

## Combined Health and Wellbeing Board and Surrey Heartlands Integrated Care Partnership Meeting Paper – Formal (public)

### 1. Reference Information

Paper tracking information	
<b>Title:</b>	<b>Better Care Fund (BCF) Update</b>
<b>HWB/IC Strategy priority populations:</b>	All
<b>Assessed need; link to HWB Strategy Priority - 1, 2 and/or 3/ IC Strategy Ambition 1 and/or 2:</b>	All
<b>HWB/IC Strategy Outcome: People’s basic needs are met</b>	The Better Care Fund is a national scheme that encourages health and social care services to work together more closely to support the health and wellbeing of residents.
<b>Other HWB/IC Strategy Outcome(s):</b>	All outcomes
<b>HWB/IC Strategy Principles for Working with Communities</b>	<ul style="list-style-type: none"> <li>• Community capacity building: 'Building trust and relationships'</li> <li>• Co-designing: 'Deciding together'</li> <li>• Co-producing: 'Delivering together'</li> <li>• Community-led action: 'Communities leading, with support when they need it'</li> </ul>
<b>Interventions for reducing health inequalities</b>	<ul style="list-style-type: none"> <li>• Civic/System Level interventions</li> <li>• Service-based interventions</li> <li>• Community Led interventions</li> </ul>
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<b>HWB/ICP meeting date:</b>	19 March 2025
<b>Related HWB/ICP papers:</b>	BCF Paper HWB 18 <sup>th</sup> September 2024
<b>Annexes/Appendices:</b>	N/A

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## 2. Executive summary

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The Board are asked to note this progress update to the paper that was discussed at HWB in September 2024 regarding the Surrey 2023-25 Better Care Fund (BCF) Plan. The BCF Policy Framework sets out the Government's priorities including improving discharge, reducing the pressure on urgent and emergency care and social care, supporting intermediate care, unpaid carers, and housing adaptations. A key aim of the BCF has always been to support the Local Authority to deliver its Care Act duties and to protect those components of Adult Social Care that support the national BCF priority areas. The BCF is also used to protect some health and voluntary sector services. The Adult Social Care Discharge Fund was incorporated into the BCF Plan for the first time in 2023/24. The BCF Plan covering 2023-25 is now coming to an end and planning has been released for 2025/26 by NHS England. The objectives of the 2025/26 BCF reflect the government's commitment to reform via a shift from sickness to prevention and from hospital to home.

This paper is written in the context of 2025/26 being a transition year as we await the new government's 10-year NHS Plan in the summer, introduce new thematic leadership arrangements in SHICB and as Surrey County Council moves toward Local Government Reorganisation. We also anticipate further changes in BCF from 2026/27, accordingly we are committing senior officer resources to ensuring that we are in the strongest position possible for this year and as prepared as we can be in responding to future requirements when they become clear.

This paper provides a general update to the Board, with the two key outcomes remaining the same: enabling people to stay well, safe, and independent at home for longer; and providing people with the right care, at the right place, at the right time.

In recognising the complex environment of BCF there is a key alignment to our agreed Joint Transformation across Surrey. Key programs that will align to our national requirements in BCF include our single Surrey offer to Discharge to Assess and Support which focuses on maintaining independence and care in the right place and approach to support local residents. To create a key joint strategic plan for the BCF we are committed to review of all existing contractual arrangements, opportunities to transform and improve data compliance to evidence impact.

## 3. Recommendations

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The Health and Wellbeing Board is asked to:

1. Confirm its support to establish an HWB BCF Partnership Group that is a non-decision-making group where partners can come together and consider offering guidance on priorities, providing oversight of HWB system-wide performance and offer advice on HWB system-wide schemes of work.
2. Confirm its support to review the current investment and prioritisation approach across both health and care to ensure clear commissioning and contractual process, alignment to agreed investment priorities and development of opportunities that can ensure resolution to financial pressures.

3. Confirm its support for relevant HWB system officers to update local approaches and data collection to ensure that Surrey HWB can report to NHS England in relation to the new BCF National Planning Guidance.

#### 4. Reason for Recommendations

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The BCF plan has been developed in collaboration with partners across the system and has been approved through both local and system governance routes. It represents a robust plan for how Surrey BCF money should be spent and the outcomes that we seek to achieve in relation to supporting our population. It is important to have a forum for system leaders to discuss matters relating BCF.

The HWB is obliged to provide regular reports to NHS England to provide assurance regarding BCF. This assurance includes reporting on activity and spend as well as providing narrative. We need to review and update our reporting mechanisms (including sources of data) so that we meet this NHSE requirement.

#### 5. Detail

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The national conditions for the BCF 2023-2025 are:

- a jointly agreed plan between local health and social care commissioners, signed off by the HWB.
- implementing BCF policy objective 1: enabling people to stay well, safe, and independent at home for longer
- implementing BCF policy objective 2: providing the right care, at the right place, at the right time
- maintaining the NHS's contribution to adult social care (in line with the uplift to commissioned out of hospital services)

Since the September 2024 HWB paper, the small, dedicated team leading the BCF across the system have been fully immersed in and involved with the Local Joint Commissioning Groups (LJCGs). Strong relationships are now established with key stakeholders involved in the BCF.

They have been building upon the previous areas of agreement from the February 2024 workshop, and the following progress has been made:

- **Scope** – recognition that we are constrained by the requirement to use BCF to fund core services (social care, health, DFGs) but agreement to take forward work that meets our prevention ambitions.
- **Decision- Making Criteria for BCF Investments** – a framework has been developed and agreed to update governance of Local Joint Commissioning Groups (LJCG) chairs. This includes improved performance monitoring of BCF commissioned improvement areas and local /national BCF target. as well as some core systems to support LJCGs to share and highlight the brilliant work that they are doing. This will also encompass agreeing HWB system-wide priorities with co-chairs of the LJCGs. A BCF Partnership Group has been proposed, that whilst

having no decision-making powers, will be positioned above the LJCGs but below the HWB, so that there is a forum for key partners to discuss BCF related matters at scale. This will be helpful in the space between LJCG (where decisions are made locally) and the HWB (where system-wide decisions are made). This forum will involve LJCG representation, and the aim would be to have HWB system-wide oversight of the BCF to enable easier reporting to HWB.

- **Decision Making Process** – the development of an agreed and consistent approach to how BCF investments are approved, based upon the framework at second bullet point above. This will include HWB oversight of BCF activity and performance which has been incorporated into the LJCGs coordination, involving providers, to showcase examples of good practice. This will be reflected in the agreed and updated S75 agreement. The LJCGs have agreed in principle to a universal application form, which includes the key aspects of business casing. T
- **Funding Decisions** - During the information gathering and baselining process, it has become apparent that there is may be a need to revisit allocations to each of the LJCGs in the HWB. The allocations to each of the LJCGs appear to have been set in 2015, when the BCF was first initiated nationally. As this is now nearly a full decade ago, there has been demographic change within the HWB area. If this process were to occur, there would need to be an examination of the ways to deliver reallocation, and this would include taking papers to several boards for oversight and scrutiny- thus bringing about this change and making it a reality. In addition, in recommending the review of all existing lines of investment opportunities for alignment to both national and local strategic directions can be developed subject to in year contractual positions.
- **S75** – There have been noted issues with underspend and carry forward. Meetings have been held with the Co-Chairs of the LJCGs, and Finance colleagues and an options appraisal has been completed. This will be going to S75 signatories for a decision as to which is the preferred option. This will then result in an updated s75.
- **Reporting** - Reporting has developed further since last HWB update with approximately 50-60% of the 218 BCF funded schemes identified, by provider and with available reports. The ambition is for the learning from this exercise to be incorporated into the governance of the LJCGs. This work is ongoing, and more progress is required.
- **Capacity/Demand Approach** – There has been development in integrated working with Demand and Capacity. ICB partners have committed to ongoing work to establish consistency in demand and capacity reporting across the system, to avoid duplication. There is now a strong network of data analysts and business intelligence within the ICBs and SCC that meets regularly around BCF reporting to NHS England. There are areas of improvement for more accuracy, although nationally this is still an issue. CSU data, and other data sources have been obtained to support this. This will provide assurance that a) our ability to match capacity with demand is robust and based upon local and national evidence and b) enable more radical, innovative services to emerge – such as services that reduce reliance upon a bed-based offers or improve prevention and earlier intervention activity – in line with the prevention agenda.

- **Disabled Facilities Grant (DFG) Work** – there is a separate and on-going project around the DFG. This has involved establishing a SWOT analysis of the service via stakeholder engagement including practitioners, Districts & Boroughs, and residents. This has been undertaken in conjunction with reviewing available reporting. From this there have been several areas of work identified. However, the scope of transformation work/projects will only be known after senior leadership discussions. This work can also aid any potential future DFG unitary frameworks following devolution.

Launched in 2015, the BCF programme established pooled budgets between the NHS and local authorities, aiming to reduce the barriers often created by separate funding streams. The BCF is a combination of contributions from the following areas:

- minimum allocation from integrated care systems (ICSs)
- disabled facilities grant – local authority grant.
- social care funding (improved BCF) – local authority grant
- Adult social care discharge fund

The Surrey HWB Care Fund Pooled Fund includes funding allocated across nine categories of spend. The arrangements for allocation in each of those nine areas is detailed below:

POOLED FUND CATEGORIES	ARRANGEMENTS
Protection of adult social care	Lead Commissioning: funds allocated from the Pooled Fund directly to the Council to manage directly.
Care Act revenue	
Carers	
Health commissioned services	Lead Commissioning: funds allocated from the Pooled Fund directly to the ICB to manage directly.
Continuing investment in Health & Social Care	Lead Commissioning: funds allocated from the Pooled Fund to the Lead Commissioner, as set out in the table in paragraph 8 below, or agreed by the Surrey Heartlands Local Joint Commissioning Group.
Improved Better Care Fund (iBCF)	A specific grant paid directly to the Council for inclusion in the BCF plan as specified in paragraph 6 below.
Adult Social Care Discharge Fund (ASC Discharge Fund)	The fund is pooled into the Better Care Fund and is distributed to areas via the ICB and Council.
Disabled facilities grant (capital)	Funds allocated directly to District / Borough Councils

It is important to continue work in developing a strong focus on implementing a clear Population Health, evidence-based funding approach to BCF services in Surrey. The capacity that is now in place, has made very good progress in establishing an effective support network to refine and streamline the system and governance of Surrey's BCF, with data collation and review being at the core. Development of a core meeting structure, core documentation, reporting and recording has started and will continue in the coming months.

As well as supporting health services, Better Care Fund priorities have always included supporting a prevention approach and the protection of Adult Social Care, allowing it to deliver its Care Act duties and enabling health services in the community – preventing hospital admission. The new national policy guidance for 2025/2026 has recently been released, with the headlines being:

- BCF objectives have changed in wording, but in action are very similar. The wording has changed to support the shift in language by the new government
- Important to note, that whilst the language is all linked to shifts to community, and the Discharge Grant being freed up, we have a new target linked specifically to discharge. So, we will not be able to move all that funding from the purpose of discharge (although, there may be scope on how we do it differently)
- There is a small increase in funding for Disabled Facilities Grants.
- National conditions remain the same.
- Metrics are a mix of new and old. Now there are only three.
- The number of permanent placements into residential care/nursing homes stays in.
- New target regarding all over 65 admissions to hospital.
- New target linked to Discharge Ready Date and delayed discharge from hospital.
- Planning and Demand/Capacity requirements remain the same.
- Oversight has changed- for Health and Wellbeing Boards that are shown to be struggling with metrics, there will be increased support from NHSE and increased monitoring of plans to ensure that they are improving (Surrey is not in this cohort).
- Funding position – the current funding agreement for Surrey's BCF covers the period 2023/24 to 2024/25. Spending in 2024/25 is on track to achieve a balanced end of year BCF position. Funding levels for 2025/26 have been announced with an expected uplift to the ASC minimum of £1.6m. This is £1.4m short of the increase in funding that SCC had anticipated for 2025/26. We intend to look at how we manage this pressure within the AWHP Directorate. We are still working out the position regarding how the national settlement impacts upon the HWB ICBs, but it is likely that there will be budgetary pressures linked to the settlement as uplifts are not as large as in the past.

Having dedicated capacity in place allows any changes to be effectively managed via integrated working, ensuring the best outcome for residents is at the heart of decision making. There has been very positive progress so far, which is foreseen to continue.

This progress should reassure the Board that we are working together to maximise the approach and impact of the BCF and that we – through the BCF Partnership Group will continue to advance the key recommendations that came out of the February 2024 HBB workshop.

## **6. Opportunities/Challenges**

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1. We have identified a financial challenge as above and we will be considering how we manage this pressure within the AWHP Directorate. ICBs are currently working on what the pressure is for them, and how they will manage it.
2. National planning guidance has now been released and the reporting template for next year is available. There is a current challenge around Surrey HWB system reporting on Discharge Ready Date (DRD), but we have already commenced on this with ICB data analysts and Surrey Hospital Trusts. The aim is to continually refine and improve the accuracy of our DRD reporting over the year.
3. We need to agree a new s75 and we will take the opportunity to revise and update the Schedule within this to support all partners better with scrutiny and governance.
4. The BCF in Surrey is vast and complex. We will continue to collate good quality information regarding BCF commissioned services and analyse it. Data collation has been challenging, especially from such a broad number of providers/services and partners, but good progress has been made.
5. There will be an ongoing need to get the right balance between whole Surrey initiatives/framing and warranted local place variation based on specific population needs
6. We will need to be in a position, given the new government's steer on "a shift from sickness to prevention and from hospital to home" to ensure that we have the right balance between admission avoidance and supporting hospital discharge in our BCF investments. LJCGs will be asked to monitor and review this, supported by our BCF managers.

## **7. Timescale and delivery plan**

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The work is 'business as usual' and is ongoing and iterative in nature. This year will involve ensuring that our reporting to NHS England meets their requirements and targets, including providing narrative as appropriate.

## 8. What communications and engagement has happened/needs to happen?

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Has happened:

- Frimley ICB – Nicola Airey, Director of Places and Communities and Jonathan Sly, Associate Director for Places and Communities covering Farnham and Surrey Heath
- Surrey Heartlands ICB – Jo Cogswell, Jane Williams
- Local Joint Commissioning Group Chairs
- SCC Finance – Anja Smith and Andy Wickes
- Public Health – Phillip Austen-Reed
- Governance – Toby Nash

Needs to happen:

- Carers lead – Dr Sue Tresman

## 9. Legal Implications – Monitoring Officer:

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There is a current NHS Act 2006 s75 agreement in place for the Surrey BCF. This expires at the end of March 2025. There will need to be a new s75 in place from April 2025 and this matter has been allocated within legal services to take this work forward.

## 10. Next steps

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- Business as usual quarterly BCF reporting to NHS England
  - Write Surrey HWB BCF Planning Narrative for 2025/26 by end of March 2025
  - Implement agreed changes to S75 from signatories- Prior to April 2025
  - Implement agreed core documents and processes for LJCGs - Prior to April 2025
  - Determine shared priorities for BCF across the HWB
  - Continue improving Demand & Capacity work
  - Improve Discharge Ready Date data across HWB, including consistent interpretation of DRD across HWB
  - Undertake further evaluation of what the national BCF financial settlement means for our HWB and its constituent partners
-