

Committee: HEALTH AND WELLBEING BOARD

Date: 28 JULY 2022

Title: BETTER CARE FUND UPDATE Q1 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 for 2021/22 and 2022/23 has experienced interrupted cycles due to the ongoing national impact of Covid-19 and restoration progress.
3. In respect of the 2021/22 BCF plan, there has been a national requirement to submit an End of Year template reviewing the delivery performance against plan for 2021/22.
4. The release of information regarding the 2022/23 cycle is now due to be announced in July having previously been indicated by NHS
5. England it would be in the spring 2022 for the delayed timeline requirements.
6. In anticipation of this, and in alignment with the objectives outlined within the BCF plan of 2021/22, work has commenced to review the incorporated BCF workstreams to inform the development of the 2022/23 BCF plan and lay a foundation for further work in 2023 and beyond.
7. In advance of the release of the full guidance documents, BCF information sessions have confirmed that development and management of the BCF will continue to be at Health and Wellbeing Board (HWB) level, i.e. 'place', for 2022/23. Use of BCF mandatory funding streams (integrated care board [ICB] minimum contribution, improved Better Care Fund [iBCF] grant and Disabled Facilities Grant [DFG]) must be jointly agreed by ICBs and local authorities to reflect local health and care priorities, with plans signed off by the HWB.
8. The national ICB contribution to the BCF has been increased in line with average NHS revenue growth (by 5.7 per cent for 2022/2023). The relevant funding streams have been adjusted to reflect this growth.

9. This paper provides an update for the Health and Wellbeing Board about the
 - a) 2021/2022 Better Care Fund (BCF) End of Year template submission to the National Better Care Fund team, and
 - b) proposal for completion of the 2022/23 planning round which, once completed and approved centrally, will be incorporated into the local s.75 agreement.

The Health and Wellbeing Board is therefore asked to receive this update on year end position and plan for 2022-23 for noting and approve the recommendation for the development of the BCF 2022/23 plan in line with national and local requirements with a view to a virtual sign-off by the HWB due to the necessity to align with national submission deadlines, or provide comment and direction on further measures.

Background

10. 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.)
11. 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 ICB to those workstreams. The only significant changes have been the:
 - a) inclusion of both the Continuing Health Care (CHC) provision and Funded Nursing Care (FNC) following the integration of the Clinical Commissioning Group (CCG) team with the councils Adult Social Care and Housing Needs Department in January 2019
 - b) inclusion, and subsequent removal, of additional Hospital Discharge Scheme funding in line with the national directives during 2021/22. However, the NHSE/I letter of the 28 March 2022 outlines the expectation that local systems will continue to make best use of existing resources, to support safe and effective discharges within local priorities. This should build on existing joint arrangements and best practice and be agreed locally.
12. Senior staff from the council and the ICB are engaged in both the development and reporting for the BCF scheme under the current governance process applied. During this financial year the governance process for the BCF will be reviewed and aligned with the

refresh of what has been the IW Integrated Care Partnership (ICP) that may in future be known as the IW Health and Care Partnership Board and the new Integrated Care System (ICS). It will also reflect the cessation of the NHS Hampshire, Southampton and Isle of Wight CCG and NHS Portsmouth CCG with subsequent development into an Integrated Care Board for Hampshire and Isle of Wight, as of 01 July 2022 in accordance with the Health and Care Act 2022.

13. Due to the mitigation work undertaken during Q3/4 regarding Omicron, vaccination roll-out and wider system capacity pressures, the intended review of the BCF schemes timeline of September 2021 to March 2022 was delayed. The process has since commenced in May 2022, during which the current schemes will be reviewed to identify effectiveness and value for money. This will inform decisions around which schemes stop, carry on or are changed moving in to the 2022/23 financial year and development of the 2022/23 BCF plan.
14. The three areas under review are:
 - a) **Early Help and Prevention** (including all voluntary sector funded Better Care Fund services) – this piece of work has been completed and a newly commissioned service; ‘Living Well, Early Help’ provided by Aspire, now in place.
 - b) **Rehabilitation, Reablement and Recovery (Regaining Independence)** – a bedded care review was initiated by the Community Transformation Board; a full review of Rehabilitation, Reablement and Recovery, including discharge pathways, Integrated Discharge Team (IDT), Onward Care Intervention Team (OCIT) etc., commenced. This incorporates 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. Work on this is ongoing and forms part of the Community Transformation Programme with additional oversight through the System Resilience Group.
 - 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 (IW Health and Care Partnership Board (IWHCPB) – formerly the IW Integrated Care Partnership) level by 2022/2023** – Undertaking of a structured review of the Better Care Fund Section 75 agreement framework, scope, metrics/Key Performance Indicators and funding opportunities, based on agreed IW Health and Care Plan (IWHCP) Board over-arching principles and IWHCP refresh. This is intended to potentially reduce the number of individual Schemes (11; see para. 9 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. Work on this is ongoing.
15. Subject to updated national guidance for the BCF, the Section 75 Agreement which governs the BCF for 2022/2023 would then be developed in partnership by the council and the ICB and a Deed of Variation to the existing legal agreement would be drawn up to reflect the required changes. The Section 75 Agreement together with the Deed of Variation would provide the clarity around the transfer of the ICB minimum mandated contribution to Adult Social Care and the agreed way in which that will be spent. It is accepted that the contribution would be transferred without deduction or expectation that it will be recharged against ICB service deliverables.

16. The total value of the 2022/2023 BCF is £50,845,464.
17. Mandatory inclusion in the BCF includes:
 - a) ICB contribution to Adult Social Care (ASC) (uplifted by 5.7 per cent for 2022/23) to be used for social care and out of hospital spend
 - b) ASC Disability Facilities Grant
 - c) ASC Improved BCF (iBCF) and Winter Pressures Funding
18. The NHS funded Hospital Discharge Scheme will no longer be available for 2022/23.
19. The remainder is non-mandatory and accounted for £29.5m of the fund. ICB contribution overall is c.£40m and ASC c.£11m. in 2022/23.
20. The IW BCF operates more as an aligned budget than a pooled budget.

National Better Care Fund Planning Requirements

21. For 2021/2022, BCF plans consisted of a narrative plan and a completed BCF planning template including:
 - a) planned expenditure from BCF sources
 - b) confirmation that national conditions of the fund are met, as well as specific conditions attached to individual funding streams
 - c) ambitions and plans for performance against BCF national metrics
 - d) any additional contributions to BCF section 75 agreements.
22. The four national conditions for 2020/21, which BCF Plans had to meet to be approved, were:

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

23. Whilst confirmation is still pending from the central team, it is anticipated that similar requirements for 2022/23 will be in place with the tentative exceptions of:
 - a) Revision of National Condition 4 to potentially split into two sub-indicators, one regarding discharge improvement and the other focussed on prevention
 - b) Requirement to submit a third document reporting on demand and capacity. This, however, will not be subject to the same level of assurance as the narrative and main planning template. This is in recognition of the short submission timeframe (not yet confirmed but nominally 2 months) but with a view to laying foundations for a more substantial response for 2023/24 onwards.
24. Building on this, it is anticipated that the plan will also need to set out the system's approach to delivery and describe how the approach to integration in the BCF aligns with wider plans in order to:
 - a) continue to implement a joined-up approach to integrated, person-centred services across health, care, housing and wider public services locally
 - b) support people to remain independent at home

- c) jointly improve outcomes for people being discharged from hospital
 - d) reduce the percentage of hospital inpatients who have been in hospital for more than 14 and 21 days
 - e) enable a 'Home First' policy
25. Final BCF plans are likely to include stretching ambitions for improving outcomes against the national metrics for the fund. The central team have acknowledged that 'stretching' targets will not necessarily result in an improved metric due to the change in demographic profile, prevalence of conditions and increased complexity. However, supplementary narrative identifying such factors will be required along with the mitigating work undertaken to address.
26. In accordance with the pre-released information from the central BCF team, it is anticipated that the formation of the Plans will continue to be jointly agreed by Integrated Care Boards and local authorities to reflect local health and care priorities, with plans signed off by Health and Wellbeing Boards (HWBs).

National Approval of agreed plans (subject to release of further guidance)

27. The following outlines the assumed process based upon the 2021/22 guidance. Current information provided by the central team supports that a similar process will be in place for 2022/23:
28. 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).
29. 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.
30. 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.
31. 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 ICB minimum contribution to the fund, will write to areas to confirm that the ICB minimum funding can be released. Plans will need to meet all the requirements and national conditions to be approved.
32. 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. 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'.

Strategic Alignment

33. 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.

34. The BCF Plan and S75 needs to be considered within the context of the refreshed 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 ICB and Local Authority and supports the development of an integrated health and care partnership.
35. The framework for the BCF 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).
36. It brings together ring-fenced ICB allocations, and funding paid directly to local government, including IBCF, DFG and winter pressures alongside locally identified budgets into pooled budget arrangements.
37. The BCF Plan aligns with a number of strategic plans including the:
 - a) The IOW Health and Wellbeing Strategy – in particular the BCF aligns with the Living Well and Ageing Well domains.
 - b) The IOW Health and Care Plan – the BCF aligns with the focus on prevention, integration and care close to home
 - c) 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.
 - d) The HIOW Partnership of ICBs Delivery Plan
 - e) The System Winter Resilience Plan
 - f) The Extra Care Strategy
 - g) The Disabled Facilities Grant Plan
 - h) NHS Long Term Plan
 - i) Local Authority High Impact Change Model
38. The refresh of the BCF schemes is further supported by seven agreed IWHCP Board, priority transformation projects:
 - a) Frailty
 - b) Dementia
 - c) Hospital Discharge and Regaining Independence
 - d) Virtual Ward and virtual care pathways
 - e) Integrated Care Home Support
 - f) Urgent Community response
 - g) Population Health Management and Localities

These scheme each have a Senior Responsible Officer from the Local Delivery System (LDS) and governance and reporting structure to the Community Transformation Board.

Risk

39. There is significant risk to both the IW Council, the ICB, and the wider system if the BCF Plan and submission for 2022/23 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 the indicated deadline, 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"> • HWB agree to receive an interim position update with opportunity for feedback. • HWB agree to receive a refresh existing financial commitment- recognising these could be subject to change. • Review of services has commenced in advance of guidance release to allow for continued impact of Covid-19 on workforce capacity. • Fortnightly planning meetings in place with representatives from the ICB and IWC. • Where the HWB does not meet prior to submission deadline a virtual HWB sign-off process prior to the final deadline is proposed.
2	Failure to submit presents a significant reputational risk to the ICB, LA, HWB and wider system. In particular, the BCF planning guidance forms part of the core NHS Operational Planning and Contracting Guidance. ICBs 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	
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 system.	A	
4	HWB governance arrangements and decision making does not support effective BCF development and delivery. 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	A	

	<p>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 ICB 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>		<p>contribution and review of the plan prior to submission.</p>
5	<p>Scale of system financial challenge threatens BCF development and delivery</p>	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	<p>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 winter and to ensure it is pooled in to the BCF. No further resources are currently available to the system to support winter resilience.</p>	A	<ul style="list-style-type: none"> • This is a recurrent approach to Winter pressure funding with 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.

Financial Impact

40. For 2021/2022 and 2022/2023 Finance leads in the Council and ICB 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 ICB are resolved.
41. The total value of the Better Care Fund in 2022/23 is £50,845,464. This value is made up of both mandated and discretionary funding contributions from both the ICB of £39,503,696 and the council £11,341,768. (see para. 12-15 above).
42. From this allocation, services are then agreed in line with the BCF guidance and funding

transferred to either the ICB 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 2022/23		
	ICB £'000	IWC £'000	Total £'000
1) Locality / Community Model	7,991	69	8,060
2) Hospital to Home	69	1,520	1,589
3) Carers	-	580	580
4) Voluntary Community Sector	-	808	808
5) Provider Sector	-	80	80
6) Promoting Independence	47	3,236	3,283
7) Rehabilitation, Reablement and Recovery	5,329	5,804	11,133
8) Regaining Independence - Hospital Discharge Scheme	741	-	741
9) Integrated Mental Health Provision	2,589	147	2,736
10) Learning Disability Services	-	1,192	1,192
11) Continuing Health Care and Funded Nursing Care	15,219	-	15,219
12) Care Act and Infrastructure	-	5,425	5,425
Total BCF funding shared between ICB/IWC to fund scheme contracts	31,985	18,861	50,846
Percentage of share	63%	37%	100%

43. The BCF template has previously included a summary of the expected income and expenditure that will form the basis of the Section 75 Finances. It outlines the quantum of financial resource 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. It is anticipated that a similar template will be in place for 2022/23.
44. The ICB 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.
45. 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.

46. The Section 75 agreement sets out the arrangements for financial risk sharing between the ICB 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

47. The BCF planning template and associated Section 75 agreement is developed and updated by the ICB and IW Council; processes are in place to ensure that the current submission is reflective of input from both bodies.
48. A engagement process with wider stakeholders is currently being undertaken with service leads. As wider stakeholders have been strongly involved in the development of the refreshed Health and Care Plan and previous BCF planning, feedback will also be drawn from these sources to inform the development of the 2022/23 submission.
49. The oversight of the BCF S75 for the Island is in collaboration between the ICB and council commissioners. This is overseen by both the Managing Director of the ICB-IW 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. ICB board and councils Cabinet). Monitoring of BCF spend is provided via quarterly monitoring reports for S75 aligned budget use.
50. 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:
 - a) It will be reviewed to reflect any specific changes and will maintain the financial risk sharing between the ICB and council should the pooled budget overspend or underspend;
 - b) It will clarify the transfer of the ICB minimum mandated contribution to Adult Social Care and the agreed way in which that will be spent;
 - c) 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.
 - d) 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

51. To note the proposals and:
 - a) NOTE the BCF End of Year Template report for 2021/22
 - b) APPROVE the development of the BCF 2022/23 plan in line with national and local requirements outlined above with a view to a virtual sign-off by the HWB due to the necessity to align with national submission deadlines (pending).

Appendices

Appendix 1 - BCF End of Year Template 2021/22

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