

# **Title of report: Herefordshire's Better Care Fund (BCF) plan 2025-26**

**Meeting: Health and Wellbeing Board**

**Meeting date: Monday 9 June 2025**

**Report by: Service Director - All Age Commissioning, Transformation and Improvement Lead**

## **Classification**

Open

## **Decision type**

This is not an executive decision

## **Wards affected**

(All Wards)

## **Purpose**

To update Health and Wellbeing Board members on Herefordshire's Better Care Fund (BCF) Plan 2025/26 and seek formal Health and Wellbeing Board approval.

## **Recommendation(s)**

**That:**

- a) The Herefordshire Better Care Fund 2025/26 Narrative Plan (Appendix 1), Planning Template (Appendix 2) and the Capacity and Demand Template (Appendix 3), submitted to NHS England, be reviewed and approved; and**
- b) the ongoing work to support integrated health and care provision that is funded via the BCF is noted by the board.**

## **Alternative options**

- 1. The board could decline to sign off the submission. It is a national requirement that the BCF Plan is signed off by the Health and Wellbeing Board (HWB). The content of the return has already been approved by Hilary Hall, Corporate Director for Community Wellbeing by way of delegated authority and submitted prior to the meeting of the board, in accordance with national deadlines.

2. The BCF Plan was signed off by Simon Trickett, Chief Executive of Herefordshire and Worcestershire Integrated Care Board (HWICB).
3. The HWB does not always align with national deadlines, however this gives the board an opportunity to review and provide feedback.

### **Key considerations**

4. The Better Care Fund provides a mechanism for joint health, housing and social care planning and commissioning. It brings together ring-fenced budgets from Herefordshire and Worcestershire Integrated Care Board (HWICB) allocations, and funding paid directly to local government.
5. The national BCF team determines national reporting requirements on the overall BCF programme, with quarterly reports being submitted to NHS England (NHSE) and Health and Wellbeing Boards.
6. [The Better Care Fund Policy Framework and Planning Requirements for 2025/26](#) were published on 30 January 2025. Similar to previous years, the Better Care Fund Policy Framework for 2025/26, requires that BCF plans consist of:
  - a. BCF Narrative Plan (**Appendix 1**);
  - b. BCF planning template including planned expenditure, confirmation that national conditions are met, ambitions for national metrics and additional contributions to BCF section 75 agreements, revised ambitions and plans for performance against four BCF national metrics based on 2024/25 performance. (**Appendix 2**);
  - c. A separate intermediate care and short term Capacity and Demand plan (**Appendix 3**).
7. The deadline for submission of the updated BCF plan to NHS England was 31 March 2025.
8. There was a delay in submitting the Herefordshire plan this year due to financial pressures on partners making it difficult to agree an expenditure plan. System colleagues worked together to resolve this, and the national team were kept updated. The approved plan was submitted 7 May 2025.

### **New BCF objectives for 2025/26**

9. **Objective 1:** reform to support the shift from sickness to prevention local areas must agree plans that help people remain independent for longer and prevent escalation of health and care needs, including:
  - a. timely, proactive and joined up support for people with more complex health and care needs
  - b. use of home adaptations and technology
  - c. support for unpaid carers
10. **Objective 2:** reform to support people living independently and the shift from hospital to home Local areas must agree plans that:
  - a. help prevent avoidable hospital admissions
  - b. achieve more timely and effective discharge from acute, community and mental health hospital settings, supporting people to recover in their own homes (or other usual place of residence)
  - c. reduce the proportion of people who need long-term residential or nursing home care

### **Key changes from previous years**

11. **Consolidating discharge funding:** To give local areas greater flexibility in how they meet the objectives of the BCF, the previously ring-fenced Discharge Fund has been consolidated within the BCF. While discharge funding is now consolidated, reducing discharge delays remains a critical shared priority across the NHS and local authorities.
12. **Planning:** The introduction of a more proportionate and risk-based approach to reviewing local BCF plans, and progress against those plans, with strong accountability that focuses on outcomes rather than inputs. Where local partners are not achieving improvements, an enhanced level of support and oversight and work will be provided, with local partners to agree how they will raise performance.
13. **Metrics:** New metrics focused on outcomes rather than inputs, with locally agreed goals against these metrics.

### **Planning for 2025 to 2026**

14. As set out in the BCF policy framework, HWB's must ensure plans meet four national conditions for 2025/26:

#### **National condition 1: Plans to be jointly agreed**

- a. Local authorities and ICBs must agree a joint plan, signed off by the HWB, to support the policy objectives of the BCF for 2025/26.
- b. The development of these plans must involve joint working with local NHS trusts, social care providers, voluntary and community service partners and local housing authorities.

#### **National condition 2: Implementing the objectives of the BCF**

Local authorities and ICBs must show how health and social care services will support improved outcomes against the two national policy objectives.

#### **National condition 3: Complying with the grant conditions and the BCF funding conditions including maintaining the NHS minimum contribution to adult social care**

- a. The NHS minimum contribution to adult social care is met and maintained by the ICB and must increase by at least 3.9%.
- b. Local authorities comply with the grant conditions of the Local Authority Better Care Grant and the Disabled Facilities Grant (DFG).
- c. Plans will also be subject to a minimum expectation of spending on adult social care.

#### **National condition 4: Complying with the oversight and support processes**

This requires ICBs and HWBs to engage with national BCF oversight and support processes.

15. Compliance with the national conditions is confirmed through the BCF Planning template. Spend applicable to these national conditions is calculated in the planning template based on scheme level expenditure data.

### **Metrics**

16. The BCF policy framework sets out three national metrics for the BCF 2025/26, as follows:
  - 1) Emergency admissions to hospital for people aged over 65 per 100,000 population.

- 2) Average length of discharge delay for all acute adult patients, derived from a combination of:
    - proportion of adult patients discharged from acute hospitals on their discharge ready date (DRD)
    - for those adult patients not discharged on their DRD, average number of days from the DRD to discharge
  - 3) Long-term admissions to residential care homes and nursing homes for people aged 65 and over per 100,000 population
17. These metrics have been designed to help local areas to focus on impact and outcomes. Data on these metrics will be centrally collected by the national team and made available to HWB's on a new BCF dashboard.

### **Intermediate care capacity and demand plans**

18. As part of national condition 1, HWBs are required to agree and submit a plan showing projected demand and planned capacity for intermediate care services (and other short-term care) to help people to remain independent, or regain independence, at home (including support aimed at avoiding unnecessary hospital admissions and support following discharge from hospital).
19. NHSE Timetable for Assurance

<b>Assurance Milestone</b>	<b>Date</b>
Draft headline HWB submissions to be made to regional better care managers for feedback and discussion	3 March 2025
Full HWB submission to be made to the national Better Care Fund team and regional better care managers	31 March 2025 (12 noon)
Outcome letters to HWB areas	May 2025
All section 75 agreements to be signed and in place	30 September 2025

### **Community impact**

20. The BCF plan is set within the context of the national programme of transformation and integration of health and social care. The council and HWICB continue to work together to deliver on the key priorities within the plan to achieve savings and improve the delivery of services in order to achieve the priorities of the health and wellbeing strategy in the most cost-effective way.
21. Talk Community brings together community, third sector and statutory services to connect with peers and share ideas and experiences within the local Primary Care Network (PCN) areas; working with communities to identify and address issues that affect them, increase sustainability of communities by facilitating the development of partnerships and collaborative approaches and helping identify any gaps in provision.

### **Environmental impact**

22. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.

23. Whilst this is a report on programme delivery and will have minimal environmental impacts, consideration has been made to minimise waste and resource use in line with the Council's Environmental Policy.

## Equality duty

24. Due to the potential impact of this plan being low, a full Equality Impact Assessment is not required. However, the following equality considerations should be taken into account when making a decision about this plan:
- The council and HWICB are committed to equality and compliance with the public sector equality duty. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services.
  - Whilst this paper is not seeking any project specific decisions, the year-end report provides an overview of performance in relation to services funded by the BCF. The BCF programme aims to deliver better outcomes for older and disabled people and supports the council in proactively delivering its equality duty under the act. This is through improving the health and wellbeing of people in Herefordshire by enabling them to take greater control over their own homes and communities. There are no negative impacts for looked after children or with respect to the council's corporate parenting role.
  - Commissioned services funded by the BCF take into account arrangements to assess and consult on how functions impact on protected characteristics. Services are undertaken in a manner which respects individuality of service users, patients etc. Where appropriate, an Equality Impact Assessment (EIA) is undertaken for separate schemes and services that are within the BCF.

## Resource implications

25. Funding for the Better Care Fund has increased by £0.673m for 2025/26, of which £0.341m relates to Disabled Facilities Grant.
26. **Better Care Fund Financial Plan 2025/26 – Summary by Funding Stream**

<b>Better Care Fund Financial Plan 2025/26</b>	<b>2024/25 Funding Values £</b>	<b>2025/26 Increase in Funding Allocation £</b>	<b>2025/26 Total Allocation £</b>
NHS Minimum Contribution (transfer to ASC)	£7,263,293	£285,092	£7,548,385
NHS Minimum Contribution (retained by ICB)	£11,852,022	£47,448	£11,899,470
<b>Total NHS Minimum Contribution</b>	<b>£19,115,315</b>	<b>£332,540</b>	<b>£19,447,855</b>
<b>Disabled Facilities Grant</b>	<b>£2,474,535</b>	<b>£340,496</b>	<b>£2,815,031</b>
<b>Local Authority Better Care Grant</b>	<b>£8,367,747</b>	<b>£0</b>	<b>£8,367,747</b>
<b>TOTAL BETTER CARE FUND</b>	<b>£29,957,597</b>	<b>£673,036</b>	<b>£30,630,633</b>

27. The main changes from 2024/25 are:
- Removing ASC operational teams from the plan. The ongoing restructure of ASC staffing made financial reporting difficult in 2024/25, and performance management of these teams is not the responsibility of One Herefordshire, so they have been removed from the BCF to be funded by the council's own budgets.

- b. Removing Talk Community from the plan. Responsibility for the Talk Community programme has moved to Public Health within Herefordshire Council, so it has been removed from the BCF to be funded from the council's own budgets.
- c. Replacing Talk Community and ASC Operational Teams with a new scheme: ASC long-term placements. The £7.5million expenditure in the BCF will be a contribution to the council's overall net budget for ASC placements of £86.7million.

28. **2025/26 BCF Summary Financial Plan**

	<b>Scheme Name</b>	<b>2024/25 Planned Expenditure</b>	<b>Total Changes</b>	<b>2025/26 Planned Expenditure</b>
1	Acorns Children's Hospice	£32,995	£1,947	£34,942
2	Advocacy	£207,950	(£52,866)	£155,084
3	<i>ASC Long-term Placements</i>	£0	£7,552,056	£7,552,056
4	Brokerage	£277,027	£49,762	£326,789
5	Carers Support	£225,000	£0	£225,000
6	Disabled Facilities Grant	£2,474,535	£340,496	£2,815,031
7	Discharge to Assess	£8,039,706	£286,399	£8,326,105
8	DoLS/AMHPs	£1,001,473	£14,091	£1,015,564
9	Falls Response and Prevention	£222,362	£3,835	£226,197
10	Partnerships and Integration Staffing	£488,400	(£2,56,867)	£231,533
11	Safeguarding	£286,395	£9,327	£295,722
12	St Michael's Hospice Carer's Support	£268,177	£15,821	£283,998
13	Trusted Assessors	£85,457	£2,564	£88,021
14	WVT Integrated Care Services	£8,908,713	£145,877	£9,054,590
	<i>Operational Social Work Teams</i>	£6,353,107	(£6,353,107)	£0
	<i>Talk Community</i>	£1,086,299	(£1,086,299)	£0
	<b>PLAN TOTAL</b>	<b>£29,957,596</b>	<b>£673,037</b>	<b>£30,630,633</b>

29. Limited increases in BCF revenue allocations, coupled with inflationary pressures and projected levels of demand for services mean that a balanced BCF plan for 2025/26 could only be achieved by including planned savings in BCF services.
30. Planned savings are summarised below; they focus mainly on discharge services to recover the overspending seen in 2024/25. There is a high risk of overspending against BCF funding if the planned improvements to occupancy and length of stay are not achieved.

<b>2025/26 Planned Savings</b>	<b>£</b>
Reduction in Strategic Finance Manager FTE	(£55,306)
Rapid review of VFM in BCF funded services	(£181,808)
Improvement in occupancy at Hillside and LICU	(£178,713)
Improvement in capacity of Home First	(£58,632)
Likely underspend in Home First staffing	(£150,708)
Reduce Also in D2A	(£199,017)
<b>Total Proposed Reduction</b>	<b>(£824,084)</b>

## **Legal implications**

31. The Care Act 2014 amended the NHS Act 2006 to provide the legislative basis for the BCF. It allows for the Mandate to NHS England to include specific requirements to instruct NHS England over the BCF, and NHS England to direct Integrated Care Boards to pool the necessary funding. The council is legally obliged to comply with grant conditions, which have been complied with.
32. Health and wellbeing boards are responsible for encouraging integrated working between health and social care commissioners, including partnership arrangements such as pooled budgets, lead commissioning and integrated provision.
33. Their purpose is to establish collaborative decision making, planning and commissioning across councils and the NHS, informed by the views of patients, people who use services and other partners.
34. Overseeing the deployment of BCF resources locally is a key part of their remit. BCF plans have to be signed off by the health and wellbeing board as well as the HWICB, which represents the NHS side of the equation.
35. Section 75 of the National Health Service Act 2006 contains powers enabling NHS bodies (as defined in section 275 and 276 of the NHS Act 2006) to exercise certain local authority functions and for local authorities to exercise various NHS functions. The parties entered into a section 75 agreement in exercise of those powers under and pursuant of the NHS Regulations 2000.
36. The iBCF is paid directly to the council via a Section 31 grant from the MHCLG. The Government has attached a set of conditions to the Section 31 grant to ensure it is included in the BCF at local level and will be spent on adult social care. The council is legally obliged to comply with the grant conditions set.

## **Risk management**

37. Monitoring the delivery of the Herefordshire BCF Plan is undertaken by the council and HWICB. The Transformation and Improvement Lead monitors any risks, which are managed through the community and wellbeing directorate risk register where necessary.
38. The One Herefordshire Integrated Care Executive (ICE) undertakes scrutiny of performance monitoring of BCF by:
  - a. Building consensus between partners and setting objectives beyond the nationally determined outcomes as part of the annual planning of the Better Care Fund, including the BCF Plan.
  - b. Development and implementation of new and/or revised services or care pathways.
  - c. Monitoring, delivery and reporting of performance and outcomes.
  - d. Budget management and ensuring spending lives within the resources allocated, identifying remedial actions where spending is off trajectory.

<b>Risk / Opportunity</b>	<b>Mitigation</b>
Failure to agree a joint plan and meet the national conditions.	Plan has been developed in partnership. Delivery and progress to be monitored on an ongoing basis.
Fail regional/national assurance process	The council and HWICB have worked through the national guidance and requirements to ensure a robust response, and a comprehensive, detailed plan is submitted.
Failure to achieve national metric ambitions	A robust process for monitoring activity monthly is in place and will be monitored through the Integrated Care Executive (ICE).
Overspending, particularly on discharge capacity	The council and HWICB are working with One Herefordshire Partnership to revise and improve the service model for Discharge to Assess to be recurrently sustainable.
Increasing demand due to the demography of expected older age population.	Several of the schemes include both areas that support prevention and the urgent care parts of the system to spread the risk. In addition, the council continues to lead on development with communities.

## **Consultees**

39. The content of the report has been provided by partners within One Herefordshire Partnership, HWICB, WVT, Hoople Ltd and appropriate internal Herefordshire Council staff.

## **Appendices**

Appendix 1 Herefordshire's BCF 2025-26 Narrative Plan Template

Appendix 2 Herefordshire's BCF 2025-2026 Planning Template

Appendix 3 Herefordshire's BCF Capacity and Demand Template 2025-26

## **Background papers**

None identified.

## **Glossary of terms, abbreviations and acronyms used in this report**

### **Acronym      Description**

**AHMP**      Approved Mental Health Practitioner

**BCF**      Better Care Fund



<b>Acronym</b>	<b>Description</b>
<b>AHMP</b>	Approved Mental Health Practitioner
<b>iBCF</b>	Improved Better Care Fund
<b>HWICB</b>	Herefordshire and Worcestershire Integrated Care Board
<b>HWB</b>	Health and Wellbeing Board
<b>DFG</b>	Disabled Facilities Grant
<b>D2A</b>	Discharge to Assess
<b>DHSC</b>	Department of Health and Social Care
<b>DoLS</b>	Deprivation of Liberty and Safeguarding
<b>DRD</b>	Discharge Ready Date
<b>EIA</b>	Equality Impact Assessment
<b>FTE</b>	Full Time Equivalent
<b>MHCLG</b>	Ministry of Housing, Communities and Local Government
<b>NHSE</b>	NHS England
<b>1HP</b>	One Herefordshire Partnership
<b>ICE</b>	Integrated Care Executive
<b>PCN</b>	Primary Care Network
<b>LICU</b>	Leominster Intermediate Care Unit (Shaw Healthcare)
<b>VFM</b>	Value for Money