

ASSOCIATION

Finance - Summary

For each contributing organisation, please list any spending on BCF schemes in 2014/15 and the minimum and actual contributions to the Better Care Fund pooled budget in 2015/16. It is important that these figures match those in the plan details of planning template part 1. Please insert extra rows if necessary

Organisation	Holds the pooled budget? (Y/N)	Spending on BCF schemes in 14/15 /£	Minimum contribution (15/16) /£	Actual contribution (15/16) /£
Lancashire County Council	Y	5,541,000	9,438,000	9,438,000
NHS West Lancashire CCG	Y		7,419,000	7,419,000
NHS Lancashire North CCG	Y		10,462,000	10,462,000
NHS Greater Preston CCG	Y		13,223,000	13,223,000
NHS Fylde & Wyre CCG	Y		10,961,000	10,961,000
NHS East Lancashire CCG	Y		26,095,000	26,095,000
NHS Chorley and South Ribble CCG	Y		11,332,000	11,332,000
BCF Total		£ 5,541,000	£ 88,930,000	£ 88,930,000

***NOTE: Although £5.5m has been identified as the Lancashire County Council spend on BCF schemes in

Approximately 25% of the BCF is paid for improving outcomes. If the planned improvements are not achieved, some of this funding may need to be used to alleviate the pressure on other services. Please outline your plan for maintaining services if planned improvements are not achieved.

The plan for maintaining services if planned improvements are not achieved, as a result of the underperformance of schemes, includes two main elements i.e. Planning for the effect of the holding back of any proportion of the c.25% of the BCF to be paid for improving outcomes itself and the potential dual-funding required if existing services need to be maintained at the same time as the investments made in new schemes and services. This includes planning for the risk of insufficient funds being available for investment. The partners have agreed to collaboratively develop measures to mitigate the financial impact of these risks. These measures may include:

- A formal risk-share agreement;
- An initial contingency reserve that could be utilised to part-maintain existing services;

• On-going detailed performance management and finance monitoring to enable decisions to be taken at the earliest opportunity to enable actions to be put in place quickly which will either reduce the financial impact of any under-delivery of planned improvements or enable a re-prioritisation of available resource into those areas which are having the most significant impact on performance.

Discussions with partners to date indicate that the above measures would be actioned under five separate section 75 pooled arrangements, one for each CCG (with Greater Preston CCG and Chorley and South Ribble CCG combined), however, these pools would operate under a single Lancashire framework. Significant progress is expected to be made on delivering the completed section 75 agreements by June 2014.

The risk of not achieving savings is that we may not have sustainable solutions to match forecast demand. The level of potential saving is still being quantified as we work together with stakeholders in monitoring the data and quantifying the financial benefits. The 2014/15 assumptions are based on modest reductions in acute activity, however this will increase in later years as the integrated working evolves.

Risk mitigation will include the involvement of providers in sharing risk. For example, in relation to the East Lancashire community contract there is agreed that the 2014/15 contract includes a local incentive scheme (non-recurrent), valued at 0.5% of the total contract for NHSELCCG. This payment will be made on the understanding that ELHT will work with commissioners to review and redesign the community services element of the contract in line with proposals for the development of integrated neighbourhood teams.

Additionally, involving providers in sharing risk works particularly well for an ICO which has the ability to shift activity from an acute to community setting without losing the funding.

The service budgets forming the BCF will be part of a wider strategic plan to deliver efficiencies across the health economy through the programmes of work taking place such as the "Care Closer to Home" programme in West Lancashire and the "Better Care Together" programme in Lancashire North. These are well-established programmes that involve key stakeholders including the local Acute Trusts, neighbouring CCGs and local authority representation.

In East Lancashire, Capita and the CCG's in-house business intelligence team have recently coordinated consultation exercises across a number of stakeholders and have also provided scenario modelling. This will form the basis of how this agenda is taken forward within East Lancashire including the discussions with acute providers.

Additionally, partners have recognised that the wider context of considerable reductions in Local Government funding in the medium term has the potential to adversely affect the performance indicators upon which BCF performance payments are to be based. Also, the inclusion of the funding for some elements of the impact of the Care Bill in the BCF has the potential to put additional financial pressure on the pooled finances if the allocations for these impacts are not sufficient to meet the requirements. Partners will need to keep these issues under review, and agree mitigating actions as appropriate.

Contingency plan:	2015/16	Ongoing (annual)
Planned savings (if targets fully achieved)		
	£1,383,300	£1,383,300
Permanent admissions of older people (aged 65 and over) to residential and nursing care homes, per 100,000 population	Maximum support needed for other services (if targets not achieved)	£1,383,300
		£1,383,300
Planned savings (if targets fully achieved)		
	£164,000	£164,000
Maximum support needed for other services (if targets not achieved)		
	£164,000	£164,000
Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement / rehabilitation services		
	£176,400	£176,400
Maximum support needed for other services (if targets not achieved)		
	£176,400	£176,400
Planned savings (if targets fully achieved)		
	no expected savings	To be determined
Maximum support needed for other services (if targets not achieved)		
	no expected savings	To be determined
Planned savings (if targets fully achieved)		
	no expected savings	no expected savings
Maximum support needed for other services (if targets not achieved)		
	no expected savings	no expected savings
Local measure Estimated Diagnosis Rate for Dementia Numbers on QOF registers and dementia prevalence rates by CCG		
***NOTE: THE SAVINGS FIGURES SHOWN IN THIS TABLE DO NOT INCLUDE THE COST OF THE SERVICES REQUIRED TO DELIVER THESE SAVINGS		