

Meeting of the Cabinet – 19th July 2017

Report of the Strategic Director People

Improved Better Care Fund 2017/18-2019/20

Purpose of Report

1. To provide an update on the Improved Better Care Fund Conditions, performance required to meet the investment conditions, proposed use of the monies (finance schedule) and the Council's terms and conditions for the National Health Services (Clinical Commissioning Group and Dudley Group of Hospitals) to commit the investment.

Background

2. The Spring Budget 2017 announced an additional £2 billion nationally for councils to spend on adult social care over the next three years.

3. The value of the investment locally is as follows

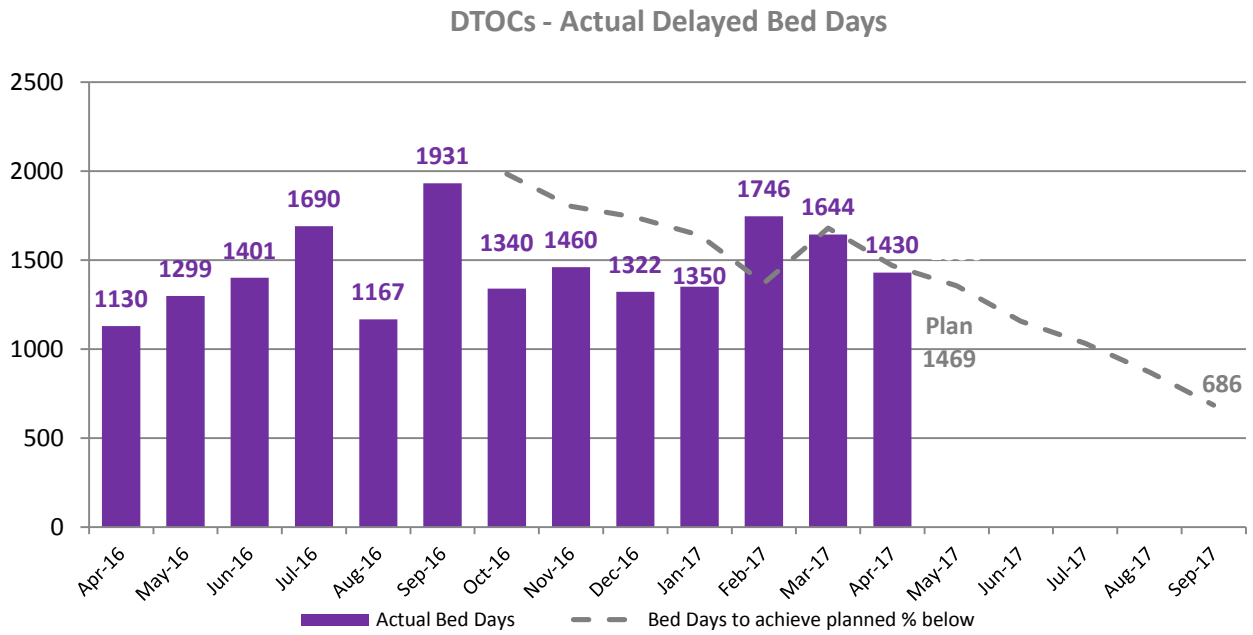
Dudley Metropolitan Borough Council	(£) 2017/18	(£) 2018/19	(£) 2019/20
	7,218,226	4,461,449	2,208,698

4. The funding is non-recurrent and distinct to the social care precept which has been set at a further 3% on Council Tax or £3m recurrently from 2017/18 onwards.
5. The Secretary of State has written to the S.151 Officer of each Council and requested the following:
 - a. Certify the authority will use the additional funding for adult social care.
 - b. Complete an extended version of the adult social care precept table, comparing changes in your adult social care budgets with those of other non-ring-fenced services, both including and excluding the additional Budget 2017 money for adult social care and the precept. This will indicate whether the former's budget is being decreased by a greater proportion than the latter. (This is attached as Appendix 1)

Improved Better Care Fund (IBCF) Conditions

6. The investment will be provided to the Council via the Improved Better Care Fund (IBCF).
7. The investment is primarily focused on further reductions in adult social care attributable delayed transfers of care (DTOC). There is a further requirement that the LGA and NHE England eight “High Impact Changes” are delivered and that a proportion of the investment supports care providers to mitigate the impact of the living wage.
8. Those high impact changes are as follows:
 - Early discharge planning
 - Systems to monitor patient flow
 - Multi disciplinary teams including the community and voluntary sector
 - Home first/discharge to assess (D2A)
 - Seven day services
 - Trusted Assessors
 - Focus on choice
 - Enhancing health in care homes.
9. NHS England has set an expectation that all delayed transfers of care in the Russells Hall Hospital are reduced to a total of 3.5% this financial year. At the end of March 7.63% of all beds in the RHH were due to a delayed transfer of care. Table 1 below sets out the performance trajectory necessary to meet the target. All of the proposed investment and performance targets in this report are based on the 3.5% target – any further expectations are not resourced or profiled.
10. The iBCF will be overseen by the Integrated Commissioning Executive which consists of Dudley MBC and CCG senior officers. The iBCF will account to the Health and Well Being Board and the Health and Adult Social Care Scrutiny Committee. Progress reporting will additionally be tabled at Cabinet as required.

Table 1: Actual Delayed Bed Days/ % of Occupied Beds



11. The Council is only responsible for a proportion of the delayed beds in RHH at any time. A proportion of delays are attributable to the RHH itself where people are not medically fit for discharge and a proportion people who are not ordinarily resident in Dudley Borough and are the responsibility of the host local authority area. The table below summarises performance in April 2017. The subsequent table highlights the proportion of delays attributable to Dudley MBC

Table 2: Delayed bed days by responsibility/ delayed bed days by reason

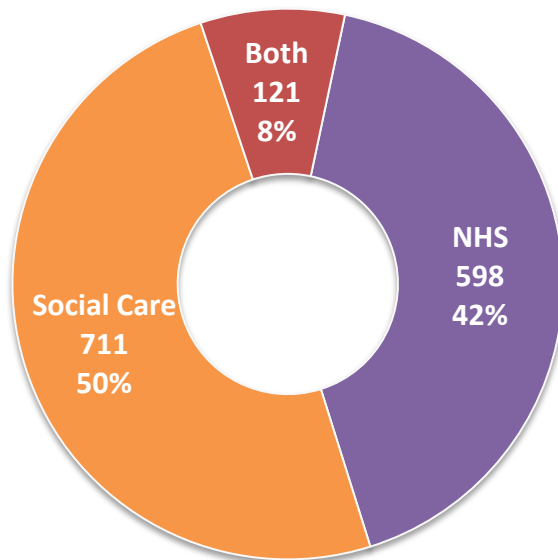


Table 3: Social Care Delays by Cause

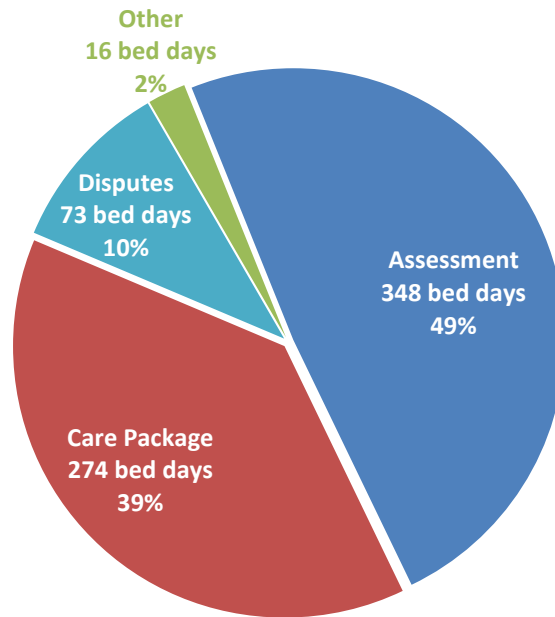


Table 4: Dudley MBC delays as a proportion of all Local Authority Delays

Social Care Delays at DGFT – April 2017			
Local Authority	Delayed Bed Days	% of Social Care Delays	% of All delays
Dudley	369	52%	26%
Staffordshire	96	14%	7%
Worcestershire	95	13%	7%
Sandwell	56	8%	4%
Wolverhampton	50	7%	3%
Birmingham	30	4%	2%
Walsall	15	2%	1%
Total	711	100%	50%

12. The Council has worked with the Dudley Group via the A+E Delivery Board and the CCG via the Integrated Commissioning Executive to shape the schemes proposed in the Financial Section of this report.

Key Risks and Issues Arising

13. The two greatest component costs of any social care budget are the cost of care packages and staffing. The cost of care lasts for the lifetime of person receiving it and staffing infrastructure costs are also a recurrent pressure.

14. Whilst the investment in social care is both valued and necessary, the ongoing reduction in Revenue Support Grant significantly outstrips the value of the investment. The non-recurrent nature of the funding is highly problematic given that the Local Authority cannot prudently use the resource to offset its two largest cost pressures. Given the current MTFS financial deficit of £8m in

2019/20 the Council cannot create cumulative cost pressures in the way the additional investment is used.

15. There is no doubt that local care providers are under significant financial strain as a consequence of the Living Wage. There is a high level of expectation amongst the provider sector that additional monies will alleviate pressure; the guidance from DCLG also intimates this will be the case. Should the Council inflate fees then we will be left with a shortfall as the investment decreases year on year.
16. The expectation of the NHS is also that the “significant proportion” of the monies should be invested in further reduction of Delayed Transfers of Care. Many acute trusts; including the local Russells Hall Hospital, have begun to model reductions in acute bed stock accordingly. This will be a permanent transfer of financial pressure from the hospital into the community and therefore for the Council and CCG to address in the long term.
17. The schemes set out in this report have been designed to improve performance, meet the criteria for investment and not leave the Council in a position of recurrent investment having been committed using non-recurrent monies.

Finance

18. The Spring 2017 budget announced the Supplementary Improved Better Care Fund grant covering the period 2017-2020. The total grant to DMBC of £13.9m which has been allocated over the three financial years 2017/18, 2018/19 and 2019/20 will taper down from £7.2m to £4.5m to £2.2m and is to be used for the purposes of meeting adult social care needs; reducing pressures on the National Health Service, including supporting people to be discharged from hospital when they are ready; and ensuring that the local care provider market is supported. The Government commitment until 2020 is aligned to the current Spending Review period and spending beyond this point will be determined as part of the next Spending Review. **The funding is therefore non-recurrent at this stage.** The Improved Better Care Fund (IBCF) is a non ring fenced grant which must be pooled into the local Better Care Fund. Quarterly monitoring reports are required by the Secretary of State and there is an expectation that the IBCF grant is fully spent as allocated due to the urgent and immediate problems identified in the health and care systems.
19. The new IBCF grant funding is in addition to the existing and established Better Care Fund (BCF) investment which commenced in 2015/16. For 2017/18, the BCF budget totals £37m and consists of £13.5m Dudley Clinical Commissioning Group (CCG) funds from income payable to DMBC and £23.6m local authority base budget funding. The CCG also invest a further £25m for the purposes of Better Care Fund directly commissioning services across the health care economy.

20. Table 5 summarises the funding expected to be available to support Better Care Fund functions provided by the local authority. 2018/19 and 2019/20 budget data is indicative at this stage both for the local authority and the CCG. A further detailed analysis in respect of the IBCF grant is provided in Table 6.

21. The IBCF will be included in the pooled Dudley Better Care Fund Plan and included in the Section 75 agreement which is a framework partnership agreement plan between the local authority and the CCG relating to the commissioning of health and social care services.

Table 5 Better Care Fund Resources Available to the Local Authority

Area of Funding and Source	2017/18 £m	2018/19 £m	2019/20 £m
Improved Better Care Fund	7.218	4.461	2.209
Better Care Fund – DMBC base budget	23.628	23.628	23.628
Better Care Fund – Dudley CCG contribution to DMBC	13.464	13.479	13.479
Total Funding Available to DMBC to support for Better Care Fund Related Functions	44.310	41.568	39.316

Table 6 Allocation of the Improved Better Care Fund Grant (IBCF)

	2017/18 £m	2018/19 £m	2019/20 £m
<ul style="list-style-type: none"> • Voluntary sector innovation, Telehealth, Vulnerable adults, Transitions, Third party top up management 	0.971	0.965	0.752
Total Investment Attributable to Non-Urgent Care Schemes			
<ul style="list-style-type: none"> • Emergency Response Team 	0.432	0.741	0.741
<ul style="list-style-type: none"> • Pathway Three Implementation • (complex care and long stay beds) 	2.600	1.000	0
<ul style="list-style-type: none"> • Increase Memorandum of Understanding Activity 	0.470	0.805	0
<ul style="list-style-type: none"> • Community Response Team 	0.126	0.216	0
<ul style="list-style-type: none"> • Palliative Care 	0.455	0	0
<ul style="list-style-type: none"> • Single Handed Care 	0.478	0.248	0.230
<ul style="list-style-type: none"> • Build Reablement Capacity 	0.486	0.486	0.486
<ul style="list-style-type: none"> • Support to Domiciliary Care Provider Market 	1.200	0	0
Total Investment Attributable to Urgent Care Schemes	6.247	3.496	1.457
TOTAL Improved Better Care Fund Grant	7.218	4.461	2.209

The Council's Terms and Conditions for the NHS

22. The NHS has set an aspiration of a total reduction of Delayed Transfers of Care to 3.5%. In Dudley the overall figure currently stands at 6.9%. Whilst the Council will set a stretch target to further improve its DTOC performance the following points must be agreed locally in order to deliver the NHS target:

- Bed stock totals must be agreed at the outset; any STP derived decreases in bed stock will negatively impact on our ability to reduce DTOC – this includes the creation of temporary wards at points of peak escalation (there have been up to 100 additional beds in the Russells Hall Hospital over the winter period.)
- The Council cannot assume any liability for improved performance for NHS attributable delays or our of area placements; at minimum the NHS should therefore own 1.7% of the 3.4% improvement required. Other Councils are responsible for 0.82% of improvement required. **Dudley Council is responsible for a 0.88% reduction in DTOC** (based on April data)
- Patient choice remains an NHS attributable delay
- Any patient given a green status must be physically and mentally fit for delay [including completion of Activities of Daily Living (ADL) sheets and medication (TTOs)]. This will be subject to regular auditing to ensure best practice is adhered to.
- Any stretch target agreed under our Memorandum of Understanding must be deliverable i.e., that there are enough people requiring discharge
- The NHS must invest in seven day working to improve the discharge process and agree specific performance targets for Saturdays and Sundays and account for this at the A+E Delivery Board.
- Given the non-recurrent nature of the investment some of the resource will be allocated to points of key escalation – particularly winter and Easter on top of winter pressures monies.
- The CCG will be required to recycle investment (currently spent on discharge fines and pathway three stock) into sustaining the work on pathway 3 beyond this financial year i.e. recurrent investment of £1m from 2018/19 onwards.
- The Dudley Group will confirm in writing that no DTOC fines will be levied to the Council for the three year period the additional investment will be provided.

Appendix 3 in this report summarises performance targets attached to Local Authority investment in this report.

Law

23. Care Act 2014

24. 2015 Delayed Discharges guidance pursuant to the Care Act

Equality Impact

25. The recommendations in this report will primarily impact on older people and experiences of health and care both in community and acute settings.

Recommendation

26. It is recommended that Cabinet:-

- Note the Improved Better Care Fund (IBCF) conditions
- Note the performance required to meet the IBCF conditions by Dudley MBC, Dudley CCG, the Dudley Group and other Local Authorities
- Approve the use of the monies as proposed
- Approve the authorised officer for the Council to execute all contract documentation and to affix the Council seal to the Section 75 Agreement.
- Note the performance targets specified in Appendix 3
- Delegate authority to the Strategic Director for People Services to negotiation the terms and conditions with partners as set out in the report.



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Appendices

Appendix 1 – Dudley MBC submission to the Secretary of State regarding the additional investment

Appendix 2- Urgent Care Performance Overview June 2017

Appendix 3- Urgent Care Schemes and the High Impact Changes.

Local determinations of the additional funding:
<https://www.gov.uk/government/publications/the-allocations-of-the-additional-funding-for-adult-social-care>