

Hospital Discharge Funding

Report of the Director of Integrated Adult Social Care

Please note that the following recommendations are subject to consideration and determination by the Cabinet (and confirmation under the provisions of the Council's Constitution) before taking effect.

1) Recommendation

That the Cabinet:

(a) Agree the requested funding of £2 million in support of the hospital discharge programme, subject to Devon Integrated Care Board (**ICB**) agreeing the proposals regarding the recurrent use of the "supplementary improved Better Care Fund" (**iBCF**).

(b) Agree that, subject to the agreement of the use of the iBCF as set out in recommendation (a), the £2 million is funded from the Budget Management Reserve.

(c) Be provided with further reports giving regular updates in relation to the Better Care Fund and hospital discharge funding in recognition of the challenging fiscal position of the Integrated Care Partnership responsibilities.

2) Background / Introduction

2.1 The Better Care Fund

2.11 Established in 2014, the Better Care Fund is the only mandatory policy to facilitate integration between health and social care. It brings together health and social care funding and the Disabled Facilities Grant.

2.12 Each ICB is required to hold a pooled budget with their local authority, with mandatory contributions governed by a Section 75 agreement.

2.13 There was a major injection of funding in 2017, referred to as the Improved Better Care Fund (iBCF)

2.14 The BCF funding comes with specific conditions and metrics, with a focus on investing in out of hospital services and helping people leave hospital as soon as they are able.

2.15 As part of the Integrated Adult Social Care (IASC) savings plans we propose using the supplementary iBCF fund (£9.5 million), as allowed within the national guidance, to be allocated solely to adult social care and to enable us to ensure we meet our statutory

obligations of meeting assessed eligible need and market sufficiency. This is a legitimate use of the funding under the grant conditions.

2.16 The BCF grant conditions require agreement with ICB partners.

2.2 The Hospital Discharge Programme

2.21 In the financial year 2020/21, the government provided a national hospital discharge fund via the NHS, to help cover some of the cost of post-discharge recovery and support services / rehabilitation and reablement care following discharge from hospital.

2.22 This funding ceased in 2022/23, with the expectation that local systems would continue to fund. In Devon, we used a combination of national funding and one-off underspends and carry-forward sums in the Better Care Fund. It was known these sums would not be available on a recurrent basis.

2.23 For the current year, Integrated Care Boards and Local Authorities have each received a share of the Additional Social Care Discharge Fund to support the Hospital Discharge Programme (HDP). As part of the original hospital discharge arrangements DCC identified budget historically used to support social care cost associated with hospital discharge to pay towards the HDP. This stands at just under £1.5 million for 2023/24

2.24 The Integrated Care Board has agreed to allocate their Continuing Healthcare (CHC) budget towards the HDP.

2.25 The Hospital Discharge Programme has been forecast to cost between £16 million and £21 million in 2023/24. Discussions with NHS partners have led to the system agreeing to work to a £16 million budget cap in 2023/24.

2.26 Funding available currently totals £12 million as detailed below. Given the forecast of cost being capped at £16 million, there is a potential funding gap of £4 million. Agreement has also been reached that should any further national funding for hospital discharge become available to either partner in year it will be used to support the currently forecast £4 million funding gap.

	£'000
Social Care Discharge grant – ICB	£3,442
Social Care Discharge grant – DCC	£4,084
DCC - BAU	£1,495
ICB - CHC	£3,000
Total:	£12,021

3) Main Body / Proposal

3.1 NHS partners have agreed to work with the Council to contain spending within a £16 million budget cap in 2023/24. This will require changes to processes and reduced reliance on agency support. Development and delivery of cost reduction plans is critical to managing risk of overspend and a multi-agency discharge transformation board has been established to manage this.

3.2 The Integrated Care Board has agreed to fund 50% of the £4 million shortfall, the majority of it to come from their share of the 2022/23 BCF underspend which they have asked the Council to carry forward on their behalf.

3.3 It is proposed the Council consider funding the other £2 million. If agreed, it is recommended that the contribution is funded from the Budget Management Reserve.

3.4 A Memorandum of Understanding setting out governance and how the fund will be managed will be drafted for the agreement of both parties.

3.5 We have held three meetings with ICB executives to agree the use of the iBCF, and funding to support the hospital discharge programme.

3.6 As a result of those meetings, we have reached the following proposal:

1. That the £9.5 million iBCF funding will be allocated to DCC from 2023/24.
2. NHS Devon and DCC agree to commit an additional £2 million each for the hospital discharge programme. This being the sum agreed to cover the gap between the £12 million available funding and the agreed maximum £16 million cost for the year.

3.7 DCC and NHS Devon officers will work together with the acute trusts to manage the budget and ensure it does not exceed £16 million.

3.8 Senior leaders will meet regularly to monitor spend.

4) Options / Alternatives

4.1 The alternative considered would be to stop the 4-week discharge to assess period when the £12million funding runs out.

4.2 That would mean assessing people in hospital, with people remaining in hospital for longer whilst they await assessment and onward care.

4.3 Assessing people in hospital, particularly those who are frail and elderly and potentially confused, means it is more likely to result in an over-prescription of care. We also know that the longer people remain in hospital, the more they decompensate and lose confidence, meaning it takes longer to regain independence once they do leave.

4.4 Delays in getting people out of hospital as soon as they are ready also impacts on the ability to admit people, meaning more ambulance delays and long emergency department waiting times.

4.5 The alternative was rejected for those reasons.

5) Consultations / Representations / Technical Data

5.1 None

6) Strategic Plan

<https://www.devon.gov.uk/strategic-plan>

6.1 One of the priorities of the Council's "Best Place Strategic Plan 2021 to 2025" is to work with partners to improve health & wellbeing and reduce health inequalities. The hospital discharge programme makes an important contribution to that goal.

7) Financial Considerations

7.1 If agreed this will require the authority to make a £2 million additional contribution to support the Hospital Discharge Programme in 2023/24 to be funded from the Budget Management Reserve.

8) Legal Considerations

8.1 There are no specific legal considerations.

9) Environmental Impact Considerations (Including Climate Change)

9.1 No environmental related issues or impact

10) Equality Considerations

10.1 If the additional funding cannot be secured, then there will be an impact on people in hospital being assessed appropriately for their care needs, with people remaining in hospital for longer whilst they await assessment and onward care.

10.2 Assessing people in hospital, particularly those who are frail and elderly and potentially confused, means it is more likely to result in an over-prescription of care. We also know that the longer people remain in hospital, the more they decompensate and lose confidence, meaning it takes longer to regain independence once they do leave.

10.3 This will impact on people eligible for adult social care support, in particular older people, but also those with disabilities who require care and support back to independence.

10.4 This Report has no sustainability or legal implications that are not already covered by or subsumed within the detailed policies or actions referred to therein.

11) Risk Management Considerations

11.1 This policy/proposal has been assessed and all necessary safeguards or action have been taken / included to safeguard the Council's position.

11.2 The risk of not funding would mean assessing people in hospital, with people then remaining in hospital for longer whilst they await onward care. Assessing people in hospital means seeing them at their worst, particularly those who are frail and elderly and potentially confused, so more likely to result in an over-prescription of care.

11.3 Delays in getting people out of hospital also impacts on the ability to admit people, meaning more ambulance delay and long emergency department waiting times.

11.4 The approach set out in this paper reduces the risk of this happening by investing in the mechanisms that prevent people being in hospital for unnecessarily long periods.

11.5 The IASC risk register has been updated to include a risk relating to sub-optimal working arrangements across the health and care system. Mitigations include the development of the agreement referred to in this paper, and reviewing and revising governance structures for the financial and performance management of jointly funded contracts.

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Cabinet Member for Adult Care and Health: Councillor James McInnes

Local Government Act 1972: List of background papers

Background Paper Nil
Date
File Reference

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