

**REPORT SUMMARY SHEET**

<b>DATE</b>	<b>28<sup>th</sup> June 2017</b>
<b>TITLE OF REPORT</b>	<b>Integration &amp; Better Care Fund</b>
<b>Organisation and Author</b>	<b>Joint report of the Chief Officer, Adult Social Care, DMBC and the Director of Commissioning, Dudley CCG</b>
<b>Purpose of the report</b>	<p><b>Updating report</b></p> <ul style="list-style-type: none"> <li>• Year-end performance report for the Better Care plan for 2016/17</li> <li>• Planning for Integration &amp; Better Care Fund 2017-2019</li> </ul>
<b>Key points to note</b>	<p><b>BCF Plan for 2016/17</b></p> <ul style="list-style-type: none"> <li>• <b>National conditions</b> – there was some slippage in the plan for 7 day services to prevent non-elective admissions and/or delayed discharges; otherwise, all national conditions have been met.</li> <li>• <b>Budget</b> - £334k overspend (Council £205k; CCG £129k), equivalent to &lt;0.6% of the pooled budget. The overspend is mainly attributable to increased assessment capacity and dom care and step-down provision needed to meet increased demand from hospital.</li> <li>• <b>Supporting metrics</b> – performance has worsened since 2015/16 in 3 out of 6 metrics (non-elective admissions; DToCs; admissions to residential &amp; nursing care) whilst for 2 metrics performance has improved but has fallen short of target (reablement; dementia diagnosis).</li> </ul> <p><b>Integration &amp; Better Care Fund Plan 2017 – 19</b></p> <ul style="list-style-type: none"> <li>• Drafting of the plan for the next 2 years is progressing, subject to receipt of the final guidance.</li> <li>• The Integration &amp; Better Care Fund Plan supports the Dudley model of care by developing those MCP capabilities that are dependent on integrated health and social care provision, and supporting the mobilisation of the MCP in 2018/19.</li> <li>• Planning assumptions include an £8m increase in the pooled budget to £70m in 2017/18 – largely as a result of the Improved Better Care Fund grant to the council.</li> <li>• Discussions to agree the BCF spending plan, including the use of the IBCF grant, are ongoing.</li> </ul>

<p><b>Recommendations for the Board</b></p>	<ol style="list-style-type: none"> <li>1. Note the Better Care Plan 2016/17 performance report;</li> <li>2. Note the position regarding the development of the Dudley Integration &amp; Better Care Fund Plan for 2017-19;</li> <li>3. Confirm the planning assumptions developed by the Integrated Commissioning Executive as the agreed basis for plan development;</li> <li>4. Note the arrangements for plan development, sign-off and assurance</li> </ol>
<p><b>Item type</b></p>	<p>Information, discussion , strategy</p>
<p><b>H&amp;WB strategy priority area</b></p>	<p>Integration</p>

**DUDLEY HEALTH AND WELLBEING BOARD**

**DATE** 28<sup>th</sup> June 2017

**REPORT OF:** The Chief Officer, Adult Social Care, DMBC and the Director of Commissioning, Dudley CCG

**TITLE OF REPORT** Integration & Better Care Fund - Progress Update

**HEALTH AND WELLBEING STRATEGY PRIORITY**

1. The Better Care Fund (BCF) was introduced to facilitate the integration of health and social care provision. Integrated health and social care provision is a local HWB priority and a requirement of governing legislation.
2. The new model of care being developed in Dudley relies on integrated health and social care provision and will be a feature of the operation of the Dudley Multispecialty Community Provider.

**PURPOSE OF REPORT**

3. This report summarises the performance of the Better Care Plan 2016/17 and outlines progress towards the development of the Integration & Better Care Fund Plan for 2017-19.
4. The report seeks Health & Wellbeing Board support for the principles and assumptions underpinning IBCF planning in Dudley and for the proposed sign-off arrangements.

**BACKGROUND**

5. Announced in June 2013, the Better Care Fund (BCF) brings together health and social care budgets to support more person-centred, coordinated care. HWB areas have been required to produce BCF plans since 2015/16.
6. The BCF policy framework sets out the Government's vision that by 2020 health and social care should be integrated across the country in order to reduce health inequalities, support sustainable systems and better co-ordinated care. The BCF supports this objective by providing a framework for joint health and social care planning and commissioning.
7. The Better Care Fund is the only mandatory policy to facilitate integration. It pools Clinical Commissioning Group (CCG) allocations with local government Disabled Facilities Grant (DFG) and, for 2017-19, the major injection of social care money announced at Spring Budget 2017 (Improved Better Care Fund Grant). The current iteration of the policy framework for the Fund covers two financial years to align with NHS planning timetables and to give areas the opportunity to plan more strategically.
8. There is a requirement that Health and Wellbeing Boards jointly agree plans for how the money will be spent, with plans signed-off by the relevant local authority and Clinical Commissioning Group(s).

9. The Integrated Commissioning Executive (ICE) has been set up under the direction of the Health & Wellbeing Board to develop and manage the operation of the Better Care Plan. ICE receives monthly progress reports on scheme delivery, performance, finances and risks, and uses this information to direct resources accordingly.
10. Health & Wellbeing Board receives quarterly progress reports to enable it to monitor the delivery of the Better Care Plan and to give strategic direction, where necessary, to the Integrated Commissioning Executive.

### **DUDLEY BETTER CARE PLAN 2016/17**

11. The Dudley Better Care Plan for 2016/17 created a pooled fund of £62.0m for integrated provision. The money was allocated across a range of contracted and demand-led services in accordance with local priorities and nationally set conditions.
12. In-year expenditure monitoring by the Integrated Commissioning Executive identified a number of budget pressures arising primarily from increased acute hospital activity. Adjustments in budget allocations within the pooled fund were made throughout the year to largely mitigate these pressures, although by the year-end an overspend of £344k (0.6% of the budget) was reported. This reflects a significant shift from the forecast presented in March, due primarily to an acceleration of the Disabled Facilities Grant programme in the final quarter and the additional costs associated with increased provision to meet demand associated with maintaining patient flow through hospital. A summary of the budget outturn report is shown below.

<b><u>FINAL ISSUED FOR ICE AT 29/5/2017</u></b>			<b>Year-end variance</b>	<b>Comments</b>
<b>Summary Expenditure Plan</b>	<b>16/17 Revised Budget Feb</b>	<b>Outturn</b>	<b>Over / Under spend</b>	
Crisis & Emergency Services	5,328,749	<b>5,337,640</b>	<b>8,891</b>	
Promoting Independence Services	31,088,191	<b>31,349,220</b>	<b>261,029</b>	Overspend on staffing and additional buildings costs
Stabilisation & Maintenance Services	23,827,263	<b>24,035,036</b>	<b>207,773</b>	Domiciliary Care service pressures offset in part by an underspend against DFG.
Support for People with Dementia	1,767,422	<b>1,634,131</b>	<b>-133,291</b>	Closure of one dementia gateway mid-year
<b>Total</b>	<b>62,011,625</b>	<b>62,356,027</b>	<b>344,402</b>	

13. The basis of the section 75 agreement between the CCG and the Council is that each party bears the burden of over-expenditure from within its own Lead Commissioner budget. On this basis the Council has contributed an additional £215k in 2016/17 and the CCG has provided a further £129k.
14. The BCF plan included a focus on four schemes that had been identified as offering potential to mitigate or reduce demand for high-cost services across the system. By

the end of 2016/17 three of the four schemes (Care Home Support, Carer Support and Falls Service Redesign) had been implemented. The fourth scheme (Integrated Discharge Pathway) moved away somewhat from the planned actions, under the direction of the Accident & Emergency Delivery Board, as system resources needed to be diverted towards crisis management in order to improve patient flow through the acute hospital. Notwithstanding this change in emphasis, a number of improvements in flow management (as reported to HWB in March) have been seen.

15. Notwithstanding the largely positive budget management and plan delivery seen in 2016/17, BCF performance targets have not been met. However, this must be seen in the context of the significant demand pressures experienced in the acute sector and the consequential impact this has had across the system. The Health and Adult Social Care Scrutiny Committee has received significant detail about the performance of the urgent care system across the winter period and will focus on system performance as part of it's work programme in 2017/18. A copy of the year-end performance scorecard, with supporting narrative, is shown below.

Target Area	End of Year Result	Performance Summary
Non-Elective Admissions	No improvement in performance	Year-end performance was 1.7% above 15/16 baseline and 2.1% above 16/17 target.  Dudley is 23% above the West Midlands Standardised Admission Ratio (SAR) having 7,856 more admission than the expected rate. The data reveals some practice variation and an emergency admissions age profile that shows the biggest number of admissions amongst children aged 0–4 years, where there is an average length of stay of just under 1 day and a readmission rate of 0.7%. The growth in emergency admissions is mainly attributable to the 0–4 and 20–35 age bands.  A range of actions is underway and has contributed to an improvement, with performance in Q4 being better than both baseline and target. Analysis by the CCG of Admissions data shows 90% of patients admitted to CDU/AEC being discharged after an average of 6 hours on two assessment units (CDU and AEC). The CCG has commissioned a coding & counting review of emergency admissions at Russell's Hall Hospital, to include benchmarking to consider variance from the expected rate by sub-chapter / HRG (Cardiac disorders, Thoracic, Digestive System, Pediatric medicine and Musculoskeletal, which collectively account for 5,163 admissions. The second stage of the audit, to be carried out in June, will include a full coding review of 350 patients across six 'short stay' wards (AEC, CDU, EAU, GAU, SAU and PAU). This will be followed up by a clinical coding audit on patients that meet the definition of an admission (up to 150 patients) to ensure they are coded accurately in line with national guidance.
Delayed Transfers of Care	No improvement in performance	Delays experienced per 100,000 Dudley residents increased by 28.8% in 2016/17. Social Care accounted for 54% of delayed days, with the main reasons given as Awaiting Completion of Assessment (40%) and Awaiting Care Package in own home (14%). NHS delays were mainly attributable to Patient & Family Choice (29% of delayed days), with delayed days up by 78% for this reason since 2015/16.
Dementia Diagnosis Rate	On track for improved performance, but not to meet full target	Performance in 2016/17 showed an improvement from 58.3% in 2015/16 to 60.5% in 2016/17. A Local Improvement Scheme in Q4 helped push performance beyond baseline in Q4 but not sufficiently to reach the 66.7% target - a shortfall of 254 registered people with Dementia required to meet the national standard. Dudley is in the process of refreshing its Dementia Improvement Plan and recovery trajectory.
Patient Experience - Quality of Life	Data not available	This is measured from the annual ASCOF measure 1A, which will not be available until Q2 17/18.
Admissions to residential care	No improvement in performance	Rate of admissions to R&N care 11.9% higher than in 2015/16, and 23.4% above 2016/17 target. Performance reflects the additional demand for care home placements to meet hospital discharge pressures
Reablement effectiveness	On track for improved performance.	Performance at the year end was 6.7% above (better than) that achieved in 2015/16 but fell 2.9% short of the target.

16. All but one of the National Conditions defined in the BCF planning requirements for 2016/17 were met; some recruitment delays and challenges around service design meant that some of the seven day services planned for Q4 have been delayed until 2017/18.

17. Progress on IT Interoperability remains dependent on Local Digital Roadmap and STP plans which are beyond the scope of the BCF. Delivery against these plans should ensure that we have interoperable systems and integrated care records in line with national deadlines. Monitoring of the Local Digital Roadmap plan is established at Partnership Board and STP levels.
18. It should be noted excellent performance has been achieved in reducing the waiting time for Disabled Facilities Grants (DFG) from 13 months down to 5 months across the calendar year.
19. Overall this has been a difficult year characterised by rising and often unprecedented levels of demand across the system. It is the view of the Integrated Commissioning Executive that the BCF Plan in 2016/17 has strengthened integrated working and has made a positive contribution to performance.

### **BCF PLANNING 2017-19**

20. The requirement to develop two-year Integration & Better Care Fund Plans covering the period from April 2017 to March 2019 was included in CCG Planning Guidance in the autumn of 2016. However, the detailed BCF Planning Guidance expected in November 2016 has still not been released by DH. In its absence we have been advised to plan on the basis of draft guidance provided by the LGA, in the expectation that we will have a maximum of six weeks in which to finalise the plan once the definitive guidance is produced.
21. The draft guidance highlights a number of changes, summarised as follows:
  - A requirement for plans to be developed for the two-year period 2017-2019, rather than a single year; and
  - The number of national conditions which local areas will need to meet through the planning process in order to access the funding has been reduced from eight to four:
    - i. That a BCF Plan, including at least the minimum contribution to the pooled fund specified in the BCF allocations, must be signed off by the HWB, and by the constituent LAs and CCGs;
    - ii. A demonstration of how the area will maintain in real terms the level of spending on social care services from the CCG minimum contribution to the fund in line with inflation;
    - iii. That a specific proportion of the area's allocation is invested in NHS-commissioned out-of-hospital services, or retained pending release as part of a local risk sharing agreement;
    - iv. All areas to implement the High Impact Change Model for Managing Transfer of Care to support system-wide improvements in transfers of care.
22. The reduction in national conditions is intended to focus the conditionality of the BCF, but does not diminish the importance of the issues that were previously subject to conditions. These remain key enablers of integration and narrative plans should describe how partners will continue to build on improvements locally against these formal conditions.
23. The Improved Better Care Fund (IBCF) Grant allocation to councils, announced in the Spring 2017 budget, must be included within the BCF pooled budget and is subject to the following grant conditions:

- Can only be used for the purposes of:
  - meeting adult social care needs;
  - reducing pressures on the NHS, including supporting more people to be discharged from hospital when they are ready;
  - and ensuring that the local social care provider market is supported
- “Providing stability & extra capacity in local care systems”
- Spending Plan must be agreed by partners
- Subject to monitoring by (but not approval of) NHSE

24. The Dudley health and wellbeing system is rapidly progressing towards a model of care that will see a new Multispecialty Community Provider (MCP) take over responsibility for a wide range of community health and care services. The MCP Development Programme is helping system partners to align current provision to the MCP model in anticipation of service transition to the new provider in 2018, while our Procurement Project is engaging with potential providers over a service specification that includes integrated provision. Our Integration and Better Care Fund Plan for 2017-19 describes how health and social care integration will support this transition and is fully aligned to the mobilisation of the MCP from 2018 onwards.

25. Drafting of the plan is progressing in accordance with the draft guidance and on the basis of the following planning assumptions:

- Alignment to the New Care Models national requirements as described in the MCP implementation Matrix
  - Developing MCP capabilities that require H&SC integration (year 1)
  - Services aligned to MCP mobilisation (year 2)
- Four Schemes – comprising services and improvement initiatives
  - Whole Population – prevention & population health management
  - Urgent & Emergency care needs – access & rapid response
  - Ongoing care needs – enhanced primary & community care
  - Complex needs – coordinated in-patient & community care (inc. hospital discharge)
- Contribution to local health & wellbeing priorities and in particular:
  - Alignment to population health priorities / JSA analysis
  - Potential to impact on key system performance priorities through integrated provision
  - Financial benefit as demonstrated by scheme-level business case
- Plan for Managing Transfers of Care
  - Reduction in Delayed Days for Dudley Residents, wherever delayed (i.e. not just RHH)
  - Fair & proportionate contribution towards RHH 3.5% Occupied Bed Days target
  - Eight High Impact Interventions
- Baseline investment consistent with 2016/17 plan (£62.0m plus inflationary increase to maintain spending on ASC services in real terms)
- Protected spending on NHS commissioned out of hospital services in line with 2016/17 plan
- IBCF Grant is in addition to baseline and meets specific grant conditions

26. The Health & Wellbeing Board is asked to agree these assumptions and to identify any additional requirements that it has for the Integration & Better Care Fund Plan 2017 – 19.

27. It is expected that the deadline for submission of the first draft Integration & Better Care Fund Plan will be within six weeks of the date of publication of the planning guidance. Based on past experience and owing to the compressed timescales for submission it is expected that work on the preliminary draft Better Care Plan for 2017 – 19 will need to take place up to and including the date of submission. To meet the requirement for Health & Wellbeing Board support for the Better Care Plan the Board agreed in March that the Chair of the Health & Wellbeing Board, in conjunction with the Chief Officer, Adult Social Care, DMBC and the Director of Commissioning, Dudley CCG, are authorised to approve the preliminary submission as directed in BCF Planning Guidance.

28. Arrangements for plan assurance remain as described in March; moderation by regional panel followed by any required modifications and final submission. Our preferred plan is for presentation of the final draft to the next scheduled HWB Board meeting for formal approval remains our preferred plan although delegation as described above may be necessary dependent on timings.

## **FINANCE**

29. The Better Care Fund operates as a pooled budget established under section 75 of the NHS Act 2006.

30. The financial position of the BCF Plan for 2016/17 is as described in paragraphs 12 and 13 above.

31. The tables below summarise the Dudley Better Care Plan for 2017 – 2019 based on the planning assumptions set out above, the known conditions applying to DFG and IBCF Grants and the expectations described in the draft planning guidance released by the LGA.

	<b>2016/17 (baseline)</b>	<b>2017/18</b>	<b>2018-19 (indicative)</b>
Minimum NHS ring-fenced from CCG allocation	21,029,253	21,405,677	21,812,384
Additional CCG Allocation *	17,181,570	17,181,570	17,181,570
Disabled Facilities Grant	4,373,000	4,818,360	5,232,000
Additional funding paid to local authorities for adult social care (IBCF)	-	7,218,226	4,461,449
Additional local authority allocation **	19,427,801	18,723,747	18,723,747
<b>Total</b>	<b>62,011,624</b>	<b>69,347,580</b>	<b>67,411,150</b>

\* Assumes no change in 'additional contributions' from CCG.

\*\* Reflects known adjustments for 2017/18, including closure of Russell's Court

<b>Commissioning Plan 2017/18</b>	<b>Contribution to the Pool</b>	<b>Lead Commissioner for</b>
CCG	£38,587,247	£25,107,824
Council	£30,760,333	£44,239,756***
<b>Total</b>	<b>£69,347,580</b>	<b>£69,347,580</b>

\*\*\* Includes £13.479m transfer from the NHS to maintain spending on social care services in real terms (as required in the Policy Framework)

32. Work to develop the investment plan associated with the IBCF Grant is ongoing. The council has identified the following priorities:

Investment Priority		Recurrent Investment beyond 19/20	2017/18	2018/19	2019/20
		Y/N	£m	£m	£m
Increase the weekly rate of discharges	Temp increase from 40 to 50	No	1.500	1.500	0.000
New models of domiciliary care/reablement	Accelerated inflation and outcomes based model for hospital discharge	No	2.753	2.200	1.563
3 <sup>rd</sup> Party Top-Ups	Adopt LGO s recommendation	Yes	0.250	0.046	0.046
Integrated Discharge Pathway	Model needs to be sustainable after 2017/18 investment. Increase care for complex dementia	No	1.000	0.000	0.000
Transitions Capacity to enable the Transitions Pathway	Enable transforming care agenda. Fixed term posts.	No	0.115	0.115	0.000
Invest in innovation/prevention schemes	Outcomes based investment	No	0.500	0.500	0.500
Telecare/Telehealth	Equipment. Linked to Airedale/MDT schemes	No	1.000	0.000	0.000
Protection from Financial Abuse	Work with Trading Standards in respect of people at risk of financial abuse	No	0.100	0.100	0.100
TOTAL ALLOCATED			7.218	4.461	2.209
FUNDS AVAILABLE IBCF			-7.218	-4.461	-2.209
GAP Funds Available			0	0	0

33. Financial plans will be finalised during the drafting process and are therefore subject to change. In particular the service budgets are subject to confirmation by the commissioning partners in light of savings requirements over the period of the plan.

## **LAW**

34. The legal framework for the Better Care Fund derives from the amended NHS Act 2006 (s. 223GA), which requires that in each area the CCG(s) transfer minimum allocations (as set out in the NHS Mandate) into one or more pooled budgets, established under Section 75 of that Act. Approval of plans for the use of that funding is subject to conditions set by NHS England. NHS England will approve plans for spend from the CCG minimum in consultation with DH and DCLG as part of overall plan approval.

35. The Disabled Facilities Grant and Improved Better Care Fund Grants are subject to grant conditions set out in grant determinations made under Section 31 of the Local Government Act 2003. LAs are legally obliged to comply with grant conditions, and assurance will check compliance with these conditions.

36. The NHS Act 2006 also gives NHS England powers to attach additional conditions to the payment of the CCG minimum contribution to the Better Care Fund to ensure that the policy framework is delivered through local plans. These powers do not apply to the DFG and IBCF.

## **EQUALITY IMPACT**

37. The impact on different demographic groups is a factor in determining the scope of the BCF and when planning in-scope services. The ICE considers that there are no discernible equalities impacts.

## **RECOMMENDATIONS**

38. Health & Wellbeing Board is asked to:

1. Note the Better Care Plan 2016/17 performance report;
2. Note the position regarding the development of the Dudley Integration & Better Care Fund Plan for 2017-19;
3. Confirm the planning assumptions developed by the Integrated Commissioning Executive as the agreed basis for plan development;
4. Note the arrangements for plan development, sign-off and assurance

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## **Appendices**

Appendix 1 – Integration & Better Care Fund 2017 – 19 Policy Framework – Available on the Committee Management Information System (CMIS)  
<http://cmis.dudley.gov.uk/cm5/Meetings/tabid/116/ctl/ViewMeetingPublic/mid/543/Meeting/5414/Committee/484/Default.aspx>