

Committee: HEALTH AND WELLBEING BOARD

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Title: BETTER CARE FUND UPDATE 2021/22 and 2022/23

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Summary

1. The Better Care Fund (BCF) programme supports local systems to successfully deliver the integration of health and social care in a way that supports person-centred care and support, and better outcomes for people and carers. The requirements of the BCF are set by NHS England and include requirements for pooled/aligned workstreams and budget within section 75 agreement.
2. The annual planning process for the BCF was delayed during 2020/21 due to the impact of Covid-19. However, requirements for the development and submission of BCF plans has recommenced for 2021/22 on a delayed timeline. The suite of BCF Planning documents for 2021/22 were received on 30 September 2021 which outlined the following submission timeline:

Fig. 1 2021/22 Planning Timeline

BCF planning requirements published	29 September 2021
Optional draft BCF planning submission submitted to BCM	By 19 October 2021 *
Review and feedback to areas from BCMs	By 2 November 2021
BCF planning submission from local HWB areas (agreed by CCGs and local government). All submissions will need to be sent to the local BCM, and copied to england.bettercarefundteam@nhs.net	16 November 2021
Scrutiny of BCF plans by regional assurers, assurance panel meetings and regional moderation	16 November to 7 December 2021
Regionally moderated assurance outcomes sent to BCF team	7 December 2021
Cross-regional calibration	9 December 2021
Approval letters issued giving formal permission to spend (CCG minimum)	From 11 January 2022
All section 75 agreements to be signed and in place	31 January 2022

*An extension to this milestone has been agreed with the Better Care Manager (BCM), enabling a submission window between the 19 and 26 October 2021.

3. Use of BCF mandatory funding streams (clinical commissioning group [CCG] minimum contribution, improved Better Care Fund [iBCF] grant and Disabled Facilities Grant [DFG]) must be jointly agreed by CCGs and local authorities to reflect local health and care priorities, with plans signed off by Health and Wellbeing Boards (HWBs).
4. The national CCG contribution to the BCF has been increased in line with average NHS revenue growth (by 5.3 per cent for 2021/2022). The relevant funding streams have been adjusted to reflect this growth.
5. This paper provides an update for the Health and Wellbeing Board about the 2021/2022 Better Care Fund (BCF) final submission to the National Better Care Fund team as required by 16 November 2021, and once approved centrally, will be incorporated into the local s.75 agreement. In addition, this paper outlines the proposed development of 2022-23 BCF.

Background

6. The current BCF has been in place since April 2017 and is based around the following schemes:
 - a) Locality/Community Model (nursing, crisis response and falls etc).
 - b) Hospital to Home (Home and Residential Care, Single Point of Access, Personal Assistants etc., Winter Pressures spend)
 - c) Carers Support
 - d) Community Voluntary Sector (Early Help and Intervention etc)
 - e) Support for Providers (Raising Standards)
 - f) Promoting Independence (Disabilities Facilities Grant, Equipment inc. Assistive technology, etc.)
 - g) Rehabilitation, Reablement and Recovery (Integrated Discharge Team (Single Point of Access Referral Service -SPARRCS), Rehabilitation bedded care, Reablement etc.)
 - h) Integrated Mental Health Provision (Woodlands and Mental Health (MH) Grants)
 - i) Learning Disabilities (Westminster House)
 - j) Continuing Healthcare including Hospital Discharge Scheme (HDS)
 - k) Care Act Infrastructure (Maintenance of ASC provision etc.)
7. Since 2018/2019 the BCF has been stable in terms of the workstreams it contains, and the funding attached by both the council and the CCG to those workstreams. The only significant change has been the inclusion of both the Continuing Health Care (CHC) provision and Funded Nursing Care (FNC) following the integration of the CCG team with the councils Adult Social Care and Housing Needs Department in January 2019.
8. Senior staff of both the council and the CCG are engaged in both the development and reporting for the BCF scheme under the current governance process applied. During this financial year the following activities will be required:
9. The governance process for the BCF will be reviewed and aligned with the refresh of the Integrated Care Partnership (ICP) and the new Integrated Care System (ICS) also reflecting the now merged CCG for Hampshire, Southampton, and the Isle of Wight.
10. Between September 2021 and March 2022, the current BCF schemes will be reviewed to identify effectiveness and value for money. This will inform decision around which schemes stop, carry on or are changed moving in to the 2022/23 financial year.

11. Having received the national guidance for the BCF, the Section 75 Agreement which governs the BCF for 2021/2022 is being developed in partnership by the council and the CCG and a Deed of Variation to the existing legal agreement is being drawn up to reflect the required changes. The Section 75 Agreement together with the Deed of Variation will provide clarity around the transfer of the CCG minimum mandated contribution to Adult Social Care and the agreed way in which that will be spent. It is accepted that the contribution will be transferred without deduction or expectation that it will be recharged against CCG service deliverables.
12. The total value of the 2020/2021 BCF was £52,400,000.
13. Mandatory inclusion in the BCF includes:
 - CCG contribution to Adult Social Care (ASC) (uplifted by 5.3 per cent for 2021/22) to be used for social care and out of hospital spend
 - ASC Disability Facilities Grant
 - ASC Improved BCF (iBCF) and Winter Pressures Funding
 - NHS funded Hospital Discharge Scheme (new in 2020/2021)
14. The remainder is non-mandatory and accounted for £32.4m of the fund. CCG contribution overall is c.£42m and ASC c.£10m. in 2020/2021.
15. The IW BCF operates more as an aligned budget than a pooled budget.
16. There are three proposed areas for BCF review in 2021/2022:
 - a) **Early Help and Prevention** (including all voluntary sector funded Better Care Fund services) – agreed by Integrated Care Board, the council is leading and is due to report by the end of October 2021 to action agreed outcomes in 2021/22 including revised scheme and associated budget for 2022/2023 Better Care Fund.
 - b) **Rehabilitation, Reablement and Recovery (Regaining Independence)** – a bedded care review has been initiated by the Community Oversight Group; a full review of Rehabilitation, Reablement and Recovery, including discharge pathways, Integrated Discharge Team (IDT), Onward Care Intervention Team (OCIT) etc., is proposed. To action agreed outcomes in 2021/22 including revised scheme and associated budget for 2022/23 Better Care Fund. (This will incorporate a review of the Single Point Access Referral Review and Coordination Service (SPARRCS) and Enhanced Professional Service scheme lines and a re-specification within the context of Hospital Discharge Service and Integrated Discharge Team to support allocation and Local Authority agreement of the associated funding from the NHS Adult Social Care Mandatory Contribution).
 - c) **Refresh of the other Better Care Fund Schemes and associated funding – revised Framework for Isle of Wight delivery of effective integrated services at locality (Integrated Care Partnership) level by 2022/2023** – Undertake a structured review of the Better Care Fund Section 75 agreement framework, scope, metrics/Key Performance Indicators and funding opportunities, based on agreed Integrated Care Partnership overarching principles and IW Health and Care Plan refresh. This is intended to potentially reduce the number of individual Schemes (11; see para. 8 above) to reflect the updated models of integrated practice being agreed/consolidated, e.g. with key over-arching schemes such as Discharge and Community Integration, Voluntary Sector Offer, Integrated Mental Health and Learning Disabilities, and Continuing Healthcare.

National Better Care Fund Planning Requirements for 2021/2022

17. For 2021/2022, BCF plans will consist of a narrative plan and a completed BCF planning template including:
- planned expenditure from BCF sources
 - confirmation that national conditions of the fund are met, as well as specific conditions attached to individual funding streams
 - ambitions and plans for performance against BCF national metrics
 - any additional contributions to BCF section 75 agreements.
18. The four national conditions for this planning year are similar to the 2019-20 planning period, and the conditions for 2020-21 (which were not assured due to pressures resulting from COVID). The BCF Plans must meet all four national conditions to be approved, they are:

1	A jointly agreed plan between local health and social care commissioners and signed off by the Health and Wellbeing Board
2	NHS contribution to adult social care to be maintained in line with the uplift to CCG minimum contribution
3	Invest in NHS commissioned out-of-hospital services
4	Plan for improving outcomes for people being discharged from hospital

Fig. 2 National conditions BCF 2021/22

19. The plan must also set out the system's approach to delivery and will also describe how the approach to integration in the BCF aligns with wider plans in order to:
- continue to implement a joined-up approach to integrated, person-centred services across health, care, housing and wider public services locally
 - support people to remain independent at home
 - jointly improve outcomes for people being discharged from hospital
 - reduce the percentage of hospital inpatients who have been in hospital for more than 14 and 21 days
 - enable a 'Home First' policy
20. Final BCF plans must include stretching ambitions for improving outcomes against the national metrics for the fund. In the case of length of stay, these ambitions should align to local NHS trust plans to reduce the number of inpatients who have been in hospital for 21 days or over.
21. However, it has been acknowledged that, due to the wider impact of Covid-19. Where appropriate, these stretch targets may be to maintain existing performance with a view to recovery and improvement in the future. Planning templates must include plans for achieving targets as a condition of approval.
22. Due to the late release of the planning guidance, the decision is still pending whether reporting of performance against these targets will occur in both Q3 and 4 or as a final annual report.
23. The BCF policy framework for 2021/2022 provides continuity from previous years. BCF plans must continue to meet all four national conditions of the fund.
24. Plans must continue to be jointly agreed by CCGs and local authorities to reflect local health and care priorities, with plans signed off by Health and Wellbeing Boards (HWBs).

25. NHS England continues to require CCGs to pool a mandated amount of funding with adult social care which is to be maintained in line with the uplift to the CCG minimum contribution as per para. 15 above. Local Authorities are required to pool grant funding from the Improved BCF (iBCF) and the Disabled Facilities Grant.
26. The grant determination for the iBCF was issued in May 2021. Since 2020/2021, funding that was previously paid as a separate grant for managing winter pressures has been included as part of the iBCF grant but is not ringfenced for use in winter.
27. The funding may only be used for the purposes of:
 - meeting adult social care needs
 - reducing pressures on the NHS, including seasonal winter pressures
 - supporting more people to be discharged from hospital when they are ready
 - ensuring that the social care provider market is supported
28. The DFG is pooled into the BCF to promote joined-up approaches to meeting people's needs to help support more people of all ages to live in suitable housing so they can stay independent for longer.
29. The grant conditions remain broadly the same as in 2020/2021.
30. There must be agreement to invest in NHS commissioned out of hospital services and support discharge home, which may include 7-day services and adult social care.
31. A high priority will be to address Managing Transfers of care including a clear plan for improved integrated services at the interface between health and social care that reduces Delayed transfers of Care (DTC), encompassing the Local Government Association High Impact Change Model for managing Transfers of Care. As part of this all Health and Wellbeing Boards adopt the centrally set expectations for reducing or maintaining rates of DTC during 2021/22 into their BCF plans.
32. Local NHS trusts, social care providers, voluntary and community service partners and local housing authorities must be involved in the development of plans. However, it has been acknowledged that, due to the late release of the planning guidance, extant stakeholder engagement may be used to inform the current BCF plan in lieu of a fresh cycle of engagement.

National Approval of agreed plans

33. The BCF plan will be approved by NHS England following joint NHS and Local Government regional assurance process against a set of national key Lines of Enquiry (KLOEs).
34. Assurance processes will confirm that national conditions are met, ambitions are agreed for all national metrics and that all funding is pooled, with relevant spend agreed.
35. Assurance of final plans will be led by Better Care Managers (BCMs) with input from NHS England and local government representatives. It will be a single stage exercise based on a set of key lines of enquiry (KLoEs). Recommendations for approval will be signed off by NHS regional directors – this will include confirmation that local government representatives were involved in assurance and agree the recommendations.
36. NHS England will approve BCF plans in consultation with Department for Health and Social Care (DHSC) and Department for Levelling Up, Housing and Communities (DLUHC). NHS England, as the

accountable body for the CCG minimum contribution to the fund, will write to areas to confirm that the CCG minimum funding can be released. NHS England will focus its oversight particularly on approval and permission to spend from the CCG ringfenced contribution on plans linked to National Condition 4 and ambitions for reducing long length of stay. This will include an assessment at regional level of the ambitions, with a further review of plans at national level. Plans will still need to meet all the requirements and national conditions to be approved.

37. Where the local governance schedule does not coincide with the submission deadline, submission is still required with an explanatory note that final approval from the Health and Wellbeing Board is pending. The plan may then proceed through the early stages of the national assurance process but, where otherwise all other conditions are fulfilled, final approval will be held in abeyance until the local Board has granted approval in line with Condition 1. Only once both approval processes have been completed will the Plan be deemed officially sign off and that the S75 agreement may be put into place. Until that point, all expenditure in line with the BCF intentions will be considered as undertaken 'at risk'.
38. Post-submission approval by the HWB must be received by the National team before 7 December 2021.
39. A timeline of the approval process has been included within Fig. 1 above.

Strategic Alignment

40. The Isle of Wight BCF Section 75 Agreement (S75) is a large and complex document dating back to its inception 2013, revised for 2017/2019 with the iBCF, which has been rolled forward in 2019/2020 and 2020/2021 by Deed of Variation. The document sets out the legal basis, governance (BCF S75 Board via Integrated Care Partnership Board (ICP), to Health and Wellbeing Board), Key Performance Indicators and reporting, schemes descriptions/service specifications etc.
41. The BCF Plan and S75 needs to be considered within the context of the Isle of Wight Health and Care Plan to drive system transformation, financial savings and efficiencies. The S75 agreement will remain in place as the financial and contractual vehicle between the CCG and Local Authority and supports the development of an integrated health and care partnership.
42. The framework for the Better Care Fund derives from the government's mandate to the NHS issued under Section 13A of the NHS Act 2006. The BCF provides a mechanism to promote and strengthen integration of health, social care and housing planning and commissioning. And in this context the use of pooled funding arrangements remains consistent with the development of Integrated Care Systems/Partnerships (ICS/ICP).
43. It brings together ring fenced CCG allocations, and funding paid directly to local government, including IBCF, DFG and winter pressures alongside locally identified budgets into pooled budget arrangements.
44. The BCF Plan aligns with a number of strategic plans including the:
 - The IOW Health and Wellbeing Strategy – in particular the BCF aligns with the Living Well and Ageing Well domains.
 - The IOW Health and Care Plan – the BCF aligns with the focus on prevention, integration and care close to home

- The ASC Care Closer to Home Strategy (CCtH) -which also aligns to the Councils corporate plan. The BCF provides a vehicle for delivery of CCtH core delivery and enabling pillars including: promoting wellbeing, improving wellbeing and protecting wellbeing as well as integration and partnerships and commissioning for value and impact.
- The HIOW Partnership of CCGs Delivery Plan
- The System Winter Resilience Plan
- The Extra Care Strategy
- The Disabled Facilities Grant Plan
- NHS Long Term Plan
- High Impact Change Model

45. In addition, it should be noted that any proposals under a revised Health and Social Care Bill may impact on the Better Care Fund, and councils and CCG staff will address any impact once it is known.

Risk

46. There is significant risk to both the IW Council, the CCG, and the wider system if the BCF Plan and submission for 2021/2022 is not agreed and subsequently approved by regulators:

No.	Risk	Risk	Mitigation
1	Should the system not agree and fail to submit its plan by 16 November 2021, the system will not receive additional funding earmarked for local systems to support ASC. In particular, the Improved Better Care Fund (iBCF) and Disabled Facilities Grant (DFG) continue to be paid to local authorities on the condition that they are pooled locally into the BCF and spent on specific purposes set out in the grant determinations and conditions. The worst-case scenario could see mandatory funding withheld from the system.	R	<ul style="list-style-type: none"> • Extension to initial BCM review deadline from 19 to 26 October, enabling wider feedback window. • HWB agree to receive a BCF narrative that describes what has been achieved, what has changed and what will be different next year - recognising these could be subject to change • HWB agree to receive a refresh existing financial commitment-recognising these could be subject to change.
2	Failure to submit presents a significant reputational risk to the CCG, LA, HWB and wider system. In particular, the BCF planning guidance forms part of the core NHS Operational Planning and Contracting Guidance. CCGs are therefore required to have regard to this guidance by section 14Z11 of the NHS Act 2006. With a view to the wider system; having published a single system Health and Care Plan, that includes a single control total, failing to submit the BCF plan will likely result in external scrutiny from National regulators and further scrutiny of system plans and agreements to develop ICP arrangements.	A	<ul style="list-style-type: none"> • Agree timeline for full review of BCF and S75 in 2021/2022 in preparation of 2022/2023. This will facilitate development of a detailed plan that meets the needs of the Island's population as the system shifts out of response mode to recovery and restoration. Utilisation of this planning period will enable a deployment of resource across partners in a more managed approach which will account for extant and upcoming pressures which may arise from ongoing recovery from the pandemic.
3	Failure to agree financial contributions within the BCF plan may result in the requirement to undertake a significant BCF and S75 refresh placing additional resource strain upon the	A	<ul style="list-style-type: none"> • For the current plan, capacity

	system.		<p>from within the Council and CCG has been identified to co-ordinate the 2021/2022 refresh. Weekly planning meetings in place and allocated work now in progress.</p> <ul style="list-style-type: none"> • Where the HWB does not meet prior to submission deadline a virtual HWB sign-off process prior to the final deadline is proposed.
4	<p>HWB governance arrangements and decision making does not support effective BCF development and delivery.</p> <p>Where there are concerns over the submission, performance or compliance with BCF requirements the Better Care Fund Support team (BCST) and Better Care Manager (BCM) will take action that could range from informal support, advice and guidance moving through formalized support and formal regional meetings up to formal escalation panels that involve NHS England and LGA.</p> <p>In the event of national escalation, under the NHS Act 2006 NHS England does have the ability to direct the use of CCG funds where an area fails to meet the BCF conditions.</p> <p>The escalation panel may also make recommendation that an area should amend plans that relate to spending of the DFG, Winter pressures or IBCF- however this money is not subject to NHS E powers. However, if there is not agreement and a plan cannot be agreed Departments can recover grant payments or withhold future funding.</p>	A	<ul style="list-style-type: none"> • HWB to agree BCF management and decision-making infrastructure as part of the Health and Care Plan implementation. • To engage with the local BCM for guidance prior to final submission. • To have cross-organisational contribution and review of the plan prior to submission.
5	Scale of system financial challenge threatens BCF development and delivery	R	<ul style="list-style-type: none"> • HWB agree the process for investment and disinvestment decisions • Review the current pooled budgets • Ensure that BCF schemes are aligned to sustainability plan priorities
6	Winter pressures money are to be paid to local government via a section 31 grant, to be used to alleviate pressures on the NHS over	A	<ul style="list-style-type: none"> • This is a recurrent approach to Winter pressure funding with

	winter and to ensure it is pooled in to the BCF. No further resources are currently available to the system to support winter resilience.		well-established planning and delivery mechanisms; which would potentially downgrade this risk to green. However, maintained at a higher escalation level as winter planning and response will also need to factor in any changes arising from shifts in the pandemic.
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Financial Impact

47. For 2021/2022 and 2022/2023 Finance leads in the Council and CCG will work jointly with BCF scheme leads to review all funding allocations. The approach and detail will be worked up and agreed through the System Finance Group. This will also provide focus in ensuring any queries in relation to the level of mandated contribution by the CCG are resolved.
48. The total value of the Better Care Fund in 2021/2022 is £52,794,044. This value is made up of both mandated and discretionary funding contributions from both the CCG of £42,004,343 and the council £10,789,701. (see para. 12-15 above).
49. From this allocation, services are then agreed in line with the BCF guidance and funding transferred to either the CCG or council based on who commissions the service. The table below shows the schemes within the BCF and where the money has been transferred to provide the services and contractual payment commitments against each of the identified schemes:

Scheme	BCF FUNDING ALLOCATED TO EACH PARTNER		
	CCG £'000	IWC £'000	Total £'000
1) Locality / Community Model	7,621	67	7,688
2) Hospital to Home	69	1,261	1,330
3) Carers	-	577	577
4) Voluntary Community Sector	-	863	863
5) Provider Sector	-	80	80
6) Promoting Independence	44	3,250	3,295
7) Rehabilitation, Reablement and Recovery	5,004	5,612	10,617
8) Regaining Independence - Hospital Discharge Scheme	-	4,317	4,317
9) Integrated Mental Health Provision	2,246	147	2,393

10) Learning Disability Services	-	1,070	1,070
11) Continuing Health Care and Funded Nursing Care	15,573	-	15,573
12) Care Act and Infrastructure	-	4,991	4,991
Total BCF funding shared between CCG/IWC to fund scheme contracts	30,558	22,236	52,794
Percentage of share	58%	42%	100%

* *Hospital Discharge Schemes are still under review and subject to change following government decision on any ongoing funding.*

50. The BCF template includes the summary of the expected income and expenditure that will form the basis of the Section 75 Finances for 2021/2022. It outlines the quantum of financial resource currently included on a scheme-by-scheme basis, including reference to both the mandated CCG contributions, Mandated Local Authority elements and additional local investments and pooled funds.
51. The Hampshire Southampton and Isle of Wight CCG has approved the Isle of Wight local financial planning approach and are satisfied that all mandatory contributions have been refreshed and uplifted in line with the National technical guidance.
52. The BCF plan reflects an iterative journey over several years, with some specific agreements of where funding is assigned dating back as far as 2012.
53. The Section 75 agreement sets out the arrangements for financial risk sharing between the CCG and the Council should the aligned budget over/underspend. The current provisions of the S75 agreement provide that each organisation is responsible for the over/underspend relating to its own functions; therefore, the Better Care Fund does not increase the financial risk to either organisation.

Involvement and Consultation

54. The BCF planning template and associated Section 75 agreement is developed and updated by the CCG and IW Council; processes are in place to ensure that the current submission is reflective of input from both bodies.
55. Due to the short timeframe for completion, a refreshed engagement process with wider stakeholders is not being undertaken and the central team have advised that previous engagement feedback may be incorporate in lieu. As wider stakeholders have been strongly involved in the development of the Health and Care Plan and previous BCF planning, feedback is being drawn from these sources to inform the current submission.
56. The oversight of the BCF S75 for the Island is in collaboration between the IW CCG and council commissioners. This is overseen by both the Managing Director of the IW CCG and Assistant Director for Commissioning (IWC). Proposals to use the BCF funds must be submitted to both the ICP and then in turn via the HWB for formal sign off and approval. This is in addition to the sovereign organisations' internal governance routes (e.g. CCG Partnership Board and councils Cabinet). Monitoring of BCF spend is provided via a quarterly monitoring reports for S75 aligned budget use.

57. Although required to review and revise the S75 agreement around the agreed priorities, it is not necessary to create a complete re-write of the S75 document every year to form a new agreement. In considering revisions:
- It will be reviewed to reflect any specific changes and will maintain the financial risk sharing between the CCG and council should the pooled budget overspend or underspend;
 - It will clarify the transfer of the CCG minimum mandated contribution to Adult Social Care and the agreed way in which that will be spent;
 - It will seek to simplify the S75 Agreement to reflect new governance and aspirations based on emerging ICP place principles, priorities, and fit with both NHS Integrated Care Systems and Local Government direction of travel.
 - It continues to maintain the spirit of the original S75 rather than seeking to start a new agreement that would take considerable time and resource to produce a very large agreement document from scratch with little change to the needs of the agreement.

Decisions, recommendations and any options

58. To note the proposals and:
- a) APPROVE the draft BCF Plan 2021/2022 as appended to this report, in alignment with the Better Care Fund Programme intentions noting the need for a virtual sign-off prior to 7 December 2021.
 - b) APPROVE the undertaking of a review and refresh of BCF schemes during 2021/22 in advance of the 2022/23 submission.

Appendices

1. BCF Planning submission – initial draft as being submitted to the regional Better Care Fund Manager for comments and recommendations.

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