Item No. 10.	Classification: Open	Date: 2 October 2014	Meeting Name: Health and Wellbeing Board
Report title:		Integration Update – Better Care Fund (BCF)	
Ward(s) or groups affected:		All	
From:		Alex Laidler, Acting Director of Adult Care, Southwark Council Paul Jenkins, Interim Director of Integrated Commissioning, NHS Southwark Clinical Commissioning Group	

RECOMMENDATIONS

1. That the Board note the Better Care Fund plan re-submission of 19th September 2014, and next steps, as set out in paragraphs 13 to 18.

BACKGROUND INFORMATION

Better Care Fund

2. The Better Care Fund (BCF) plan sets out a range of community based health and care schemes to be funded from a pooled budget of £22m in 2015/16 to help deliver the local vision for integrated services. A key objective of the plan is to shift the balance of investment from acute care to community based care and health services that are more focussed on supporting people in a co-ordinated and effective way, preventing the need for more intensive health and social care support. The BCF is a national policy initiative intended to increase the pace of integration.

3. On 24th March 2014 the Health and Wellbeing Board considered a report on the draft BCF plan prior to its submission to the national validation process on 4th April. The Board agreed the approach to the fund as set out and the associated vision for integration "Better Care, Better Quality of Life", and requested a regular update on progress.

4. On 24th July 2014 the Health and Wellbeing Board considered a further report setting out progress on the BCF since the submission. The report set out that as a result of recent national developments all Health and Wellbeing Boards would be required to re-submit their BCF plans in line with stricter planning guidance. The changes resulted from national concerns over whether the resources invested in the BCF would deliver on key objectives, including an increased focus on reducing emergency admissions in order to reduce financial pressure on the acute sector.

5. Health and Wellbeing Boards are required to approve the resubmitted plan. As the re-submission was due to be before the next Health and Wellbeing Board meeting, and major changes to the Southwark plan were not expected, it was agreed at the 24th July meeting to delegate the final sign off of the revised BCF

submission to the Chair of the Board following agreement by the Chief Officer of the CCG and the Director of Adult Social Services.

6. This report updates the Board on the re-submission requirements and the changes required to the revised BCF plan submitted on 19th September, and the expected next steps before full implementation can be progressed.

KEY ISSUES FOR CONSIDERATION

7. Key changes to the national Better Care Fund and re-submission requirements were as follows;

   - An increased focus on reducing all emergency admissions, including the introduction of a performance related payment linked to meeting a reduction target expected to be at least 3.5% over 2015. If the performance target is not delivered £1.3m in Southwark will not be released by the NHS into the Better Care Fund, but will be available to CCGs to pay for the excess admissions.

   - Input from acute providers is to be demonstrated through a "Provider Commentary" agreeing the plans for admissions reduction arising from the BCF are consistent with their own plans.

   - A minimum amount of the fund must support NHS commissioned community based health services, £4.6m in Southwark's case.

   - More details about the "case for change" in the local health and social care economy, providing a robust analysis of key issues and supporting the approach to integration.

   - More detail is required on each scheme, its evidence base and likely impact on a range of measures and objectives related to the BCF

   - Plans must explicitly show how the BCF;

     a. supports the funding of Care Act implementation by local authorities
     b. supports carers, and
     c. protects social care services across the board

   - alignment with existing plans across health and social care to be demonstrated

   - A more robust national assurance process has been produced.

8. Following analysis of the new requirements and discussions with partners it was agreed that in high level terms the overall approach of the original BCF plan was sufficiently robust to meet these new requirements. Although there was a need to provide more details on the individual plans there was no need to alter the proposed schemes for investment through the pooled budget or the approach to integration as previously agreed by the Board.

9. For example;

   - The plan was already focussed on a target of a 3.5% reduction in avoidable emergency admissions and the new minimum target (which applies to all

admissions) is broadly in line with CCG Operating Plan and QIPP assumptions.

- Our main acute providers, Guy's and St Thomas' and King's College Hospital have confirmed the target is consistent with their plans as required in the new Provider Commentary.

- The new requirement for a minimum sum to be invested in NHS commissioned community health care (£4.6m for Southwark) was also met by existing plans.

- The BCF approach was already well grounded in an evidence based case for change that has been developed through the SLIC work, and we have provided details of this in the resubmission.

- Each scheme has a clear link to the delivery of national BCF objectives and measures. The areas of investment have an established evidence base in terms of effective integrated approaches, e.g. carers support, self-care, re-ablement and intermediate care.

- Provisions for the implementation of the Care Act were already explicitly made and are in line with government indications of costs that should be met from the BCF.

- Services for carers already receive a significant level of funding from the BCF with £1.1m identified.

- Protection for social care was already substantial in the initial plan, with a high proportion of the fund allocated to social care (£15.5m or 70%) which is easily compliant with requirements.

10. There was however a requirement to provide a lot more detail and background analysis to support the selection of schemes and that has been provided. The revised BCF plan submission is attached in Appendix 1.

11. It is anticipated that the assurance process will be robust and it has been indicated that most plans will only be accepted on a conditional basis, highlighting further assurance required.

Pay for performance risk

12. The new Payment for Performance element (based on the 3.5% emergency admissions reduction target) potentially creates a £1.3m risk for the Better Care Fund. If the target is not met this money would instead be withheld by the NHS and diverted to the CCG to meet the costs of excess acute activity. For the BCF this requires an agreed risk sharing approach which could take the form of agreeing disinvestment in schemes during 2015/16 if the quarterly performance payments are not delivered, or establishing a contingency within the BCF. However, in order to give the plan a stable footing and ensure maximum investment in community based schemes that may prevent admissions, in principle agreement has been given to establishing a joint risk reserve between the council and CCG that can be used to fund the full plan if the £1.3m performance payment is not received. The final approach will be written into the Section 75 agreement that underpins the pooled budget. The BCF submission sets out this position.

Next steps

13. The assurance process includes an interview with the BCF planning team on 24th September.

14. It is anticipated that following submission the assurance process will either approve plans or indicate the further action required during October, and all plans will be agreed before commencing in 2015/16.

15. At the point of approval detailed planning would be undertaken for the proposed services, including the development of Section 75 agreements that will underpin the governance of the Better Care Fund, including service specifications, risk sharing, performance monitoring etc as previously advised. This will include an agreement on the hosting arrangements for the pooled budget, as this can be held by either the Local Authority or the CCG.

16. It has been agreed that during the detailed planning of the pooled budget Section 75 agreements there will be opportunities to identify further budgets that could be added to the BCF minimum pool where this makes sense. An example may be where additional funding for a service is in the BCF but the core funding for the same or a similar service is held by the local authority or the CCG. Bringing all related funding into one pooled budget would clearly be an option in such cases. Any such plans will be subject to agreement by the Board.

17. During the detailed planning stage there will be a consideration of how best to align the BCF programme with the much broader integration programme across acute, primary health and social care being led by SLIC. For example, the pooling of budgets in 2015/16 will be a useful first step towards developing outcomes based commissioning from capitated pooled budgets as being considered in the SLIC programme. Also, the SLIC programme is developing best practice in a number of areas that BCF funded services should benefit from. The BCF also provides funding to specific admissions avoidance workstreams overseen by SLIC (Enhanced Rapid Response and ERR, and discharge related workstreams). It is hence important that the SLIC programme and the BCF are closely aligned. (See SLIC update in para 19).

18. A further report will be bought to the next Health and Wellbeing Board confirming the outcome of the assurance process. This will provide an update on the 14/15 BCF preparatory programme for Quarter 2, including performance on key outcomes, and progress being made on planning the 15/16 schemes, and any key decisions the Board needs to take as a result.

SLIC update (Southwark and Lambeth Integrated Care)

19. Southwark Council and Southwark CCG are partners within Southwark and Lambeth Integrated Care (SLIC). This partnership of councils, CCGs, care providers and citizens is a mechanism to deliver the Health & Wellbeing Board's integration strategy. As part of the SLIC programme partners have worked together to identify important principles and actions to deliver integrated care across the Borough. These relate to changes in both the commissioning and provision of health and care services.

20. In terms of commissioning, the Council and CCG have identified that, to support the delivery of integrated care in Southwark, a clearer description of the

desirable outcomes and attributes of care is needed, and a range of existing funding and contractual barriers need to be removed. By doing this care providers will be given more flexibility to move resources from where they are currently used (e.g. dealing with emergency admissions to hospital) to areas that are more preventative and cost-effective (e.g. investing more in proactive primary and community care).

21. Progress to date in redesigning the commissioning approach includes:

- ***Finalising the funding arrangements to allow health and social care funds to be brought together*** – this is to bring together health and care budgets to enable joint commissioning of services (a vital part of developing a holistic approach to care); the arrangement for doing this could include an expansion of the BCF as described in paragraph 16 and 17.

- ***Consulting with citizens and professionals to identify suitable contracting outcomes*** – supported by the council, CCG and public health colleagues, public workshops have been held in January and September to define the outcome measures that matter to people; and processes are being developed to engage care professionals in this exercise (working through the SLIC Programme 'Provider Group').

- ***Quantifying the funding that could be included within a contract*** – a technical working group of commissioning and provider finance leads has been established to identify the amount of expenditure that could be 'in scope' as part of a new contract for integrated care.

- ***Identifying suitable contractual forms to underpin outcomes-based contracting*** – commissioners recently arranged a 'contracting masterclass' which included presentations from external advisers about the legal and practical considerations associated with different contract options. This event will inform decision-making by council and CCG commissioners about the best way to develop contracts with the various health and care providers, each of which plays a vital role in coordinating the delivery of genuinely integrated care.

Policy implications

22. Integration of services and the Better Care Fund plan involves agreeing shared policy goals with partners as set out in the draft vision, developing neighbourhood multi-disciplinary team models with care co-ordinated by a lead professional, and jointly agreeing how pooled resources will be invested under the Section 75 pooled budget arrangements. Specific policy implications will be identified during the detailed design phase and agreed through integrated governance arrangements.

Community impact statement

23. The health and care related services covered by the Better Care Fund and the goals set out in the vision have a positive impact on the community as a whole. In particular it will impact on older people and people with long term conditions (many of whom have disabilities or mental health problems) who are most at risk

of admission to hospital or needing intensive social care support. The plan aims to promote the health and wellbeing, independence and quality of life of these groups who are recognised groups with protected characteristics under Equalities legislation. The informal carers of these groups will also benefit, who are disproportionately female. The draft vision will also contribute to the wider prevention and public health agenda benefitting the population as a whole in the longer term, and reducing health inequalities.

24. As individual schemes are further developed for implementation in 2015/16 they will be subject to a more detailed community impact analysis.

Staffing implications

25. There is a significant workforce development agenda that needs to be addressed to effectively deliver integrated working. The workforce will need to be well-informed, appropriately skilled and clear of its common purpose in delivering person-centred care. Some staff will need to work increasingly flexibly in integrated neighbourhood teams.

26. The specific development of 7 day working to support hospital discharge will have staffing implications that will be assessed as detailed arrangements are proposed.

Financial implications

27. The BCF totals £1.3m in 2014/15, increasing to £22m in 2015/16. The majority of the BCF represents existing budgets transferred directly from the NHS, where there are existing commitments from both the CCG and the council. The BCF is now included in the council's overall settlement and spending power calculation.

28. The BCF schemes proposed include a mix of existing funding, recognising the financial pressures experienced by the Council and CCG, as well as investment in new schemes. In 2015/16, a total of £2m is explicitly labelled as contributing to maintain social care services, an increase of £500k from the 2014/15 level. In total £15.5m is to be used for funding social care services. It is hoped that the impact of integration across the Council and CCG, including investment in schemes to reduce length and number of hospital and residential homes stays, will result in enduring savings for both organisations.

29. As set out in para 12 there is a payment for performance risk of £1.3m which it is proposed will be mitigated by establishing a joint BCF risk reserve.

30. The pooled governance and financial arrangements for the BCF remain under discussion and will be agreed over the coming year.

Consultation

31. The plan is underpinned by a vision for improving services in the community through better integrated working that has been developed over several years and shaped by a range of engagement activity.

32. SLIC has developed much of the thinking behind our approach and has actively consulted with the public through the Citizen's Forum over the past 18 months. Southwark and Lambeth commissioners, working with the SLIC team, held an engagement event with residents on the 28th January 2014 to identify what

people wanted as outcomes from integration and to help us articulate those outcomes from a resident's perspective. This work supports our vision document, but will also help us as we work to further develop our local outcome measures for integrated care. This event included over 50 participants, including Healthwatch and the representatives of other engagement groups linked to the CCG and LA.

33. There has not been a consultation on the re-submitted plan as the initial proposals agreed by the Health and Wellbeing Board have not materially changed.

34. There will be further engagement activity as detailed implementation plans for 2015/16 are developed.

BACKGROUND DOCUMENTS

Background Documents	Held At	Contact
Better Care Fund –supporting documents Health and Wellbeing Board BCF report 24/3/14 and 27/7/14	160 Tooley St	Adrian Ward 020 7525 3345
SLIC programme		Mark Kewley 020 7188 7188 Ext. 55184

APPENDICES

No	Title
Appendix 1	Better Care Fund – resubmission of 19th September

AUDIT TRAIL

Lead Officer	Paul Jenkins, Interim Director of Integrated Commissioning, NHS Southwark Clinical Commissioning Group Alex Laidler, Director of Adult Social Care, Southwark Council
Report Author	Adrian Ward, Programme Manager – Integration and Better Care Fund (BCF update) Mark Kewley, SLIC (SLIC update)
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