

Update on the Better Care Fund

Purpose of report

To provide and update on progress and to invite comment upon:

- The process to date
- Headlines from plans
- An overview of the assurance process and moderation
- Identification of areas in need of support
- Next steps

Summary

- The Better Care Fund is a £3.8bn (minimum) pooled budget between the NHS and local government to deliver better care for people in all Health and Wellbeing Board areas.
- The first drafts of all 151 BCF plans were submitted on 14 February 2014.
- Early indications are that many areas are pooling significantly more than their minimum pooled budget.
- Regional local government leads and NHS Area Teams are leading on evaluating submissions to identify areas in need of support.
- A key area of support that has emerged at this stage is around the implications for and engagement with the acute sector and delivering robust plans with multiple stakeholders across complex geographies.
- The LGA has secured £2.7million for regional ADASS leads for use across all Health and Wellbeing Boards in a region to support the BCF and Care Bill Implementation
- BCF plans will be resubmitted on the 4 April.
- It is envisaged that plans will continue to evolve and develop in localities beyond 4 April.

Recommendations

Members are asked to note and comment upon the progress to date and proposed next steps.

Action

As directed by members.

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Update on the Better Care Fund

1. Process to date

- 1.1 Local Health & Wellbeing Board (HWB) areas submitted their draft Better Care Fund plans on 14 February to their NHS England Area Team and Local Government regional peer leads, and copied to the national team across NHS England and LGA.
- 1.2 Area Team and Local Government regional peers are currently leading the local assurance process following assurance guidance that was issued to them on 13th February following approval by the CWB Board. Simultaneously to this local assurance process of draft plans, the national team across NHS England and LGA have conducted an initial high level quantitative analysis of the data in order to determine some key headlines.
- 1.3 The output of the local assurance process of draft plans was received by the national team by 28 February, and is feeding into the next stage of national analysis, aggregation and triangulation. A more detailed report will be produced for the next CWB Board.

2. Initial headlines from draft plans

- 2.1 The national team have been processing the quantitative data from the plans. Below are some of the headlines based on the draft plans. As a caveat to the data presented below, it should be emphasised that the first draft of plans submitted are provisional and therefore not complete in every detail. Furthermore, it has not been possible to process all data from plans which have come in outside of the planning templates that were provided.
- 2.2 Initial headlines are as follows:
 - 2.2.1 We have received **draft plans from all 151 HWBs** in the country.
 - 2.2.2 A **minimum of 119 plans have been signed off by the HWB** (a further 19 look like they have been signed off but are not dated, 12 have not been signed off by their HWB, and 1 has not provided their plan in a format which contains the HWB signatory box).
 - 2.2.3 **57 HWB areas have pooled more than the minimum required sum** (out of 135 HWBs that provided a figure).
 - 2.2.4 The **total pooled budget across England is c.£4.6bn** (out of 135 HWBs who have provided figures) However, if we assume that all 151 areas contribute at least the minimum, then the total pooled budget could be more like a minimum of c£5.2bn.
 - 2.2.5 The **average pooled fund is £34m** (on the basis of 135 HWBs who have provided figures).

2.2.6 The **following 11 HWB areas are pooling budgets close to or over £100m**: Sheffield (£181m), Hertfordshire (£239m), Lincolnshire (£197m), Staffordshire (£92m), Buckinghamshire (£99m), Bournemouth and Poole (£151m), Salford (£103m), Sunderland (£168m), Essex (£99m) and Dorset (£193 million). Furthermore, Birmingham have indicated that they are pooling a minimum of £82,327,000 but potentially up to £600m.

2.3 Below is a summary of headlines around the metrics:

2.3.1 **Residential admissions**: valid figures for 82 HWBs (54%), and of these overall weighted average reduction in the rate of permanent admissions to residential care homes of around 8% (representing around 2,500 admissions).

2.3.2 **Reablement**: valid figures for 98 HWBs (65%), and of these overall weighted average improvement in the effectiveness of reablement of around 4% (representing around 2,500 additional people benefiting from effective reablement).

2.3.3 **Delayed transfers**: valid figures for 64 HWBs (42%), and of these overall weighted average improvement of around 8% over baseline (representing a reduction of around 4,000 delayed days).

2.3.4 **Avoidable emergency admissions**: due to issues with the figures submitted it is not possible to gain a credible estimate of the planned decrease in avoidable emergency admissions from the submitted plans. We are asking ATs to address this with HWBs.

2.3.5 **Patient experience**: the national metric for patient / user experience has not been defined yet, however 95 HWBs (63%) have confirmed that they will use a local metric for this, whereas 73 have considered they will await the national metric (the remainder have not provided any information at this stage).

2.3.6 **Local metric**: only 56 HWBs (37%) have provided figures for baseline and both payment periods (although we haven't assessed the validity of these figures).

3. Overview of assurance and moderation process

3.1 The primary level of assurance of Better Care Fund plans is at the local level with Health and Well Being Boards, followed by NHS England Area Teams and local government regional peers. The output of the local assurance process of draft plans was received by the national team by 28 February.

3.2 The process beyond the receipt of local assurance returns on 28 February is summarised below:

- 3.2.1 Using the assurance returns we are currently undertaking a further process of national analysis/aggregation and moderation.
- 3.2.2 The moderation process for the draft Better Care Fund plans will be linked into a wider process of moderation for the draft two year NHS operational plans to ensure consistency across the assurance of plans, appropriate triangulation across the plans, and identification of areas of concern. This will have local government input through regional leads.
- 3.2.3 The identification of areas of concern should come both from those health economies already flagged as high risk through the process undertaken by NHS England, Monitor and TDA, those which have been identified through other means, but most importantly through the local process of assurance between the Area Teams and local government regions who will bring the additional insight and soft intelligence around the local context.
- 3.2.4 Initially it will be for local areas (Area Teams and local government regions) to determine what support is needed and what is already in place for areas of concern.
- 3.2.5 Support will then be put in place for other areas of concern. As a result of support, some HWB areas will be in a better place for their 4 April revised submission of the plan, however, there will be a number of areas whose support needs will be significant and will therefore span a period beyond the 4 April.

4. Identification of areas in need of support

4.1 The 11 health economies which have been flagged as high risk by NHS England, Monitor and NHS Trust Development Authority in terms of five-year planning are:

1. South West London
2. North East London
3. Cumbria
4. Eastern Cheshire
5. Staffordshire
6. Mid Essex
7. Cambridge and Peterborough
8. Leicestershire
9. Northamptonshire
10. East Sussex
11. Devon

4.2 The three national bodies are investing in external support for these financially challenged areas to support the relevant groups of commissioners and providers to work together to develop integrated five-year strategic plans. The Better Care Fund will be an important element of this.

- 4.3 Beyond these already identified high risk economies, there are likely to be a number of areas of concern which are escalated through the local assurance process. It will be for local teams across the Area Teams and local government regions to escalate these areas, provide the initial level of peer support, and determine what level of support may be required beyond peer support.
- 4.4 NHS England has identified some resource for the wider NHS planning process, directed through Area Teams, of which local areas can decide whether to use some of that resource specifically for the Better Care Fund. On the local government side £2.7m will be directed in year 2013/14 and will also include funding for 2014/15 through the lead Director of Adult Social Services for each of the nine local government regions to support the delivery of the Care Bill and Better Care Fund. This money can be used in whatever way is deemed to be most appropriate by the regional team within the parameters.

5. Early feedback from local areas

- 5.1 **Consistency across the Country and Regions** – the process will require moderation. When the returns are in after Feb 28th, we will take a sample to establish consistent judgements and then consult further to agree any adjustments that might be required.
- 5.2 **Timeframe** – it is evident that, while NHS contracts for 2014/5 will need to be finalised by April 4th, the BCF plans will continue to develop over a longer timeframe as localities prepare for 2015/6 and issues that are not resolvable by April 4th are addressed, with the requisite support where appropriate. We propose to continue to work on BCF development and support through to September 2015.
- 5.3 **Care Bill Costs** - Some localities are continuing to clarify how care bill costs are built into the BCF, and most are still developing models of the full implications of implementing the Care Bill, so these provisions need to be kept under review.
- 5.4 **Disabled Facilities Grant** - Two tier areas in particular need to be assured that the provisions set out in the Guidance in December 2013 have been met, and we will issue supplementary guidance to NHS Local Area Teams and Local Government peers to ensure that this is looked at.
- 5.5 **Implications for Acute Hospitals** - there is widespread concern that hospital trusts have been insufficiently engaged in agreeing the implications of the plans, and may indeed have responded to perceived signals from elsewhere in the system with their own plans that assume unsupportable levels of activity and income. Local area teams will be charged with ensuring consistency of commissioning and provider plans, and it will be important to engage Monitor and the Trust Development Agency directly to ensure a consistent message on this point.
- 5.6 **Implications for Primary Care** - CCGs are not the commissioners for primary care and there is a concern that NHS Local Area teams may find it difficult to reconcile commissioning responsibilities for primary care with assuring BCF plans. NHS colleagues will work with area teams to mitigate this risk, and in future co-commissioning arrangements will further address the issue.

6. Next steps

6.1 The next steps of the assurance process are detailed in section 4 of this report. A more detailed report will be produced for the next CWB Board which will cover:

- 6.1.1 A more detailed analysis of plans;
- 6.1.2 Further intelligence around areas that require further support; and
- 6.1.3 Support that is already being provided, and proposals for further Support.