whether a risk pool is required for emergency admissions performance – BCF guidance is likely to state this is required only if the BCF is expected to deliver a reduction in emergency admissions beyond CCG operating plan assumptions.
 - b) Lack of headroom within the plan generally, including lack of reserves and contingencies to deal with any unforeseen pressures.
 - c) A number of service lines are currently awaiting confirmation of CCG commissioning intentions and procurement decisions.

- d) The BCF guidance has not yet been published.
- e) CCG and LA financial plans are under huge pressure.
- f) The CCG related inflation uplift for the BCF minimum contribution will add to this pressure.
- g) Early indications are LA allocations will not include an uplift for the BCF in terms of LA contributions, to be confirmed on publication of the guidance.
- h) Districts have not yet formally approved the figures proposed for 2017/18 for their DFG allocations.
- i) The refreshed plan shows £517k of existing pressures check figure

BCF National Conditions and Metrics

- 30. It is believed that the number of national conditions within the BCF will be reduced from eight to possibly three or four in the BCF guidance for 2017/18, with quarterly reporting to NHSE.
- 31. However local areas will still be expected to show progress towards those other elements of integration policy, which previously were listed as BCF national conditions.
- 32. In terms of metrics for the BCF plan we anticipate the following metrics will all continue to be the nationally required metrics, with quarterly reporting the NHSE.
 - a) Reducing the number of total emergency admissions
 - b) Impact of reablement at 91 days
 - c) Improving DTOC
 - d) Reducing permanent admissions to care and nursing homes
- 33. In terms of trajectories for the metrics it is important to ensure that those emergency admissions which are planned to be avoided via schemes funded by the BCF are clearly defined and fully aligned to CCG operating plan targets for 2017/18 (and the wider LLR activity assumptions within the STP).
- 34. In terms of governance LLR-wide oversight of urgent care performance including emergency admissions and DTOC is led by the A&E Board, however an element of County level performance reporting is needed both operationally (in terms of addressing local performance matters) and strategically (in terms of assurance on BCF delivery).
- 35. There is no intention to duplicate the role of the A&E delivery board so the refreshed BCF narrative plan for 2017/18 will articulate how the reporting and assurance of BCF metrics will operate at both County level and system (LLR) level.
- 36. A BCF Trajectories Workshop to be held early in 2017 will inform the baseline and trajectories for 2017/18 for each of the national BCF metrics. There are a number of interdependencies for this work including:
 - a) STP activity assumptions
 - b) National BCF guidance

- c) CCG operating plan assumptions for 2017/18 – 2018/19
- d) BCF plan refresh progress for 2017/18 – 2018/19

Stakeholder Engagement, Briefings and Governance

- 37. A schedule of activities is already well underway to engage with a wide range of stakeholders about the refresh of the BCF plan across all partners, and seek joint approval of the plan, including ultimately by the Leicestershire Health and Wellbeing Board in Q4 2016/17.
- 38. In terms of governance timelines and next steps, the Integration Executive will hold a workshop on January 19th to review the refreshed plan in detail and the CCG Boards and Health and Wellbeing Board are expected to receive the final BCF plan for approval during March 2017.
- 39. Further engagement with other CCG governance groups to inform refreshing the plan will take place between January – March 2017.

Review of National BCF Guidance

- 40. It should also be noted that the East Midlands Regional BCF adviser held a preparatory workshop for refreshing BCF plans on 12th December, and representatives from Leicestershire attended this meeting
- 41. The Integration Team and Integration Operational Group will assess the BCF guidance as soon as possible when published, provide a summary and brief the Integration Executive.
- 42. This review will consider
 - Any proposed immediate adjustments needed to the first cut plan to meet guidance requirements or mitigate impact of guidance risks.
 - The implications of national submission/assurance milestones.
 - Specific recommendations for the Integration Executive

Officer to Contact

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Relevant Impact Assessments

Equality and Human Rights Implications

- 43. The BCF aims to improve outcomes and wellbeing for the people of Leicestershire, with effective protection of social care and integrated activity to reduce emergency and urgent health demand.

44. An equalities and human rights impact assessment has been undertaken which is provided at: http://www.leics.gov.uk/better_care_fund_overview_ehria.pdf

Partnership Working and associated issues

45. The delivery of the BCF plan and the governance of the associated pooled budget is managed in partnership through the collaboration of commissioners and providers in Leicestershire.
46. Day to day oversight of delivery is via the Integration Executive through the scheme of delegation agreed via the Integration Executive's terms of reference which have been approved by the Health and Wellbeing Board.
47. The delivery of the Leicestershire BCF ensures that a number of key integrated services are in place and contributing to the system wide changes being implemented through the five year plan to transform health and care in Leicestershire, known as Better Care Together <http://www.bettercareleicester.nhs.uk>.

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