



## **HEALTH OVERVIEW AND SCRUTINY COMMITTEE: 1<sup>st</sup> MARCH 2017**

### **REPORT OF THE DIRECTOR OF HEALTH AND CARE INTEGRATION**

#### **LEICESTERSHIRE'S BETTER CARE FUND PLAN 2017/18 – 2018/19**

##### **Purpose of report**

1. The purpose of this report is to provide an overview of the progress to refresh and submit the Leicestershire Better Care Fund (BCF) Plan for 2017/18 – 2018/19. The Health Overview and Scrutiny Committee is invited to make any comments on the Plan prior to it being submitted to the Cabinet for assurance and the Health and Wellbeing Board for approval.

##### **Policy Framework and Previous Decisions**

2. The BCF policy framework was introduced by the Government in 2014. In February 2014 the Cabinet authorised the Health and Wellbeing Board to approve the Better Care Fund Plan and implementation plans arising from its use.
3. Prior to 2017, the BCF has been an annual plan which is approved by the Health and Wellbeing Board and also submitted to the Cabinet and Health Overview and Scrutiny Committee for assurance. This year, the BCF Plan will cover a two year period, in line within NHS planning timescales.
4. NHS England published a refreshed BCF policy framework for 2016/17. However, the national publication of the BCF policy framework and technical guidance for 2017/18 – 2018/19 has been delayed for a considerable period of time, and at the time of writing this report the publication date is not yet confirmed.
5. The production of Leicestershire's refreshed BCF plan for 2017/18 – 2018/19 has been progressed in the meantime, directed by the Leicestershire Integration Executive, with key activities taking place between October 2016 and February 2017 across all partners.

##### **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, in favour of providing more integrated community based support. A high level summary of the draft Leicestershire BCF Plan for 2017/18 – 2018/19 and progress with delivery of the BCF Plan for 2016/17 is attached as Appendix A to this report.
7. BCF national policy requirements, BCF national conditions, BCF metrics, Clinical Commissioning Group (CCG) commissioning intentions, and key Local Authority (LA)

duties with respect to integration and the Care Act set the strategic framework for the BCF plan refresh.

8. 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.
9. 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 National Conditions and Metrics**

10. The current BCF policy framework and existing BCF technical guidance from 2016/17 indicate that a local BCF plan must demonstrate how it will deliver against the following national conditions:-
  - a. Delivery against five national BCF metrics and a locally selected metric;
  - b. How a proportion of the fund will protect adult social care services;
  - c. How data sharing and data integration is being progressed using the NHS number (*the NHS number is the unique identifier for each individual which is used on all NHS records*);
  - d. How an accountable lead professional is designated for care planning/care co-ordination;
  - e. Delivery of Care Act requirements;
  - f. How a proportion of the fund will be used to commission care outside of hospital;
  - g. How seven day services will be supported by the plan;
  - h. That the impact on emergency admissions activity has been agreed with acute providers;
  - i. That there is a locally agreed proactive plan to improve delayed transfers of care from hospital;
  - j. That Disabled Facilities Grant (DFG) allocations within the BCF will be used to support integrated housing solutions including the delivery of major adaptations in the home
  - k. Approval of the BCF plan by all partners, being assured via the local Health and Wellbeing Board.
11. It should be noted that these conditions could be subject to change, once the final technical guidance is published for 2017/18. It is believed that the forthcoming guidance may reduce the number of national conditions from eight to possibly three or four, with quarterly reporting to NHS England required, as in previous years. However local areas will still be expected to evidence plans and progress towards those other elements of integration policy, which previously were listed as BCF national conditions.
12. It is anticipated, and reflected in the draft Leicestershire BCF plan, that the following metrics will all continue to be national requirements:
  - o Reducing the number of total emergency admissions;

- Effectiveness of reablement at 91 days;
- Improving delayed transfers of care;
- Reducing permanent admissions to care and nursing homes.

13. In terms of trajectories for the metrics it is important to ensure that those emergency admissions which are planned to be avoided via services funded by the BCF are clearly defined and fully aligned to CCG operating plan targets for 2017/18, the wider LLR activity assumptions within the STP, and the new model of urgent care.

14. Preparatory work to refresh the BCF outcome metrics has taken place during February. There are a number of interdependencies for this work, including:

- STP activity assumptions;
- National BCF guidance;
- CCG operating plan assumptions for 2017/18 – 2018/19;
- BCF plan refresh progress for 2017/18 – 2018/19;
- Impact of the implementation of new models of care.

### **Key Actions Arising from the BCF Plan Refresh**

15. Over the last three months, the Leicestershire Integration Programme Operational Group (which has representation from commissioners and providers across health and care) has led the work to refresh the BCF plan and the associated spending plan attached as Appendix B to this report. This is a final draft and is subject to final LA BCF allocations being confirmed.

16. A number of areas have been identified for further work during 2017/18 which will be added to the Integration Executive workplan. The workplan will be received at the Integration Executive and the Health and Wellbeing Board in March.

### **Consultation**

17. Wide ranging engagement has been undertaken to refresh the BCF plan as shown in Appendix C.

18. A range of 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 schemes as part of the evaluation conducted with Loughborough University and Healthwatch, focused particularly on 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 scrutiny committees and scrutiny panels
- Feedback from LLR engagement events for Better Care Together and the STP

### **Resource Implications**

19. At the time of writing this report, CCG BCF allocations 2017/18 – 2018/19 have been confirmed, but some other aspects (such as the allocations for Disabled Facilities Grants (DFGs)) are subject to final announcements. These are expected to be confirmed when Local Authority Allocations are confirmed on 22 February and the national BCF guidance is published. The table below provides an overview of the BCF allocations as at mid-February.

		2016/17 £000	2017/18 £000	2018/19 £000
Minimum NHS Ring-fenced from CCG Allocation (included in CCG Operational Plans 2017-19)	ELRCCG	15,559	15,832	16,129
	WLCCG	20,477	20,844	21,240
<b>Total CCG</b>		<b>36,036</b>	<b>36,676</b>	<b>37,369</b>
Disabled Facilities Grant*		3,067	3,067	3,067
<b>Total BCF</b>		<b>39,103</b>	<b>39,743</b>	<b>40,436</b>

*\*currently based on 2016/17 levels*

20. There is considerable financial pressure on the BCF spending plan for 2017/18 which has been caused primarily by two key issues.

- a. The first relates to the social care capital grant being removed from the BCF in 2016/17 and replaced with an unfunded uplift in DFG allocations.
- b. The second is the requirement, from the two county CCGs, that up to £2m of savings should be in the BCF plan in 2017/18, to support the significant financial risks affecting NHS commissioners in 2017/18.

21. The current BCF plan has a number of national conditions which impact on the overall financial position. It is expected that these conditions will continue in 2017/18. Specific activities have been completed to locally agree arrangements for two of the national conditions and the associated spending plan - detailed below:

- a. **Maintenance of Social Care Expenditure** – a working session with senior representatives from Adults and Communities was held on 1<sup>st</sup> November to

review financial assumptions for the Adult Social Care investments within the plan. The 2017/18 BCF plan assumes the same level of Adult Social Care protection as in 2016/17 (£17m). This will be reviewed following the release of the national guidance. It is expected that the social care spend will need to increase in line with inflation.

- c. **Disabled Facilities Grant (DFG)** – it is expected that funding allocations for major adaptations in the home will continue to be routed via the BCF into District Councils in line with current national policy. Working with District Council Chief Executives and Finance Leads, work has been jointly undertaken to forecast DFG demand across Leicestershire to inform the position. As a result of this work, DFG allocations totalling £2.85m have been included in the plan from 2017/18. This will be reviewed once the LA allocations and BCF guidance are published.
22. It should be noted that the majority of the BCF plan is attributed to core NHS and Local Authority services, with some components dating back to historic pooled budget arrangements from 2011/12 onwards. BCF services therefore feature in existing core commissioner NHS and LA contracts, so where service changes are proposed these need to be factored into activities led by CCG commissioning/contracting leads or Local Authority lead commissioners.
23. Any proposed changes need to be incorporated into contracts, and any decommissioning/re-commissioning activities are subject to usual processes and governance (e.g. consultation, lead times, notice periods, procurement decisions, etc).
24. The following are the key commissioning assumptions that have informed the refresh, highlighting the interdependencies between the BCF plan and the LLR-wide redesign associated with the LLR STP.
- d. BCF urgent care funding lines are being transposed into the new model of urgent care service being commissioned from April 2017.
  - e. Investments associated with core discharge support services operating across UHL, LPT and social care are essential to support system flow and improve performance on discharge delays. Current investments/services are already subject to redesign for 2017/18, via the County's Integrated Discharge Business Case, so these components have been ring fenced in the financial refresh for this purpose.
  - f. The existing rehabilitation and reablement services which are funded via the BCF will be reviewed through the new STP Home First workstream;
  - g. The existing case management services in both CCGs ("integrated care" in ELRCCG and "proactive care" in WLCCG) are assumed as core components of the future Integrated Locality Teams development in LLR.

### **Timetable for Decisions**

25. The table below provides an overview of the proposed governance route and timings for the approval of the 2017/18 – 2018/19 BCF plan.

<b>Date</b>	<b>Purpose</b>	<b>Committee</b>
1 <sup>st</sup> March 2017	Scrutiny of draft BCF submission	Health Overview and Scrutiny Committee
7 <sup>th</sup> March	Assurance on final BCF Submission including review of the implications of the BCF technical guidance, when published.	Integration Executive
10 <sup>th</sup> March 2017	Assurance on final BCF submission	LCC Cabinet
14 <sup>th</sup> March 2017	Sign-off of final BCF submission	ELRCCG Board
14 <sup>th</sup> March 2017	Sign-off of final BCF submission	WLCCG Board
16 <sup>th</sup> March 2017	Final sign-off of final BCF submission	Health and Wellbeing Board

26. All dates may be subject to revision in light of the national assurance timetable per the BCF guidance.

27. It is intended that the final submission is submitted to the Health and Wellbeing Board for approval on 16 March. If this is not possible, due to the ongoing delay to national guidance, arrangements will be made for the submission to be approved between meetings.

### **Recommendations**

28. The Health Overview and Scrutiny Committee is requested to:
- a. Note the content of the report.
  - b. Provide any feedback on current progress and next steps to finalise the plan.

### **Background Papers**

Better Care Fund Policy Framework 2016-17

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/490559/BCF\\_Policy\\_Framework\\_2016-17.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/490559/BCF_Policy_Framework_2016-17.pdf)

Leicester, Leicestershire and Rutland Sustainability and Transformation Plan

<http://www.bettercareleicester.nhs.uk/Easysiteweb/getresource.axd?AssetID=47665>

## **Circulation under the Local Issues Alert Procedure**

29. None.

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### **List of Appendices**

- Appendix A – BCF Refresh Presentation (updated – originally presented on January 5, 2017 at the Leicestershire Health and Wellbeing Board)
- Appendix B – Draft spending plan for the Leicestershire BCF (as at February 20, 2017)
- Appendix C – Engagement Plan for the BCF Refresh

### **Relevant Impact Assessments**

#### **Equality and Human Rights Implications**

30. 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.

31. An equalities and human rights impact assessment has been undertaken which is provided at

<http://www.leicestershire.gov.uk/sites/default/files/field/pdf/2017/1/11/better-care-fund-overview-ehria.pdf>

This undergoing annual review by Leicestershire County Council's (Adult Social Care Department) Equalities Group on March 14, 2017. Any revisions arising from this will be reflected in the BCF plan submission to NHS England.

#### **Partnership Working and associated issues**

32. 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.

33. Day to day oversight of delivery is undertaken by the Integration Executive, a subgroup of the Health and Wellbeing Board.

34. 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 LLR STP, the five year plan to transform health and care across Leicester, Leicestershire and Rutland. This programme of work is called Better Care Together and has resulted in the publication of the LLR Sustainability and Transformation Plan.

<http://www.bettercareleicester.nhs.uk/Easysiteweb/getresource.axd?AssetID=47665>

## Key Risks

35. Key risks affecting the refreshed plan at this stage are characterised as a combination of:

- Overall LLR system level risks (service, financial and transformational), per the LLR STP
- 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)

### Summary of Key Risks as at February 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 vs 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 a deterioration in DTOC performance in 2016/17.
- e) The national BCF guidance has not yet been published at the time of drafting this narrative. There are 3 key areas of risk that need further clarification via this guidance
  - i. Whether a risk pool is required for emergency admissions performance. (Initial feedback is that 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).
  - ii. Whether any increase in LA allocations into the BCF will be announced/ available, based on the previous 2015 CSR announcements and intentions. If so, it is likely these would be linked to either DFG and/or Adult Social Care budgets.
  - iii. Any DFG allocations pressures into the Leicestershire BCF arising from the LA allocations/BCF technical guidance (expected in late February 2017)
- 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.
- g) A number of these BCF service lines are subject to work lead by STP workstreams during 2017/18, with key milestones and quantifiable impact in some areas still to be confirmed.