

Better Care Fund

Purpose of report

For discussion.

Summary

This report updates the Board on developments on the Better Care Fund (BCF) and Improved Better Care Fund (iBCF), and the Care and Health Improvement Programme's support offer on delayed transfers of care. It also outlines the proposed LGA messages on the future of BCF and iBCF for discussion by the Board.

Recommendations

That the Community Wellbeing Board:

1. Notes the developments in relation to BCF and iBCF; and
2. Comment on and endorse the proposed key messages for the future of BCF outlined in paragraphs 19.1 – 19.4.

Action

Officers to action as directed by the Board.

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Better Care Fund

Background

1. This paper provides an update on recent developments with regard to the Better Care Fund (BCF) and improved Better Care Fund (iBCF) along with the LGA response. It summarises the support offer the Care and Health Improvement Programme (CHIP) has put in place for councils and NHS partners to deliver quality and timely care, including meeting specific local needs on winter preparedness and delayed transfers of care (DTC).
2. The paper also outlines the sector's significant concerns regarding BCF and proposes new policy messages with regard to the future of BCF and iBCF, for discussion and agreement by the Board.

Issues

Recent Developments on BCF and iBCF

3. Councils are firmly committed to working with Government and the NHS to improve the health and wellbeing of our citizens, to develop sustainable care and support systems and to ensure that no one remains in hospital longer than necessary. The BCF, developed during the 2013 Spending Round discussions and introduced in 2015, is the key mechanism for driving integration of health and social care services, improve the experience and outcomes for individuals by providing preventative and community-based support and reduce pressure on health services. Since its inception, however, the BCF and latterly the iBCF has strayed some way from its original broad objectives towards a nationally directed focus on DTC.
4. The LGA and many councils have been deeply concerned at recent developments on the BCF and iBCF, in particular the increasing focus on DTC, and the introduction in-year of a separate reductions target for councils and Clinical Commissioning Groups (CCGs). Many local leaders have told us that effective local partnership working between health and social care is being undermined by increasing national direction. We have consistently argued at the highest levels of Government and the NHS that national efforts need to support more effective joint working locally and the LGA is committed to help deliver this.
5. We are clear that increasing national concentration by the Department of Health (DH), the Department for Communities and Local Government (DCLG) and NHS England on DTC – and more specifically to DTC attributable to adult social care - will only partly address other system-wide challenges. DTC are a symptom of pressures across the whole of our care and health system and our collective efforts should be directed towards tackling those pressures.

6. However, the Government and NHS England have made clear that they will continue to focus sharply on each council's DTOC performance. This focus was reinforced in joint letters from the Secretary of State for Health and the Secretary of State for Communities and Local Government sent on 10 October 2017 to all councils with adult social care responsibilities. These letters underlined the importance of effective action to reduce adult social care DTOCs and emphasised that councils' performance would be considered as part of the review of iBCF allocations in 2018/19. Seventeen councils were highlighted as performing well, 102 deemed to be 'in the middle' – not currently in line to have their iBCF allocation reviewed but could be if future performance dips – and 32 councils whose performance on DTOC put them in scope for the review.
7. The letter stated that there would be a further communication within six weeks to formally confirm the areas in scope for the review. The letters also confirmed that the likely outcome of the review will be that councils will be directed to spend the iBCF for 2018/19 on DTOC-related activity but the Secretaries of State reserve the right to reallocate funding within local government to support their priorities. At the time of writing, despite our requests for clarification, the LGA has been unable to gain any further information about the review and the impact on councils in scope for review.
8. On 6 November, Cllr Izzi Seccombe, Mark Lloyd, Chief Executive of the LGA and Margaret Willcox, President of ADASS, wrote jointly to Lead Members for adult social care, chief executives and directors of adult social services in all councils with adult social care responsibilities updating them on developments relating to the BCF and iBCF. The letter also outlined what action we are taking to support councils. The letter is attached for information as Appendix A.
9. The latest DTOC data, published on 9 November and reporting on September's performance, show that DTOC are reducing and that adult social care DTOC are decreasing at a faster rate than NHS attributable DTOC. Comparing July 2017 (when targets were set) with September 2017, social care has reduced its DTOC by 7.2 per cent and the NHS by 3.4 per cent. However, it is important to note that the performance data is for one month only and performance may vary in the future. In addition, many councils are still likely to miss the targets set for November.

Support to improve performance on DTOC

10. We recognise that performance is variable, however, and some areas would benefit from support. The Care and Health Improvement Programme (CHIP) has put in place a support offer and we are working to ensure that it is well targeted and meets specific local needs on winter preparedness. The key elements of the CHIP offer on DTOC comprise:
 - 10.1. Getting the right support into local systems and significantly increasing capacity of CHIP to provide timely and appropriate support;

- 10.2. A universal support offer to health and care systems on winter preparedness through advice to the sector on resilience, examples of good practice, scenario planning and building a library of case studies on what works on DTOC.
 - 10.3. Getting accurate weekly data on DTOC from health and social care in order to have a more accurate picture at local and national level;
 - 10.4. A shared view of the true picture across the system to aid understanding of where support will be most effectively targeted.
11. In addition, councils can check their own DTOC performance and benchmark against similar councils at the LG Inform [site](#).
 12. The LGA continues to provide wide-ranging support to councils and their partners on health and social care, including the CHIP Systems Leadership offer of universal and bespoke support to promote shared culture and leadership to drive integration. We also contribute to the Better Care Support Team and provide bespoke support through the Better Care Advisers programme.

LGA and council concerns on BCF and iBCF

13. Over recent months the LGA has worked closely with councils to understand and clearly articulate the sector's concerns both publicly in the national media and privately, such as at a private summit at the National Children and Adult Services Conference in October for Lead Members and directors for adult social care to raise their concerns about BCF and iBCF. The key concerns are summarised below:
 - 13.1. **Changed national conditions for iBCF** – the Planning Requirements for Integration and the Better Care Fund, published in July 2017, introduced an additional requirement on each council to reduce social care attributable DTOC in 2017/18 and the possibility of a review of 2018/19 iBCF allocation for areas that perform poorly against the target. The LGA was clear at the time that the changes – which were imposed in-year – are unacceptable and for many areas unachievable. Consequently, we withdrew our support for the Planning Requirements.
 - 13.2. **Uneven grant conditions** – the changes give disproportionate weight to 'reducing pressure on the NHS' and within that a narrow focus on DTOC. The Planning Requirements almost entirely overlook the two other grant conditions: meeting adult social care needs; and ensuring that the provider market is supported, both of which also provide benefit to the NHS.
 - 13.3. **Target sharing** – councils have been given equal responsibility for reducing the overall target of DTOC of a 3.5 per cent reduction required of the NHS as part of the

NHS Mandate for 2017/18 despite the fact that adult social care is responsible for less than four in ten of all DTOCs.

- 13.4. **Target setting** - the national target will be extremely challenging for many areas. Even though the most recent DTOC performance shows improvement across the board, nationally the improvement is not at the rate required by the national targets and, overall, approximately a third of the target has been achieved.
- 13.5. **Unrealistic expectations** – though we have welcomed the additional £1 billion iBCF allocation for 2017/18 (as part of the £2 billion for social care announced in the 2017 Spring Budget) we have been clear that this is not sufficient to meet the pressures facing adult social care. The vast majority of this could be absorbed by demographic pressures, inflation and National Living Wage pressures totalling £840 million. This does not include the annually occurring pressure to stabilise the provider market. For many areas, this year's iBCF allocation only helps them to stand still at 2016/17 levels.
14. The private meeting at NCASC reiterated the above concerns regarding iBCF and added others. The focus on DTOC risks taking capacity away from preventative actions that stop people going in to hospital in the first place, as well as depriving vulnerable groups who are not at risk of being admitted to hospital of vital social care. Many attendees also reported problems with accuracy of data on DTOC and incidences of misattributing or misreporting data. Furthermore, BCF assurance decisions are being made on the basis of inaccurate data and councils are not being given the opportunity to make their case and correct it.
15. At the NCASC meeting and in numerous other discussions and correspondence, council members and officers have strongly articulated their deep dissatisfaction with the overriding emphasis on adult social care DTOC performance in BCF and iBCF. Colleagues have been clear that the increasing levels of national pressure to focus on DTOC above other local action to support the care and health system has damaged local partnership working and created serious tensions in crucial local relationships with health partners.

Future of BCF

16. We still strongly believe that the best way of providing preventative, community based and joined-up care for people is through the integration of health and social care. BCF has been the Government's main vehicle for driving integration. However the experience of the BCF to date has been mixed. In some areas it has provided the necessary impetus for health and care to work together to provide personalised and community-based services to support people to remain healthy and independent. In others areas that were already working well together, innovation and creativity have been stifled by overly bureaucratic processes, heavy reporting and performance management burdens and undue national direction. BCF has drifted a long way from its original intentions: to

support local health and care leaders to drive local integration in order to get best outcomes for their citizens.

17. Therefore, we propose a return to the original aims of BCF and get rid of the onerous national assurance and performance management elements. The Board is requested to discuss and agree the following proposals:

17.1. Additional funding for adult social care needs to be channelled directly to councils to ensure that it drives integration and joined-up support; this could be achieved by BCF funding being ringfenced within the DH, in the same way as public health funding. Alternatively, if the Government is committed to keep the money that goes to councils within NHS baseline they simply require a fixed transfer from within CCG budgets to councils to support social care, which in turn supports the NHS. With this clarity local partners would be better able to agree to pooled budgets without fear of losing resources.

17.2. Local areas need the freedom: to decide how best to allocate BCF funds based on agreed local priorities; to set their own targets that are challenging but achievable; and are focused on improving integration across the whole of the health and care system;

17.3. Councils and their health partners need a clear and consistent vision for integration, agreed by health and wellbeing boards, which sets the framework for joint action; Ideally this should be put in place for several years to allow for long-term planning and investment in alternative models of joined up care and a realistic implementation period;

17.4. Any national-level involvement in BCF assurance and performance report should be proportionate, light-touch and balanced by local leadership of the BCF agenda.

18. The Board is requested to discuss the above proposals for the future of BCF.

Next steps

19. The Board is requested to:

19.1. Notes the developments in relation to BCF and iBCF;

19.2. Comment on and endorse the proposed key messages for the future of BCF outlined in paras 19.1 – 19.4.

Implications for Wales

20. Health and social care policy are devolved to the Welsh Assembly so this paper and the proposals are not relevant to Welsh member councils.

Financial Implications

21. There are no financial implications for the LGA. The additional support offered through the CHIP programme is funded by re-prioritising within existing budgets.