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| Meeting: | Health and wellbeing board |
| Meeting date: | 19 July 2016 |
| Title of report: | Quarter 4 monitoring report on section 75 expenditure 2015/16 |
| Report title: | Business partner, finance |

Purpose of Report

To provide a narrative to support the financial outturn report for the Better Care pooled budget for Health and Wellbeing Board and to provide an update on the BCF budgets for 2016/17.

Recommendation

That the health and wellbeing board notes the contents of the report.

Total BCF Summary Outturn 2015/16

Table 1

| 2015/16 | Budget £'000 | Actual £'000 | Variance £'000 | Last Forecast (Dec) |
|--|-------------------------|-------------------------|---------------------------|------------------------------------|
| Protection of Adult Social Care | 4,520 | 4,520 | 0 | 4,520 |
| Care Act | 458 | 458 | 0 | 458 |
| CCG Community Care | 6,716 | 6,716 | 0 | 6,716 |
| Minimum Revenue Fund | 11,694 | 11,694 | 0 | 11,694 |
| Social Care Capital | 490 | 490 | 0 | 490 |
| Disabled Facilities Grant | 866 | 866 | 0 | 866 |
| Sub Total Minimum BCF | 13,050 | 13,050 | 0 | 13,050 |
| Additional Pool – Care Home Market Management | | | | |
| Council Contribution | 18,363 | 18,418 | 55 | 18,324 |
| CCG Contribution | 8,685 | 9,888 | 1,203 | 9,918 |
| Total Additional Pool | 27,048 | 28,306 | 1,258 | 28,242 |
| Project Costs* | | 24 | 24 | 24 |
| Total BCF | 40,098 | 41,380 | 1,282 | 41,316 |

*funded by interest received on cash transfers,

1.1. The minimum revenue funding for the BCF represented partial funding / expenditure on services and schemes for both the council and CCG, and therefore overall expenditure is in line with budget. Details of the schemes / services supported are in the appendices below.

- 1.2. The interim pooled fund manager costs to September were funded in part from interest generated on cash balances (£24k), the remainder was financed from protection of social care funding. Following the change and appointment of a council commissioner as BCF lead this person has been funded from council core funds.
- 1.3. It had previously been flagged that a significant over spend was anticipated on the additional pool as a result of increased costs for CHC residential placements. The final position showed a small improvement of £30k in the CCG overspend, whilst the council position worsened by £94k in the final quarter from a predicted £39k underspend to a £55k over spend.
- 1.4. It should be noted that the outturn is based upon the closing March client spend, and not February as originally planned.
- 1.5. The final allocation of the overspends for each partner in accordance with the risk share arrangements for 2015/16 is shown in table 2 below:

Table 2

| 2015/16 | Total Over Spend £'000 | Council £'000 | CCG £'000 |
|--------------------------|-----------------------------------|--------------------------|----------------------|
| Council Pool 2 Overspend | 55 | 37 | 18 |
| CCG Pool 2 Overspend | 1,203 | 817 | 404 |
| Total Overspend | 1,258 | 854 | 432 |

2. BCF Financial Planning 2016/17

2.1. Current Status

2.1.1. The table below shows the BCF budgets for 2016/17 as per the third submission of the plan on May 3rd 2016. A breakdown of the schemes is included in the appendices. This version of the plan has been classified as approved with support following the regional assurance process and national moderation.

Table 3

| 2016/17 | Budget 2015/16 £'000 | Budget 2016/17 £'000 |
|---------------------------------|-------------------------------------|-------------------------------------|
| Protection of Adult Social Care | 4,520 | 4,541 |
| Care Act | 458 | 460 |
| CCG Community Care | 6,716 | 6,748 |
| Minimum Revenue Fund | 11,694 | 11,749 |
| Social Care Capital | 490 | |
| Disabled Facilities Grant | 866 | 1,558 |
| Sub Total Minimum BCF | 13,050 | 13,307 |

| | | |
|--|---------------|---------------|
| Additional Pool – Care Home Market Management | | |
| Council Contribution | 18,363 | 19,468 |
| CCG Contribution | 8,685 | 9,272 |
| Total Additional Pool | 27,048 | 28,740 |
| Total BCF | 40,098 | 42,047 |

2.2. Key Assumptions in Current Financial Plan

2.2.1. The BCF minimum fund allocation has been uplifted by £55k to £11,749k by the Department of Health, which is significantly below the real inflation uplift.

2.2.2. This has been allocated pro rata across health and social care minimum funds, increasing social care funding by £23k and CCG by £32k.

2.2.3. This means that:

2.2.3.1. The protection of social care does not have real terms protection (as referenced in the national conditions)

2.2.3.2. The care act funding has not been uplifted in line with the indicative allocations

2.2.4. It has been jointly agreed that each partner will utilise the additional funding (£55k in total) to support the development of the ECIP/ DTOC plan.

2.2.5. Disabled Facilities Grant for 2016/17 has been increased to £1,558k, an increase of almost 80%, however separate funding for social care capital has ceased from 31 March 2016.

2.2.6. Pool two budgets have been agreed based upon March closing actual clients and expenditure. The partners have jointly agreed which costs / clients will be included within the pool. The budgets have been uplifted in line with partner's inflation assumptions.

2.3. BCF Assurance Process

2.3.1. BCF planning for 2016/17 has now completed its third iteration and the plan and financial template were submitted on May 3rd in accordance with the published deadline. The second iteration of the assurance process against the 73 key lines of enquiry is underway and the outcome is expected later in May.

2.3.2. Following the second submission of the plan Herefordshire, along with the 14 areas in region, were advised that it was not assured due to the challenges in the local health economy and the best outcome that is possible for Herefordshire is to be assured with support.

2.3.3. The assurance process review of the second BCF plan submission highlighted the following areas of concern in relation to the finance plan.

2.3.3.1. The plan did not include details of risk share arrangements. These are currently being discussed by partners.

2.3.3.2. The plan did not meet the national condition to maintain real terms protection for social care. The third iteration of the plan clarified that this could not be delivered without taking funds from the CCG which already faces significant financial challenges.

APPENDIX 2

Supplementary information – Protection of Social Care

| Protection of Social Care | 2015/16 Budget £000 | 2015/16 Actual £000 | Variance to Budget £'000 | 2016/17 £000 | Description of Service |
|--|---------------------------|---------------------------|--------------------------------|-----------------|---|
| Personalised care / support at home | | | | | |
| Community Equipment and Adaptations | 200 | 200 | 0 | 200 | Contribution to gross cost of service |
| Home improvement (urgent response) | 66 | 66 | 0 | 72 | Contribution to home improvement for urgent cases to facilitate hospital discharge |
| TOTAL Personalised care / support at home | 266 | 266 | 0 | 272 | |
| Re-ablement Services | | | | | |
| Re-ablement Services | 420 | 420 | 0 | 420 | Reablement contract - service to be redesigned possibly brought in house to improve delivery when contract ends |
| TOTAL Re-ablement Services | 420 | 420 | 0 | 420 | |
| Intermediate care services | | | | | |
| RAAC | 494 | 352 | (142) | 494 | Continuation of bed based RAAC scheme inc GP costs |
| Intermediate care services | 366 | 366 | 0 | 366 | Kington Court Intermediate care - bed based support (contribution to CCG contract) |
| TOTAL Intermediate care services | 860 | 718 | (142) | 860 | |
| Integrated Care Services | | | | | |
| Duty Team | | | 0 | 149 | Duty social workers / liaising with hospitals to facilitate discharge / prevent admissions inc duty OT support |
| ART | 107 | 111 | 4 | 111 | Contribution to assessment and referral team - 60% all referrals from GP's |
| Rapid Response | 595 | 648 | 53 | 550 | In house team delivering 72 hour care to prevent admissions / facilitate discharge (20.15 FTE) |
| Occupational Therapy | | | 0 | 120 | Support to Occupational therapy to meet increased DFG demand - service redesign |
| Urgent Care team / discharge support | 187 | 242 | 55 | 120 | Hospital based team working with health to facilitate discharges (3FTE) |
| Emergency respite | 177 | 185 | 8 | 156 | Contribution to respite costs - estimate 15% emergency - prevent admissions to hospital |
| Brokerage maintain additional resource for urgent care | 170 | 175 | 5 | 176 | Brokerage services - facilitate securing social care placements / home care support to facilitate hospital discharges |
| TOTAL Integrated Care Services | 1,236 | 1,361 | 125 | 1,382 | |
| Support for Carers - carers breaks | | | | | |
| Carers breaks | 843 | 718 | (125) | 460 | Contracts re-negotiated - funding switched to meet increased DOLS pressures seen in 2015/16 above anticipated level |
| TOTAL Support for carers | 843 | 718 | (125) | 460 | |
| Other Social Care | | | | | |
| DOLS demand | 100 | 222 | 122 | 325 | Cost per assessment x 500 (hospital prioritised). External assessments cost £550-£750 each inc doctors fees / or in house |
| Maintain LD health funding (transfer from WVT to 2g) | 331 | 331 | 0 | 331 | Maintain contribution to 2G contract for LD health |
| Managing Demand | 464 | 464 | 0 | 468 | Other Demand pressures |
| ECIP / DTOC developments | | | | 23 | Inflation uplift 16/17 agreed to be used for ECIP / DTOC developments |
| Joint commissioner posts | | 20 | 20 | | Shortfall in interest for Mike Jones covered from PASC |
| TOTAL Other Social Care | 895 | 1,037 | 142 | 1,147 | |
| Total Revenue Funding | 4,520 | 4,520 | (0) | 4,541 | Inflation uplift |

For more information on this report please contact
Ruth Taylor, business partner on 01432 260836

APPENDIX 2

Supplementary information – Care Act and Capital Schemes

| Care Act BCF Spend | 2015/16 Budget £000 | 2015/16 Actual £000 | Variance to Budget £'000 | 2016/17 £000 | Description of Service |
|--|---------------------------|---------------------------|--------------------------------|-----------------|---|
| Carers | 234 | 84 | (150) | - | 15/16 first year reviews for carers to put on par with users |
| Information, advice and support - SIL Contract / hub | 49 | 108 | 59 | 140 | Full year cost of SIL information / advice contract |
| Information, advice and support - WISH Website | | 73 | 73 | 72 | Phase 1 development 15/16 / phase 2 development 2016/17 |
| Advocacy | 31 | 75 | 44 | 75 | |
| Assessment and eligibility | 110 | 0 | (110) | - | Not quantifiable |
| Safeguarding | 18 | 103 | 85 | 103 | Cost of HSAB |
| Training and Other Costs | 16 | 21 | 5 | 70 | Training / publicity year 1 / homeless discharge posts year 2 |
| Adj to budget funding | | (6) | (6) | - | |
| Total BCF Care Act | 458 | 458 | 0 | 460 | Inflation uplift £2k |

| Capital Allocations | 2015/16 Budget £000 | 2015/16 Actual £000 | Variance to Budget £'000 | 2016/17 £000 | Description of Service |
|--------------------------------------|---------------------------|---------------------------|--------------------------------|-----------------|--|
| Disabled Facilities Grant | 866 | 866 | 0 | 1,558 | Increased grant funding in 2016/17 |
| Social Care Capital | | | | | |
| NHS Identifier | 28 | 61 | 33 | | Additional late recharges |
| Website development / set up costs | 70 | 70 | 0 | | WISH website |
| IAS Hub (Library) | 150 | 0 | (150) | | Delayed to 16/17 (asbestos in Library) |
| Abacus upgrade | 20 | 17 | (3) | | Required for Care Act |
| Mosaic / FWI upgrade (part) | 222 | 314 | 92 | | Timing |
| Other | 0 | 28 | 28 | | Payment cards / EDRMS |
| Sub Total Social Care Capital | 490 | 490 | 0 | 0 | |
| Total BCF Capital | 1,356 | 1,356 | 0 | 1,558 | |

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APPENDIX 2

Supplementary information – CCG Minimum Fund and Additional Pool

| CCG Minimum Contribution | 2015/16 Budget £000 | 2015/16 Actual £000 | Variance to Budget £'000 | 2016/17 £000 | Description of Service |
|---|---------------------------|---------------------------|--------------------------------|-----------------|--|
| Intermediate Care - reablement (Kington court) | 484 | 484 | 0 | 534 | |
| Integrated Community Care (community health svcs) | 3879 | 3879 | 0 | 3,806 | Part of Block contract - District nurses £3217k? |
| Early Interv'n & rapid response / -Hospital at Home | 800 | 800 | 0 | 768 | |
| Early Interv'n & rapid response - Risk Stratification | 800 | 800 | 0 | 768 | |
| Early interv'n & rapid response -Falls Response service | 123 | 123 | 0 | 123 | |
| Intermediate Care - Step up/down community bed | 153 | 153 | 0 | 240 | |
| Prevention - Short break/respite children & families | 427 | 427 | 0 | 427 | 2016/17 funding for Ledbury Road / passported to CWB - non-recurrent |
| Carers Support | 50 | 50 | 0 | 50 | Contribution to carers hub |
| Support to ECIP/DTOC | 0 | 0 | 0 | 32 | |
| Total CCG Minimum Contribution | 6,716 | 6,716 | 0 | 6,748 | |

| Pool Two - Care Home Market Management | 2015/16 Budget £000 | 2015/16 Actual £000 | Variance to Budget £'000 | 2016/17 £000 | Description of Service |
|--|---------------------------|---------------------------|--------------------------------|-----------------|--|
| Care Home Market Management CCG contribution | 8685 | 9888 | 1,203 | 9,272 | In county residential CHC and FNC |
| Care Home Market Management LA contribution | 18363 | 18418 | 55 | 19,468 | In county residential & nursing placements - spot purchase - not block / all client groups |
| Total Pool Two | 27,048 | 28,306 | 1,258 | 28,740 | |

| | | | | |
|-----------------------|---------------|---------------|--------------|---------------|
| CCG Contributions | 20,379 | 21,582 | 1,203 | 21,021 |
| Council Contributions | 19,719 | 19,774 | 55 | 21,026 |
| TOTAL BCF | 40,098 | 41,356 | 1,258 | 42,047 |

For more information on this report please contact
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