

# Leeds Health & Wellbeing Board

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**Report of:** Deputy Director Commissioning (ASC) & Chief Operating Officer (S&E CCG)

**Report to:** Leeds Health & Wellbeing Board

**Date:** 16 July 2014

**Subject:** Better Care Fund: Final sign off and submission

Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:		
Appendix number:		

## Summary of main issues

- The Health and Wellbeing Board signed off a final version of the Better Care Fund plan for Leeds which was submitted on 4 April. Some initial, high level feedback was provided in May with the anticipation that areas would be asked to submit revised plans at the end of June to complete the national assurance process.
- Leeds found out on 30 June that it had been nominated as one of 14 potential “exemplar” areas for the BCF. A set of revised templates were issued, with a deadline of 9 July. The new templates essentially asked for the same information as per the version that was submitted in April, e.g. overall figures in £, proposed schemes, aims and objectives etc. remained constant. However, more granularity on how schemes would contribute towards overall national outcome metrics and changes in activity locally was required through the metrics spreadsheet as well as further detail in an extended narrative around impact of the schemes, Care Act plans for Leeds and engagement with provider organisations.
- Partners across the system worked within challenging timescales to submit this next BCF iteration on time. It is not yet known when the 5 exemplars selected by the 14 “fast tracked” areas will be announced nationally nor the implications for Leeds, should it be selected.

## **Recommendations**

The Health and Wellbeing Board is asked to:

- Note that Leeds was selected as one of 14 “fast tracked” areas on the strength of the BCF submission of 4 April
- Formally note the revised BCF templates (attached as an appendix to this report) which the Board approved via email on 9 July given the tight national timescales.
- Note that a national announcement on which of the 14 areas to be selected as “exemplars” is forthcoming. A date for the announcement and implications for Leeds should the city be selected are not yet known.
- Note that it was announced nationally on 11 July that arrangements for pay-for-performance element of the fund are currently being finalised and this may result in revised guidance / templates for local areas to complete.

### **1 Purpose of this report**

- 1.1 This is a covering report to accompany the updated Leeds’ BCF submission as a result of being a “fast-tracked” area, which the Board approved via email on 9 July.

### **2 Background information**

- 2.1 As outlined in previous reports to this Board, central government’s Better Care Fund combines £3.8 billion of existing funding into one pooled budget aimed at transforming health and social care services. It is important to note that this is not new money, and that the creation of the BCF will require over £2bn in savings to be made on existing spending on acute care in order to invest more in preventive and community services.
- 2.2 To access the 2015/16 funding, the Health and Wellbeing Board was required to sign off the jointly developed Better Care Fund template, which sets out how Leeds will meet certain national conditions and progress against a set of five nationally determined measures, as well as one local measure. The Board signed off the final draft of the BCF submission on 27 March for submission on 14 April.
- 2.3 In order to manage the BCF locally, the total fund was been divided into schemes that represent existing and well-established jointly commissioned and/or jointly provided services through recurrent funding and schemes that provide further “invest to save” opportunities through use of non-recurrent funding. The schemes are framed via three key themes which articulate delivery of the outcomes of the Leeds Joint Health and Wellbeing Strategy, in particular the commitment to “Increase the number of people supported to live safely in their own homes”:
- Reducing the need for people to go into hospital or residential care
  - Helping people to leave hospital quickly
  - Supporting people to stay out of hospital or residential care.

### 3 Main issues

- 3.1 In terms of “what happened next?” for the BCF following submission on 4 April, NHS England provided initial feedback on the submissions to all authorities, a mixture of generic comments aimed at a broad range of authorities as well as some specific feedback regarding Leeds’ submission. Additionally, in late May (when a formal ministerial announcement regarding the BCF was anticipated) the Local Government Association and NHS England provided an update which confirmed that no BCF plans would be formally signed off and that further time should be taken for CCGs and local authorities, working with Health and Wellbeing Boards (HWBs), to refine their plans during June. The update also suggested that a handful of areas would have their plans “fast-tracked”.
- 3.2 Locally, the Integrated Commissioning Executive has been developing the specifics of the Better Care Fund, including governance, programme management, modelling clear local metrics and development detailed business cases in order to begin schemes due to begin in 2014/15. Governance, modelling of metrics and risk share has been delegated to the BCF “task and Finish” group whilst the development of the detailed scheme business cases has been encompassed within the workstreams of the Transformation Board to ensure the BCF is managed within our existing city wide transformation programme and not as a separate transformation programme.
- 3.3 Leeds found out on 30 June that it had been “fast-tracked” and thus nominated as one of 14 potential “exemplar” areas for the BCF. A set of revised templates were issued, with a deadline of 9 July. The new templates essentially asked for the same information that had been submitted in April, e.g. overall figures in £, proposed schemes, aims and objectives etc. remained constant. However, more granularity on how schemes will contribute towards overall national outcome metrics and changes in activity locally was required through the metrics spreadsheet as well as further detail in an extended narrative around impact of the schemes, Care Act plans for Leeds and engagement with provider organisations.
- 3.4 Partners across the system worked within challenging timescales to submit this next BCF iteration on time. The ongoing work of the BCF task and finish group stood the city in good stead to update its plans with the level of detail required, although there is still more work to be done.
- 3.5 Next steps following submission include a “rapid review” process of all BCF plans, to identify areas for improvement. The current timescales suggest a report will be made to the BCF programme board on Tuesday 22 July. It is not yet known when feedback will be given to local areas nor when the 5 exemplars selected by the 14 “fast tracked” areas will be announced nationally.

#### *Further Guidance 11<sup>th</sup> July 2014*

- 3.6 Further guidance has been released on the 11<sup>th</sup> July 2014 from the Department of Health and Department for Communities and Local Government which states they

are finalising arrangements for the pay-for-performance element of the fund and, as part of that, putting in place a clear framework for local risk sharing. Reductions in unplanned admissions will now be the sole indicator underpinning the pay for performance element of the BCF. The letter states:

3.7 *“We are... asking each Health and Wellbeing Board to propose their own performance pot based on their level of ambition for reducing emergency admissions – with a guideline reduction of at least 3.5 per cent. A proportion of your current performance allocation (i.e. your area’s share of the national £1bn performance element of the fund) will be paid for delivery of this target. That proportion will depend on the level of ambition of your target. Where local areas do not achieve their targets the money not released will be available to the CCGs, principally to pay for the unbudgeted acute activity. The balance of your area’s current performance allocation (i.e. the amount not set against the target for reduced admissions) will be available upfront to areas and not dependent on performance. Under the new framework, it will need to be spent on out-of hospital NHS commissioned services, as agreed locally by Health and Wellbeing Boards.”*

3.8 Whilst the financial impact of this very recent change is currently being worked through, it is worth noting the Leeds plan did have the foresight to set aside a contingency of circa £2m to deal with the risk of performance failure.

## **4 Health and Wellbeing Board Governance**

### **4.1 Consultation and Engagement**

4.1.1 “Fast-tracked” areas were required to work with acute organisations so that ‘provider commentary’ could be provided as part of the submission. This is detailed on p.87 of the narrative. In the spirit of wider engagement, Leeds has also consulted with Leeds Community Health Trust and Leeds and Yorkshire Partnership Foundation Trust on this iteration of the submission.

4.1.2 Engagement with service users/patients and key stakeholders as the plan was developed is set out in Section 3 (pages 3, 4 and 5 of the narrative).

### **4.2 Equality and Diversity / Cohesion and Integration**

4.2.1 Through the BCF, it is vital that equity of access to services is maintained and that quality of experience of care is not comprised. Given that ‘improving the health of the poorest, fastest’ is an underpinning principle of the JHWBS, consideration has been given to how the proposals that are developed to date will support the reduction of health inequalities.

### **4.3 Resources and value for money**

4.3.1 As outlined in previous reports, the context in which this paper is written has indisputable implications for resources and value for money given the city is facing significant financial challenges in relation to the sustainability of the current model for the health & social care economy in Leeds.

4.3.2 Whilst the BCF does not bring any new money into the system, it has presented Leeds with the opportunity to further strengthen integrated working and to focus

on preventive services through reducing demand on the acute sector. As such, the agreed approach locally is to use the BCF in such a way as to derive maximum benefit to meet the financial challenge facing the whole health and social care system over the next five years, whilst recognising is part of a much bigger picture.

- 4.3.3 Detail of anticipated financial benefits through achievement of the metrics for national outcomes and spending plans for 2014/15 and 2015/16 are set out in the Health and Wellbeing Board spreadsheet.

#### 4.4 **Legal Implications, Access to Information and Call In**

- 4.4.1 This report is for information only.

#### 4.5 **Risk Management**

- 4.5.1 As outlined in previous reports, there are two key overarching risks:
- Potential unintended – and negative – consequences of any proposals as a result of the complex nature of the Health & Social Care system and its interdependencies.
  - Ability to release expenditure from existing commitments without de-stabilising the system in the short term within the limited pump priming resource will be extremely challenging as well as the risk that the proposals do not deliver the savings required over the longer-term.
- 4.5.2 Additionally, inability to fully articulate the financial savings of the proposed schemes accurately could present additional financial challenge in the future.
- 4.5.3 Risks associated with the BCF plan itself are set out on page 26 of the document.

### 5 **Conclusions**

- 5.1 This report has briefly outlined events since the submission of 4 April, leading to the next iteration of the BCF plan on 9 July and its presentation at the Board on 18 July. The continued support and commitment of key leaders in the city to further develop a robust set of plans that can deliver the right outcomes for the people in Leeds, as well as meet the additional requirements as a “fast-tracked” area was crucial given the tight timescales involved. It remains to be seen whether Leeds will be selected as one of the 5 exemplars, and what implications this would have for the city.
- 5.2 The BCF is a step on the journey to articulate and refine the delivery of the Leeds’ ambition for a sustainable and high quality health and social care system, through spending the Leeds £ wisely in the current context of significant financial challenge. Ultimately, this will enable achievement of outcomes for the Joint Health and Wellbeing Strategy.

## **6 Recommendations**

The Health and Wellbeing Board is asked to:

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