

Better Care Fund Review May, 2022

Introduction

In December 2021 it was agreed to undertake a review of the current Better Care Fund (BCF) programme in order to:

- Review the strategic purpose: are we spending the full BCF amount (~£100m) on the programmes, interventions and services that will make the most difference to the people of Surrey (in the context of national requirements of the programme)?
- Review each item of spend to identify opportunities to reallocate funding, including opportunities to stop or reduce spend, or transfer programmes into 'Business as Usual'
- Develop a strategic framework for allocating future funding, subject to grant conditions.

This review was led by Jon Lillistone (Assistant Director of Commissioning, Adult Social Care) with input from each of the seven Local Joint Commissioning Groups (LJCGs) that currently oversee local allocations of funding, and CCG and SCC Finance leads.

Background

The Better Care Fund (BCF), introduced in the Government's 2013 spending round, is a local, pooled budget that enables integrated working between health, social care, and wider partners. The BCF in Surrey commenced in April 2015 and is underpinned by Section 75 agreements to facilitate jointly commissioned health and social care services.

The BCF is intended to support the council and its health partners to comply with their respective statutory duties while placing people's wellbeing at the centre of health and care services. There are three locally agreed strategic aims of the BCF in Surrey:

- (i) Enabling people to stay well;
- (ii) Enabling people to stay at home; and
- (iii) Enabling people to return home sooner from hospital.

Each year, NHS England (NHSE) publishes BCF guidance and planning requirements, although this was suspended during 2020/21 due to the pandemic. The 2021/22 planning requirements were published in late September 2021, and Surrey's BCF plan set out 206 schemes, including 10 new schemes, to be funded through the BCF, which were expected to impact and help deliver the strategic aims above. The planning framework for 22/23 is expected to be published after local elections in May, with submissions due back in early July. ICBs have been advised to assume a minimum contribution to the BCF and the minimum BCF contribution to social care will rise by 5.66%. It is expected that the new guidance will include

direction that the BCF is used to tackle health inequalities.

Seven Local Joint Commissioning Groups (LJCGs), one for each of the former boundaries of Clinical Commissioning Groups (CCGs) in Surrey, provide a joint commissioning framework for the delivery and implementation of the BCF plan. The remit of LJCGs includes oversight of the performance of schemes. Whilst Surrey Heartlands CCG was created from the merger of four CCGs in 2020, and Frimley CCG was created from the merger of three CCGs from 2021, the LJCGs currently remain across the previous seven boundaries and are valued by their local members for enabling local, place based decisions.

The total pooled BCF budget for 2021/22 was £109m, comprising:

- £10.2m Disabled Facilities Grant from the Ministry of Housing, Communities and Local Government, paid to borough and district councils;
- £80.6m minimum contributions from CCGs;
- £11.0m Improved Better Care Fund, including the Winter Pressures Grant;
- £2.0m additional local authority contribution from SCC; and
- £5.1m additional CCG contribution.

Table 1: How the BCF is spent 21/22

BCF strategic priorities	Boroughs and Districts	CCG	Surrey County Council	Grand Total
BCF Administration			44,400	44,400
Disabled Facilities Grant	10,155,847			10,155,847
Enabling People to Return Home from Hospital Sooner		2,189,746	15,562,071	17,751,817
Enabling People to Stay at Home		922,442	2,070,415	2,992,857
Enabling People to Stay at Home / Enabling People to Return Home sooner from Hospital		25,389,870	24,248,295	49,638,165
Enabling People to Stay Well		2,349,157	12,591,111	14,940,268
Improved BCF			11,073,080	11,073,080
Not analysed		3,405,021		3,405,021
Grand Total	10,155,847	34,256,237	65,589,372	110,001,456

Review Methodology

Interviews were undertaken with each of the Local Joint Commissioning Group chairs in advance of two workshops with ASC and NHS representatives from the LCJGs. In addition, SCC finance undertook some high-level analysis of BCF spend across the seven places. Parallel to this review, SCC have also conducted an internal audit of the BCF programme. The purpose of this audit was to provide assurance that controls are in place to meet the following objectives:

- There are plans in place to ensure BCF spend outcomes align with the LJCGs, Surrey-wide and national priorities;

- A robust governance structure is in place to support good practice across the county; and
- There are effective reporting arrangements in place that promote and enable the sharing of good practice.

The recommendations of this audit are included alongside the other findings of the review.

Findings

Interview themes and issues

The following themes, issues and questions emerged from the 1-1 interviews:

System wide priorities & local flexibility & allocations

- LCJG stakeholders are to keep delegation of BCF at place level as it is one of the most flexible partnership budgets and money will be best utilised if local places can utilise monies as they see fit for their populations.
- The right balance between the national BCF agenda, system priorities and local autonomy could be exercised through clear system wide priorities that aligned at place.
- Allocation of BCF money on any other formula than per capita, for e.g. inequalities, could set an unwanted precedent for future decision-making within and between systems and places.
- Recognition that current per capita allocations might need updating, but will need to manage carefully if this results in significant reduction in any one place.

Accountability & evidence

- Collective accountability of how we spend money is important and we should commit to evidence how we have used resources and the impact they have had.
- We need to collectively hold each other accountable that BCF money is being used to best effect and therefore need to be more robust in evidencing outcomes.

Impact of year-on-year planning

- The year-on-year approach we have taken to funding BCF programmes limits the impact of these programmes, particularly with regards to recruitment. Although this has been driven by the national BCF planning cycle. It is possible to make longer term commitments at risk. This happens in some schemes on an ad-hoc basis (i.e. Community Equipment Service) but we should consider formalising this process across the fund.
- The BCF doesn't just fund schemes, it funds posts and recurrent people that

give us delivery capacity – some places treat it as a recurrent fund and therefore do make long term investments in people. - to commit to recruiting good people we need to be able to offer permanent roles.

Risk

- If we are to commit to longer term funding, then we will need to improve our processes for programmes funded at risk so that we have robust solutions and mitigating actions in place for if funding does need to stop. These risks should be held centrally.

Underspend

- Surrey has often had BCF underspends. This is in part due to national planning processes, but this has been exacerbated during the pandemic.
- While underspends can create capacity for testing new ideas and proof of concept schemes, ideally spend should be fully utilised on the population. That underspend is routine within Surrey's BCF indicates that we are not spending BCF money as efficiently or effectively as we could.

Workshop 1

These themes and issues were used to shape the first workshop discussion, in which participants were asked:

- Are we spending our money on the right things?
- What things must we deliver?
- What would we like to deliver?
- Are there obvious areas in which we should stop spending, spend less or spend more?

Discussion themes

Hospital Discharge

- Hospital discharge will always be an area of focus in national guidance
- BCF is likely to be the only dedicated funding stream
- There are likely to be significant budget pressures with Discharge to Assess, so it will be important to ensure sufficient BCF funding is available.

Local vs system-wide decision-making

- Some LCJGs use BCF for innovative grant funding. This sits best at a local level.
- BCF is the only joint funding source that enables local collaborative/partnership innovation.
- Reducing the amount available locally (i.e., undertaking more Surrey-wide commissioning) will limit innovation at place.

Core funding

- In Adult Social Care, a lot of BCF money is used as core funding. Any withdrawal of these funds would put programmes at risk unless other funding sources could be identified.
- In some places, BCF monies underpin long-established and highly effective system working. Identifying alternate sources of funding would be challenging.

Districts and Boroughs

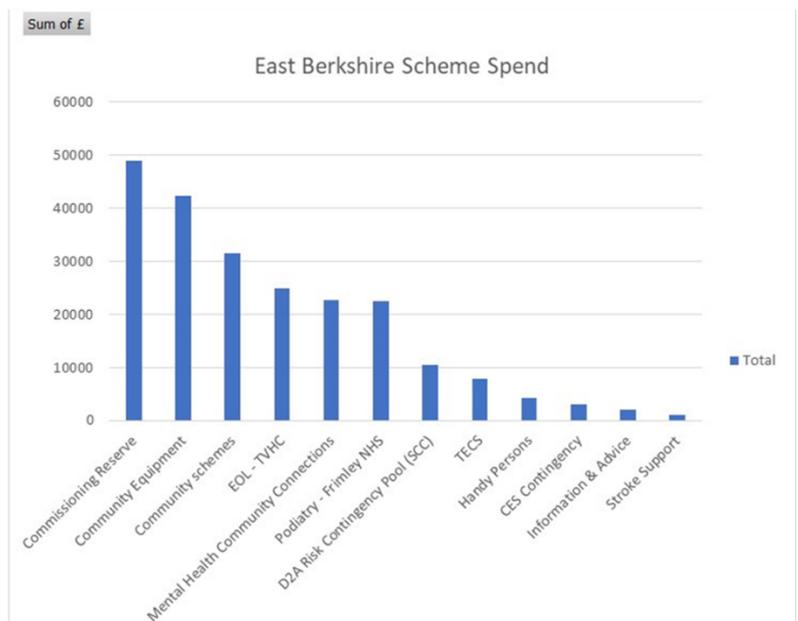
- Districts and Boroughs are important partners and their local intelligence can add significant value when the relationships are working effectively.

Spend analysis

- For all areas, Community Equipment Services are on of the highest categories of spend.
- Areas with larger scheme budgets invest in a greater number of schemes
- North West Surrey invests in relatively fewer schemes and invests a relatively higher % of spend on acute services
- Most areas have a mix of 2-3 large schemes and a larger number of smaller funded schemes.

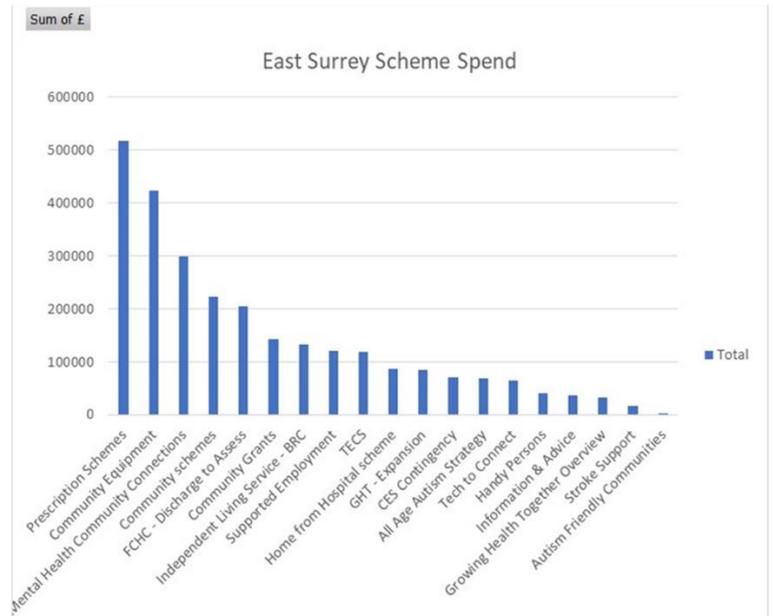
East Berkshire

- Total Scheme spend £222k
- 22% spend on Commissioning Reserve
- 20% spend on CES
- 14% spend on Community Schemes



East Surrey

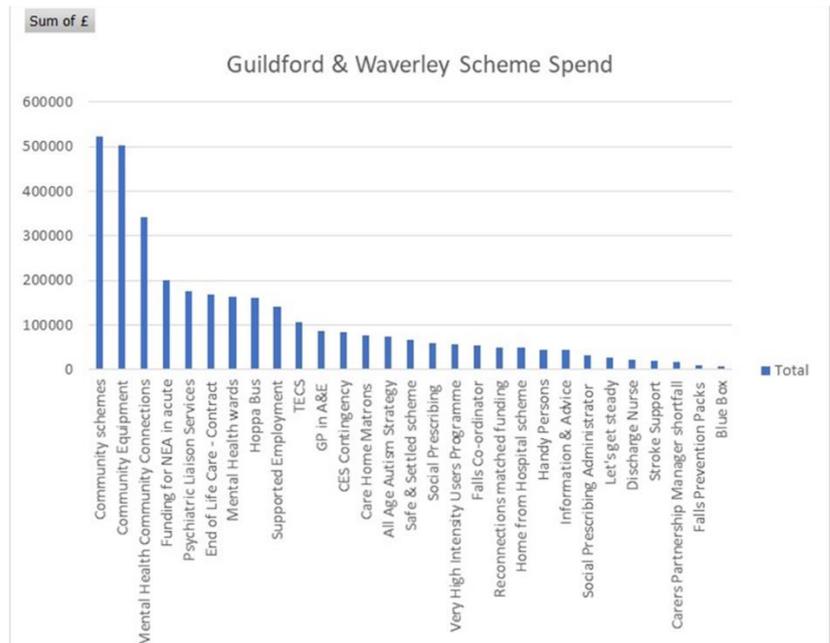
- Total Scheme spend £2.7m
- 19% spend on Prescription Schemes
- 18% spend on CES
- 11% spend on MH Community Connections



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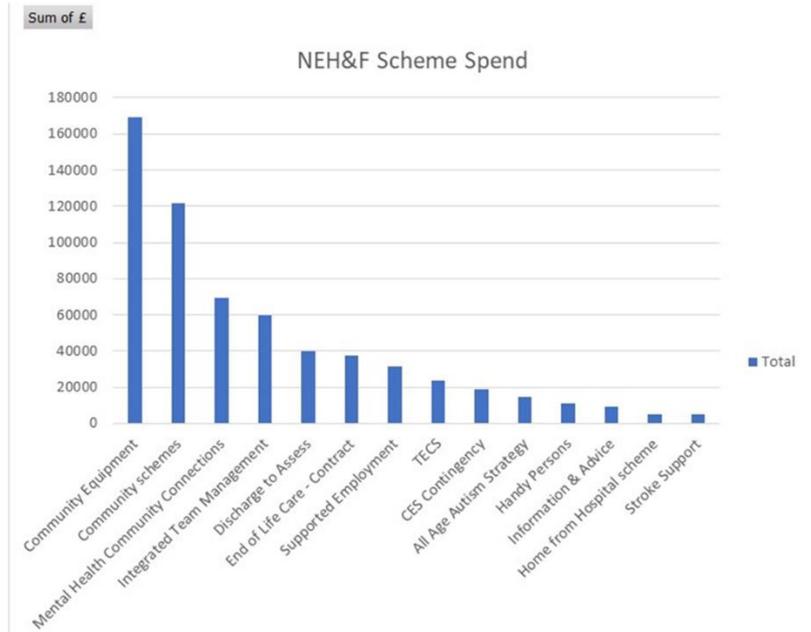
Guildford and Waverley

- Total Scheme spend £3.4m
- 17% spend on CES
- 16% spend on Community Schemes
- 10% spend on MH Community Connections



North East Hants and Farnham

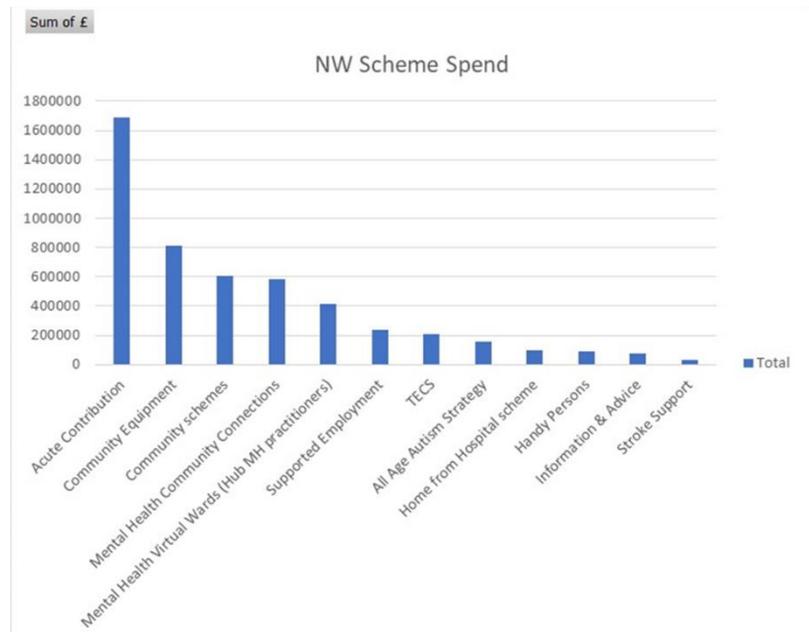
- Total Scheme spend £618k
- 30% spend on CES
- 20% spend on Community Schemes
- 11% spend on MH Community Connections



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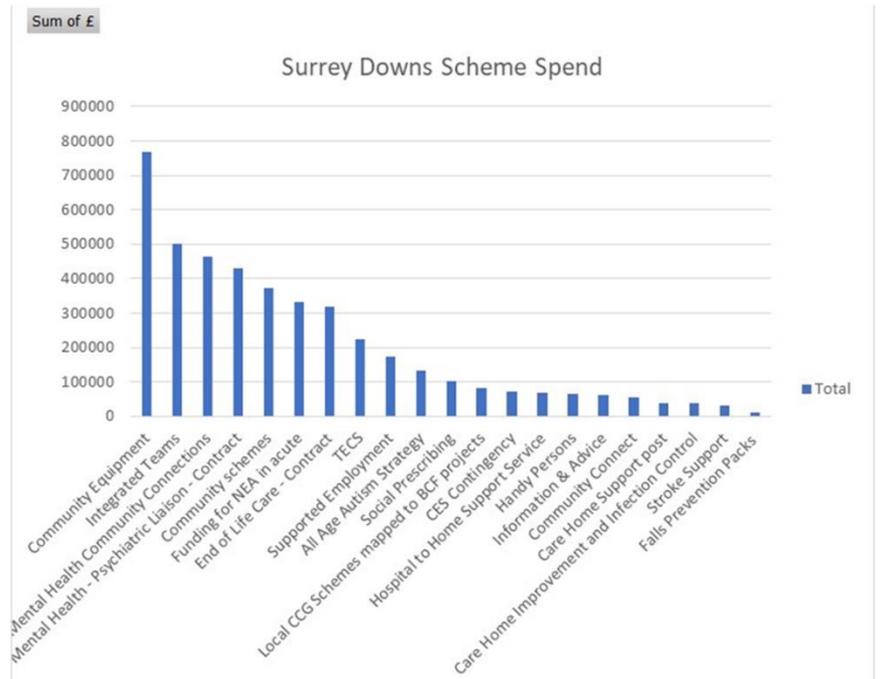
North West Surrey

- Total Scheme spend £5.0m
- 34% spend on Acute Contribution
- 16% spend on CES
- 12% spend on Community Schemes



Surrey Downs

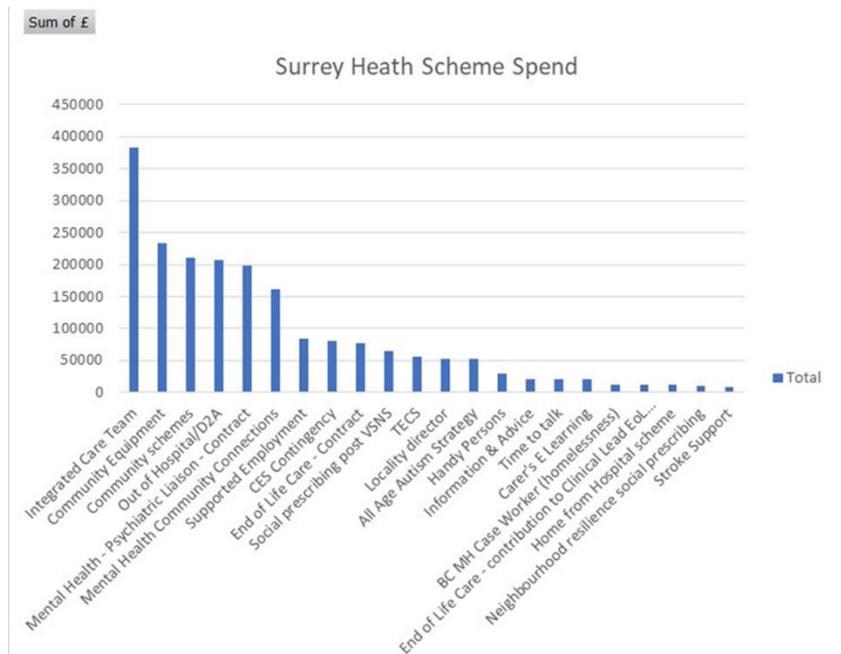
- Total Scheme spend £4.4m
- 19% spend on CES
- 12% spend on Integrated Teams
- 11% spend on MH Community Connections



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Surrey Heath

- Total Scheme spend £2.0m
- 19% spend on Integrated Care Team
- 16% spend on CES
- 10% spend on Community Schemes



Workshop 2

The agenda for the second workshop included:

- Review of segmented spend analysis
- Allocation methodology
- Peer learning exercise

Discussion themes:

Allocation, inputs, outputs and outcomes

- To date, the approach in Surrey has focused too much on allocation and inputs instead of outputs and outcomes.
- A statement of ambition on inequalities as an output or outcome from schemes would have more impact than adjusting allocations based on deprivation or similar criteria.
- A top-down approach to determining what is allocated to system vs place would stifle local innovation. Historically, places have worked well together where it makes sense to do so. Setting system wide ambitions re. outputs and outcomes will naturally lead to places coming together to achieve those ambitions where it makes sense to do so.
- Much local variance in spend can be explained by differences in the local context, particularly with regard to community services and hospice funding. Each place uses the BCF to supplement community services differently, because of the different community contracts in each place.
- Any changes to local allocations would require places to find alternate funding which could have significant system impacts.

Peer learning

- There are opportunities to learn from each other to establish best practice as to how we identify, evidence and track outcomes.

Resource

- Any detailed review of the BCF would require significant input from local stakeholders, and this will not be work that can be undertaken quickly.

Audit findings

- All LJCGs receive regular updates on progress but reporting arrangements are inconsistent. While uniformity of approach could be counter-productive, greater consistency could promote better understanding of schemes at place and county level. If reporting on county-wide schemes included more place-level detail, this would be more informative to local decision-making.
- There are currently no formal mechanisms in place for LJCGs to share practice across the county, although ad-hoc arrangements exist at place

and between places through individual relationships.

Conclusion and next steps

Initial engagement with representatives from local joint commissioning groups suggests that there is broad consensus that the current approach to allocation for the scheme is working well to allow for local innovation and to develop solutions tailored to local need. Any change to this could pose risk to schemes that are working well.

At a system level, we could do more to support local initiatives through:

- Setting system-wide expectations and ambitions re. outcomes
- Providing support to evidence impact and outcomes of schemes.
- Providing formal mechanisms to support sharing of good practice and reporting impacts and outcomes.

Next steps:

- Use the Surrey County Council twin track work and prevention spend mapping exercise to further analyse local spend.
- Develop governance arrangements to clarify decision-making and support system wide approaches to outcome measurement and sharing best practice.
- Develop a proposal for Discharge to Assess funding for consideration by LJCGs
- Develop a proposal for VCSE Alliance funding for consideration by LJCGs
- In the Autumn, set out a direction of travel for the programme to take effect from 23/24.
- The new direction of travel will include a commitment to longer-term funding arrangements where appropriate (rather than 1-year contracts). This decision acknowledges that the BCF is likely to continue with 1 year planning frameworks but that longer-term funding arrangements are likely to result in better value for money.
- The new direction of travel will include a commitment to use the BCF to address health inequalities, in line with national guidance and the refreshed HWB strategy, which has that strong focus on health inequalities and priority populations.
- To note end of year report submission for 21/22