

From: Peter Oakford, Deputy Leader and Cabinet Member for Strategic Commissioning and Public Health

To: Kent Health and Wellbeing Board – 14th June 2017

Subject: **Kent Better Care Fund: 2016/17 outturn and 2017-19 plan**

Classification: Unrestricted

Summary: This report provides a summary of the outturn position for 2016/17, the second year of the Kent Better Care Fund. In addition, the report sets out the approach being taken to plan for 2017-19.

FOR DECISION

1. Introduction

- 1.1 2016/17 was the second year of the Kent Better Care Fund and an overview of the outturn position is provided in section 2 of this report.
- 1.2 The final Planning Requirements for 2017-19 are now not expected until after the General Election on 8th June. However, the 2017-19 Policy Framework, draft Planning Guidance, and other information has been issued which gives sufficient indication of the expected planning requirements for Kent Better Care Fund Strategic Leads to agree an approach to producing the 2017-19 plan. The approach being taken is set out in this report. This approach means that when the guidance is finally issued, the bulk of the work to produce the plan and submit to NHS England will already be complete.

2. 2016/17 Outturn

- 2.1 Kent's BCF Quarter 4 return was submitted to NHS England on 31st May 2017. Although the data is subject to update until it has been validated by NHS England later in 2017, it has given us useful indicative information regarding the final outturn.
- 2.2 Finance
 - 2.2.1 The Kent Better Care Fund was worth £105.3m in 16/17. The total expenditure relating to all partners was £103.9m, resulting in an underspend of £1.1m. This underspend was primarily contained within the District Facilities Capital Grant held by District Authorities. This is capital expenditure and under the terms of the grant, any uncommitted monies will be rolled into 17/18.
- 2.3 Performance Indicators
 - 2.3.1 In 2016/17 BCF performance was assessed against six metrics, as set out in Table 1 table below. Appendix 1 provides further narrative alongside each metric in the table.

Table 1

Metric	Target Met
Non Elective Admissions to Hospitals	Yes
Delayed Transfers of Care	No Improvement in Performance
Admissions due to Falls in People 65 Years and Older (local metric)	Data not yet available
Ability to Manage Long Term Conditions (GP Survey Data) (local metric)	Data not yet available
Rate of Permanent Admissions to Residential Care	Yes
Proportion of older people who were still at home 91 days after discharge from hospital into reablement / Rehabilitation Services	Data not yet available

2.3.2 Lack of availability of data has made assessment against some of these metrics challenging in year, particularly the two local metrics, and as a result a full assessment will not be possible until complete data sets are published later in 2017. As an acknowledgement of the data collection difficulties, the 2017-19 BCF will only require reporting against four metrics and the two local metrics ('Admissions due to Falls' and 'GP Survey Data') will no longer be used to monitor performance.

2.3.3 Partners have also agreed locally that 17/18 BCF schemes will be monitored against additional metrics. Each scheme will have at least one 'Key Performance Indicator' identified through which performance can be assessed against desired outcomes. This should enable a more meaningful performance review and understanding of scheme effectiveness in 17/18.

2.4 2016/17 Successes

- 2.4.1 The Quarter 4 return highlighted the following successes of the 2016/17 Kent BCF:
- Both the CCGs and KCC recognise the advantages of having a more integrated approach to the commissioning and delivery of both health and social care services. Both are exploring further opportunities to integrate functions to the benefit of both.
 - Development of integrated intermediate care service resulting in better support to the wider health and social care community in managing patients more proactively through joint development of pathways and shared reporting of outcomes
 - Care Navigation role and funding in development together with KCC to support people with non-medical needs and supporting integration with their communities. The pilot role should be operating from 1 June 2017.
 - Development of single point of access for intermediate care resulting in coordination of referrals to support services.

2.5 2016/17 Challenges

2.5.1 The following challenges have also been highlighted in the Kent BCF Quarter 4 return:

- Demands on the system increasing at the same time as the market is shrinking. This coupled with pressures on resources and data capture issues relating to the integrated frailty pathway within primary care.
- Difficulties and length of time it takes to get the right people together to make joint decisions
- Integrated data through the Kent Integrated Dataset requires additional development in order to keep pace with requirements for data coming out of the integration programme

3. **BCF Planning 2017-19**

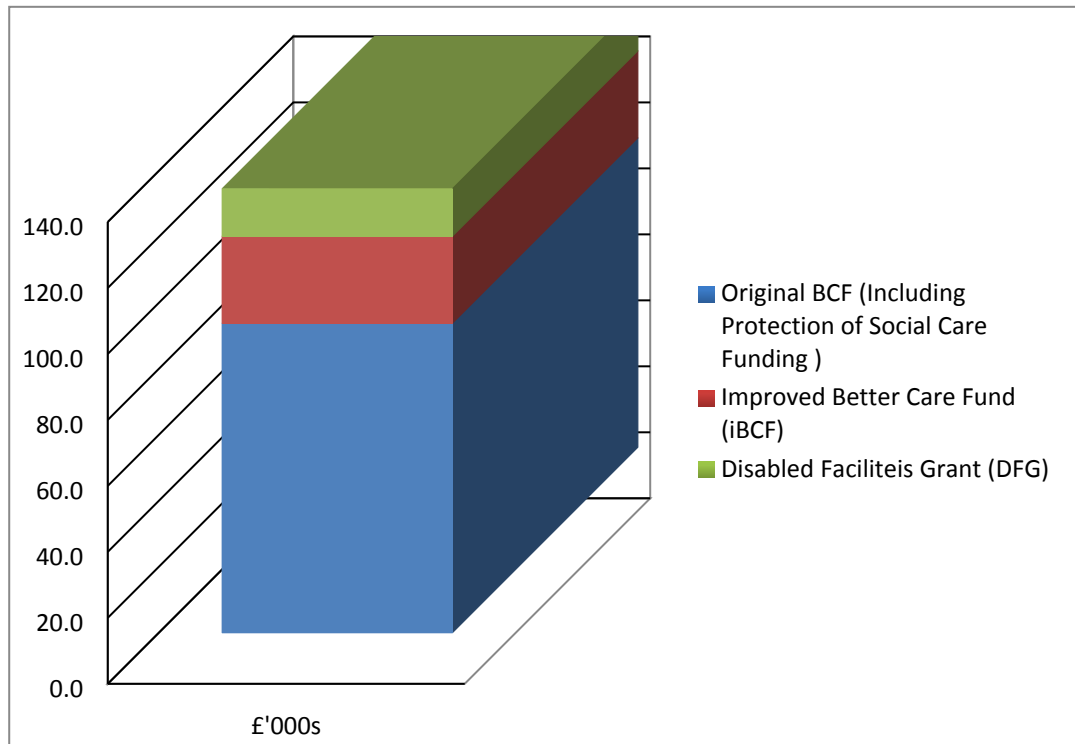
3.1 At the time of writing this report, the final BCF Planning Guidance and funding allocations are yet to be issued (now expected after the General Election on 8th June). However, draft documents have been circulated, and these indicate that the main changes to the BCF moving forward are:

- More emphasis on Integration leading up to 2020.
- Two year planning cycle 2017-19
- Reduction in the number of national conditions from eight to four
- No requirement to collect local metrics, resulting in centrally collected metrics being reduced to four.
- CCG minimum contributions will be uprated in line with CCG allocations in both 2017-18 and 2018-19
- Disabled Facilities Grant will be paid to local authorities as in 2016-17, subject to grant conditions, not NHS England powers.

3.2 The Local Government Finance Settlement 2016/17 confirmed the continuation of the BCF (for 2016/17 the existing Kent Better Care Fund totalled £105m) and additional funding for adult social care through the Improved Better Care Fund (iBCF) worth £1.5bn by 2019/20. This additional funding will come from the Department of Communities and Local Government (DCLG), the same source as the Revenue Support Grant (RSG). The estimated value of the Kent BCF for 17/18 is shown below in Table 1:

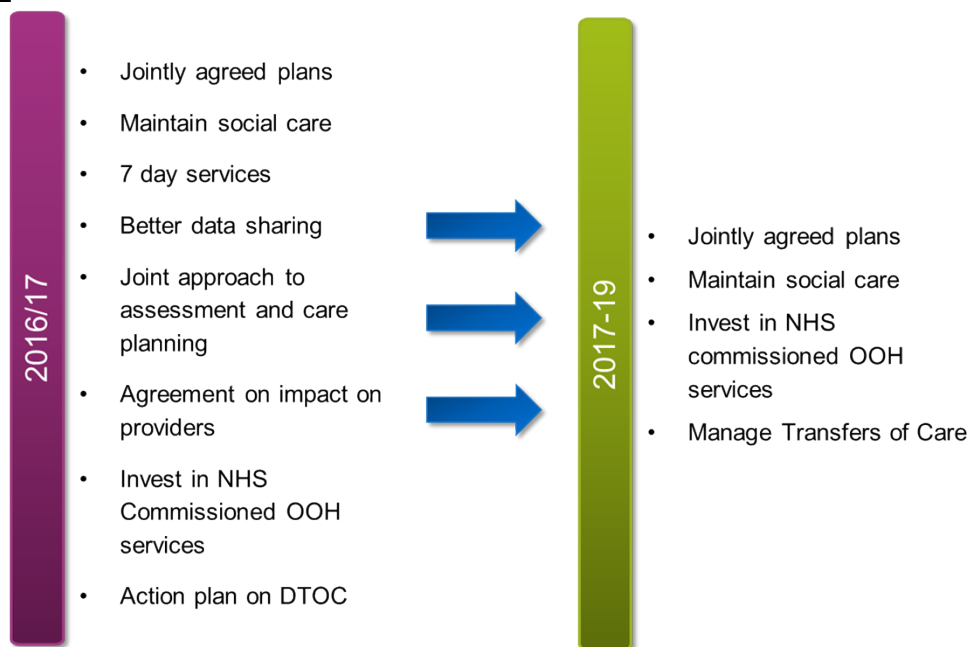
Table 1

Funding Source	£'000s	Notes
Original BCF – Including Protection of Social Care Funding	93.8	<i>Allocations unknown - Estimate based on 16/17 uplifted by inflation</i>
Improved Better Care Fund (iBCF)	26.4	
Disabled Facilities Grant (DFG)	14.4	
Estimate BCF TOTAL 17/18	134.6	



3.3 Chart 2 below is an extract from a March 2017 briefing session on the BCF, which shows the main changes to the national conditions between 2016/17 and 2017-19.

Chart 2



3.4 The revised approach to BCF planning seeks to simplify the planning requirement for local areas, whilst still ensuring that the conditions are met and local plans for furthering the integration of health and social care services through the BCF are in place.

3.5 The draft guidance has provided the following additional information around the four national conditions for 2017-19:

1) Jointly agreed plans

- Agreed by Health & Wellbeing Boards
- Involvement of other stakeholders – providers, housing authorities etc.
- All minimum funding requirements met
- CCG minimum contribution to increase in line with CCG overall budgets

2) Social Care Maintenance

- Minimum contribution from CCGs is maintained in line with inflation
- Local areas can agree higher/additional contributions from CCGs

3) NHS commissioned out of hospital services

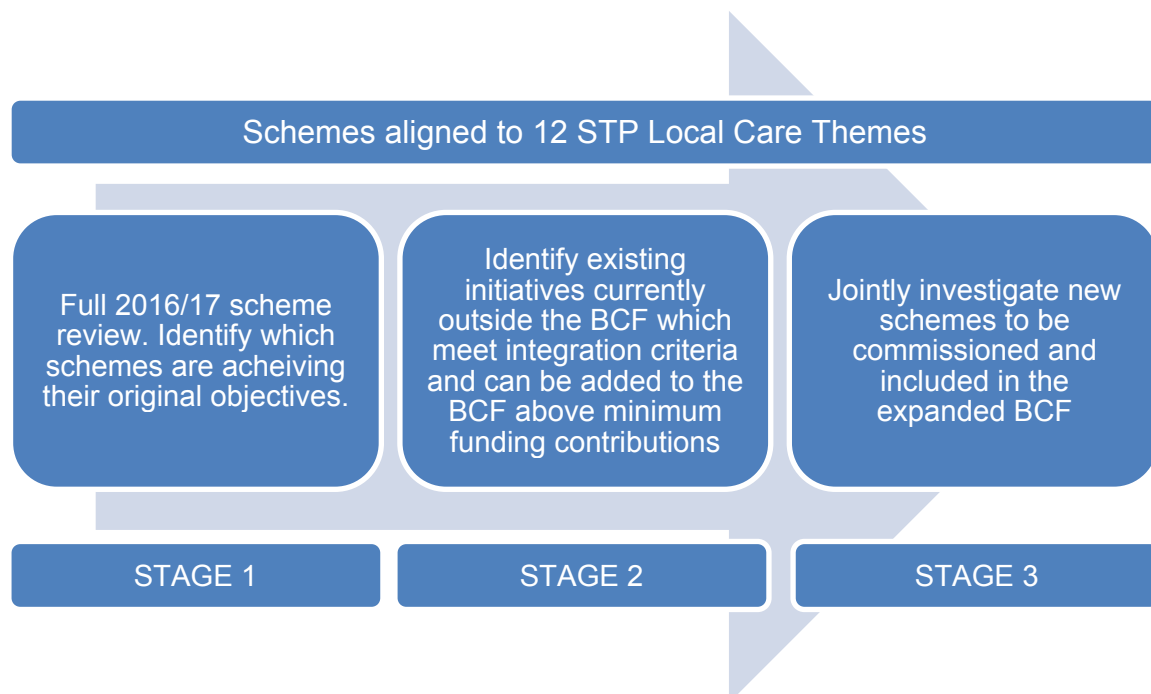
- Ring-fenced amount for use on NHS commissioned out of hospital services. This will be set out in allocations
- This applies to the CCG minimum and covers any NHS commissioned service that is not acute care – **can include social care**
- Areas are expected to consider holding funds in a contingency if they agree additional targets for Non-Elective Admissions (NEA) above those in the CCG operational plan

4) Managing transfers of care

- All local areas must implement the high impact change model for managing transfer of care
- This is also a condition of the iBCF grant

4. Kent 2017-19 roadmap

- 4.1 In the absence of funding allocations, the Kent Strategic Leads Group, comprising of lead officers from KCC and the CCGs involved with the BCF planning process, have started planning for 2017-19 based on estimated BCF allocations for 2017-19. Estimates are based on the draft guidance that has been issued and uplifting the 2016/17 allocation for inflationary increases.
- 4.2 It is acknowledged that there are a number of stages to go through before full budgetary integration, and the Kent Strategic Leads have identified milestones as outlined in the roadmap below.



- 4.3 The roadmap will ensure alignment across Kent whilst supporting local delivery, aiming to move the BCF beyond minimum funding contributions and toward graduation.
- 4.4 Existing initiatives that are under consideration as part of Stage 2 include: Integrated Community Equipment Service (ICES), care navigator schemes, joint contracting for care home and domiciliary services, discharge to assess and integrated commissioning.
- 4.5 The BCF assurance timescales are currently unknown due to the delay in issuing the detailed planning guidance. The indicative final submission date is 6 weeks after guidance is issued and it is therefore unlikely that the final submission will align with the next Health and Wellbeing Board on 19th July 2017.
- 4.6 To ensure the assurance deadlines are met, it is likely that the Better Fund Plan will need to be signed off before the next Health and Wellbeing Board. In this event, it is proposed that the sign off process is delegated to Peter Oakford, Health and Wellbeing Board Chair, after agreement at the CCG Accountable Officers Directorate Management Team Meeting. This is dependent on Partners ensuring that their elements of plan go through the respective internal sign off process. The submitted plan will then be presented to HWB members at the next full meeting.

5. Improved Better Care Fund

- 5.1 The Government's Spending Review in 2015 announced new money for the BCF (the "improved BCF" or "iBCF") of £105m for 2017/18, £825m for 2018-19 and £1.5bn for 2019-20. KCC's allocation of this has been factored into the Council's budget and Medium Term Financial Plan since 2016/17 and it is therefore not 'new money'.
- 5.2 The Spring Budget 2017 announced further additional money, increasing the iBCF to £1.115bn for 2017-18, £1.499bn for 2018-19 and £1.837bn for 2019-20.

Currently this second element is being treated as 'new money' for KCC, specifically for social care.

5.3 Kent's allocations are set out in the Table 2 below.

Table 2

	2017/18 £'000	2018/19 £'000	2019/20 £'000
Improved Better Care Fund (Spending Review 2015)	£301	£17,525	£33,683
Additional iBCF Funding Announced in Spring Budget 2017	£26,091	£17,494	£8,697
Total iBCF	£26,392	£35,019	£42,380

5.4 The iBCF grant will be paid directly to local authorities via a Section 31 grant from the Department for Communities and Local Government. Conditions have been attached to the Grant. Grant paid to a local authority under this determination may be used only 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
- Ensuring that the local social care provider market is supported

5.5 The iBCF is subject to grant conditions, not NHS England powers.

5.6 The local authority must pool the grant funding into the local BCF and work with the CCGs to meet National Condition 4 (Managing Transfers of Care). Quarterly returns will be required to the Secretary of State.

5.7 The Government has made it clear that part of this funding is intended to enable local authorities to quickly provide stability and extra capacity in local care systems. In terms of the wider context, the funding is also intended to support councils to continue to focus on core services, including help to cover the costs of the National Living Wage, as well as investing in new services.

6. Recommendations

The Kent Health and Wellbeing Board is asked to:

- a) Note the 2016/17 outturn position, set out in section 2 of this report;
- b) Note the approach to developing 2017-19 plan, set out in section 4 of this report;
- c) Agree for the Chair of the Health and Wellbeing Board to have delegated authority to approve the plan, should the need arise in advance of the next Health and Wellbeing Board on 19th July.

Authors

Jayne Urwin – BCF Coordinator – 03000 416792

Lizi Payne – Revenue Finance Manager, Adults & Public Health – 03000 416558

Michelle Goldsmith – Finance Business Partner, Adults & Public Health – 03000 416159

APPENDIX A

	Metric	Target Met	Narrative
1	Non Elective Admissions to Hospitals	Yes	It is difficult to evidence the impact from the specific BCF schemes with so many variables in the system. Other projects will have had an impact as well. There is significant evidence that the IDT's have been very successful in preventing patients being admitted to hospital. There is a significant increase in the demand for admission to hospital and it is difficult to quantify the impact of BCF schemes over and above other measure that have been put in place.
2	Delayed Transfers of Care	No Improvement in Performance	Most areas have seen an increase in year DTOCs. The demand on discharges since the implementation of the BCF has increased considerably. It is agreed that BCF schemes will have delivered core services which will impact delayed discharges, however there are new factors which have had an even bigger impact, namely a pressured market. Capacity within the Social Care market has become increasingly squeezed, particularly around Dementia care and domiciliary care and this has more than cancelled the positivity of the BCF investment.
3	Admissions due to Falls in People 65 Years and Older	Date not yet available	Data not available for whole county
4	Ability to Manage Long Term Conditions (GP Survey Data)	Date not yet available	Data not available until July '17
5	Rate of Permanent Admissions to Residential Care	Yes	In North Kent the care home market capacity has reduced which has inevitably resulted in a reduction of admissions to care homes. However South Kent Coast's discharge to assess model has shown positive impacts.
6	Proportion of older people who were still at home 91 days after discharge from hospital into reablement / Rehabilitation Services	Date not yet available	Data collected annually and not yet available