

Health & Wellbeing Board

Meeting to be held on 1 September 2014

Electoral Division affected: All

Better Care Fund for Lancashire

(Appendix 'A' refers)

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Executive Summary

This discussion paper outlines to the members of the Health & Wellbeing Board, the revised process for submitting the Better Care Fund plan and the changes in content made since the previous submission.

On 4 April 2014, the Health and Wellbeing Board submitted Lancashire's Better Care Fund (BCF) plan. Since that date, central government has reflected on the BCF and has issued a request that BCFs' are revised and resubmitted using new guidance and a new set of templates. CCGs, LCC and the Board still need to sign off these revised plans and the deadline for submission is 16 September 2014.

The main areas of revision from the previous submission are a clearer articulation of:

- The delivery chain that underpins activity shift away from acute activity
- Tighter description of schemes underpinning the plan and highlighting the financial benefits
- The understanding of risks, the risk sharing and contingency arrangements
- Alignment between BCF and other locality plans and initiatives across NHS and social care
- The potential impact of proposed schemes on providers are understood and providers are better engaged
- The link between financial commitment and local schemes including the identification of providers
- The protection of local social care services

The revision has also removed the "pay for performance" (PFP) link to the existing metrics and has linked PFP solely to a metric around reducing unavoidable admissions.

Progress is being made between all CCGs, LCC and the CSU to pull together the information for the revised submission and to agree a target for the new metric. NHE England has been party to these negotiations and has been helpful in providing advice, guidance and data. Using the most recent data available, the target is likely to be somewhere between 1.92% and 2.0%.

The timescales for drawing up the revised submission and for agreeing a target for the new metric have been very tight and the county council and CCGs are in the process of arranging for the revised submission to be taken through their governance process before submission.

The most up-to-date version of template 1 which contains the narrative of the BCF is available Appendix 'A'.

Recommendations:

The Health & Wellbeing Board is asked to:

1. Note and discuss the changes to the content and resubmission process of the Better Care Fund.
2. Consider officer recommendations as to the % reduction to be included in the plan.

Background and Advice

What has changed from the previous submission?

- Metrics and pay for performance:

The previous £1bn payment for performance framework has been revised so that the proportion of the £1bn is now linked solely to a single measure rather than the previous suite of measures. The measure relates to a reduction in non-elective admissions to hospital.

Initially, national guidance suggested that there was an expectation that each Board would set a target of 3.5% reduction. This stance has softened somewhat and latest guidance acknowledges that local targets which differed from the 3.5% reduction may be acceptable if a strong local evidence based explanation is provided at the time of submission.

Senior representatives from LCC, NHS England and LCC have met and discussed this issue at length and in some considerable depth and have agreed that Lancashire's submission is expecting to contain a target which is less than 3.5%. This is in line with evidence of current performance and trend data in this area and aligns with the 5 year operation plans of the CCGs. Using the most recent data available, the target is likely to be somewhere between 1.92% and 2.0%.

- Financial Information:

The financial envelope submitted with the initial BCF submission will not change. The new submission will contain more financial detail than previously and will better show the link between the committed budgets with the schemes of work and the providers.

This process has been co-ordinated by LCC and has the full backing and engagement of the CCGs and CSU and will better describe the links between the various Schemes within the BCF and the budgets associated with these schemes.

The financial risks have altered slightly. If targets are not met, then the proportion of the pay for performance money will be required to be spent by the CCGs to address underperformance of non-elected admissions and may reduce the financial spend for other parts of the BCF.

A section 75 agreement is being worked up through negotiation between CCGs and LCC to fully address this financial risk which for which all parties may be jointly affected. It had been anticipated that the agreement will not be in place before the submission date – and this is still the case.

- Provider Engagement:

There is now a requirement for projected non-elective admissions data to be shared with local acute providers. In response, these providers will need to submit a short commentary in response to those figures to confirm the extent to which they agree with the projections.

The CCGs have agreed to lead on and undertake this activity.

- Protection of social care services:

The revised submissions are required to articulate more clearly the financial protection of social care services. It is likely that this is because of the slight change of financial risk associated with pay for performance as described above. This is being led and co-ordinated by the Head of Finance in ASHW directorate in LCC.

- Delivery chain:

The requirement is to provide more detailed information to better describe the delivery chains within the BCF. This work is being led by CCGs and co-ordinated by CSU.

- Sign off and submission:

As previously, each CCG, LCC and the Health & Wellbeing Board are required to sign-off the BCF submission through its own governance process prior to submission before noon on 19 September 2014. NHSE have advised that there will be no concessions to this time and date.

- Risk:

Guidance on risk sharing is due out w/c 1 September. Current recommendation is to approach risk sharing two ways:

- Between NHS and Local Authority
- Between commissioners and providers

It is understood nationally, that much of the risk is already carried by commissioners and providers and specific risks to the BCF and Section 75 agreement will need to be understood and mitigated against.

- Consultations:

Lancashire County Council, CCGs and the CSU continue to engage with each other and with providers. Consultation between providers and CCGs will become greater in light of the national guidance.

CCGs and Councils are working with providers to help manage the transition to new patterns of provision including, for example, the use of non-recurrent funding to support disinvestment from services. Better Care Fund Plans will set out the implications for all local providers as set out clearly for Health and Wellbeing Boards and that their agreement for the deployment of the Fund includes agreement to all the service change consequences.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

As set out in the report.

Local Government (Access to Information) Act 1985 List of Background Papers

Paper	Date	Contact/Directorate/Tel
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N/A

Reason for inclusion in Part II, if appropriate

N/A