

Title of Report:	Better Care Fund – Submission of Plans to NHS
Report to be considered by:	Health and Wellbeing Board
Date of Meeting:	18th September 2014

Purpose of Report: To seek agreement to the submission of the revised Better Care Fund Planning Template.

Recommended Action: The Health and Wellbeing Board to approve submission, to the Department of Health, of the joint plans agreed between the CCGs and the Council for use of the Better Care Fund.

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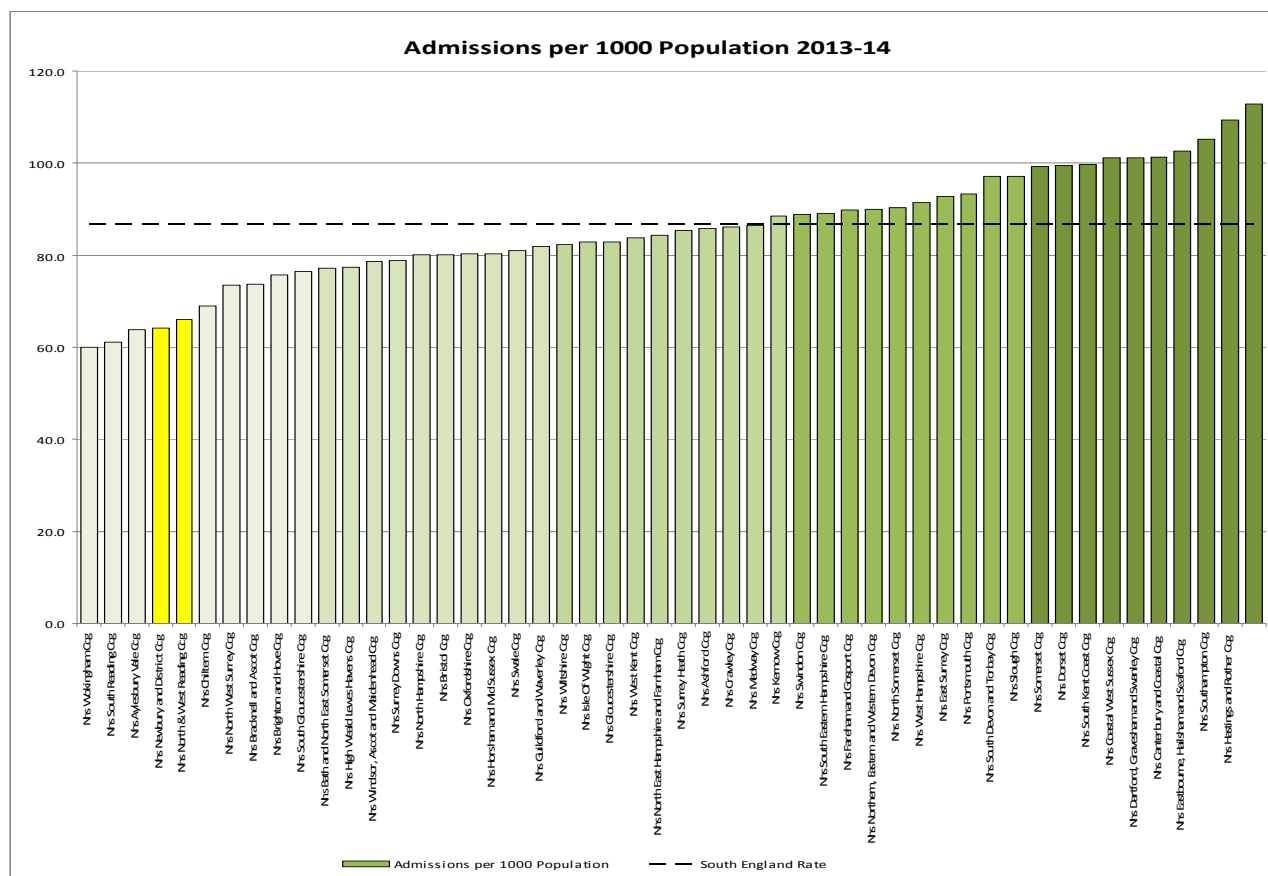
Executive Report

1. Introduction

- 1.1 A detailed report on the planned use of the Better Care Fund (BCF) was considered by HWB at its meeting on the 6th February 2014 and approval given for the draft plans to be submitted to the Department of Health (DH).
- 1.2 The DH then made a number of fairly minor changes to the template and a revised version of what at the time was thought to be the final plans were approved by HWB at a special meeting on the 27th March 2014.
- 1.3 In July 2014 a ministerial announcement significantly changed the funding arrangements and performance targets. The DH followed this with a set of new template requiring far more detail of the planned use of the BCF. This template is due to be submitted by 12 noon on the 19th September 2104.

2. New Performance Funding Arrangements

- 2.1 In July 2014 a ministerial announcement changed the funding arrangements with £1b of the £3.8b nationally now linked to a single performance target of delivering a reduction in non-elective hospital admissions.
- 2.2 The ‘minimum’ improvement target set as 3.5% although this can be reduced locally for high performers subject to agreement by the CCG and Local Authority. As shown by the following table, this is an area where West Berkshire does perform well and is in the upper quartile nationally.



- 2.3 Agreeing to a 3.5% improvement target would mean £550k of the BCF being placed into a performance pot and not available for use on the BCF planned schemes unless some, or all, of the target was met.
- 2.4 The CCGs and the Council have agreed that a local improvement target for West Berkshire of 1.1% would be appropriate. This would put £250k of the BCF funding into the performance pot.
- 2.5 Nationally and locally there is momentum for the CCG and LA to enter into a risk sharing agreement that would mean that any money lost to the BCF due to a failure to reduce unplanned hospital admissions would be replaced by both parties. This is not an approach either party are comfortable with and therefore an alternative approach has been agreed. The planned spending on the BCF schemes has been scaled back to match the guaranteed funding available
- 2.6 If the improvement target is fully met then the 'at risk' element of the BCF would be released for the planned schemes. If target partially met then a pro-rata amount would be released.
- 2.7 If no improvement is delivered then the 'at risk' sum would not be released to the BCF, the CCG would determine its use on NHS commissioned local services as agreed by HWB.

3. Revised Planning Templates

- 3.1 The latest version of the new planning template is provided as Appendix A.
- 3.2 Whilst the document has grown 6 fold in size, the plan remains the 7 schemes agreed by HWB back in February 2014, they are;
- Community Nurses Direct Commissioning Care / Reablement Services
 - Access to Health and Social Care Services through a single Hub
 - Patient's Personal Recovery Guide / Keyworker
 - Joint Care Provider
 - 7 Day Week Services
 - Hospital at Home
 - Enhanced Care and Nursing Home Support
- 3.3 It must be stressed that, whilst no major changes will be made to the template between now (dispatch of HWB papers) and the submission date, there are still a small number of areas where data is being gathered and some tidying up of the paper is required.
- 3.4 Reading was one of a small number of councils who were fast tracked through the process with a lot of external consultancy support. The work they did, and the feedback they have shared, has been extremely helpful in completing the templates.

4. Financial Risk

- 4.1 The original report to HWB in February 2014 highlighted a very significant financial risk to the Council arising from the DH decision to include the funding for some of the most important changes arising from the Care Act 2014 within the BCF.
- 4.2 At that time two options were considered regarding the use of the BCF and a decisions taken to adopt a model that allocated £1.5m to the Care Act costs
- 4.3 West Berkshire is one of just 3 councils in England that currently operate at 'critical only' and therefore face significant new costs arising from the change to a new minimum eligibility level. The formula for setting the BCF does not include any additional funding to meet this cost.
- 4.4 The Council's current modelling of the financial impact of the Care Bill suggests total costs of just over £6m in 2015/16 with the changing eligibility threshold accounting for £5.3m. After the £1.5m agreed allocation from the BCF this still leaves the Council facing a shortfall of £3.8m. This is an issue for the Council to consider prior to the submission of the plan to the DH.

5. Summary

- 5.1 All parties remain committed to the schemes outlined in the draft plan originally submitted to the DH in February 2014
- 5.2 The funding of the 'big ticket' items for the Care Act being included in the Better Care Fund has caused a significant funding problem that the Council will need to resolve with the Department of Health.

Appendices

Appendix A – BCF Planning Template