

Agenda item:

Title of meeting: Health and Wellbeing Board

Subject: Better Care Fund

Date of meeting: 3rd September 2014

Report by: Innes Richens, Chief Operating Officer, Portsmouth Clinical Commissioning Group (PCCG), and
Julian Wooster, Strategic Director for Children's and Adults Services, PCC

1. Requested by

- 1.1 Cllr Frank Jonas and Dr Jim Hogan, Chair and Vice Chair of the Health and Wellbeing Board (HWB).

2. Purpose

- 2.1 To provide an update to the Health and Wellbeing Board (HWB) on The Better Care Fund (BCF) plan for Portsmouth, following changes to National guidance for the BCF in July.
- 2.2 To gain approval from the Health and Wellbeing Board for the taking of Chair's action to sign off The Better Care Fund (BCF) plan for prior to the re-submission of the **plan on 19th September 2014.**

3. Executive Summary

- 3.1 The Better Care Fund Programme is an ambitious national programme which aims to contribute to addressing the demographic demand for health and care services in the context of public funding constraints by:
- Integrating health and care services to achieve both better co-ordinated services and efficiency in the use of resources;
 - Developing community based integrated health and care services to reduce the need for inpatient and residential care especially for residents with chronic health and social care need;
 - Preventing and intervening earlier in addressing individual's health and support needs to support independence; and
 - Sustaining community health and care services by reducing spend on inpatient care especially unplanned admissions to hospital - through reduced admissions and reduced patient time in hospital.

- 3.2 The Portsmouth BCF supports the HWBB's vision and strategic objectives through putting individuals at the centre of a single commissioning vehicle and integrated service delivery. This will create a sustainable health and care system and achieve the long term savings and system changes required to bridge demand and funding gaps and manage the increasing demands of an ageing population.
- 3.3 There have been recent changes to the policy framework, with new national guidance issued in July 2014 and revised plans are due to be submitted by 19 September 2014. The Health and Well Being Board is required to sign off the plans for local areas.
- 3.4 The Payment for Performance Framework has been revised with a proportion of the £3.8bn national Better Care Fund now linked to performance based on planned level of reduction in total emergency admissions. This replaces original metric of avoidable emergency admissions
- 3.5 National planning assumption is minimum 3.5% reduction for 2015/2016 in emergency admissions against baseline (nationally equating to performance pool of £300m), unless an area can make a credible case as to why it should be lower
- 3.6 The total pooled budget to support the Portsmouth BCF is £15.195m in 14/15 and £16.409m in 15/16. The funding consists of existing CCG and PCC allocations and is currently being utilised to provide existing services such as Portsmouth Reablement and Rehabilitation Team, Community Nursing and Carers Grants. The realisation of the Better Care Fund schemes and the resources required will be dependent upon efficiencies gained in the acute sector.

4. National Context of the Better Care Fund

- 4.1 The Better Care Fund, previously referred to as the Integration Transformation Fund, was announced in June as part of the 2013 Spending Round. A useful summary with links to all the key documents is available from the [Local Government Association](http://www.local.gov.uk).
- 4.2 The Better Care Fund is an ambitious National programme to:
- to change health and care services from a 'sickness service' which treats people as a one-off then sends them away to another part of the system to a joined-up health and care service which helps people to manage their own health and wellbeing and live independently for as long as possible. The ambition must be that people need to go to hospital as little as possible; and that when they do, they are admitted quickly, treated well, and discharged as quickly and safely as possible to enable them to get on with their lives.
 - Ensure residential care and hospitals are only be used when there is no other way to care for the person. People should only have to tell their story once, and they should expect their care team to work together around them.

Nationally, the aim of the BCF is to ensure every area takes major steps to joining up local services to achieve these things for local people by being more proactive, responsive and efficient.

- 4.3 The local authority must agree with its health partners how the funding is best used within social care - "Health and wellbeing boards will be the natural place for discussions between NHS England, clinical commissioning groups and councils on how the funding should be spent, as part of their wider discussions on the use of their total health and care resources"
- 4.4 The HWBB must ensure delivery of four national conditions through the local BCF plan. These are:
- Protection of social care services in line with an agreed definition of what this means for each local area.
 - Delivery of 7 day services to avoid admission and support discharge at weekends
 - Data sharing and use of the NHS number as an identifier
 - Joint assessment and accountable lead professional.

5. Updated guidance and re-submission

- 5.1 BCF plans were submitted to NHS England in April 2014. Subsequently there have been changes to the policy framework and revised planning and technical guidance was issued in July 2014 and revised plans are due to be submitted by 19 September 2014. To summarise, the key policy changes are:
- Previously £1bn (25%) of pooled fund was performance related in 2015-16
 - Payment for Performance Framework revised - a proportion of the £1bn now linked to performance based on planned level of reduction in total emergency admissions
 - Replaces original metric of avoidable emergency admissions
 - National planning assumption is minimum 3.5% reduction in emergency admissions against baseline (nationally equating to performance pool of £300m), unless an area can make a credible case as to why it should be lower
 - The size of the performance fund is dependent on local target setting - calculated by multiplying the activity reduction by national average reported provider costs for non-electives from latest NHS reference costs; the size of the fund is dependent on the scale of the local ambition
 - Remaining £700m nationally available up-front for NHS commissioned out of hospital services
 - All BCF plans expected to clarify the level of protection of social care, with at least £135m nationally identified for implementation of Care Act

- Understanding is that the intention of policy change is to mitigate the risk of failure for the NHS in reducing emergency admission.

6. The Portsmouth Better Care Programme

6.1 An ambitious vision for change.

Our vision is for everyone in Portsmouth to live healthy, fulfilling lives. When support is required, it will be tailored to the needs of the individual and delivered at the right time and in the right setting. We will commission cost effective services that work together as one, intervening earlier, promoting independence and reducing inequality. Pathways will be un-complicated; services will be accessible and convenient; people will be well-informed, in control and able to choose the support that is right for them.

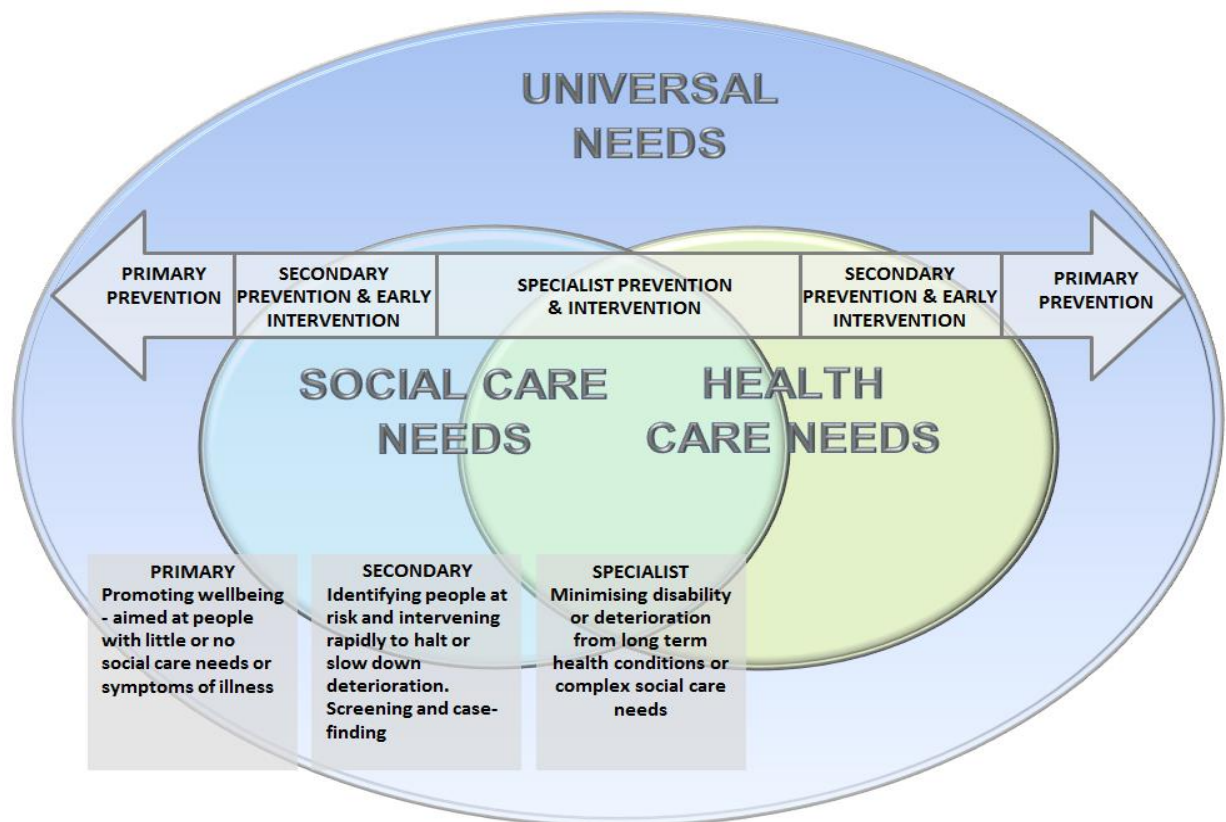
Our strategies will be led by local priorities - the things that matter most to local people, and we will make sure that everything we do makes a measurable improvement in the lives of the people we support. Our local Better Care fund will support delivery of this joint Health and Wellbeing vision and strategic objectives, through the creation of a single health and social care system; putting individuals at the centre of a single commissioning vehicle and integrated service delivery. Services will be designed to make the best use of resources to support people in the least institutional setting possible.

6.2 People will experience integrated care that:

- Is personalised and promotes independence
- Does not duplicate assessments for individuals and efficiently manages resources
- Is in the right place at the right time by the right staff.

6.3 We believe that it is only through this delivery of a single health and care system that we can create a sustainable health and care system and achieve the long term savings and system changes required to bridge demand and funding gaps and manage the increasing demands of an ageing population.

6.4 To achieve the objectives of the better care plan, a fundamental change in how health and care services are commissioned, provided and accessed is required. There needs to be a shift to prevention and early intervention services reflecting the public health agenda to add to the traditional “gatekeeping” of statutory services so that professionals from all disciplines can deliver or allocate the resource of early intervention and prevention to meet the whole spectrum of need.



7. Plan summary

7.1 The BCF is a five year transformational plan. Our local plan for 14/15 and 15/16 builds on existing priorities and delivers three interconnected schemes;

Scheme 1: Establishing fully integrated locality based health and social care community teams

Scheme 2: Review of current bed based provision

Scheme 3: Increased delivery of Reablement services

7.2 The schemes will be underpinned by an early intervention and prevention approach and have a number of supporting work streams (e.g. communication and engagement). The revised submission for September 2014, allows us the opportunity to provide greater detail and inclusion of the prevention work as a fourth implementation scheme, with clear benefits and milestones articulated.

7.3 The total pooled budget to support the BCF is £15.195m in 14/15 and £16.409m in 15/16. The funding consists of existing CCG and PCC allocations and is currently being utilised to provide existing services such as Portsmouth Reablement and Rehabilitation

Team, Community Nursing and Carers Grants. The realisation of the Better Care Fund schemes and the resources required will be dependent upon efficiencies gained in the acute sector. *Annex one provides details of the funding associated with the local BCF plan.*

8. Impact of the policy changes on the Portsmouth Better Care Programme

- 8.1 As outlined above, the local planning assumption has always been that the BCF must deliver reductions in emergency hospital admissions, in line with the CCG's operating plan assumptions and savings targets. The CCG finance team is modelling the impact of the recommended 3.5% reduction in emergency admissions on the existing plan. At the time of writing, early analysis suggests this change is unlikely to materially affect the integrity of the plan in terms of level of funding available to invest in the schemes and achievability of savings targets.
- 8.2 Initial analysis of the national revised guidance suggests that, from the total £16.4m Portsmouth BCF for 2015/16, the local payment for performance element of this allocation should equate to approximately £1.1 million. The original Portsmouth BCF submission had planned for a reduction of £900,000 in emergency admissions in order to enable the CCG's contributions to the BCF. In order to achieve this reduction, elements of the Portsmouth BCF will continue to be invested into community services that help avoid hospital admission. If the schemes within the Portsmouth BCF do not deliver the anticipated reduction in emergency admissions, this leaves a potential BCF system risk for the CCG.
- 8.3 National guidance around the payment for performance framework is that this element of the funding should be released into the pooled fund on a quarterly basis, dependent on achievement of agreed quarterly targets. Portsmouth CCG recognises that this arrangement will make it very difficult to effectively invest and develop local community services. On the basis that the potential financial risk to the CCG remains relatively unchanged, the CCG is keen to work with local partners to develop a more workable local solution.

9. Next steps

- 9.1 Delivery of the plan will continue as per the original timetable, with on-going development and implementation of the schemes and supporting projects being overseen by the Health and Social Care Partnership Board and the Integrated Commissioning Board.

9.2 The revised version of the plan in line with the new guidance is required to be submitted back to NHS England by 19th September 2014. Permission is therefore requested from the Health and Wellbeing Board for the taking of Chair's action to sign off The Better Care Fund (BCF) plan by the HWB Chair and Vice Chair prior to the re-submission of the plan by 19th September 2014. Local plans will be assessed alongside local delivery context to produce an approval rating for all plans and level of responsibility that can be taken at local level for delivery of the budget. We are awaiting further guidance on the timeframe for the assessment process and implications.

Appendices:

Appendix A – finance information