Central
Bedfordshire
Council
Priory House
Monks Walk
Chicksands,
Shefford SG17 5TQ

TO EACH MEMBER OF THE
HEALTH AND WELLBEING BOARD

23 June 2015

Dear Member

HEALTH AND WELLBEING BOARD - Wednesday 1 July 2015

Further to the Agenda and papers for the above meeting, previously circulated, please find attached the following:-

8. Better Care Fund

To receive an update on the Better Care Fund.

Should you have any queries regarding the above please contact Sandra Hobbs on Tel: 0300 300 5257.

Yours sincerely

Sandra Hobbs
Committee Services Officer
email: sandra.hobbs@centralbedfordshire.gov.uk

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Central Bedfordshire
Health and Wellbeing Board

Contains Confidential or Exempt Information	No
Title of Report	Better Care Fund Plan – Update
Meeting Date:	1 July 2015
Responsible Officer(s)	Julie Ogley, Director of Social Care, Health & Housing Nick Robinson, Chief Accountable Officer, Bedfordshire Clinical Commissioning Group
Presented by:	Julie Ogley, Director of Social Care, Health & Housing Nick Robinson, Chief Accountable Officer, Bedfordshire Clinical Commissioning Group

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Recommendations **The Health and Wellbeing Board is asked to:**

1. **consider the quarterly report submitted on 29 May; and**
2. **delegate the agreement of the quarterly BCF performance report for submission to NHS England to the Council's Director of Social Care, Health and Housing and the Chief Accountable Officer of the Clinical Commissioning Group.**

Purpose of Report	
1.	To update the Board on progress with delivery of the Better Care Fund (BCF) Plan.
2.	To update the Board on the requirements and recommendations set out in the BCF Operationalisation Guidance released on the 20 March 2015. (Appendix 1)
3.	To inform the Board of the reporting arrangements for the BCF.

Background	
4.	The Better Care Fund is a single pooled budget to promote integration of health and social care services in local areas. A national fund of at least £3.8bn was announced in the summer of 2013. The Care Act 2014, Section 121 provides for this pooled budget. The full value of the Better Care Fund in Central Bedfordshire is £18.707m.

5.	This pooled fund is based on monies already allocated within the health and social care system and includes funding to mitigate the impact of the transformation of adult social care set out by the Care Act, 2014.
6.	The BCF plan is owned by the Health and Wellbeing Board and overseen by the BCF Commissioning Board chaired by the Council's Director of Social Care, Health and Housing. Additionally, an Operational Delivery Group which comprises health, social care and professions allied to health staff is responsible for mobilisation and monitoring of BCF Schemes.
7.	Reports relating to the Better Care Fund Plan have previously been received at Health and Wellbeing Board meetings.
8.	The Health and Wellbeing Board has been instrumental in steering and supporting the BCF Plans for Central Bedfordshire; in the last twelve months, the Board received the following updates and has taken the following decisions: • April 2014 – endorsed the first version of Central Bedfordshire's BCF plan. • June 2014 – noted an update on the progress of BCF plans. • October 2014 – considered the transfer of funds into the pooled BCF budget and reviewed the BCF Commissioning Board's Terms of Reference. • April 2015 – reviewed and noted the joint Central Bedfordshire Council and Bedfordshire Clinical Commissioning Group BCF Readiness Survey. The proposals being considered now are a culmination of the previous 12 month's work and mark the transition of the project from planning to full delivery.

Reasons for the Action Proposed	
9.	The Health and Wellbeing Board (HWB) has a statutory duty to promote integration and is seen as a valuable forum for stakeholders to come together to review performance of the BCF and consider opportunities for transforming health and social care. The expectation is that HWBs will continue to oversee the strategic direction of the BCF and the delivery of better integrated care, as part of their statutory duty to encourage integrated working between commissioners[1].

[1] Section 195 of the Health and Social Care Act 2012

10.	Some progress is being made on the implementation of the Better Care Fund Plan. Creating a shift to out of hospital care and early intervention and prevention through multidisciplinary working is fundamental to the Better Care Fund Plan for Central Bedfordshire. Securing the agreement of all relevant partners has been challenging and although there has been some delay in implementing this approach, work on developing multidisciplinary working in primary care is progressing.
11.	A Better Care Fund Commissioning Board has been established and meets regularly to review progress against the plans approved by NHS England. The terms of reference for the Board are attached as appendix 2. Work is ongoing to establish a Health and Social Care Provider Alliance which will support the whole systems transformation agenda.
12.	A Section 75 agreement which covers the requirements set out in the guidance is being developed. The local authority will be the pooled fund holder and a nominated pooled fund manager will be identified. A risk sharing agreement has been developed and will form part of the S75 agreement.
	Reporting and Monitoring on progress
13.	On the 20 March 2015 NHS England released the final guidance for the operationalisation of the BCF. The guidance sets out the reporting and monitoring requirements of the fund, how progress against conditions of the fund will be managed, the future role of the BCF Support Team and advice about the alignment of the BCF targets for reducing non-elective admissions.
14.	Arrangements for monitoring delivery, accounting and audit should be governed by the local s.75 agreement, which should set out: • The arrangements for monitoring the delivery of the services that it covers. • Who the host organisation is that will be responsible accounting and audit. • Who the 'pool manager' is that will be responsible for submitting to the partners quarterly reports, and an annual return about income and expenditure from the pooled fund and other information by which the partners can monitor the effectiveness of the pooled fund arrangements.
15.	The guidance advises that the governance of the Section 75 should be through the Partnership Board made up of those authorised to act on behalf of their employing organisation. The BCF Commissioning Board will oversee and manage the pooled fund.
16.	The guidance requires that local areas submit quarterly and annual reports. These reports are due for submission at 5 points in the year. Health and Wellbeing Boards are required to sign off the performance report before it is submitted.

	The date for the submission of these reports are: • 29 May 2015 for period January to March 2015. • 28 August 2015 for periods April to June 2015. • 27 November 2015 for periods July to September. • 26 February 2016 for periods October to December 2015. • 27 May 2016 for periods January to March 2016.
17.	The first quarterly monitoring report was submitted to NHS England on 29 May 2015. The report was signed by both the Council and Bedfordshire Clinical Commissioning Group. A copy of the return is attached as Appendix 3.
18.	The majority of the National Conditions have been met as outlined in the attached report.
19.	There is likely to be some difficulty in aligning the signing of returns with meetings of the Health and Wellbeing Board. It is therefore proposed that the Health and Wellbeing Board renews the delegation of authority to sign off performance reports to the Council's Director of Social Care, Health and Housing and the Chief Accountable Officer of the Clinical Commissioning Group.
	Pay for Performance – Non Elective Admissions
20.	As part of the Better Care Fund performance metrics, a pay for performance measure for non-elective admissions was introduced. A challenging target for a reduction of 3.5% was set by NHS England. Achievement of the target reduction will release payments into the pooled budget. In the BCF submission, this 3.5% targeted equates to a reduction of 757 admissions on planned activity.
21.	In January 2015, NHS England carried out an exercise to gauge the potential for local areas to revise their ambitions for reduction of non-elective admissions, as included in BCF plans for 2015-16. In response to this, a revised target of 3.3% was agreed by the Health and Wellbeing Board[i]. However, further guidance from NHS England now states, that the original target of 3.5% cannot be reduced unless there is variance of more than 2% from the local CCG's operational plan. Bedfordshire CCG's operational plan's target for reduction in non – elective admission is 2% net reduction.
22.	Based on actual non-elective activity for 2014/15, which showed an increase in admission in the year, the 3.5% target of 757 reductions now equates to a required reduction of 806 admissions for Central Bedfordshire.
23.	The Health and Wellbeing Board was requested to confirm the total reduction in admission. This was confirmed and submitted on 19 June 2015 under delegated authority to NHS England. Appendix 4

24.	This pay for performance measure is broken down into quarterly targets. For the first quarter of 2015, the target was to maintain the figures for the same period in the previous year (Jan – March 2014); this target was not met and the local healthcare system experienced 607 more non-elective admissions. It is likely that a quarter of the pay for performance on this target will not be released into the pool. The risk sharing agreement is set to mitigate the risk to the pool.
25.	In view of this increase in admissions, an additional programme of work for reducing non-elective admissions was mobilised in April. This is focused on four key areas: Care Homes; Falls; Long Term Conditions and End of Life Care. Each key area has a nominated lead with regular progress monitoring by the BCF Commissioning Board.
	Next steps
26.	• Completion and sign off of Section 75 Agreement on pooled budgets. • Monitoring the impact of key projects for reduction in non-elective admissions • Development of a programme framework for delivery of BCF Schemes aligned to the wider transformation agenda • Convene Health and Social Care Provider Alliance

Issues	
Governance & Delivery	
27.	Progress on the Better Care Fund Plan will be reported to the Health and Wellbeing Board and delivery will be through agreed Joint Commissioning Board and governing boards for partners. The Health and Health Wellbeing board will provide overall assurance and sign off performance monitoring returns.
Financial	
28.	The payment by result element of the BCF may pose a risk to both CBC and the CCG. Risks have been identified as well as mitigating actions which were recorded in the BCF Risk Plan. A risk sharing agreement has been produced and will form part of the S75 agreement. The section 75 agreement is a legal contract that outlines the responsibilities of both the CCG and CBC through the aligned and pooled budget arrangements.

Public Sector Equality Duty (PSED)	
29.	The PSED requires public bodies to consider all individuals when carrying out their day to day work – in shaping policy, in delivering services and in relation to their own employees. It requires public bodies to have due regard to the need to eliminate discrimination, harassment and victimisation, advance equality of opportunity, and foster good relations between in respect of nine protected characteristics; age disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
	Are there any risks issues relating Public Sector Equality Duty Yes/**No**
	If yes – outline the risks and how these would be mitigated

Source Documents	**Location (including url where possible)**

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Presented by Julie Ogley

[i] Health and Wellbeing Board Report 4 April 2015

NHS England Publications Gateway Reference 03001

Department of Health | Department for Communities and Local Government | Local Government Association | NHS England

Better Care Fund Task Force

Better Care Fund:

Guidance for the Operationalisation of the BCF in 2015-16

The Better Care Fund

NHS England Publications Gateway Reference 03001

Contents

PURPOSE

1. This document provides local partners to Better Care Fund plans – Clinical Commissioning Groups (CCGs), Local Authorities (LAs), and Health and Wellbeing Boards (HWBs) – with guidance on the operationalisation of these plans in 2015-16.

2. In particular it sets out:
   - the Care Act legislation underpinning the BCF;
   - the accountability arrangements and flows of funding;
   - the reporting and monitoring requirements for 15-16;
   - arrangements for the operation of the payment for performance framework;
   - how progress against plans will be managed and what the escalation process will look like; and
   - the role of the BCF Task Force / Better Care Support Team going forward.

3. There are a number of annexes that this document should be read alongside, as well as the policy framework[1] for the fund, published by the Department of Health (DH) and Department of Communities and Local Government (DCLG).

4. This guidance has been co-developed across the national organisations on the BCF Task Force with input from Local Authorities and Clinical Commissioning Groups.

LEGAL POWERS FROM THE CARE ACT (2014)

5. Under s.223G of the NHS Act 2006 (as amended most recently by the Care Act 2014), NHS England has the power to set conditions around the payment of funds to CCGs. In relation to the BCF allocation, section 223GA states that this must include a condition that funds are paid into a section 75 pooled fund, and may include (but is not limited to) conditions relating to:

   - the preparation and agreement of a spending plan by the CCG(s) and local authority party to the pooled fund;
   - the approval of the plan by NHS England;
   - the inclusion of performance objectives in a spending plan – i.e. the non-elective admissions reduction target; and
   - the meeting of any performance objectives included in a spending plan or specified by NHS England – i.e. payment proportional to performance as per the BCF Technical Guidance.

6. Where a condition is not met, s.223GA of the NHS Act 2006 (as amended most recently by the Care Act 2014) enables NHS England to:
   - ***withhold the payment*** (insofar as it has not been made);
   - ***recover the payment*** (insofar as it has been made);

[1] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/381848/BCF.pdf

- ***direct the CCG(s) as to the use*** of the designated amount for purposes relating to service integration or for making payments under s.256 of the 2006 Act.

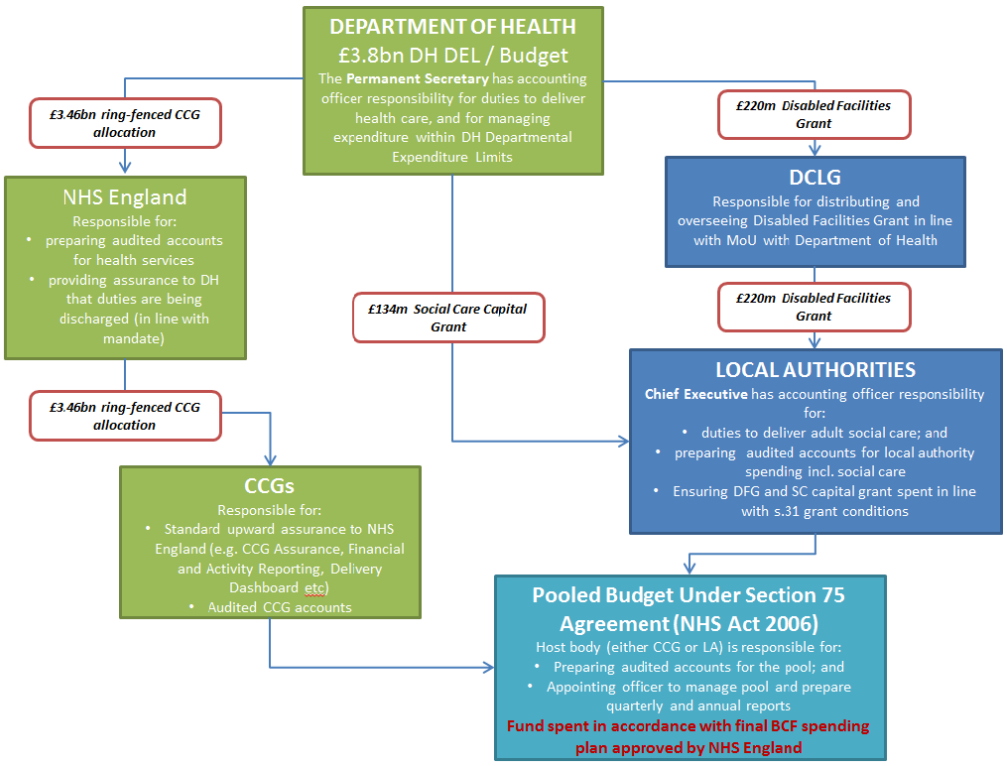
7. The three powers of intervention set out above where a condition is not met apply to the £3.46bn of the BCF that is being routed through CCGs. The powers do not apply to the remaining £354m (social care capital grant and disabled facilities grant) which will be paid by DH and DCLG directly to local authorities under s.31 of the Local Government Act 2003.

8. These powers are only triggered once the Secretary of State for Health uses his powers to include in the mandate a requirement for NHS England to ring-fence some of its funding to fund integration. The mandate for 15/16 was published on 11 December 2014 with the relevant requirements around the BCF.

9. The mandate requires that NHS England consult with the Department of Health and Department for Communities and Local Government before exercising its powers in relation to the failure to meet specified conditions.

ACCOUNTABILITY STRUCTURES AND FUNDING FLOWS IN 15-16

10. One of the recommendations of the 2014 NAO report[2] on the BCF was to develop clear accountability structures for the fund, including how accounting officers will gain assurance on how local areas spend the Fund. Below is a diagram setting out the accountability arrangements and flow of funding for the BCF.



[2] http://www.nao.org.uk/wp-content/uploads/2014/11/Planning-for-the-better-care-fund.pdf

11. In summary, at national level:
    - the full £3.8bn of funding will be part of DH's budget so overall accountability to Parliament will sit with the DH Permanent Secretary;
    - DCLG will retain policy responsibility for the Disabled Facilities Grant (DFG);
    - the NHS England Accounting Officer is accountable for the effective use of the £3.46bn of the fund which constitutes revenue grant;
    - the £3.46bn will pass from NHS England to CCGs through 15/16 allocations, and then from CCGs to pooled budgets (via section 75 agreements);
    - the capital grant monies will flow directly to LAs (from DH for the £134m Adult Social Care Capital Grant and from DH to DCLG and then to LAs for the £220m DFG), and then into the pooled budget via s.75; and
    - the monies will then be spent on services in line with their approved BCF plan.

12. At local level:
    - CCGs (Accountable Officers) will be the accountable body for their share of the £3.46bn of the BCF allocated to them by NHS England (and any additional monies they plan to voluntarily add to the pooled fund), and will be held to account by NHS England for the appropriate use of BCF resources locally; and
    - local authorities (s.151 officers) will be the accountable body, under the terms of their grant agreements, for the £354m of funding that is paid directly to them by DH and DCLG (and any additional monies they plan to voluntarily add to the pooled fund).

13. At a local level, as legal recipients of the funding, CCGs and LAs are the accountable bodies for the respective elements of the BCF allocated to them, and therefore responsible for ensuring the appropriate use of the funds. This means that they retain responsibility for spending decisions and monitoring the proper expenditure of the fund in accordance with the approved plan. At present these tasks cannot be delegated by them to the HWB. However, local authorities may be able to delegate such tasks to the HWB in the future as new regulations broadening the role of HWBs are being consulted upon[3]. LAs should check the DCLG website for progress.

14. HWBs are a valuable forum for stakeholders to come together to review performance of the BCF and consider future work. The expectation is that HWBs will continue to oversee the strategic direction of the BCF and the delivery of better integrated care, as part of their statutory duty to encourage integrated working between commissioners. Given they are a committee of the LA, HWBs are accountable to the LA and ultimately to the LA's electorate. HWBs also have their own statutory duty to help commissioners provide integrated care that must be complied with[4]. Particularly where members of a HWB include providers delivering care that is or could be commissioned under BCF, care will need to be taken to ensure that any conflicts of interest are appropriately dealt with.

[3] https://www.gov.uk/government/consultations/proposed-local-authorities-functions-and-responsibilities-england-regulations-2015

[4] Section 195 of the Health and Social Care Act 2012

15. In terms of operational oversight of the BCF, the regulations[5] governing s.75 agreements require the agreement to set out (amongst other provisions):
    - the arrangements for monitoring the delivery of the services that it covers;
    - who the "host" organisation is that will be responsible for accounting and audit; and
    - who the "pool manager" is that will be responsible for submitting to the partners quarterly reports, and an annual return, about income and expenditure from the pooled fund, and other information by which partners can monitor the effectiveness of the pooled fund arrangements.

16. Therefore, arrangements for monitoring delivery, accounting and audit should be governed by the local s.75 agreement, in addition to the separate reporting and accountability arrangements each partner organisation will have for their share of the funding being pooled.

17. The BCF Task Force released guidance and support[6] for local areas in developing their local s.75 agreements in September which included a template s.75 agreement accompanied by an explanatory memorandum. The explanatory memorandum provides support for local areas considering their local governance and oversight arrangements. Traditionally, s.75 agreements are governed by a partnership board made up of the bodies that are signatories to the agreement. Each of those signatories should be authorised to act on behalf of their employing organisation, so the partnership board is able to make joint decisions.

18. In order for the HWB to review performance of the BCF and consider future work, it would need to have the appropriate information reported to it from a partnership board. HWBs can require CCGs that are represented on the HWB and the LA that established the HWB to provide it with relevant information, for example the quarterly reports and annual report. This can be done under section 199 of the Health & Social Care Act 2012. For the purposes of the BCF, there should be a partnership board with minimum representation across the relevant CCG(s) and LA(s) – many localities will already have a partnership board in place and where this is the case there is no need to set up one specifically for the BCF.

19. ***NHS England recommends to CCGs:***
    - ***that a partnership board is in place to govern the s.75 agreement;***
    - ***that a clause is included in the s.75 agreement that sets out what information should be included in the host partner's quarterly reports and annual reports to ensure the ability to monitor the effectiveness of the pooled fund arrangements and provide assurance to NHS England as to the appropriate use of the fund (this is explained in more detail in the next section with template reports); and***
    - ***that a clause is included to ensure the quarterly reports and annual returns are signed off by the HWB.***

[5] NHS Bodies and Local Authorities Partnership Agreements Regulations 2000

[6] http://www.england.nhs.uk/ourwork/part-rel/transformation-fund/bcf-plan/risk-sharing/

REPORTING AND MONITORING IN 15-16

20. The BCF will be embedded into business as usual processes in NHS England for planning, performance monitoring, assurance, and performance management[7] as far as possible. However, on the most part, this will be at CCG level rather than HWB level.

21. As previously agreed, and reflected in the assurance outcome letters, every CCG will have the following standard conditions on its BCF funding using powers under s.223G of the NHS Act 2006:
    - The fund being used in accordance with their final approved plan and through a section 75 pooled budget agreement; and
    - The full value of the element of the fund linked to non-elective admissions reduction target will be paid over to CCGs at the start of the financial year. However, CCGs may only release the full value of this funding into the pool if the admissions reduction target is met as detailed in the BCF Technical Guidance[8]. If the target is not met, the CCG(s) may only release into the pool a part of that funding proportionate to the partial achievement of the target. Any part of this funding that is not released into the pool due to the target not being met must be dealt with in accordance with NHS England requirements. Full details are set out in the BCF Technical Guidance.

22. As part of the enforcement of the first condition, NHS England can require CCGs to:
    - explain the governance arrangements they have in place; and
    - report on spending and provide evidence that it has been spent in a particular way (in accordance with their approved plan).

23. As part of the enforcement of the payment for performance condition, NHS England can require CCGs to report on their non-elective admissions, how much money has been released into the pooled fund, and if any element has been held back (in accordance with the technical guidance) what that has been spent on. Contained in annex 1 is a summary of the guidance, including information on the baseline, data source, and dates of performance and related payment. ***This information should be included in the quarterly reports and annual reports, and the s. 75 agreement should require it.***

24. The size of the final Payment for Performance pot linked to the non-elective admissions reduction ambition is likely to change from the figures reported in October in the NCAR meta-analysis[9] for the following reasons:
    - Updated baseline data to reflect actual performance for Q1-3 in 14/15, and any changes to Q4 2013/14 figures resulting from 12 month routine data revisions in MAR (Monthly Activity Return);

[7] Such as: NHS England Board Performance Report, Regional Operations and Delivery Directors report, Delivery Dashboard, Finance and Activity Report, CCG Assurance Framework

[8] http://www.england.nhs.uk/wp-content/uploads/2014/08/bcf-technical-guidance-v2.pdf

[9] http://www.england.nhs.uk/wp-content/uploads/2014/11/bcf-ncar-results-analysis.pdf

- areas who were 'approved with support', 'approved subject to conditions' or 'not approved' may have had an action on the back of their NCAR review requiring them to resubmit a revised plan with an amended non-elective admissions ambition; and
- any changes to targets agreed and approved in line with the further guidance on alignment of BCF targets with operational plan targets set out in the Payment for Performance section below.

25. An analytical tool has been published on the Better Care Fund webpage, which aims to support areas understand the impact of the revised baseline on their non-elective admissions plan, the resulting impact on the size of the payment for performance pot, and therefore the balancing minimum required amount to be invested in NHS commissioned out of hospital services. The tool will also help areas considering reviewing their BCF non-elective admissions target as part of the NHS operational planning process.

26. If there are any disputes locally between CCG(s) and LA(s) regarding the non-elective admission ambition and payment for performance, this should be managed locally and you should refer to your risk sharing agreement agreed as part of your BCF plan. If the dispute cannot be resolved locally, please then refer to your relevant NHS England sub-region, and Local Government regional peers for assistance. If there are any disagreements on data issues, this should be handled through the usual MAR revisions process.

27. The Better Care Fund Task Force has produced standard reports that will fulfil both local reporting obligations and the minimum national reporting obligations against the key requirements and conditions of the Fund. The standard reports aim to fulfil both the quarterly reporting and annual reporting requirements referred to earlier in this guidance document under the s.75 regulations. Using the standardised reports ensures there is a mechanism in place to monitor the totality of the fund at HWB level, i.e. the planning footprint of the BCF.

28. ***The joint BCF Task Force ask CCGs and LAs to use the quarterly reporting template (example contained in annex 2), as well as an annual reporting template which is currently in development and will be released in due course. The template covers reporting on: income and expenditure, payment for performance, the supporting metrics, and the national conditions. It is suggested that these reports are discussed and signed-off by HWBs given their lead role in the BCF as part of discharging their duty under s.195 of the Health and Social Care Act (2012) to encourage commissioners to provide health and social care services in an integrated manner***[10]. ***Furthermore, NHS England recommends to CCGs that this approach is built into their local s.75 agreements, and require CCGs to report back on this which should also include confirmation that the HWB has signed it off.***

[10] Section 95 of the Health & Social Care Act 2012

29. The draft Year-End reporting guidance and an annual report template is in development across NHS England and LGA, and will build on the quarterly reporting. There are some outstanding queries around accounting and audit being worked through before these can be finalised and issued. Once finalised the template and guidance will be available on the Better Care Fund webpage.

PAYMENT FOR PERFORMANCE

30. As detailed in the quarterly reporting template and guidance in annex 1, the reports are due for submission at 5 points in the year:

    - 29 May 2015 – for the period January to March 2015
    - 28 August 2015 – for the period April to June 2015
    - 27 November 2015 – for the period July to September 2015
    - 26 February 2016 – for the period October – December 2015
    - 27 May 2016 – for the period January – March 2016

31. The reason the reporting commences from January 2015, is due to the baseline for the quarterly Payment for Performance schedule, linked to the non-elective admissions ambition. This is detailed in the BCF planning guidance and technical guidance published in the summer of 2014, and summarised in annex 1.

32. We understand that Health and Wellbeing Boards may wish to consider the alignment of BCF targets with the planning assumptions included in final CCG operational plans. In some cases, differences might arise when a broad range of planning factors are taken into account, including:

    - actual performance in the year to date, particularly through the winter;
    - the actual outturn for 2014/15; or
    - progress with contract negotiations with providers.

33. BCF plans should continue to represent ambitious stretch targets that aim to accelerate progress on reducing non-elective admissions. It is therefore expected that the target included in the BCF plan may be higher than operational planning assumptions. A difference between these does not mean that the BCF target needs to be amended.

34. However, Health and Wellbeing Boards may feel that the emergence of large differences begins to affect the credibility of the BCF ambition. In these circumstances they may wish to amend the BCF target to more closely align with the CCG operational plan. If so we expect that:

    - there will be no change to the targets included in BCF plans where these are within 2 percentage points of assumptions in operational plans. For example, where the BCF target is for a 4% reduction in non-elective admissions, provided the operational plan target is for a 2% (or greater) reduction, the BCF target

should not change. In these HWB areas there will be no further central plan review and assurance; and

- where the target in BCF plans is greater than 2 percentage points away from assumptions in operational plans (for example a BCF target of 6% and an operational plan target of 1%), the HWB may, at its discretion, amend the BCF target where it believes this change is required to ensure it remains credible and realistic. Any changes will need to be agreed by the HWB and will be subject to approval by NHS England (in consultation with Ministers).

35. Any review or change to BCF targets around non-elective admissions should be undertaken within the partnership approach underpinning local BCF planning and agreed by the HWB.

36. If, through this process, the planned level of improvement is reduced the HWB must also approve a balancing increase in the amount to be invested in NHS commissioned out-of-hospital services, in line with the BCF planning guidance (unless that level of investment already exceeds the required minimum). Where any balancing increase is necessary, HWBs will need to ensure that this change does not impact on their ability to meet the national BCF conditions, in particular on the protection of social care. NHS England will be seeking assurance on this point as part of the approval process of any proposed changes to BCF targets.

37. The payment for performance element of the Fund will be linked to the performance of local areas in reducing non-elective admissions in line with the trajectory agreed in their BCF plan. This performance element of the Fund will be paid by CCGs into the pooled fund in four quarterly instalments, and payment will be proportionate to actual performance (as per annex 1). The first of these will be made in May 2015, based on performance in the fourth quarter of 2014/15. The first quarterly performance target will continue to be based on the trajectory for improvement set out in the BCF plan approved in October (or approved subsequently for plans initially not approved or approved subject to conditions). Any amendments which are approved to targets as a result of the process set out above will only affect the three remaining quarterly targets.

38. The nominal payment for performance sum will be equivalent to the number of reduced non-elective admissions in the BCF target paid at tariff, and an analytical tool has been published on the Better Care Fund website to help areas calculate the sum (and update the figure following final baseline data and any changes to targets agreed and approved by NHS England as set out above). The actual payment will be dependent on the actual level of reduction achieved.

39. Each CCG will be expected to have budgeted for a payment for performance sum consistent with the operating plan reduction in admissions. Where the BCF plan includes a greater level of reduction, and where this reduction is achieved, CCGs will need to ensure that their contracts are sufficiently sophisticated and granular to

ensure that where the stretch target is achieved, the money is available for payment for performance in line with the BCF plan.

40. Where contracts with acute providers are based on a marginal rate rather than full tariff the source of funding for the resulting payment will be as follows:

- a reduction in payment to acute provider at the agreed marginal rate; and
- the balance to full tariff which is currently withheld by the CCG and used for investment in services to relieve pressure on A&E services by the System Resilience Group (SRG). Any such money must not be committed beyond the date at which it would need to be released into the payment for performance pot unless there is express prior agreement of all parties through the Health and Wellbeing Board that this investment would be deemed a suitable use of the payment for performance pot and as such could continue to be invested in that scheme as part of the performance reward.

BETTER CARE SUPPORT TEAM IN 15-16

41. A joint Better Care Support Team with representation across NHS England, LGA, DH and DCLG will continue into 15-16 and will focus on the below, working through the NHS England and Local Government Regions:

- Supporting local areas with the implementation of their BCF plans;
- Monitoring progress with the delivery of plans through the quarterly and annual reporting processes set out in this document;
- supporting the performance management and escalation processes for the BCF, including the enactment of Care Act powers where relevant; and
- reporting progress to the national BCF Programme Board and Cross-Ministerial Board.

MANAGING PROGRESS AND WHAT THE ESCALATION PROCESS WILL LOOK LIKE

42. Performance management for the BCF will be led by NHS England and the local government regions, with the joint Better Care Support Team providing support and advice. Working with the Better Care Support Team, NHS England and the Local Government regions will monitor progress against plans from the quarterly monitoring process described above, and will determine whether areas are continuing to meet the standard conditions of the Fund as detailed in the BCF plan assurance letters:
    1. That the Fund is pooled under a s.75 agreement
    2. That the Fund is used in accordance with their final approved plan
    3. That they continue to meet the requirements around the payment for performance framework

43. In addition to the standard conditions of the Fund above, the NHS England and Local Government regions will work with the Better Care Support Team to monitor progress around the delivery of the national conditions. The national conditions were a key focus of the Nationally Consistent Assurance Review (NCAR) process. Areas will have been approved on the basis of having a satisfactory plan to achieve the national conditions – as access to the funds was conditional upon the plan satisfactorily meeting the national conditions.

44. If an area fails to meet any of the standard conditions of the Fund, including if the funds are not being spent in accordance with the plan with the result that delivery of the national conditions is jeopardised, the Better Care Support Team may make a recommendation to NHS England that they should initiate an escalation process. The key steps of the escalation process are detailed below – with the main principle being that intervention should be appropriate to the risk identified. The process ultimately leads to the ability for NHS England to use its powers of intervention provided by the Care Act legislation, in consultation with DH and DCLG as the last resort. Note that the quarterly reporting templates allow for any variation in spending from the plan to be explained.

45. The below table sets out the proposed escalation process which will normally be initiated if any of the conditions of the Fund are not met following the return of the quarterly reports. The Better Care Support Team will support this process, making recommendations to NHS England for decision where necessary. The process may be adapted to accommodate local circumstances. Local stakeholders will be notified if this is the case. It may also be updated to reflect learning from experience.

1 – Assurance meeting	The assurance meeting is the opportunity to use national and local insight to drive a discussion about areas of concern. It would be the first formal opportunity to raise concerns. It is expected that in line with the principle of 'no surprises', issues will have been raised through ongoing relationships via Regions, Area Teams and local government regional peers. The meeting would be an opportunity to discuss the concerns and agree actions and next steps, including whether support is required.
2 – Formal letter and clarification of agreed actions	The CCG(s) will be issued with a letter summarising the assurance meeting and clarifying the next steps agreed, timescales, and how this will be monitored and by whom. If support was requested by the CCG(s), an update on what support will be made available to them will be included. This may be support from regional or national teams.
3 – Regular monitoring of agreed actions	The agreed actions will be monitored by a named point of contact to track progress.
4 – Consideration of intervention options	If it is found that the concern is so deep set or serious (or the agreed actions do not take place satisfactorily) that intervention may be appropriate, then the

	implications of doing so will be considered carefully. The principle must be that the consequences of the intervention action for patients is at the very least no worse than the status quo of not intervening.
5 – Regional and national consistency	It will be important to ensure that peer review is sought through the assurance consistency process to ensure that the rationale for intervention is robust.
6 – Consultation with ministers	NHS England consults with DH and DCLG in accordance with the 2015/16 Mandate
7 – Summary report and directions drafted for committee approval	Finally, the relevant evidence and legal wording needs to be submitted to NHS England's Assurance and Development Committee for consideration. Once approved the documentation, including any directions, will be passed to the Chief Executive for signature.

ANNEXES

Annex 1 – Summary of Payment for Performance Guidance

Annex 2 – Example Quarterly Report Template and Guidance

ANNEX 1 – SUMMARY OF PAYMENT FOR PERFORMANCE GUIDANCE

1. The performance-related funding will be made on the basis of performance over the final quarter of 2014/15 and the first three quarters of 2015/16, against the trajectory as set out in the plans. HWBs are therefore required to set an annual target (from Q4 2014/15 until end of Q3 2015/16), with quarterly milestones, in the finance and activity plan template.

2. Assessments of how suitable the locally set targets are will be made by HWBs and through the NCAR assurance process. Payments will be made in arrears as set out below:
   - May 2015 (based on Q4 2014/15 performance)
   - August 2015 (based on Q1 2015/16 performance)
   - November 2015 (based on Q2 2015/16 performance)
   - February 2016 (based on Q3 2015/16 performance)

3. At each 'payment point', CCGs will release money into the BCF pooled fund on the basis of performance to date, against plan. Each quarterly payment will be proportionate to the level of improvement achieved so far (calculated as a proportion of the planned full-year reduction against the baseline). The relationship between payment and progress toward target will be directly linear (e.g. achieving 30% of the target will release 30% of the funding). There will be no additional payment for performing beyond the target.

4. The steps to calculating the quarterly payment are:

   a. take the cumulative activity reduction against the baseline at quarter end and divide it by the cumulative Q3 2015/16 target reduction;
   b. multiply that by the size of the performance pot available; and
   c. subtract any performance payments made for the year to date.

5. The minimum payment in a quarter is £0 (there will not be a negative payment or 'claw back' mechanism) and the maximum paid out by the end of each quarter cannot exceed the planned cumulative performance pot available for release each quarter.

6. Although we are asking areas to plan on the basis of the baseline being actual Q4 13/14 outturn, and planned Q1, Q2, Q3 14/15 outturn, for the purposes of assessing performance in 15/16, for quarters 1-3 in 14/15 areas will be assessed against their actual outturn. Through the technical guidance we asked areas to ensure any financial risk associated with this is managed appropriately and articulated in plans.

7. The data source for non-elective admissions data is Monthly Activity Returns (MAR) data. For the 15/16 planning round, both MAR and SUS (Secondary Uses Service) data will be collected with the aim that these data sources should begin to align.

ANNEX 2 – EXAMPLE HWB QUARTERLY REPORTING TEMPLATE

1. The example quarterly reporting template (attached as a spreadsheet) is to provide local areas with an early indication of what the report will cover.

2. The actual quarterly reporting templates will be accessible via the UNIFY system as soon as the MAR data has been released for each relevant quarter.

3. The template in UNIFY will pre-populate the baseline data and actual performance data at each quarter.

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Appendix 2

Title:	**Central Bedfordshire BCF Commissioning Board.**
DRAFT	**Terms of Reference**

Accountable to:	Central Bedfordshire Health & Wellbeing Board.

How is accountability demonstrated:	The Central Bedfordshire BCF Commissioning Board Chair and Vice Chair are both members of the Central Bedfordshire Health & Wellbeing Board.

Purpose and key tasks:	The key purpose of the BCF Commissioning Board is to provide system wide leadership and accountability for delivery of integration within the Central Bedfordshire health and care economy. The Board will implement the vision and direction for integrated care as set out in the Better Care Fund Plan. This will be achieved by: • Developing a health and social care system which commissions and provides different models of integration through innovation and transformation, optimising opportunities to integrate commissioning and service delivery. • Maintaining oversight of the strategic initiatives identified to improve services within the Council and CCG's Commissioning Strategies. • Ensuring the progress of projects within the Better Care Fund Plan are consistent with the joint Health and Wellbeing Strategy and the statutory duties of the commissioning organisations. • Providing expert advice and guidance to the Health and Wellbeing Board and seek its support in achieving rapid and dynamic change. • Taking an economy- wide approach to managing difficult issues and where appropriate to maximise freedoms and flexibilities available to challenge the system where barriers exist and seek solutions at the necessary level. • Having oversight of the total NHS and Local Authority resources, and pooled budget and directing those resources to support integration as required. • Engaging with the Provider Alliance to implement the BCF Plan and understand its impact on providers.. • Overseeing and supporting organisational development and a culture change to deliver integration, innovation and transformation. • Informing business planning processes of partner organisations through a system wide understanding of risks and opportunities identified. • Considering the capacity and capability required – in house and/or procured for the purpose – to develop and deliver the BCF Plan and associated service transformation.

Appendix 2

Chair:	Julie Ogley	Director of Social Care, Health & Housing
Deputy Chair:	Nick Robinson	Accountable Officer, BCCG
	Dr Alvin Low	Chair of Ivel Valley Locality Board
	Dr Chris Marshall	Chair of Leighton Buzzard Locality Board
	Emma Barter	Chair of West Mid Beds Locality Board
	Dr Bruce Ella	Chair of Chiltern Vale Locality Board
	Dr William Hollington	BCF Locality Lead
	Alison Lathwell	Interim Director of Strategy & System Redesign,BCCG
	Tom Wilson	Director of Contracting and Performance, BCCG
	Simon Holden	Interim Chief Finance Officer , BCCG
	Dr Judy Baxter	Clinical Director, BCCG
	Nick Murley	AD Resources CBC

Responsibilities:	The Chair will take responsibility for confirming the agenda of each meeting and ensuring the required administrative support is provided. The Chair will take responsibility for briefing the Central Bedfordshire Health Well Being Board. CCG representatives to brief their Executive Team and Board and seek approval for decisions. Council representatives to brief Lead Council Members and Director and seek approval for decisions. All representatives to provide a decision making deputy when unable to attend Board meetings. The Chair is has sole authority for the membership of the Board.

Quorum:	50% of members. For decisions requiring a vote of the Board, each member will have one vote. In the event of an equality of voting the Chair should have a second, casting vote.

Frequency of meetings:	Board meetings will be held every two months, with any changes to frequency to be agreed by the members.

Review of Terms of Reference:	These Terms of Reference will be formally reviewed three months after formal adoption by the BCF Commissioning Board and subsequently on an annual basis. Review Due: October 2015

Quarterly Reporting Template - Guidance

Notes for Completion

The data collection template requires the Health & Wellbeing Board to track through the high level metrics from the Health

The completed return will require sign off by the Health & Wellbeing Board.

A completed return must be submitted to the Better Care Support Team inbox (england.bettercaresupport@nhs.net) by

This initial Q4 Excel data collection template focuses on the allocation, budget arrangments and national conditions. Details on future data collection requirements and mechanisms (including possible use of Unify 2) will be announced ahead of the

To accompany the quarterly data collection we will require the Health & Wellbeing Board to submit a written narrative that contains any additional information you feel is appropriate including explanation of any material variances against the plan

Content

The data collection template consists of 4 sheets:

1) Cover Sheet - this includes basic details and question completion
2) A&B - this tracks through the funding and spend for the Health & Wellbeing Board and the expected level of benefits
3) National Conditions - checklist against the national conditions as set out in the Spending Review.
4) Narrative - please provide a written narrative
To note - Yellow cells require input, blue cells do not.

1) Cover Sheet

On the cover sheet please enter the following information:
The Health and Well Being Board
Who has completed the report, email and contact number in case any queries arise
Please detail who has signed off the report on behalf of the Health and Well Being Board.

Question completion tracks the number of questions that have been completed, when all the questions in each section of the template have been completed the cell will turn green. Only when all 4 cells are green should the template be sent to

2) A&B

This requires 4 questions to be answered. Please answer as at the time of completion.
Has the Local Authority recived their share of the Disabled Facilites Grant (DFG)?
If the answer to the above is 'No' please indicate when this will happen.
Have the funds been pooled via a s.75 pooled budget arrangement in line with the agreed plan?
If the answer to the above is 'No' please indicate when this will happen

3) National Conditions

This section requires the Health & Wellbeing Board to confirm whether the six national conditions detailed in the Better Care Fund Planning Guidance are still on track for delivery (http://www.england.nhs.uk/ourwork/part-rel/transformation-

It sets out the six conditions and requires the Health & Wellbeing Board to confirm 'Yes', 'No' and 'No - In Progress' that these are on track. If 'No' or 'No - In Progress' is selected please detail in the comments box what the issues are and the 'No - In Progress' should be used when a condition has not been fully met but work is underway to achieve it by 31 March
Full details of the conditions are detailed at the bottom of the page.

4) Narrative

To accompany the quarterly data collection we will require the Health & Wellbeing Board to submit a written narrative that contains any additional information you feel is appropriate to support the return including explanation of any material variances against the plan and associated performance trajectory that was approved by NHS England.

Cover and Basic Details
Q4 2014/15

Health and Well Being Board	Central Bedfordshire

completed by:	Patricia Coker
e-mail:	patricia.coker@centralbedfordshire.gov.uk
contact number:	0300 300 5521
Who has signed off the report on behalf of the Health and Well Being Board:	Julie Ogley, Director of Social Care, Health & Housing; Nick Robinson.

Question Completion - when all questions have been answered and the validation boxes below have turned green you should send the template to england.bettercaresupport@nhs.net saving the file as 'Name HWB.xls' for example 'County Durham HWB.xls'

	No. of questions answered
1. Cover	5
2. A&B	4
3. National Conditions	16
4. Narrative	1

Selected Health and Well Being Board:

Central Bedfordshire

Data Submission Period:

Q4 2014/15

Allocation and budget arrangements

Has the housing authority received its DFG allocation?	Yes
If the answer to the above is 'No' please indicate when this will happen	dd/mm/yy
Have the funds been pooled via a s.75 pooled budget arrangement in line with the agreed plan?	No
If the answer to the above is 'No' please indicate when this will happen	31/07/2015

Selected Health and Well Being Board:

Central Bedfordshire

Data Submission Period:

Q4 2014/15

National Conditions

The Spending Round established six national conditions for access to the Fund.
Please confirm by selecting 'Yes', 'No' or 'No - In Progress' against the relevant condition as to whether these are on track as per your final BCF plan.
Further details on the conditions are specified below.
If 'No' or 'No - In Progress' is selected for any of the conditions please include a comment in the box to the right

Condition	Please Select (Yes, No or No - In Progress)	Comment
1) Are the plans still jointly agreed?	Yes	
2) Are Social Care Services (not spending) being protected?	Yes	
3) Are the 7 day services to support patients being discharged and prevent unnecessary admission at weekends in place and delivering?	Yes	
4) In respect of data sharing - confirm that:		
i) Is the NHS Number being used as the primary identifier for health and care services?	Yes	
ii) Are you pursuing open APIs (i.e. systems that speak to each other)?	Yes	
iii) Are the appropriate Information Governance controls in place for information sharing in line with Caldicott 2?	Yes	The CCG is Caldicott 2 compliant. CBC is compliant with NHS Information Governance toolkit. Information sharing protocols are already in place.
5) Is a joint approach to assessments and care planning taking place and where funding is being used for integrated packages of care, is there an accountable professional?	Yes	
6) Is an agreement on the consequential impact of changes in the acute sector in place?	No - In Progress	Consequential impact extends beyond Acute providers therefore wider piece of work has commenced with community services and other non-acute providers.

National conditions - Guidance

The Spending Round established six national conditions for access to the Fund:

1) Plans to be jointly agreed

The Better Care Fund Plan, covering a minimum of the pooled fund specified in the Spending Round, and potentially extending to the totality of the health and care spend in the Health and Wellbeing Board area, should be signed off by the Health and Wellbeing Board itself, and by the constituent Councils and Clinical Commissioning Groups. In agreeing the plan, CCGs and councils should engage with all providers likely to be affected by the use of the fund in order to achieve the best outcomes for local people. They should develop a shared view of the future shape of services. This should include an assessment of future capacity and workforce requirements across the system. The implications for local providers should be set out clearly for Health and Wellbeing Boards so that their agreement for the deployment of the fund includes recognition of the service change consequences.

2) Protection for social care services (not spending)
Local areas must include an explanation of how local adult social care services will be protected within their plans. The definition of protecting services is to be agreed locally. It should be consistent with 2012 Department of Health guidance to NHS England on the funding transfer from the NHS to social care in 2013/14: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/213223/Funding-transfer-from-the-NHS-to-social-care-in-2013-14.pdf

3) As part of agreed local plans, 7-day services in health and social care to support patients being discharged and prevent unnecessary admissions at weekends
Local areas are asked to confirm how their plans will provide 7-day services to support patients being discharged and prevent unnecessary admissions at weekends. If they are not able to provide such plans, they must explain why. There will not be a nationally defined level of 7-day services to be provided. This will be for local determination and agreement. There is clear evidence that many patients are not discharged from hospital at weekends when they are clinically fit to be discharged because the supporting services are not available to facilitate it. The recent national review of urgent and emergency care sponsored by Sir Bruce Keogh for NHS England provided guidance on establishing effective 7-day services within existing resources.

4) Better data sharing between health and social care, based on the NHS number
The safe, secure sharing of data in the best interests of people who use care and support is essential to the provision of safe, seamless care. The use of the NHS number as a primary identifier is an important element of this, as is progress towards systems and processes that allow the safe and timely sharing of information. It is also vital that the right cultures, behaviours and leadership are demonstrated locally, fostering a culture of secure, lawful and appropriate sharing of data to support better care.
Local areas should:
• confirm that they are using the NHS Number as the primary identifier for health and care services, and if they are not, when they plan to;
• confirm that they are pursuing open APIs (i.e. systems that speak to each other); and
• ensure they have the appropriate Information Governance controls in place for information sharing in line with Caldicott 2, and if not, when they plan for it to be in place.
NHS England has already produced guidance that relates to both of these areas. (It is recognised that progress on this issue will require the resolution of some Information Governance issues by DH).

5) Ensure a joint approach to assessments and care planning and ensure that, where funding is used for integrated packages of care, there will be an accountable professional

Local areas should identify which proportion of their population will be receiving case management and a lead accountable professional, and which proportions will be receiving self-management help - following the principles of person-centred care planning. Dementia services will be a particularly important priority for better integrated health and social care services, supported by accountable professionals. The Government has set out an ambition in the Mandate that GPs should be accountable for co-ordinating patient-centred care for older people and those with complex needs.

6) Agreement on the consequential impact of changes in the acute sector
Local areas should identify, provider-by-provider, what the impact will be in their local area, including if the impact goes beyond the acute sector. Assurance will also be sought on public and patient and service user engagement in this planning, as well as plans for political buy-in. Ministers have indicated that, in line with the Mandate requirements on achieving parity of esteem for mental health, plans must not have a negative impact on the level and quality of mental health services.

Selected Health and Well Being Board:

Central Bedfordshire

Data Submission Period:

Q4 2014/15

Narrative	remaining characters	31,240

Please provide any additional information you feel is appropriate to support the return including explanation of any material variances against the plan and associated performance trajectory that was approved by NHS England.

Key Issues:
Prevailing and challenging issues of leadership, finance pressures, capacity and engagement within our local health and care system.
Key partner in the BCF plan, Bedfordshire Clinical Commissioning Group, is facing important financial and organisational challenges. This includes a change in leadership and rapid turnover of personnel who have been involved in the BCF.

The CCG's current focus is on its financial recovery which naturally has implications for wider joint investments in transformation. A joint workshop to reframe the local vision in response to the financial challenges and co-produce a future strategic direction was held with the CCG and commitment to the shared vision and joint plans re-established.

The current uncertainty around the future for the community health services contract is considered to be a significant barrier to developing joint working and integrated approaches to primary and community based services. Creating a shift to out of hospital care and early intervention and prevention through multidisciplinary working is central to our Better Care Fund Plan. Our current community services provider has been slow to engage with local transformation plans however some progress on joint working has been made more recently and mutidisciplinary working in primary care is now being developed.

Due to the limitations outlined, capacity to fully deliver the BCF plan may be at risk, however joint working to explore all options available to us is underway.

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	Baseline - Non-Elective Activity					Revised HWB Plans - Non-Elective Activity							HWB Plans - P4P Values £'000					RETURN TO BE COMPLETED						
HWB Name	13-14 Q4	14-15 Q1	14-15 Q2	14-15 Q3	Baseline Total	14-15 Q4 revised	15-16 Q1 revised	15-16 Q2 revised	15-16 Q3 revised	Total	NEL target	% Change	Q4 14-15 payment	Q1 15-16 payment	Q2 15-16 payment	Q4 15-16 payment	Total	NEL target correct?	% change correct?	Incorrect NEL data replaced?	Signed off by HWB?	P4P values correct?	Incorrect P4P data replaced?	Additional comments
Central Bedfordshire	5,434	5,708	5,615	6,232	**22,989**	5,434	5,478	5,385	5,886	**22,183**	806	3.5%	0	342,700.0	342,700.0	515,540.0	**1,200,940.0**	Incorrect	Correct	Yes	Yes	Incorrect	Yes	Data in columns B-F have been amended to reflect actual activity.

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