

## HEALTH AND WELLBEING BOARD

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Report Title: **BETTER CARE FUND (Formerly Integration Transformation Fund ITF)**

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### 1. SUMMARY

- 1.1 Following the presentation given at the previous HWB meeting this report outlines a proposal for the joint use of the Better Care Fund (BCF). The fund was previously referred to by the Department of Health as the Integration Transformation Fund (ITF). The fund is intended to support an increase in the scale and pace of integration between health and social care. It is also a mechanism for promoting joint planning for the sustainability of local health and care economies against a background of significant savings targets right across the system.
- 1.2 In addition to the overarching integration agenda a number of national conditions and measures are attached to the fund designed to move resources across the system towards prevention and short term care interventions and away from high cost care packages in residential or acute settings.
- 1.3 Locally the Chairman of the Board and Directors from both the Local Authority and Bromley's Clinical Commissioning Group are proposing to use the fund to:
  - Fund services that come under the banner of 'short term interventions and preventative services' in the community in order to mitigate the pressures on long term care packages and admissions into secondary care that are putting considerable financial strain on the Health and Care system as a whole;
  - Include services that help both Health and Care deliver against some of their respective legislative duties as set out in the Health and Care Act 2012 and the Care Bill (currently going through parliament and likely to become an Act in 2014);
  - 'Clean up' historical joint funding arrangements moving existing joint funded community services into a pooled budget of which the BCF will make up a core component.

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### 2. REASON FOR REPORT GOING TO HEALTH & WELLBEING BOARD

- 2.1 Access to the Better Care Fund (BCF) is dependent on agreement of a local 2-year plan for 2014/15 (the planning year) and 2015/16 (first full year). The plans have been first agreed

jointly by the Local Authority and Bromley's Clinical Commissioning Group and authorised by their respective Executives.

- 2.2 A template has been produced nationally for local areas to complete their submissions to NHS England. This template has been completed locally and is attached as Appendix one.
- 2.3 The final sign off required before the local plan can be submitted to NHS England needs to be provided by the HWB. One of the critical responsibilities for HWBs, as set out in the Health and Care Act 2012, is to encourage joint working and integration in their locality wherever there are clear benefits to the local population from so doing. The BCF provides a vehicle that can be used to support and accelerate this agenda supporting, as it does, the creation of a pooled budget.

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### **3. SPECIFIC ACTION REQUIRED BY HEALTH & WELLBEING BOARD AND ITS CONSTITUENT PARTNER ORGANISATIONS**

#### **That the HWB**

- Authorise the Local Plan and grant their approval that the plan can be submitted to NHS England allowing Bromley to meet the national deadline for submission on 14<sup>th</sup> February 2014.
- Note that this is a first submission to NHS England and that the planning year does allow both organisations more time to engage with partners, providers and service users on how the integration agenda should be delivered locally.
- Champion the Local Plan in the community and support the positive communication of the plan to their respective colleagues, providers and service users

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#### Health & Wellbeing Strategy

1. Related priority: BCF impacts on the direct local funding of health and care services it relates to all the priorities in the Health and Wellbeing Strategy. The two-year Local Plan requested by NHS England will need locally to reflect the priorities identified by the HWB in their strategy.

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#### Financial

1. Cost of proposal: There are no additional costs - the fund is created through top slicing existing budgets and with minimal new funding included
2. Ongoing costs: The purpose of BCF is to create a pooled budget that supports better integration of services and allows both the CCG and LA to better meet the increasing cost pressures – e.g. demographic pressures, impact of the care bill, increased spending on acute services etc.
3. Total savings (if applicable): Savings are expected through integration and resource shift into community care and away from residential and secondary care services. Any savings need to be viewed as whole system savings and treated accordingly.

4. Budget host organisation: Not yet confirmed by NHS England

5. Source of funding: Local plan authorised by NHS England and so they release the funds that have been top-sliced to create the BCF

6. Beneficiary/beneficiaries of any savings: Local residents. Any savings need to be viewed as whole system savings and treated accordingly. Effective redistribution of funding into remodelled community services delivers better services and savings across the system.

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Supporting Public Health Outcome Indicator(s)

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## 4. COMMENTARY

4.1 Appendix One contains the draft template that will be submitted to NHS England if approved by the Board. This first draft needs to be with NHS England by 14<sup>th</sup> February; however there is time to firm up indicative budgets prior to the final deadline of 4<sup>th</sup> April. The attached template benefits from some explanation of the local approach being adopted.

### 4.2 The Challenge

4.2.1 The government is clear that the fund must be used to address a set of national conditions including for example protecting social care by covering some of the demographic pressures and some of the costs associated with the upcoming Care Bill. It intends that the fund be used to transform local health and care systems by moving resources out into the community and away from a reliance on long term care packages and hospital admissions. This is widely accepted by the sector as the right way to move forward in reforming existing services and in making the system better for residents as well as being more financially sustainable.

4.2.2 The challenge is that central government has left local administrations the difficult task of how to make those reforms. The BCF offers localities very little by way of new funding to allow for double running while new services or increased capacity in existing community services can be piloted. Accepting that the fund is largely created by top slicing existing budgets (which can be tracked to existing spends) that are already overstretched the shared challenge becomes how the CCG and LA can free up enough capacity both in terms of staff and resources to be able to secure the reforms required.

4.2.3 Added to the challenge up until now has been the lack of hard evidence that prevention really works and can have a real impact. However, the driver to deliver services in this way has led to an increase in good practice examples. These include risk stratification as a way of identifying the most vulnerable, multi-disciplinary teams to run joint assessments and identifying a lead professional, as well as care planning with the resident to help them better self manage their conditions. A recent publication by the King's Fund (and referenced in the appendix of this document) identified a range of evidence practice that supports the broad direction of travel demanded by the BCF.

4.2.4 Work has been done to look at shared measures that best capture what successful integrated community services should result in when set against a set of clear deliverables:

#### Impacts on the Health and Care System

- Increase in the No. of initial contacts having their needs met through voluntary sector support
- Proportion of end of life service users enabled to die at home
- Proportion of people with Long term conditions able to self-manage their conditions
- No. of emergency admissions to hospital reduced
- No. of emergency hospital bed days reduced
- No. of emergency readmissions that occur within 30 days of discharge reduced
- No. of people supported at home with care packages as alternative to residential care increased
- No. of people supported to remain independent through a community intervention
- No. of permanent admissions to residential and nursing care homes reduced
- Whole system costs reduced
- Increased proportion of resources in community based provision

### **4.3 Community Services and integration - not new to Bromley**

- 4.3.1 This is not a new agenda in Bromley. In terms of integration we already have, joint funded posts; joint funded contracts with the voluntary sector partners; jointly funded placements for individuals with a health and care need; as well as jointly funded services such as the short breaks service at Hollybank and our community equipment service. In 2013/14 alone, almost £10 million moved between the CCG and LA to fund joint services through legal agreements under the NHS Act 2006 to support core service delivery.
- 4.3.2 The concept of supporting independence in the community is also a long running corporate objective for both organisations. Our reablement service supports over 80% of those admitted for a six week reablement package to remain at home. The LAs dedicated single contact point for Social Care handles around 40,000 calls a year where over 75% of calls are supported by the team and signposted to appropriate support out in the community led by our strategic partners such as Carers Bromley, Age UK Bromley and Greenwich, Bromley Mind and Bromley Mencap. These contracts already have a contribution from the CCG.
- 4.3.3 These models of delivery have had an impact on spend and how we delivery adult social care. Resources have already shifted from traditional state funded bed-based care into community based care in the home. For example the number of older people in residential, nursing and extra care housing has reduced from 1150 in April 2003 to 870 in 2013 whilst at the same time the population of older people has increased considerably. Budgeted expenditure on older people residential, nursing and extra care housing has fallen by 23% in real terms (adjusted for inflation) since 2008 showing how a move to a more community based approach can also release significant sums of money.
- 4.3.4 However, the increasing demographic pressures coupled with the significant budget pressures are accelerating the view nationally that local models will need to go further and faster towards models 'front loading' remaining resources to support independence through a set of responsive community based services under a pooled budget. Commissioners will need to develop the community offer and support a diverse local market that can deliver what vulnerable adults need through innovative support planning and better use of personalised budgets.

### **4.4 The Local Plan and Funding**

- 4.4.1 In response to this agenda and the practicalities of the BCF both the CCG and LA have worked within very tight timescales to produce a joint plan using the template provided. The plan needs to be understood in terms of the different expectations that need to be met in each year of the plan:

### **4.5 2014/15 - The planning Year**

- 4.5.1 In this first year the minimum sum that must be committed in the local plans nationally is the £1.1bn which is a result of the old Department of Health Social Care Grant (£0.9bn) plus the additional NHS transfer (0.2bn). This increase is there to be used to make progress on priorities and build momentum for 2015/16. Locally this equates to £5.456m.
- 4.5.2 The additional NHS transfer, which will equate to £1.196m locally is to prepare for the implementation of BCF in April 2015 and to make early progress against the national conditions including the performance measures set out in the locally agreed plan. This is important, since some of BCF for 2015/16 will be withheld and linked to national performance indicators. The four National Conditions are:
- Protecting Social Care Services
  - 7 day service to support discharge

- Data Sharing via NHS number
- Joint assessments & accountable professional

4.5.5 The work already underway to redesign Adult Social Care as a response to the upcoming Care Bill also aims to deliver on these conditions. Consideration of the integration of the care management function with the CCG's community provider is a significant step in getting the structures right for the delivery of joint care and health assessments.

#### **4.6 2015/16 – Full Better Care Fund**

4.6.1 In the second year £20.837m is the minimum sum that must be committed locally. However, the success of the planning year will certainly impact on what a locality receives at the start of the full BCF year. The plan is that 25% of the BCF will be withheld against meeting, or having detailed plans in place to meet the national conditions. However up to half of this will be released at the start of 2015/16 subject to a successful planning year. The second half of the withheld monies will be released half way through 2015/16 subject to agreed criteria being met.

4.6.2 The expectation is that local organisations may wish to demonstrate their commitment to integrated services by committing more than the minimum amounts to the BCF.

4.6.3 Given the impact that both organisations are looking to achieve and the work which will have been undertaken throughout the planning year on joint commissioning and integrate services the CCG and the LA are planning to move the funding for many services into a pooled budget by the time that BCF comes into effect in 2015/16:

For Example:

- Reablement
- Intermediate Care
- Information, advice and guidance services
- Support to Carers
- Community equipment
- Respite
- Disabled facilities grant services
- Self management & training (inc. telehealth, telecare)
- Funding for any new services which deliver on BCF objectives (including Promise funding)

4.6.4 The vast majority of these services are already made up from financial contributions from both organisations. But it is a further step towards integration to fund these services from a pooled budget. These represent the services locally that need to continue to be developed and their impact measured in order to achieve that shift from long term care to interventions out in the community that can delay the requirement for higher cost care packages and assist residents in being able to maintain their independence for longer.

- 4.6.5 These prevention and intervention services currently account for less than 10% of the cost of delivering social care in Bromley. This percentage may need to grow in order to release funds further downstream, including funding new preventative services and making stronger more coordinated use of the voluntary sector solutions to provide alternatives to requiring long term state funded care wherever possible. Locally Bromley see this BCF as a tool for whole system reform across the CCG and LA. Therefore it is an important vehicle for the HWB to

utilise to deliver their local strategic objectives for our population. BCF provides a clear area of focus for H&WB strategic oversight linking across to the JSNA priorities.

## 5. FINANCIAL IMPLICATIONS

- 5.1 The Better Care Fund represents both an opportunity and a challenge for both organisations, both of whom are being pressed to find very significant savings over the next 5 years.
- 5.2 Funding for NHS Support for Social Care will increase by £1.196m in 2014/15 but is linked to delivering against the national conditions set out in the principles for the BCF. These conditions need to be met jointly from both organisations and access to this funding to meet those requirements will be important if both organisation are to be able to jointly access the performance related element of the BCF in 2015/16 which will make up £5.5m locally.
- 5.3 The pooled monies available for the Better Care Fund will be £20.837m from 2015/16. This will included the monies top-sliced from Bromley CCG budgets and various existing grant funding received by the Council.

## 6. IMPLICATIONS FOR OTHER GOVERNANCE ARRANGEMENTS, BOARDS AND PARTNERSHIP ARRANGEMENTS, INCLUDING ANY POLICY AND FINANCIAL CHANGES, REQUIRED TO PROGRESS THE ITEM

- 6.1 Given the potential impact on existing funding arrangements, both the Local Authority and Clinical Commissioning Groups have sought and gained the approval of their respective local Executives before finalising this report for the Health and Wellbeing Board.

## 7. COMMENT FROM THE DIRECTOR OF AUTHOR ORGANISATION

- 7.1 I would also refer HWB Members to the Executive report listed below, which includes more detail on the expectations placed on local government and Clinical Commissioning Groups by the Department of Health regarding the use of this new Better Care Fund.

<b>Non-Applicable Sections:</b>	<b>LEGAL IMPLICATIONS</b>
Background Documents: (Access via Contact Officer)	ADULT SOCIAL CARE – IMPACT OF THE CARE BILL AND FUTURE NHS FUNDING – report to Executive by the Executive Director of Education, Care and Health Services 20 <sup>th</sup> November <a href="http://www.kingsfund.org.uk/sites/files/kf/field/field_related_document/making-best-use-of-the-better-care-fund-references-kingsfund-jan14.pdf">http://www.kingsfund.org.uk/sites/files/kf/field/field_related_document/making-best-use-of-the-better-care-fund-references-kingsfund-jan14.pdf</a>