Agenda Item No: 5

BETTER CARE FUND PLANNING FOR 2016/17

To:	**Adults Committee**
Meeting Date:	**1 March 2016**
From:	**Adrian Loades, Executive Director: Children, Families and Adults Services**
Electoral division(s):	**All**
Forward Plan ref:	**For key decision:** **Key Decision: No**
Purpose:	**To update the AdultsCommittee on the development of the Better Care Fund Plan for 2016/17 and seek views to inform the Plan.**
Recommendation:	**The Committee is recommended to**

- **Note the update on BCF planning for 2016/17**
- **Comment on the proposed approach to BCF Planning**
- **Comment on the proposed priorities for transformation set out in Appendix A**
- **Comment on how they would like to be involved in the BCF as the Plan is developed further.**

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1.0 PURPOSE

1.1 The purpose of this report is to provide an update on the Better Care Fund (BCF) planning process for 2016/17 and seek the view of the Adults Committee on priority areas for the BCF Plan in Cambridgeshire. At the time of writing the full BCF guidance, originally scheduled to be released at the end of December 2015, has not yet been published. Therefore, a further verbal update will be provided at the meeting.

2.0 BACKGROUND

2.1 The BCF was created to form a joint budget to help health and social care services to work more closely together in each Health and Wellbeing Board area. The BCF came into effect in April 2015 and in Cambridgeshire the BCF totalled £37.7 million for 2015/16. This was not new money but a reorganisation of existing funding already used to provide health, social and housing services across the county. The BCF is designed to support better integration of health and social care to improve services for the most vulnerable people in the community; provide better support for carers and create efficiencies. In the first year of BCF most funding remained in community health and social care budgets, particularly supporting the Clinical Commissioning Group (CCG)'s Older People and Adult Community Services (OPACS) contract; and a smaller amount of funding has been focused on medium term projects that will begin to support our shared outcomes.

2.2 The Better Care Fund will continue into 2016/17, and the Policy Framework for the BCF, which describes the Government's priorities for the BCF in 2016/17 has been published. Changes to the Better Care Fund include:

- The Performance related pay element of BCF, linked to a reduction in non-elective (emergency) admissions to hospital has been removed, with an expectation that the money is invested in services through the BCF.
- A new national condition has been added requiring local areas to develop a 'clear, focused action plan' for managing Delayed Transfers of Care (DTOCs) from hospital with locally agreed targets.
- A significant increase in the Disabled Facilities Grant (DFG) administered by District Councils. However, this has been created by the removal of the Adult Social Care Capital Grant funding of c.£1.3m currently received by the County Council
- From 2017/18, local areas will be required to develop a plan for multiple years that describes a move towards the Government's definition of integrated health and social care services

2.3 At the time of writing, the full guidance for the Better Care Fund had not yet been published; other changes will be described in a verbal update provided at the meeting, following publication of the guidance which is now expected at the end of February.

3.0 USE OF THE BETTER CARE FUND IN 2015/16

3.1 In developing its approach to BCF, the County Council and the CCG jointly considered the distribution of the minimum NHS contribution towards the Better Care Fund. Overall, the approach recognised the responsibilities associated with the Care Act and new initiatives through the BCF balanced against the fact that the BCF involved no additional funding. There was also a need to maintain service delivery and contractual commitments in both health and social care.

3.2 This cautious and pragmatic approach meant that in broad terms the money in the BCF remained in the same area of the system as it was previously. In the first year of BCF most funding remained in existing budgets, and the small amount of repurposed spending was focused on areas that would begin to develop a transformation in services. The expectation was that in future years there would be more funding available to support different services as our work began to have an impact. In the first year of the BCF, we planned to spend:

- £18.1 million on community health services in the NHS, mainly on the CCG's Older People and Adult Community Services (OPACS) contract
- £13.1 million on social care services, with the majority spent on services that reduce demand for NHS services. This was mainly sourced from the previous section 256 agreement funding that supported social care services which delivered benefits to the health service.
- £0.9 million on transformation projects that would begin to help us shift demand away from emergency hospital services towards services provided in the community and helping people to stay more independent
- £1.9 million on Disabled Facilities Grants, awarded by District Councils to make changes to people's homes to support them to live independently – such as access ramps, internal modifications to make rooms easier to access, and improving heating and lighting controls to make them easier to use.

3.3 The BCF Metrics were largely prescribed at a national level, with some local flexibility on targets. Performance improvements were anticipated in the following performance indicators:

- Total non-elective admissions in to hospital (general & acute), all-age, per 100,000 population
- Permanent admissions of older people (aged 65 and over) to residential and nursing care homes, per 100,000 population
- Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement / rehabilitation services
- Delayed transfers of care (delayed days) from hospital per 100,000 population (aged 18+).
- Friends and Family Test - Inpatient - % that would recommend NHS service received to friends and family
- The proportion of adults (aged 18+) receiving long-term social care (per 100,000 of population)

3.4 The non-elective admission target was the only 'performance-related payment' indicator in the BCF; after significant discussion locally, the target was set at a 1.0% reduction. This represented a lower level of ambition than the requested 3.5%. However, non-elective admissions have continued to increase, with performance at the end of quarter 3 showing an increase in non-elective admissions of 5%.

3.5 As none of the BCF was new money and most of it was contained in existing schemes, no attempts were made to define the benefits of each budget line of the BCF. Other indicators are either cumulative or only measured once a year. These factors combined to make it difficult to demonstrate a link between BCF activity and performance at this stage of the financial year.

3.6 The five BCF transformation projects have progressed at varying speeds this year. Many of the projects were closely integrated with work being undertaken by the UnitingCare Partnership; thus much of the work is subject to review following the OPACS contract termination and the subsequent contract review. An example is the Data Sharing work, which was focused on extending the OneView system that UnitingCare were set to develop to improve sharing of information about patients and service users.Following the termination of the OPACS contract, the contract for this service has also been terminated, leading to delays in the work.As a result there are currently underspends in the project budgets, although the section 75 financial agreement governing use of the BCF mandates that these will be carried forward into the second year of BCF.

4.0 PROPOSED APPROACH IN 2016/17

4.1 Officers from the Council and CCG have been in discussion about the most appropriate approach to developing a Better Care Fund plan for 2016/17. The guiding principle agreed is that there should be greater transparency over the budget lines in the BCF pool; that every budget line should have clear performance targets attached; and that clear and realistic expectations should be set for the transformation projects undertaken through BCF. It is expected that this approach will assist all partner organisations, and the Cambridgeshire Health and Wellbeing Board, in better assessing the impact of the BCF. This will become increasingly important as the Government agenda is for local areas to move towards longer-term, more integrated planning across the system beyond 2016/17.

4.2 To inform the transformation priorities in 2016/17, officers have developed a draft vision for the system in 2016/17, which describes the specific operational changes that we want to develop by April 2017. This is attached as appendix A, and the areas outlined are expected to form the basis of BCF transformation work in Cambridgeshire and Peterborough. Comments are invited on the changes described in the document.

4.3 Work continues on the service areas and associated targets to be included in the BCF budget; an updated will be provided at the meeting. Given the restricted timescales for BCF planning, the draft BCF plan will change

frequently between now and the expected submission date of mid-March; Members are invited to comment on how they would like to inform the development of the plan in advance of its eventual sign-off by the Health and Wellbeing Board. For development of the 2015/16 plan, a separate Member Working Party was convened to consider the plan.

5.0 SIGNIFICANT IMPLICATIONS

5.1 Resource Implications

5.1.1 The BCF contains funding that was previously contained in social care base budgets, and therefore has implications for ongoing service delivery. A national condition for the BCF is that plans must protect social care services. Any changes to budgets as a result of BCF plans therefore must not reduce social care services (although they may be provided differently). A specific sum of £2.5 million was reserved in the BCF plan for the protection of social care services in 2016/17.

5.2 Statutory, Risk and Legal Implications

5.2.1 The key risk for BCF planning is that the negative impact on demand-led services as a result of disinvestment is not balanced by a positive impact from the preventative or transformed services that receive investment. This could result in the destabilisation of the health and social care system if resources are shifted to social and / or community services but demand remains high for acute services. The delay in issuing the guidance for the BCF exacerbates this risk by requiring local partners to work more quickly to create a pooled budget to meet statutory requirements.

5.2.2 However, a failure to take the opportunity provided by the BCF and the associated transformation activity risks reducing the possible impact of change, increasing the likelihood of budget and demand pressures created as a result of growing demand that has not been mitigated by successful transformation of the system.

5.3 Equality and Diversity Implications

5.3.1 There are no significant implications in this category.

5.4 Engagement and Consultation Implications

5.4.1 A stakeholder consultation on the BCF took place to inform planning for its first year. The lack of available guidance for the BCF until a late stage has limited opportunities for a specific consultation on the plan for 2016/17although a number of public sector stakeholders are engaged through the Cambridgeshire Executive Partnership Board.

5.5 Localism and Local Member Involvement

5.5.1 The strategy and vision for BCF is of a wide range of local community

services available to help people to live independently in their communities.

5.6 Public Health Implications

5.6.1 The activity expected to be undertaken as a result of the BCF plan is expected to improve the health of people living in Cambridgeshire so that more people can live independently of long-term intensive or acute health and social care services for as long as possible.

Source Documents	Location
Appendix A – The draft vision for people across the system in 2016/17	Geoff Hinkins Shire Hall Cambridge CB3 0AP Geoff.hinkins@cambridgeshire.gov.uk