The Better Care Fund

Purpose

1. To set out expectations in relation to the use of the Better Care Fund (the Fund); the
development of joint plans for the use of this funding in 2015/16; and associated
sign-off and governance requirements.

Introduction

2. Over the past four years, funding from the Department of Health has been
passed, via local NHS commissioners. This was previously conducted by the
Primary Care Trust but, since the reform of the NHS, the duty moved to the
Clinical Commissioning Group and NHS England. Funding streams have included:
additional support funding for social care; improving and sustaining performance
on access (primarily to hospital services); and reablement support. Each funding
stream has typically come with guidance about use of the funding, which has
informed the development of local agreements between the NHS and Local
Authority. These agreements are termed “Section 256” Agreements as they are
made under the terms of Section 256 of the National Health Service Act 2006.

2. Following reform of the NHS, a proportion of the funding for 2013/14 is covered by a
Section 256 Agreement between the Clinical Commissioning Group (CCG) and the
County Council. The majority of funding is covered by a similar agreement between
the NHS England Gloucester, Bath, Swindon and Wiltshire Area Team (the Area
Team) and the County Council, although the CCG is responsible for coordinating the
process to reach agreement on deployment of the funding.

4. In the June 2013 spending round - covering 2015/16 - a national £3.8 billion
“Integration Transformation Fund” (now known as the Better Care Fund) was
announced. This fund, established by the Department of Health, is to be held by
local authorities and will include funding previously transferred by local NHS
commissioners to the County Council under Section 256 Agreements.

5. Guidance on developing plans for the Better Care Fund was published by both
NHS England and the Department of Communities and Local Government on
20th December 2013 along with local allocations of the first full year of the Fund
in 2015/16.

What is the Better Care Fund?

6. The Better Care Fund provides an opportunity to transform local services so that
people are provided with better integrated care and support. It encompasses a
substantial level of funding to help local areas manage pressures and improve
long term sustainability. The Fund will be an important enabler to take the
integration agenda forward at scale and pace, acting as a significant catalyst for
change.
7. The Fund is intended to support the aim of providing people with the right care, in the right place, at the right time, including through a significant expansion of care in community settings. This will build on the work Clinical Commissioning Groups (CCGs) and local authorities are already doing.

What is included in the Better Care Fund and what does it cover?

8. The Fund provides for £3.8 billion in 2015/16 to be spent locally on health and care to drive closer integration and improve outcomes for patients and service users and their carers. In 2014/15, in addition to the £900m transfer already planned from the NHS to adult social care, a further £200m will transfer to enable health and social care communities to prepare for the Fund in 2015/16.

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

<table>
<thead>
<tr>
<th>The June 2013 Spending Round set out the following:</th>
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<tbody>
<tr>
<td>2014/15</td>
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<tr>
<td>A further £200m transfer from the NHS to adult social care, in addition to the £900m transfer already planned</td>
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In 2015/16 the Fund will be created from:

£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 reablement funding
- £354m capital funding (including £220m Disabled Facilities Grant)
- £1.1bn existing transfer from health to adult social care.

10. For 2014/15 there are no additional conditions attached to the £900m transfer already announced, but NHS England will only pay out the additional £200m to local authorities that have jointly agreed and signed off two-year plans for the Fund.

11. The requirements for the use of the funds transferring from the NHS to local authorities in 2014/15 remain consistent with the guidance from the Department of Health to NHS England on 19th December 2012 on the funding transfer from NHS to Social Care in 2013/14. They should be in line with the following:

- “The funding must be used to support adult social care services in each local authority, which also has a health benefit. However, beyond this broad condition we want to provide flexibility for local areas to determine how this investment in social care services is best used.”
• A condition of the transfer is that the local authority agrees with its local health partners how the funding is best used within social care, and the outcomes expected from this investment. Health and wellbeing boards will be the natural place for discussions between NHS England, clinical commissioning groups and councils on how the funding should be spent, as part of their wider discussions on the use of their total health and care resources.

• In line with our responsibilities under the Health and Social Care Act, an additional condition of the transfer is that councils and clinical commissioning groups have regard to the Joint Strategic Needs Assessment for their local population, and existing commissioning plans for both health and social care, in how the funding is used.

• A further condition of the transfer is that local authorities councils and clinical commissioning groups demonstrate how the funding transfer will make a positive difference to social care services, and outcomes for service users, compared to service plans in the absence of the funding transfer.”

12. In addition to the above, guidance states local authorities and CCGs should use the additional £200m to prepare for the implementation of pooled (or aligned) budgets in April 2015. It also states the need to make early progress against the national conditions and the performance measures set out in the locally agreed plan. This is important, since some of the performance-related money is linked to performance in 2014/15.

13. The £3.8bn Fund includes £130m of NHS funding for carers’ breaks. Local plans should set out the level of resource that will be dedicated to carer-specific support, including carers’ breaks, and identify how the chosen methods for supporting carers’ will help to meet key outcomes (e.g. reducing delayed transfers of care). The Fund also includes £300m of NHS funding for reablement services. Local plans will therefore need to demonstrate a continued focus on reablement.

14. It was announced as part of the 2013 Spending Round that the Fund would include funding for costs to local authorities resulting from care and support reform. This money is not ring-fenced, but local plans should show how the new duties are being met. Specifically the following:

• £50m of the capital funding has been earmarked for the capital costs (including IT) associated with transition to the capped cost system, based on the work undertaken by Andrew Dilnot which will be implemented in April 2016.

• £135m of revenue funding is linked to a range of new duties that come in from April 2015 as a result of the Care Bill. Most of the cost results from new entitlements for carers and the introduction of a national minimum eligibility threshold, but there is also funding for better information and advice, advocacy, safeguarding and other measures in the Care Bill.
What are the National Conditions?

15. The Spending Round established six national conditions for access to the Fund:

<table>
<thead>
<tr>
<th>National Condition</th>
<th>Definition</th>
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</thead>
<tbody>
<tr>
<td>Plans to be jointly agreed</td>
<td>The Better Care Fund Plan, covering a minimum of the pooled fund specified in the Spending Round, and potentially extending to the totality of the health and care spend in the Health and Wellbeing Board area, should be signed off by the Health and Well Being Board itself, and by the constituent Councils and Clinical Commissioning Groups.</td>
</tr>
<tr>
<td>Protection for social care services (not spending)</td>
<td>Local areas must include an explanation of how local adult social care services will be protected within their plans.</td>
</tr>
<tr>
<td>As part of agreed local plans, 7-day services in health and social care to support patients being discharged and prevent unnecessary admissions at weekends</td>
<td>Local areas are asked to confirm how their plans will provide 7-day services to support patients being discharged and prevent unnecessary admissions at weekends.</td>
</tr>
<tr>
<td>Better data sharing between health and social care, based on the NHS number</td>
<td>Local areas should confirm that they are using the NHS Number as the primary identifier for health and care services, and if they are not, when they plan to.</td>
</tr>
<tr>
<td>Ensure a joint approach to assessments and care planning and ensure that, where funding is used for integrated packages of care, there will be an accountable professional</td>
<td>Local areas should identify which proportion of their population will be receiving case management and a lead accountable professional, and which proportions will be receiving self-management help - following the principles of person-centred care planning. Dementia services will be a particularly important priority for better integrated health and social care services, supported by accountable professionals.</td>
</tr>
<tr>
<td>Agreement on the consequential impact of changes in the acute sector</td>
<td>Local areas should identify, provider-by-provider, what the impact will be in their local area, including if the impact goes beyond the acute sector. Assurance will also be sought on public and patient and service user engagement in this planning, as well as plans for political buy-in.</td>
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How will CCGs and Councils be rewarded for meeting goals?

16. The Spending Round indicated that £1bn of the £3.8bn would be linked to achieving outcomes. Ministers have agreed the basis on which this ‘payment-for-performance’ element of the Fund will operate.

17. Half of the £1bn will be released in April 2015. £250m of this will depend on progress against four of the six national conditions and the other £250m will relate to performance against a number of national and locally determined metrics during 2014/15. The remainder (£500m) will be released in October 2015 and will relate to further progress against the national and locally determined metrics.

18. The performance payment arrangements are summarised in the table below:

<table>
<thead>
<tr>
<th>When:</th>
<th>Payment for performance amount</th>
<th>Paid for:</th>
</tr>
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<tbody>
<tr>
<td>April 2015</td>
<td>£250m</td>
<td>Progress against four of the national conditions:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• protection for adult social care services</td>
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<tr>
<td></td>
<td></td>
<td>• providing 7-day services to support patients being discharged and prevent</td>
</tr>
<tr>
<td></td>
<td></td>
<td>unnecessary admissions at weekends</td>
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<tr>
<td></td>
<td></td>
<td>• agreement on the consequential impact of changes in the acute sector;</td>
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<td></td>
<td></td>
<td>• ensuring that where funding is used for integrated packages of care there</td>
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<tr>
<td></td>
<td></td>
<td>will be an accountable lead professional</td>
</tr>
<tr>
<td></td>
<td>£250m</td>
<td>Progress against the local metric and two of the national metrics:</td>
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<tr>
<td></td>
<td></td>
<td>• delayed transfers of care;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• avoidable emergency admissions; and</td>
</tr>
<tr>
<td>October 2015</td>
<td>£500m</td>
<td>Further progress against all of the national and local metrics.</td>
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</tbody>
</table>
National and Local Metrics

19. The national metrics underpinning the Fund will be:

- Admissions to residential and care homes;
- Effectiveness of reablement;
- Delayed transfers of care;
- Avoidable emergency admissions; and
- Patient/service user experience.

20. In addition to the five national metrics, local areas should choose one additional indicator that will contribute to the payment-for-performance elements of the fund. In choosing this indicator, it must be possible to establish a baseline of performance in 2014/15.

21. A menu of possible local metrics selected from the NHS, Adult Social Care and Public Health Outcomes Frameworks is set out in the table below:

<table>
<thead>
<tr>
<th>NHS Outcomes Framework</th>
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<tbody>
<tr>
<td>2.1 Proportion of people feeling supported to manage their (Long Term) Condition</td>
</tr>
<tr>
<td>2.6i Estimated diagnosis rate for people with dementia</td>
</tr>
<tr>
<td>3.5 Proportion of patients with fragility fractures recovering to their previous levels of mobility / walking ability at 30 / 120 days</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Adult Social Care Outcomes Framework</th>
</tr>
</thead>
<tbody>
<tr>
<td>1A Social care-related quality of life</td>
</tr>
<tr>
<td>1H Proportion of adults in contact with secondary mental health services living independently with or without support</td>
</tr>
<tr>
<td>1D Carer-reported quality of life</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Public Health Outcomes Framework</th>
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</thead>
<tbody>
<tr>
<td>1.18i Proportion of adult social care users who have as much social contact as they would like</td>
</tr>
<tr>
<td>2.13ii Proportion of adults classified as “inactive”</td>
</tr>
<tr>
<td>2.24i Injuries due to falls in people aged 65 and over</td>
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</tbody>
</table>

22. Local areas must either select one of the metrics from this menu, or agree a local alternative.

23. In agreeing specific levels of ambition for the metrics, Health and Wellbeing Boards should be mindful of a number of factors, such as:
• having a clear baseline against which to compare future performance;
• understanding the long-run trend to ensure that the target does not purely reward improved performance consistent with trend increase;
• ensuring that any seasonality in the performance is taken in to account; and
• ensuring that the target is achievable, yet challenging enough to incentivise an improvement in integration and improved outcomes for users.

When should plans be submitted?

24. 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 the local representatives of NHS England can aggregate them to provide a composite report, identifying any areas where it has proved challenging to agree plans for the Fund. An initial submission to the local NHS England team is required on **7th February 2014**.

25. The final 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 **4th April 2014**.

Financial Implications

26. The 2015-16 allocations to the Better Care Fund for Gloucestershire have been confirmed as follows: Total: £39.948m comprising £35.989m from the CCG to the BCF; £1.409m Social Care Capital Grant; and £2.550m Disabled Facilities Grant. The detail of this is being worked through to understand the extent to which the ‘extra’ funding identified in the allocations data, which is in the region of £24.393m, represents additional NHS funding to the BCF and how much is the Government contribution to the additional costs expected to be incurred by the Council as a result of the Care Bill, which is due to come into force in 2015-16.

27. It is important that the Health & Wellbeing Board recognizes that the Better Care Fund (BCF) is not new funding flowing into Gloucestershire. Therefore alongside any investment plans, there will be a disinvestment plan required as current funding is committed to current services. There may be a need for some pump priming but the direction of travel is a move to more planned care and to avoid unplanned admissions to hospitals where care can be provided more effectively in people’s homes or the community, as well as developing broader community infrastructure and support.

28. The Fund requires sign off by each Health & Wellbeing Board and its constituent CCG(s) and local authority. It also requires plans to include patient and user engagement and acute provider support.
Next Steps

29. There will be a period of engagement on local priorities, Better Care Fund commissioning principles and with a plan being agreed by 7th February 2014.

Recommendations

30. The Health & Wellbeing Board is asked to note this report and agree to convene an extra-ordinary meeting in the first week of February to sign off the Better Care Fund plan for submission.

Sponsored by:
Mary Hutton, Gloucestershire CCG
Margaret Willcox, Gloucestershire County Council