



Integration of Health and Social Care – Implementing the Better Care Fund

PURPOSE

To update the Health and Well Being Board on the development of the Better Care Fund in Walsall (previously known as the Integration Transformation Fund), and to seek approval for the proposed allocation of the fund for 2014/15 and 2015/2016.

The national guidance was issued on 20 December 2013, and the deadline for submitting the Better Care Plan to NHS England is 14 February 2014.

This is a report from the Integration Board that meets on 16 January and a verbal update of the outcome of this meeting will be provided to the Health and Well Being Board of any further recommendations from that meeting.

The Integration Board membership comprises the Accountable Officer to the CCG (Chair); Interim Executive Director for Adult Social Care and Inclusion at Walsall Council; Chief Executive of Walsall Healthcare Trust; Chief Executive of Dudley Walsall Mental Health Trust; and the Director of Public Health at Walsall Council.

RECOMMENDATIONS

- (1) That the allocation of the Better Care Fund against current services is agreed as set out in the report having regard to comments made at the integration Board on 16 January; and that Cabinet be recommended accordingly;
- (2) That this report is used as the basis for completing the Better Care Fund National Template;
- (3) That this report is used as a basis for reports to the Governing Body of Walsall Clinical Commissioning Group on 30 January 2014 and Council Cabinet on 5 February 2014;

- (4) To note that the two NHS Trusts (Walsall Healthcare Trust and Dudley and Walsall Mental Health Trust) that make up the constituent membership of the Integration Board will need to indicate their agreement to the Better Care Fund Plan prior to its submission on 14 February 2014;
- (5) That further work is conducted in time for submission of the Better Care Plan by 14 February 2014 to:
 - Review current spend pattern on support for carers between CCG and ASC&I in Walsall Council;
 - Determine how much of the Better Care Fund should be allocated in advance in order to achieve projected reduction in demand against how much is held back as a contingency for not achieving the anticipated reduction and having to pay for higher than anticipated levels of emergency admissions to hospital or residential care placements;
 - Develop Walsall's responses to meeting the six national conditions based upon the approaches recommended in that section of this report;
 - Establish the baselines for the 6 performance indicators and proposed levels of improvement against these baselines in the period to March 2016;
 - Set out a joint risk register;
 - Develop a joint workforce plan for health and social care working closely with providers;
 - Complete the Better Care Plan Template in time for 14 February 2014.
- (6) That an update on progress is reported to the Health and Well Being Board in March 2014;
- (7) That performance measures are agreed as follows:
 - A 15% reduction in emergency admissions of people over 75 years by the end of March 2016 on a baseline established at January 2014 (in line with Government announcement for this metric);
 - A reduction in expenditure on social care packages and residential placements for older people by Walsall Council by the end of March 2016; and
 - the most appropriate local performance indicator chosen for Walsall should be the 'Estimated Diagnosis Rate for People With Dementia'.

BACKGROUND

A report to the Health and Well Being Board in December 2013 set out the background to the Better Care Fund.

The plan is to cover the two financial years 2014/15 and 2015/16 and is to be signed off by Health and Well Being Boards by 15 February 2014. The plan is to be submitted to the Department of Health using the national template.

PRIORITIES FOR INCREASED INTEGRATION OF HEALTH AND SOCIAL CARE IN WALSALL

The development of a plan for increased integration of health and social care in Walsall is being overseen by Walsall Health and Social Care Integration Board. In order for the health and social care economy in Walsall to be financially sustainable in the period up to March 2016 and beyond, it will need to reduce the number of people aged over 75 years who are being admitted to hospital in an emergency, and reduce the number of people who are receiving social care packages or entering care homes.

The plan will therefore set out key targets for this as follows:

- A 15% reduction in emergency admissions of people over 75 years by the end of March 2016 on a baseline established at January 2014; and
- A reduction in expenditure on social care packages and residential placements for older people by Walsall Council by the end of March 2016.

See below for further detail of proposals for key performance measures.

The first step in developing the local Better Care Plan is to establish the baseline of services that are currently contributing to the delivery of the key targets for the Better Care Fund so that the funding for these services is included in the Better Care Fund.

BETTER CARE FUND ALLOCATIONS FOR WALSALL

The total of Better Care Funding for Walsall was confirmed by the Department of Health in guidance issued on 20 December 2013. By 2015/16 the Better Care Fund is to be made up of three main elements as follows:

£1.632 million for Disabled Facilities Grant
£797,000 referred to as "Social Care Capital Grant"
£19.342 million from NHS England calculated from CCG allocations formula.

The guidance on the use of this funding is as follows:

The requirements for the use of the funds transferred from the NHS to local authorities in 2014/15 remain consistent with the guidance¹ from the Department of Health (DH) to NHS England on 19 December 2012 on the funding transfer from NHS to social care in 2013/14. In line with this:

“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”

It is worth noting that the majority of the funding that makes up the Better Care Fund (BCF) will be made up of funding that is already in the system and so is not new or additional funding.

FUNDING STREAMS

Disabled Facilities Grant (£1.632 million): the guidance states that “The DFG has been included in the Fund so that the provision of adaptations can be incorporated in the strategic consideration and planning of investment to improve outcomes for service users. DFG will be paid to upper-tier authorities in 2015/16”. It is therefore recommended that the current level of expenditure on DFG’s is maintained during 2014/15 and 2015/16.

Social Care Capital Grant (£797,000): the guidance states that “DH and the Department for Communities and Local Government (DCLG) will also use Section 31 of the Local Government Act 2003 to ensure that DH Adult Social Care capital grants (£134m) will reach local areas as part of the Fund. Relevant conditions will be attached to these grants so that they are used in pooled budgets for the purposes of the Fund. DH, DCLG and the Treasury will work together in early 2014 to develop the terms and conditions of these

grants”. Guidance also states that “£50m of the capital funding has been earmarked for the capital costs (including IT) associated with transition to the capped cost system, which will be implemented in April 2016”.

NHS England Allocation (£19.342): The remainder of the Fund has been allocated on the basis of the NHS allocations formula for Clinical Commissioning Groups. The guidance states that “Funding will be routed through NHS England to protect the overall level of health spending and ensure a process that works coherently with wider NHS funding arrangements. DH will use the Mandate for 2015/16 to instruct NHS England to ring-fence its contribution to the Fund and to ensure this is deployed in specified amounts at local level for use in pooled budgets by CCGs and local authorities. It will be for local areas to decide how to spend their allocations on health and social care services through their joint plan.”

FUNDING IN 2014/15

A proportion of the funding which will be part of the Better Care Fund in 2015/16 is already in the system in 2014/15 and this has been agreed at the Vulnerable Adults Executive Board as follows:

Table 1: Allocations in 2014/15 to become part of the Better Care Fund in 2015/16.

Expenditure	2014/15 Allocation (£)
Services required in the reablement pathway for people with dementia and frail elderly	300,000
Integrated Community Equipment Service	877,538
Short term assessment, reablement and response service	2,075,628
Development of Intermediate Care service	500,000
OT posts to support Intermediate Care Service	250,000
Bed Based Reablement (Hollybank)	774,919
Integrated Discharge Team	569,418
Co-ordination of Personal Health Budgets pilot scheme	21,840
Short Term Residential Placements and Reablement Care Packages	1,193,000
Swift Unit at The Manor Hospital	1,800,000
Total Spend	8,362,343

FUNDING IN 2015/16

In 2015/16 further funding is added to make up the total amount to £21,771 million. The allocation of the funding in 2015/16 has been agreed at the Vulnerable Adults Executive Board as shown in the following table:

Table 2: Allocation of the Better Care Fund in 2015/16.

Expenditure	2015/16 Allocation (£)
FUNDING CARRIED FORWARD FROM 2014/15	
Services required in the reablement pathway for people with dementia and frail elderly	300,000
Integrated Community Equipment Service (Council Allocation)	877,538
Short term assessment, reablement and response service	2,075,628
Development of Intermediate Care service	500,000
OT posts to support Intermediate Care Service	250,000
Bed Based Reablement (Hollybank)	774,919
Integrated Discharge Team	569,418
Co-ordination of Personal Health Budgets pilot scheme	21,840
Short Term Care Home Placements - Reablement Care Packages	1,193,000
Swift Unit at The Manor Hospital	1,800,000
Sub Total	8,362,843
ADDITIONAL FUNDING TO BE INCLUDED IN 2015/16	
Intermediate Care Services and Community Health Services within service level agreement with Walsall Healthcare Trust	3,515,000
Services within service level agreement with Dudley Walsall Mental Health Trust (e.g Memory Clinic)	919,000
Stroke Care Pathway	605,000
Intermediate Care Services directly funded by CCG (e.g. care home beds; Frail Elderly Pathway; Hollybank House)	1,912,000
Community Equipment Service (CCG Allocation)	601,000
Independent Living Centre (CCG Allocation)	72,000
Support for Older People and Disabled People via Third Sector	96,000
Sub Total	7,720,000
Support to Carers	450,000
Funding to Protect Social Care Services	2,810,000
Sub Total	3,260,000
Disabled Facilities Grant	1,632,000
Social Care Capital Grant	797,000
Sub Total	2,429,000
TOTAL	21,771,843

Support to Carers: the guidance states that “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)”. Locally in Walsall this funding amounts to £450k and this is currently allocated to short term breaks for children and families and transferred to the Children’s Directorate of Walsall Council. This use of the funding is not in line with the national guidance for the Better Care Fund. The ASC&I Directorate currently spends around £600k on support to carers in a way which does impact upon the targets set out above. There is therefore a need to consider whether this funding should become part of the Better Care Fund instead.

Action: Review current spend pattern on support for carers between CCG and ASC&I in Walsall Council;

Funding to Protect Social Care Services (£2.998 million):

One of the six national conditions for the Better Care Fund is that local areas must include an explanation of how local adult social care services will be protected within their plans (see below). One of the risks identified in the joint risk register is that the pace of the integration of health and social care services will not be fast enough to reduce the older people commissioning budget of ASC&I to remain within budget during 2015/16.

There is also a risk that other performance targets will not be met to the extent that some of the Better Care Funding will be held back under the Payment For Performance arrangements (see next section). Better Care Plans must include contingency plans for additional demand on health and social care services if the local integration schemes do not deliver the anticipated reduction in demand.

It is proposed that this element of the Better Care Fund should be used for this purpose.

Action: Further work is needed to establish how much of this element of the funding should be allocated in advance in order to achieve projected reduction in demand against how much is held back as a contingency for not achieving the anticipated reduction and having to pay for higher than anticipated levels of emergency admissions to hospital or residential care placements.

PAYMENT FOR PERFORMANCE

In the guidance issued in December 2013, the government indicated that £1bn of the £3.8bn would be linked to achieving outcomes, and Ministers

agreed the basis on which this payment-for-performance element of the Fund will operate.

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.

See the guidance for further detail on this.

DEVELOPING THE BETTER CARE PLAN

Walsall's Better Care Plan will initially aim to develop the integration of health and social care services in Walsall over the two year period 2014/15 and 2015/16 from the current shape of service provision to the vision set out in the work on integration that is being reported separately and in parallel to the Integration Board.

The plan must form part of the 5 year strategic plan being developed as required by the Clinical Commissioning Group, and should be in line with Walsall Councils medium term planning process.

The plan must meet six conditions which have been set nationally. These are set out below with proposed responses for our local plan in Walsall:

Six National Conditions

National Condition	Proposed Response in Local Better Care Plan
Plans to be jointly agreed	Reference Integration Board and HWBB
Protection for social care services (not spending)	Definition to be agreed locally. This should be based upon the conditions required for implementation of the ASC&I Directorate MTFP.
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	Report progress to date and plans for expansion of community health services and therapy
Better data sharing between health and social care, based on the NHS number	Report on proposed work on data sharing and analysis that has been agreed with the Commissioning Support Unit. This will cross reference case records in social care with NHS patient data in Walsall Healthcare Trust,

	DWMHT, and primary care to identify those individuals with the highest level of take up of service a cross the whole system. This will subsequently further inform the process of risk stratification.
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	Reference plans for integration via development of community based multi-disciplinary health and social care teams based upon current community health services locality structure.
Agreement on the consequential impact of changes in the acute sector	Guidance states that “ 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. Ministers have indicated that, in line with the Mandate requirements on achieving parity of esteem for mental health, plans must not have a negative impact on the level and quality of mental health services.

Action: Further work is needed to develop Walsall’s responses to meeting the six national conditions based upon the above comments.

Performance Measures

The guidance states that the national metrics underpinning the Better Care Fund will be:

- admissions to residential and care homes;
- effectiveness of reablement;
- delayed transfers of care;
- avoidable emergency admissions; and
- patient / service user experience.

The measures are the best available but do have shortcomings. Local plans will need to ensure that they are applied sensitively and do not adversely affect decisions on the care of individual patients and service users.

Further technical guidance will be provided on the national metrics, including the detailed definition, the source of the data underpinning the metric, the

reporting schedule and advice on the statistical significance of ambitions for improvement.

Selection of One Local Performance Metric

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

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:

<p>NHS Outcomes Framework</p>	<p>Proportion of people feeling supported to manage their (long term) condition</p> <p>Estimated diagnosis rate for people with dementia</p> <p>Proportion of patients with fragility fractures recovering to their previous levels of mobility / walking ability at 30 / 120 days</p>
<p>Adult Social Care Outcomes Framework</p>	<p>Social care-related quality of life</p> <p>Proportion of adults in contact with secondary mental health services living independently with or without support</p> <p>Carer-reported quality of life</p>
<p>Public Health Outcomes Framework</p>	<p>Proportion of adult social care users who have as much social contact as they would like</p> <p>Proportion of adults classified as “inactive”</p> <p>Injuries due to falls in people aged 65 and over</p>

Local areas must either select one of the metrics from this menu, or agree a local alternative. The guidance sets out the requirements of any alternative indicator selected locally. Each metric will be of equal value for the payment for performance element of the Fund.

Recommendation: It is recommended that the most appropriate local indicator chosen for Walsall should be the Estimated Diagnosis Rate for People With Dementia.

This is to ensure that mental health is appropriately addressed as part of Walsall's Better Care Fund. It is also on the basis that Walsall's current rate of around 43% is below the national average and so gives room for improvement and has increased steadily from 37% during the last two years in line with the Walsall Joint Commissioning Strategy for Dementia.

Establishing Improvement Targets

Local areas should set an appropriate level of ambition for improvement against each of the national indicators, and the locally determined indicator. In signing off local plans, Health and Wellbeing Boards should be mindful of the link to the levels of ambition on outcomes that CCGs have been asked to set as part of their wider strategic and operational plans. Both the effectiveness of reablement and avoidable emergency admissions outcomes metrics are consistent with national metrics for the Fund, and so Health and Wellbeing Boards will need to ensure consistency between the CCG levels of ambitions and the Fund plans.

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.

In agreeing levels of ambition, Health and Wellbeing Boards should also consider the level required for a statistically significant improvement. It would not be appropriate for the level of ambition to be set such that it rewards a small improvement that is purely an artefact of variation in the underlying dataset.

Recommendation: That improvement targets for two key performance measures are agreed as follows:

- **A 15% reduction in emergency admissions of people over 75 years by the end of March 2016 on a baseline established at January 2014 (in line with Government announcement for this metric); and**
- **A reduction in expenditure on social care packages and residential placements for older people by Walsall Council by the end of March 2016.**

Action: Further work is needed to establish the baselines for the 6 performance indicators and proposed levels of improvement against these baselines in the period to March 2016.

Joint Risk Register

Local areas should provide an agreed shared risk register. This should include an agreed approach to risk sharing and mitigation covering, as a minimum, the impact on existing NHS and social care delivery and the steps that will be taken if activity volumes do not change as planned (for example, if emergency admissions or nursing home admissions increase).

Action: Further work is needed to set out a joint risk register for the Better Care Fund

Stakeholder Engagement

CCGs and councils must engage from the outset with all providers, both NHS and social care (and also providers of housing and other related services), likely to be affected by the use of the fund in order to achieve the best outcomes for local people. The plans must clearly set out how this engagement has taken place. Providers, CCGs and councils must develop a shared view of the future shape of services, the impact of the Fund on existing models of service delivery, and how the transition from these models to the future shape of services will be made.

It is therefore recommended that the two NHS Trusts (Walsall Healthcare Trust and Dudley and Walsall Mental Health Trust) that make up the constituent membership of the Integration Board are also able to indicate their agreement to the Better Care Fund Plan prior to its submission on 14 February 2014.

Workforce Planning

The plan should include an assessment of future capacity and workforce requirements across the system. It will be important to work closely with Local Education and Training Boards and the market shaping functions of councils, as well as with providers themselves, on the workforce implications to ensure that there is a consistent approach to workforce planning for both providers and commissioners.

Action: Further work is needed to develop a workforce plan for health and social care working closely with providers.

CONCLUSION

The detailed guidance for the Better Care Fund was issued on 20 December 2013 with a deadline for initial Better Care Plans to be signed off by Health and Well Being Boards by 14 February 2014.

The Integration Board will make recommendations to the Health and Well Being Board when it meets on 16 January 2014, but the papers for the Health and Well Being Board will already be in circulation by then and so there will be a verbal update of any further recommendations from that meeting.

The Health and Wellbeing Board does not have executive decision making responsibility and so the Governing Body of Walsall Clinical Commissioning Group and the Cabinet will need to agree the recommendation of the HWBB prior to 14 February.

The requisite dates are as follows:

Integration Board	16 January 2014
Health and Well Being Board	20 January 2014
Governing Body of Walsall Clinical Commissioning Group	30 January 2014
Walsall Council Cabinet	5 February 2014

The Better Care Plan Template will need to be completed in time for the submission date of 14 February 2014 with a sign off from the various Boards and Cabinet as above.

Action: Complete the Better Care Plan Template in time for 14 February 2014.

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