

Integration and Better Care Fund Policy Framework 2017-19

Purpose

For information and discussion.

Summary

This report provides a summary of the LGA's key messages on the forthcoming policy framework for the Better Care Fund 2017-19, graduation from BCF and achievement of integration of health and social care by 2020.

Recommendations

Members are invited to note the report and identify any key issues relating to the Better Care Fund or integration that the LGA should prioritise.

Action

Officers to take forward as directed by members.

Contact officer: Alyson Morley
Position: Senior Adviser
Phone no: 020 7664 3230
Email: alyson.morley@local.gov.uk

Integration and Better Care Fund Policy Framework 2017-19

Background

1. Integration has been a constant policy theme for successful governments. This Government has emphasised its commitment to driving the scale and pace of integration of health and social care, as a means of achieving better, more joined up services, improved health and wellbeing outcomes for individuals and a reduced dependence on high intensity and high cost health and social care services. The Better Care Fund (BCF), announced by the Government in the June 2013 spending round and implemented in 2015/16, was created a "to deliver better outcomes and greater efficiencies through more integrated services for older and disabled people." The total pooled budget is now £5.3 billion, significantly more than the £3.8 billion minimum pooled budget mandated by the Government.
2. The LGA supports the intentions of the BCF to drive local integration of health and social care through the transfer of NHS resource to local authorities to protect vital adult social care services. It creates a local single pooled budget to incentivise the NHS and local government to work more closely together around people, placing their wellbeing as the focus of health and care services, and shifting resources into social care and community services. In some places the BCF has provided an impetus to joint working and the integration of services and in many it has supported existing joint work.
3. The way in which the fund was set up from existing funding streams, however, along with financial pressures in both Clinical Commissioning Groups (CCGs) and councils as well as the complexity of the conditions attached to the fund means that in some places the impact has been less positive. Since its introduction in 2015, the LGA and the Association of Directors of Adult Social Services (ADASS) have worked closely with NHS England (NHSE) and the Department of Health to seek to ensure that the BCF continues to meet its original objectives.
4. Despite the financial complexity, the BCF has proved a vital source of financial support for adult social care and community services. In our submission to the Autumn Statement, the LGA called for the Government to bring forward to the current year at least £700 million of the 'up to £1.5 billion' of additional funding for social care available through the 'improved Better Care Fund' (as announced in the 2015 Spending Review) in order to provide some stability to the perilous situation facing many councils. While this would not solve the longer term pressures, this money is urgently needed to tackle the immediate challenges within the care and support system.
5. It is, therefore, is grave concern that the Autumn Statement, published on 23 November, did not address the financial situation facing adult social care. Cllr Izzi Seccombe said: "The Government's failure to act today means social care remains in crisis, councils and the NHS continue to be pushed to the financial brink and face the prospect of more care providers leaving the publicly-funded market or ceasing trading. Tragically, the human cost of this will be elderly and vulnerable people continuing to face an ever uncertain future where they might no longer receive the dignified care and support they deserve, such as help getting dressed or getting out and about, which is crucial to their independence and wellbeing".

LGA policy messages for BCF from 2017-19

6. It is the LGA's ultimate aim for all areas to move beyond BCF in line with the Government's spending review commitment for full integration of health and social care by 2020. However, until all areas have reached a level of integration that no longer requires national mandation, we recognise the continuing contribution of BCF. The LGA has been working hard for the BCF to be significantly improved. In September, we published a joint policy statement with ADASS outlining our expectations for BCF from 2017 onwards:
 - 6.1. BCF should maintain its original intention announced in the 2010 spending review to support closer integration of health and care, and, that money will be allocated to NHS commissioners to transfer to adult social care "specifically for measures that support social care which also benefit health" and to support local authorities to implement the Care Act.
 - 6.2. There must be transparency on the level of funding allocated for adult social care services included in BCF in the 2010, 2013 and 2015 spending reviews in order for Health and Wellbeing Boards (HWBs) to have a clear baseline to ensure that funding for adult social care is maintained and uplifted, using the relative needs formula in future years.
 - 6.3. BCF funding for social care can be used to support existing adult social care services, as well as invest in new services. Maintaining existing services is essential in managing demand, maintaining eligibility and avoiding service cuts. Furthermore, in the light of the acute funding pressures on adult social care, HWBs need to be able to review the schemes funded through BCF and reallocate resources in order to continue to meet their statutory duties.
 - 6.4. The minimum level of funding for adult social care allocated through the spending reviews should not be reduced or put at risk by risk sharing agreements or contingency funds linked to NHS performance.
 - 6.5. From 2017 onwards, all resources for local authorities allocated on the LG Relative Needs Formula included in the BCF to come directly to local authorities rather than channelled through CCGs. Since the "Improved BCF" will come direct to local authorities, we propose rationalising funding streams for BCF in the form of a single ring-fenced allocation for local government.
 - 6.6. HWBs must maintain their role in agreeing and overseeing local BCF plans. Moreover, there needs to be increased local flexibility in how BCF funds are used to maintain adult social care services, thereby reducing pressure on NHS acute care.
 - 6.7. Where social care benefits from the wider BCF funds for carers, reablement or the previous pay for performance fund that is now used for out of hospital services that can include social care, the BCF plan should maintain the level of funding consistent with 2015/16 and 2016/17 and the plan should not destabilise social care or health.
 - 6.8. National conditions need to be minimised: we propose removing national conditions regarding delivery of 7-day services across health and social care, improved data sharing, commitment to a joint approach to assessment and care planning,

requirement for local risk sharing agreements and agreement of local plans to reduce delayed transfers of care. The requirements that councils and CCGs through the HWB agree jointly and maintain minimum level of funding for adult social care should remain.

6.9. The assurance process for BCF plans must be light touch and locally driven, with complete clarity on the respective roles of HWBs, regional NHSE and the national BCF Support Team.

6.10. Planning guidance for BCF for 2017 onwards must be published in time for the annual budget setting cycle for local government in order for them to have clarity on resources available to adult social care.

Policy Framework for BCF and integration

7. The LGA has been working closely with Government Departments and other stakeholders to influence the forthcoming Integration and Better Care Fund Policy Framework, and we are confident that the framework will include many of our key policy messages, outlined above.
8. At the time of writing this report, the policy framework has not yet been published. We understand that it will now be published in early December so that it can be aligned with the Local Government Settlement. The LGA has emphasised the importance of the BCF policy framework, including the allocations for individual councils, to be published as early as possible so that the information can feed into the council budget setting process in December. It is of a real concern therefore, that there is a delay in publication.
9. Officers will provide a verbal update at the Board meeting if the Policy Framework has been published by 1 December.

Graduation from BCF

10. The 2015 Spending Review set announced a commitment to enable areas to “graduate” from the BCF programme management if they are able to demonstrate that they have moved beyond its requirements. The LGA supports this approach, and is committed to working with councils and Government to enable all areas to “graduate”. We have been working with Government departments and NHS England to develop a process for and a clear criteria for graduation. We understand that the Policy Framework will also include high level information on BCF graduation, with a small number of areas (6 – 10) testing the graduation process over the course of 2017.
11. It is the Government’s ambition that all areas will be able to work towards BCF graduation and achieve further integration by 2020. In this way, the Government intends to use the BCF graduation process as a vehicle for achieving the ambition to integrate health and social care by 2020 so that it feels like “one service”. The LGA is working to influence the graduation process in order to ensure that a sector-led and locally driven approach is developed, which does not place any additional reporting or performance burdens on local areas.

Integration by 2020

12. The LGA has worked in partnership with ADASS, the NHS Confederation, NHS Clinical Commissioners to develop our shared system-wide vision of full integration of health and social care. In June, NHS Confederation launched our joint document *Stepping up to the place: the key to successful integration* at their annual conference. This sets out our shared vision, the essential components for successful integration and what needs to happen at local and national level to drive integration forward.
13. In July, at the LGA annual conference we launched a companion piece to the vision: an integration self-assessment tool for local system leaders to use in order to critically assess their own capacity and capability for making meaningful progress on integration. The tool was piloted in several areas during summer and autumn 2016 and following a very positive evaluation and, subject for funding, will be rolled out and offered to all areas as part of the Care and Health Improvement offer on integration.
14. At its last meeting, the Community Wellbeing Board agreed that a key priority for 2016/17 is to continue to promote our shared vision as being central to the Government approach to BCF graduation and achievement of integration of health and social care by 2020.

Next steps

15. Members are asked to:
 - 15.1. note the report; and
 - 15.2. discuss and agree any additional action on the issues raised in the report.

Implications for Wales

16. Health and social care are devolved functions so the arrangements for BCF, BCF graduation and integration for 2020 outlined in this report are of relevance to England only. The WLGA lead on lobbying on health and social care issues for Wales.

Financial Implications

17. This report contains no financial implications for the LGA. All policy and influencing work relating to BCF and integration will be delivered within existing resources.