

Health & Wellbeing Board

Meeting Date 11th February 2014

Better Care Fund

Recommendation(s)

That the Health & Wellbeing Board consider and make comments on the construct of the Better Care Fund and approve the attached Better Care Fund Template and endorse its submission to NHS England by 14th February 2014.

1.0 Background and Context

- 1.1 This paper sets out to provide an overview of what is meant by integration when we refer to the health and social care economy. It describes the conditions of the Better Care Fund (BFC) and outlines the scope and proposals for taking the integration agenda forward for Warwickshire residents.
- 1.2 The Better Care Fund is a central government driven initiative to further integrate health and social care so that there is; real improvement in the outcomes delivered, value for money achieved, and patients' experience of the health and social care economy improved.
- 1.3 Government are calling for a 'step change' and an ambition to see a fully functioning integrated model of health and social care provision. The funding, £3.8bn is to be used to support the redesign and remodelling of community services as a tangible alternative to Acute care.
- 1.4 Commissioning health and social care services in the public sector is complex. While the County Council is largely responsible for adult social care services, it currently works in partnership with three Clinical Commissioning Groups and the Five District and Borough Councils that collectively commission health, housing and social care respectively. The provider landscape is also extensive with; 3 Acute Trusts spread over 5 sites, one Mental Health Partnership Trust and a wide range of independent and third sector organisations as well as a range of joint initiatives with schools and further educational institutes.
- 1.5 There is already some good models of joint and aligned commissioning including pooled budgets, e.g. Integrated Community Equipment Services. But we recognise that there is much more that we can do together.
- 1.6 It is also recognised and acknowledged that there are further opportunities to deliver aligned services that are value for money and achieve improved outcomes to clients/patients. A key driver for integration is the opportunity to deliver end to end care, to find more innovative cost effective models of delivery and to increase patient and user satisfaction in their journey of care.

2 Key Issues

- 2.1 The Government has announced the creation of a £3.8bn pooled budget in 2015/16. This fund is described as having the following purpose: *“...We have been clear that we need to move more care out of hospitals and into the community, so that we can intervene earlier to prevent people from reaching crisis points. We need much better Integration between health and social care, so that care is centred around the person rather than the service, and to reduce the amount of money that is wasted when services do not work together effectively...”*.

The table below summarises the elements of the Spending Round on the Fund:

The June 2013 Spending Round set out the following:	
2014/15 A further £241m transfer from the NHS to adult social care, in addition to the £859m transfer already planned	2015/16 £3.8bn to be deployed locally on health and social care through pooled budget arrangements
In 2015/16 the Fund will be created from:	
£1.9bn of NHS funding	
£1.9bn based on existing funding in 2014/15 that is allocated across the health and wider care system. This will comprise: £130m Carers' Break funding £300m CCG re-ablement funding £354m Capital funding (including £220m Disabled Facilities Grant) £1.1bn existing transfer from health to adult social care.	

- 2.2 None of the £3.8bn is fundamentally “new” money in so far as it is all part of existing Department of Health budgets and amounts to a reallocation of those budgets. This reallocation will put pressure on health budgets and this pressure will in part drive the approach of health services to the management of this money.

2.3 Existing Social Care Transfer Budget

The existing social care transfer from health to local government for spending on social care services that benefit health is £859m (£8m for Warwickshire). In 2014/15 this fund is to be increased by £241m (£2.2m). An element of this additional funding is to be spent on preparing for the implementation of the BCF.

- 2.4 A condition of the fund is that the Clinical Commissioning Groups and the Council will need to jointly agree plans for how the money will be spent and these plans must meet certain requirements and from 2015/16 the fund will be put into pooled budgets under Section 75 agreements.
- 2.5 The documentation issued to date makes repeated reference to the creation of pooled budgets. However it is not clear yet what this really means in practice. Pooled budgets at a local level generally refer to “Section 75 Agreements” (named after the section of the 2006 NHS Act which gives the power to make them). In these cases budgets are pooled into a single budget managed by one lead organisation. The references to pooled budgets give the impression that Section 75 Agreements are specifically the intention but such references could also be with the intention of promoting organisations to work more closely together whether budgets are technically pooled or not.
- 2.6 The Disabled Facilities Grant (DFG), currently provided directly to district and borough housing authorities, will also be included within the funds with the sole purpose of aligning and improving the strategic planning and delivery to improve outcomes for patients and services users. The partners have already agreed that this funding will continue to be transferred to housing partners reflecting current arrangements and values.

2.7 Additional Integration Fund

There is £1.9bn of new funding in 2015/16 with the following headline conditions attached to it:

“...To access this funding, all areas will need to produce local plans for how the money will be used across health and social care, signed off by the NHS and local authorities, and with a strong role for Health and Wellbeing Boards in the oversight of these. These plans must demonstrate that care and support services will be protected.

Plans must also include:

- *7-day working in health and social care, to stop people from being stuck in hospital over the weekend;*
- *better data sharing, including universal use of the NHS number as a unique identifier;*
- *a joint approach to assessment and care planning;*
- *implications for acute service redesign;*
- *support for accountable lead professionals in respect of joint care packages; and*
- *arrangements for redeploying funding that is held back in the event that outcomes are not fully delivered...”*

- 2.8 Of the £1.9bn additional funding, £1bn is explicitly described as being based on performance. It will be paid to local authorities in two instalments. The first half at the start of 2015/16 based upon performance in 2014/15, and the second half in the middle of 2015/16 based on performance in the year to date.

2.9 The performance schedule for the release of the fund is detailed below:

When	Percentage	Paid for
April 2015	25%	Progress against four of the national outcomes <ul style="list-style-type: none"> • Protection for adult social care services; • Providing 7-day services to support patients being discharged and prevent unnecessary admissions at weekends; • Agreement on the consequential impact of the changes on the acute sector; • Ensuring that where funding is used for integrated packages of care there will be an accountable lead professional.
	25%	Progress against the local metric and two of the national metrics <ul style="list-style-type: none"> • Delayed transfers of care; and • Avoidable emergency admissions
October 2015	50%	Further progress against all the national and local metrics

Flexibility and Restrictions of Funding

It is difficult to predict how flexible the £3.8bn will prove to be in practice. How this develops depends upon the direction taken by the Government, the Department of Health, and NHS England. Some of the guidance issued emphasises that part of the purpose of the funding is to protect services, i.e. it can underpin the funding of existing services or be used to reduce the impact of savings targets, but other guidance emphasises that it should be focussed on investment in new services that improve integration and outcomes etc.

To put £3.8bn into context, it is worth noting that spending in the NHS amounts to around £110bn per year whilst spending on adult social care amounts to around £15bn. i.e. £3.8bn is a very large figure in the context of existing adult social care spending.

3 Timescales associated with the decision and next steps

3.1 When Should Plans Be Submitted?

Health and Wellbeing Boards should provide the first cut of their completed Better Care Plan template, as an integral part of the constituent CCGs' Strategic and Operational Plans by 14 February 2014, so that they can aggregate them to provide a composite report, and identify any areas where it has proved challenging to agree plans for the Fund.

- 3.2 The revised version of the Better Care Plan should be submitted to NHS England, as an integral part of the constituent CCGs' Strategic and Operational Plans by **4 April 2014**.

4.0 Completed Better Care Plan Template

- 4.1 Attached as Appendix 1 is the completed Better Care Hi Level Plan to be submitted to NHS England on the 14th February 2014. This plan has been completed by the Adults Joint Commissioning Board (AJCB) who will provide the governance for the implementation of the Better Care Fund and potential wider integration opportunities across the health and social care economy.
- 4.2 Attached as Appendix 2 is the governance structure of the AJCB which illustrates the links to the Health & Wellbeing Board who are charged with overseeing the delivery of this plan.
- 4.3 Attached as Appendix 3 is the draft Partnership Agreement which will be further developed in the course of the next few weeks and will be the precursor to more formal forms of agreements, such as Section 75s as this work progresses and national guidance becomes clearer.

Background papers

1. BCF Guidance letter dated 17th October 2013 (available from website below)
2. BCF website:
<http://www.england.nhs.uk/ourwork/part-rel/transformation-fund/bcf-plan/>

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