



HEALTH AND WELLBEING BOARD: 16 MARCH 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 overview of the progress to refresh and submit the Leicestershire Better Care Fund (BCF) Plan, including an update on the refreshed spending plan and outcome metrics for 2017/18 and 2018/19 as at 7th March 2017.

Recommendation

2. It is recommended:
 - a. That the BCF Plan for 2017/18 – 2018/19 be approved for submission to NHS England in line with the national timetable, and subject to the publication of the national BCF guidance and any further amendments required;
 - b. That the Chief Executive of Leicestershire County Council, following consultation with the Chairman of the Health and Wellbeing Board be authorised to make any amendments to the Better Care Fund Plan 2017/18 – 2019/20 in the light of the national guidance, prior to its submission to NHS England;
 - c. That the final Better Care Fund Plan for 2017/18 – 2019/20 be submitted to the next meeting of the Health and Wellbeing Board for assurance, along with a progress update on the process and timescale for national assurance via NHS England.

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 BCF policy framework was refreshed for 2016/17 and published by NHS England in January 2016. In January 2016 the Health and Wellbeing Board received a presentation on the progress to refresh the BCF plan for 2016/17. On 5 May 2016, the Health and Wellbeing Board received a report confirming that the final 2016/17 BCF Plan had been approved by all partners on the Integration Executive, on behalf of the Health and Wellbeing Board, and submitted to NHS England.

5. A further report on the Leicestershire BCF was made to the Health and Wellbeing Board in September 2016, which focused on the implications of local arrangements for Disabled Facilities Grant allocations.
6. 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.

Background

7. 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.
8. The strategic framework is set by BCF national policy requirements, BCF national conditions, BCF metrics, CCG commissioning intentions, and key local authority duties with respect to integration and the Care Act.
9. 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.
10. 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.

Current Position

11. At the time of writing this report, the national BCF policy framework and technical guidance for 2017/18 is still awaited, having been delayed since November 2016. The National Better Care Team has reported that it anticipates the guidance will be released by mid-March. The timetable for submission of BCF plans to NHS England will be confirmed at the same time.
12. Ahead of the policy framework and guidance being released, the Integration Programme Operational Group, a subgroup of the Integration Executive which has representation from commissioners and providers across health and care, has led the work to refresh the BCF Plan and produce a final draft of the associated spending plan.
13. The outputs of this work were discussed in depth at a workshop of the Integration Executive held in January, and further work undertaken during February and March to finalise the proposed plan.
14. A draft narrative document (**Appendix A**) has been developed setting out how the local BCF plan will deliver health and care integration. It provides details on the BCF national conditions and metrics and demonstrates how these will be achieved and measured.

Resource Implications

15. The BCF Spending Plan totals £43m in 2017/18, subject to confirmation of local authority allocations in March, compared with £39.4m in 2016/17.
16. At the time of writing this report Clinical Commissioning Group (CCG) minimum BCF allocations for 2017/18 – 2018/19 have been confirmed, but local authority budgetary allocations are expected on 8 March. It is anticipated that these will include confirmation of the Disabled Facilities Grants allocations. The table below provides an overview of the BCF allocations as at 7 March.

		2016/17 £000	2017/18 £000	2018/19 £000
Minimum NHS Ring-fenced from CCG Allocation (including in CCG Operating Plans 2017-19)	ELRCCG	15,559	15,832	16,129
	WLCCG	20,477	20,844	21,240
CCG Additional Funding Allocation*	ELRCCG		1,195	1,195
	WLCCG		1,367	1,367
Total CCG Allocation		36,036	39,238	39,931
Disabled Facilities Grant**		3,067	3,067	3,067
LCC Disabled Facilities Grant Uplift			663	
LCC Miscellaneous		315	52	53
Total BCF		39,418	43,020	43,051

**This increase is due to the inclusion of the Intensive Community Support Service (Phase 2) in the BCF pooled budget, with effect from April 2017*

***currently based on 2016/17 levels*

17. 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 by the Cabinet in July 2014. Assurance will be required locally and nationally that the BCF section 75 has been extended for a further 12 months and plans are in place, via the Integration Executive, to undertake this work in the usual way between April and June 2017.
18. In line with the announcements made in the 2015 Comprehensive Spending Review, local upper tier authorities were expected to benefit from improved BCF (iBCF) allocations from 2017/18 onwards, however the amount received per area depends on the ability of the council to raise funding from the social care precept.
19. The County Council included a 2% social care precept in 2016/17 and budget plans include proposals to introduce a maximum further 6% over the next three financial years.
20. As a result Leicestershire does not receive any additional iBCF funding in 2017/18 and reduced levels in later years. It is anticipated that £5.6m of iBCF additional funding will be available via local authority allocations in 2018/19.
21. There is considerable financial pressure on the BCF spending plan for 2017/18, caused primarily by two key issues:-

- a. 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.
 - b. The social care capital grant being removed from the BCF in 2016/17 and replaced with an unfunded uplift in Disabled Facilities Grant (DFG) allocations.
22. A mitigation plan has been put into place to manage the financial pressures relating to the 2016/17 DFG allocation. Leicestershire County Council will contribute up to £1m in the BCF Plan for 2017/18 to resolve the DFG 2016/17 funding pressure. This is on a non-recurrent basis, and therefore will only apply to 2017/18.
23. 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 commissioning NHS and local authority contracts, so where service changes are proposed these need to be factored into activities led by CCG commissioning/contracting leads of local authority lead commissioners.
24. Any proposed changes will 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.)

BCF Spending Plan

25. As part of the refresh process, the Integration Programme Operational Group have reviewed the existing schemes within the BCF Plan and made a number of recommendations, which were considered at a workshop of the Integration Executive on 19 January 2017. Further refinement of the BCF spending plan has taken place during February and March, with regular updates to all partners.
26. **Appendix B** provides a summary of the draft spending plan for 2017/18 and 2018/19 as at 7 March 2017.
27. The current BCF Plan reflects a number of BCF national conditions which affect 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. These are set out below:-
- a. Maintenance of Social Care Expenditure – a working session with senior representatives from the Adults and Communities Department and CCG finance and strategy leads was held on 1 November to review financial assumptions for the Adult and 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 overall social care spend will need to increase at least in line with inflation.
 - b. Disabled Facilities Grant (DFG) – it is expected that funding allocations for major adaptations in the home will continue to be routed via the BCF to district councils in line with current national policy. Work with District Council Chief Executives and

their Finance Leads, has been undertaken to forecast DFG demand across Leicestershire to inform the position. As a result of this, DFG allocations totalling £2.85m have been included in the Plan from 2017/18. This will be reviewed once the local authority allocations for 2017/18 and the national BCF guidance are published.

28. Through the work to refresh the Leicestershire BCF plan a number of actions have been agreed which have been added to the Integration work programme for 2017/18. These are summarised in the table below, and have also been reflected in the summary programme plan at **Appendix C**. The actions are targeted to priority areas of service review and redesign, including where additional savings might be achieved within the next 12 months.

Scheme	Action	Timescales	Lead
First Contact Plus	Service review to be undertaken.	Q4 2016/17 - Q1 2017/18	LCC - Public Health
Carers Health and Wellbeing Services	Following release of the national Carers strategy, undertake a full review of carers services in LLR, which will include BCF funds. Report to LLR Carers Board.	Q1 2017/18	LCC – ASC
Proactive Care & Integrated Care Teams	Existing case management services in each CCG in LLR will be reviewed as part of the Integrated Locality Teams workstream.	Q2 – Q3 2017/18	WLCCG
Dementia Services	Joint procurement of a community and hospital based post-diagnostic dementia support service (being led by the LLR Dementia workstream) is underway.	Launch 1 st Oct 2017	City Council - lead commissioners ELRCCG LCC ASC
Assistive Technology (AT)	The medium term plan is to adopt a county wide sustainable business model which will be developed in 2017/18. Opportunities to integrate AT into the County Lightbulb Housing Service will also be explored	2017/18	LCC – ASC Blaby District Council - Lightbulb Housing Service
Home First – Reablement	A baseline review will be undertaken within the Home First Workstream in Q4 2016/17.	2017/18	Home First Workstream Lead commissioner
Help to Live at Home	An analysis of the CCG reablement cases undertaken between November 2016 and February 2017 will be completed before the end of March 17.	Q4 2016/17	Integration Programme WLCCG ELCCG
Health and Social Care Protocol Training	Commissioning intentions for the training model for 2018/19 onwards are required by Sept 2017.	Sept 2017	TBC
Integrated Discharge	Phase 1 – County Integrated Discharge business case implementation, assumed from Q4 2016/17. Phase 2 - Medium term plans for further redesign of discharge	Q4 2016/17	Discharge Working Group

	services to be directed by Home First and the Discharge Working Group.		
Improving Mental Health Discharge	The services will be reviewed as part of the overall Mental Health pathway work within the STP/Home First.	2017/18	LCC ASC
Improving Quality in Care Homes	A review is proposed to examine the opportunities for integrating the 3 quality improvement teams across LCC, ELRCCG and WLCCG.	2017/18	TBC
LD Short Breaks	A review of the service will be undertaken during 2017/18.	2017/18	ELRCCG
PI Care and Health Trak (data integration tool)	Extension of the current PI Ltd contract through to March 2018. A commissioning plan for the PI Care and Health tool (or equivalent) from April 2018 onwards to be developed by September 2017.	Sept 2017	LCC – Chief Execs Integration Programme STP PMO

29. In approving the BCF plan today the Board's attention is drawn to the following

- a. The CCGs will consider at their respective Board meetings on 14 March 2017 the potential inclusion of the Intensive Community Support phase two service line, along with its associated budget, into the BCF from 2017/18 onwards.
- b. The BCF spending plan is subject to final BCF allocations and technical guidance (including final DFG allocations).
- c. Although local areas are being asked by NHS England to prepare a two year plan, the Leicestershire Health and Wellbeing Board will be involved in the usual way in a refresh/review of the planning assumptions for 2018/19 between December 2017 and March 2018.
- d. The approval of the BCF plan by all partners is an essential part of the assurance process for local BCF plans by NHS England.
- e. The Integration Executive will be fully engaged in finalising the plan in support of the delegation outlined in paragraph 2b.

BCF National Conditions and Metrics

30. 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 metrics;
- 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;
- d. How an accountable lead professional is designated for care planning/care coordination;
- 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; and
 - k. Approval of the BCF Plan by all partners, being assured via the local Health and Wellbeing Board.
31. 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 national BCF 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 provide evidence of plans and progress towards those other elements of integration policy which previously were listed as BCF national conditions.
32. It is anticipated, and reflected in the draft BCF Plan (p49-53), that the following metrics will all continue to be nationally required:
- a. Reducing the number of total emergency admissions;
 - b. Effectiveness of reablement at 91 days;
 - c. Improving delayed transfers of care; and
 - d. Reducing permanent admissions to care and nursing homes.
33. Preparatory work to refresh the BCF outcome metrics has taken place during January and February 2017. Aside from the BCF guidance, there are a number of other interdependencies for this work, including:
- a. STP activity assumptions;
 - b. CCG operating plan assumptions for 2017/18 – 2018/19;
 - c. BCF Plan refresh progress for 2017/18 – 2018/19;
 - d. Impact of the implementation of new models of care in LLR.
34. Those emergency admissions which are planned to be avoided via services funding by the BCF will be 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 in LLR which comes into effect on 1 April 2017.

Timetable for Decisions

35. A report on progress with the refresh of the BCF was considered by the Health Overview and Scrutiny Committee on 1 March 2017 and the Cabinet on 10 March 2017.
36. The BCF Plan will be considered by the respective Boards of the two county Clinical Commissioning Groups on 14 March 2017.

37. At the time of writing this report, the BCF policy framework and technical guidance for 2017/18 is still awaited, having been delayed nationally since November 2016.

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

Better Care Fund Policy Framework 2016-17 - <http://ow.ly/74k9309bePG>

Report to the Health and Wellbeing Board Report on 5 May 2016 ‘Better Care Fund Plan Final Submission and Assurance’ - <http://ow.ly/ahgj309bf47>

Report to the Cabinet on 17 June 2016 ‘Disabled Facilities Grant/BCF report’
<http://politics.leics.gov.uk/documents/s120067/supplementary%20BCF%20Plan%20DFG%20report.pdf>

Report to the Health and Wellbeing Board on 15 September 2016 'BCF/Disabled Facilities Grants' <http://politics.leics.gov.uk/documents/s122300/DFG%20Report.pdf>

Report to the Cabinet on 16 September 2016 'BCF/Disabled Facilities Grants' <http://politics.leics.gov.uk/documents/s122380/BCF%20DFG%20Report.pdf>

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

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

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 Draft Better Care Fund Narrative Plan
- Appendix B Draft Better Care Fund Spending Plan
- Appendix C Integration Programme Workplan
- Appendix D BCF Refresh Engagement and Governance Planner

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://www.leicestershire.gov.uk/sites/default/files/field/pdf/2017/1/11/better-care-fund-overview-ehria.pdf>. The assessment concluded that the impact of the BCF is neutral and therefore a full assessment was not required.
40. This document is undergoing an annual review by Leicestershire County Council's (Adults and Communities Department) Equalities Group on 14 March 2017 and any revisions arising from this will be reflected in the final BCF Plan submission to NHS England.

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 D**.
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. Key risks affecting the refreshed BCF Plan at this stage are characterised as a combination of:
 - a. Overall LLR system level risks (service, financial and transformational), per the LLR STP, and
 - b. Specific risks affecting the Leicestershire BCF Plan/pooled budget (arising from the LLR system level risks and the national policy position for the BCF).
46. The following is a summary of Key Risks associated with the BCF refresh as at March 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 a deterioration in Delayed Transfers of Care (DTC) performance in 2016/17.
 - e. As mentioned previously, at the time of writing this report, the national BCF guidance has not yet been published. There are three key areas of risk that need further clarification via this guidance, namely:
 - i. Whether a risk pool is required for emergency admissions performance. (Initial feedback indicates that this will be required only if the BCF is expected to deliver a reduction in emergency admissions beyond CCG operating plan assumptions).

- ii.* Whether any increase in local authority allocations into the BCF will be announced/available, based on the previous 2015 Comprehensive Spending Review 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 local authority allocations and/or BCF technical guidance (expected in late February 2017).
 - a) 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.
 - b) 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.

This page is intentionally left blank