

# Cabinet

16 March 2023

## Improved Better Care Fund 2023/24

### Recommendations

That Cabinet

1. approves the schemes to be funded from the Improved Better Care Fund pooled contribution of £15.132m by the Council for 2023/24 and the plan for resources as set out in paragraph 2.6 and Appendix 1.
2. requests that, following publication of the national Better Care Fund Policy Framework and Planning Requirements, the local Better Care Fund Plan for 2023/24 is developed for approval by Cabinet in advance of the submission deadline.

### 1. Executive Summary

- 1.1 The Better Care Fund (BCF) is a programme spanning both local government and the NHS which seeks to join-up health and care services, so that people can manage their own health and wellbeing and live independently in their communities for as long as possible. There are two policy objectives spanning health and social care:
  1. Enable people to stay well, safe and independent at home for longer.
  2. Provide the right care in the right place at the right time.
- 1.2 The Improved Better Care Fund (iBCF) was introduced in 2017 and forms part of the Better Care Fund. It is a fund made available to local authorities and can only be used for the purposes of:
  - Meeting adult social care needs.
  - Reducing pressures on the NHS, including seasonal winter pressures.
  - Supporting more people to be discharged from hospital when they are ready.
  - Ensuring that the social care provider market is supported.

#### Review of the Improved Better Care Fund

- 1.3 In August 2022, the Warwickshire Joint Commissioning Board commenced a review of NHS and local authority services funded through temporary funding sources, which included schemes funded from the iBCF. Twenty iBCF schemes were prioritised for an in-depth review. The joint review comprised of

staff from the local authority and Integrated Care Board (ICB) and ran from October 2022 to January 2023. It focused on jointly reviewing iBCF schemes to the value of £3.96m. The ICB have also undertaken a similar exercise with Coventry City Council.

- 1.4 The majority of schemes covered by the review have been in place for a number of years, during which time cost pressures to both the local authority and ICB have increased following the ending on 31 March 2022 of the national Hospital Discharge Grant introduced during the Covid-19 pandemic.
- 1.5 The review focussed on assuring that schemes continue to meet the BCF and iBCF conditions, support current system pressures/priorities and are as efficient and effective as possible (including considering whether there are alternative ways of achieving similar outcomes or alternative funding arrangements that could be used).
- 1.6 The provisional Local Government Core Spending Power settlement on 23<sup>rd</sup> December 2022 indicated that the iBCF allocation will remain at £15.132m for 2023/24, which creates a further cost pressure for Warwickshire of c£611k regarding the national living wage, inflation and associated salary increases for existing schemes.
- 1.7 The review found that:
  - a. the majority of schemes are well established with positive impact evidenced across health and social care. If these schemes were withdrawn it would have a detrimental impact on the people of Warwickshire and on other organisations across the health and social care system. It was recommended that these continue and be funded from the iBCF in 2023/24;
  - b. potential efficiencies to the iBCF budget for nine schemes could release up to £528k for reinvestment in existing schemes in 2023/24 and contribute to the inflationary cost pressures outlined in 1.6 above; and
  - c. one existing scheme – Mental Health Street Triage (W-IBCF 15) - should continue but should instead be funded from the Mental Health budget outside of the iBCF.

#### Draft list of schemes to be funded from the iBCF in 2023/24

- 1.8 Following the review a list of proposed schemes to be funded from the iBCF next year was drafted. This list was costed and included inflationary and salary uplifts and was reviewed by both the local authority and the Integrated Care Board.
- 1.9 Approval of the final list is within the delegated authority of the Strategic Director for People, and had been granted. Approval is expected from the ICB imminently. The final draft is attached as Appendix 1 to this report.

## 2. Financial Implications

- 2.1 The grant conditions for the iBCF require that the local authority pool the grant funding into the local BCF Plan and report as required through BCF reporting.
- 2.2 iBCF funding can be allocated across any or all of the four purposes of the grant in a way that the local authority, working with the ICB, determines best meets local needs and pressures. No fixed proportion needs to be allocated across each of the purposes.
- 2.3 When preparing the list of schemes, the following considerations have been taken into account:
- Base budget pressures (to meet social care needs).
  - Inflationary fee rate increases to providers (to stabilise the market).
  - Committed expenditure on or changes to existing schemes (to proactively reduce/delay future demand and pressures).
- 2.4 As in previous years, any underspends against schemes will be used to fund preventative activity to reduce / delay future demand or off-set cost pressures.
- 2.5 Similar to previous years it is proposed that the majority of schemes continue in 2023/24 as they are now well established with positive impact seen across social care and health. No new schemes are proposed for 2023/24.

### Expenditure Plan

2.6

iBCF Grant Conditions	23/24 Budget Request £000s	22/23 Budget £000s	Variance £000s
Reducing Pressure on the NHS	3,693	3,994	-301
Stabilising the Market	7,090	6,642	+448
Meeting Social Care Needs	4,353	4,327	+26
Enabling Resource	250	281	-31
<b>Total</b>	<b>15,386</b>	<b>15,244</b>	<b>142</b>
<b>To be funded from IBCF</b>	<b>15,011</b>	<b>15,244</b>	
<b>IBCF Budget</b>	<b>15,132</b>	<b>15,132</b>	
<b>Variance</b>	<b>-121</b>	<b>+112</b>	
<b>To be funded from BCF Development Fund</b>	<b>375</b>	<b>-</b>	

- 2.7 The review of the iBCF has identified £528k of potential efficiencies, which it is proposed is used to cover the majority of the cost-pressure relating to inflationary increases for existing schemes. Had the review not taken place, the budget pressure on the iBCF in 2023/24 would have been c£1m.
- 2.8 A balanced Improved Better Care Fund budget is proposed for 2023/24 to mitigate any risks to either the local authority or Integrated Care Board. Any spend on the Market Sustainability project that cannot be met from the iBCF

will be charged against the BCF Development Reserve at the end of the year and reported through financial monitoring on a quarterly basis.

- 2.9 The iBCF is received on a temporary basis but has been recurrent since it's 2017/18 introduction. In order to counter the risk inherent in temporary funding, the grant is retained by Corporate Finance and issued to the service as base budget. Further, all new initiatives are temporary or commissioned with exit clauses. There are, however, a number of areas where the funding is being used to maintain statutory social care spending and this would require review by Warwickshire County Council if the Better Care Fund was removed without replacement. This would form part of the annual MTFS refresh. The fund is paid directly to local government and must be used to support social care activity.

### **3. Environmental Implications**

None

### **4. Timescales associated with the decision and next steps**

- 5.2 Following publication of the national Better Care Fund Policy Framework and Planning Requirements for 2023/24, Cabinet will be further updated on any changes required to the list of schemes agreed in principle, as normal as part of the annual plan submission approval process.

## **Appendices**

Appendix 1 – Improved Better Care Fund 2023/24

## **Background Papers**

None

	<b>Name</b>	<b>Contact Information</b>
Report Author	Rachel Briden, Integrated Partnership Manager	rachelbriden@warwickshire.gov.uk
Assistant Director	Becky Hale, Chief Commissioning Officer (Health and Care)	beckyhale@warwickshire.gov.uk
Strategic Director	Nigel Minns, Strategic Director for People	nigelminns@warwickshire.gov.uk
Portfolio Holder	Councillor Margaret Bell, Portfolio Holder for Adult Social Care & Health	margaretbell@warwickshire.gov.uk

The report was circulated to the following members prior to publication:

Local Member(s) : Not applicable. This is a countywide matter.

Other members: Councillors Clare Golby, John Holland, Tracey Drew, and Kate Rolfe