

## **Cabinet – 26 July 2017**

### **Improved Better Fund (iBCF) Funding Allocations and Spending Plan**

**Portfolio:** Councillor D Coughlan, Social Care

**Related portfolios:** Councillor I Robertson, Health

**Service:** Adult Social Care

**Wards:** All

**Key decision:** Yes

**Forward plan:** No

#### **1. Summary**

- 1.1. The Government's Spending Review in 2015 announced new money for the Better Care Fund (BCF) of £105m for 2017-18, £825m for 2018-19 and £1.5bn for 2019-20. The Spring Budget 2017 subsequently increased this to £1.115bn for 2017-18, £1.499bn for 2018-19 and £1.837bn for 2019-20.
- 1.2. The allocation for Walsall is £12.6m over three years.
- 1.3. This report outlines the conditions attached to spending the additional funds and the proposed areas for investment.

#### **2. Recommendations**

- 2.1 That the proposed spending plan for the iBCF funding allocation set out in the appendix to the report be approved.

#### **3. Report detail**

- 3.1. The Government will require that this additional iBCF funding for adult social care in 2017-19 is pooled into the local BCF. This funding does not replace, and must not be offset against the NHS minimum contribution to adult social care.
- 3.2. The new iBCF grant will be paid directly to local authorities via a Section 31 grant from the Department for Communities and Local Government. The Government has attached a set of conditions to the Section 31 grant, the draft conditions of use of the Grant can be summarised as:
  - Grant paid to a local authority under this determination may be used only for the purposes of meeting adult social care needs;
  - Reducing pressures on the NHS, including supporting more people to be discharged from hospital when they are ready;

- Ensuring that the local social care provider market is supported.

A recipient local authority must:

- Pool the grant funding into the local BCF, unless an area has written Ministerial exemption
- Work with the relevant Clinical Commissioning Group and providers to meet National Condition 4 (Managing Transfers of Care) in the Integration and Better Care Fund Policy Framework and Planning Requirements 2017-19; and
- Provide quarterly reports as required by the Secretary of State to ensure the Authority is complying with the conditions of the grant as set out.

3.3. The Government has made clear that part of this funding is intended to enable local authorities to quickly provide stability and extra capacity in local care systems. Local authorities are therefore able to spend the grant, including to commission care, subject to the conditions set out in the grant determination, as soon as plans have been locally agreed.

3.4. In terms of the wider context, the funding is also intended to support councils to continue to focus on core services, including to help cover the costs of the National Living Wage, which is expected to benefit up to 900,000 care workers. This includes maintaining adult social care services, which could not otherwise be maintained, as well as investing in new services, such as those which support best practice in managing transfers of care.

3.5. Local authorities will be required to confirm that spending of the BCF money provided at Spending Review 2015 and Spring Budget 2017 will be additional to prior plans for social care spending, via a Section 151 Officer letter.

### **3.6. The Proposals**

3.6.1 The areas for investment of the £12.6m have been discussed with CCG representatives and an agreement in principle has been reached. A summary of the proposals and the spend profile can be found at **Appendix 1**.

3.6.2 It should be noted, that the spending profile as set out is subject to the agreement of the Intermediate Care (IC) Business Case, which outlines a new model of Intermediate Care across Health & Care providers in Walsall. The IC Model and Outline Business Case will be considered by Chief Officers on 2<sup>nd</sup> August 2017 and will be presented to Organisational Boards in September 2017.

3.6.3 The proposals cover four main themes, all of which meet the national conditions and which follow the Walsall Together strategic plan:

- a.) Services: £4.31m (over the 3 years) investment in improving the model of intermediate care so that citizens do not stay in a hospital bed when not required and will deliver improved outcomes and recovery for patients. Also investment in early intervention and prevention services to keep people well and independent in their own home.

- b.) Staffing: £1.88m (over 3 years) staffing to ensure all known customers have an allocated worker who is based in a locality team to oversee and coordinate their care and support. These teams are joint with GP's, community health and in time some mental health and outreach hospital services.
- c.) Commissioning, brokerage, and business support: £1.36m (over the 3 years) to enable the most effective means of commissioning, procuring and negotiating care costs aligned to place based commissioning functions.
- d.) Market uplift: £5.058m (over 3 years). It is well documented that the care market is not sustainable at its current rates of pay. A national survey found a high percentage of market failure and providers who are voluntarily handing back contracts to local authorities as they struggle to recruit, retain and fund a long term care model. Walsall has traditionally been a low payer of domiciliary and residential care and thus investment will be added to the increase in fees paid to ASC providers to enhance market sustainability.

## **5. Council Priorities**

These proposals would support sustaining a range of high quality services to contribute to the Council priority of making a positive difference to the lives of Walsall people: Increasing independence and improving healthy lifestyles so all can positively contribute to their communities.

## **6. Financial implications**

- 6.1. The proposal is to fund the additional identified costs via the Improved Better Care Fund grant (iBCF) announced within the Governments Spring budget. For Walsall the grant equates to an allocation of £12.610m over the three-year period (2017-2020), currently profiled as follows;
- 2017/18 - £6.502m
  - 2018/19 - £4.084m
  - 2019/20 -£2.024m
- 6.2. The funding can be re-profiled or carried forward if not fully utilised during the year of allocation, but has a number of conditions attached to spending the additional funds as detailed within the report. It should be noted that this grant remains short term funding with no detail on any ongoing provision however further announcements on the direction of Social Care funding is anticipated via Central Government.
- 6.3. Should no further funding be announced, the current planned spend includes the potential for ongoing annual costs of £3.3m per year if services were to continue post 2019/20.
- 6.4. Included within this amount is £1.700m of market uplift costs for social care providers where it was acknowledged in the 21<sup>st</sup> June 2017 Cabinet Report 'Adult Social Care increases in rates' that these rates will need to be sustained in future years and as such the MTFO that is currently in the process of being updated will incorporate this assumption.

6.4 It is proposed that should further announcements on the direction of Social Care funding not be made via Central Government before the commencement of the 2019/20 financial year, Adult Social Care will develop an action plan to set out how the remaining potential ongoing costs of £1.62m (total ongoing annual costs of £3.3m set out in paragraph 6.3 excluding the approved market uplift of £1.7m set out in paragraph 6.4) will be removed to avoid a potential ongoing financial pressure from 2020/21.

## **7. Legal implications**

7.1. The iBCF spending plan needs to be included within the Better Care Fund Section 75 agreement between Walsall CCG and Walsall MBC as directed.

## **8. Property implications**

8.1. There are no direct property implications for the Council

## **9. Health and wellbeing implications**

9.1. Sustaining a range of high services will contribute to maintaining the health and well-being of people who need social care services. The Care Act 2014 places a duty upon local authorities to promote health and well-being in the population and to provide a sufficient level and range of services to meet need.

## **10. Staffing implications**

10.1 The development of individual services will have implications for staffing within the directorate, the exact impact of these developments is not yet known, although, in the main it is likely to be positive. As and when services are developed staffing implications will be considered through JNCC and other relevant committees.

10.2 Staffing resources will be increased within corporate functions, such as procurement, finance and legal services to support the transformational activity resulting from the plans within Adult Social Care, this spending plan identifies some of budget to contribute to these increased costs.

## **11. Equality implications**


11.1. Adult Social Care services are provided regardless of individual or family circumstances in terms of equality and diversity.

11.2. The proposals do not favour any particular client group or individual with protected characteristics and therefore there are no equality implications to consider.

## **12. Consultation**

12.1 Formal public consultation in relation to the development of these proposals is not a requirement. Where required, there will be public consultation in the development of services that these proposals will fund.

## Background papers

Appendix Number	Title	Attachment
Appendix 1	Walsall ASC Areas for Investment April 2017 v6 18/07/2017	 Walsall ASC Areas for Investment - Apr

### Author

Kerrie Allward  
Head of Integrated Commissioning  
☎ 654713  
✉ [kerrie.allward@walsall.gov.uk](mailto:kerrie.allward@walsall.gov.uk)



Paula Furnival  
Executive Director

19 July 2017



Councillor D Coughlan  
Portfolio holder

19 July 2017

**Walsall ASC Areas for Investment – April 2017 v6 18/07/2017**

Investment – Total £12,608,995

2017/18 - £6,501,557

2018/19 £4,083,786

2019/20 £2,023,652

	<b>17/18</b>	<b>18/19</b>	<b>19/20</b>
<b>Services</b>			
Intermediate Care (BCF) Redesign and implement a new model of intermediate care in Walsall to integrate and streamline the pathway and facilitate more timely discharge from hospital.	£2.930m	£200k	£0
Community Reablement (inc LD/MH) Enhance the in-house provision of reablement to include support for individuals with complex learning disabilities or mental health needs. This enhanced service will be aligned to Integrated Health & Care teams.	100k	250k	250k
Shared Lives & Employment Services Support the development of the market for shared lives and employment services which market intelligence has shown there to be insufficient provision.	60k	110k	110k
Community Alarms	100k	100k	100k
<b>Sub Total - £4.31m</b>	<b>£3.19m</b>	<b>660k</b>	<b>460k</b>
<b>Staffing</b>			
Increase the number of OT and Social Work posts within Integrated Health & Care teams to ensure that every client known to Adult Social Care has a named worker and caseloads are at an appropriate level. Named workers will ensure that clients known to them admitted to hospital will be supported to discharge in a timely manner.	420k	625k	625k
Recruit to a senior lead across Adults and Childrens social care responsible for complex care and in particular children transitioning from Childrens to Adults Services. This post will support the development of Integrated Health & care teams by ensuring that pathways for children transitioning to adult services are developed in the new model of care.	70k	70k	70k
<b>Sub Total - £1.88m</b>	<b>490k</b>	<b>695k</b>	<b>695k</b>
<b>Commissioning, Brokerage &amp; Business Support</b>	340k	460k	460k
Increase the capacity of commissioning and business support functions to support place based commissioning and delivery of new models of care in Integrated Health & Care teams and Intermediate Care.			
Redesign the Adult Social Care brokerage function to strengthen the communication with the independent care sector, ensure value for money and a timely response to requests for care. This will support the implementation of new models of care, timely discharge from hospital and prevent hospital admissions.			
<b>Sub Total - £1.26m</b>	<b>340k</b>	<b>460k</b>	<b>460k</b>
<b>Corporate Support Functions</b>			
Capacity in corporate support functions e.g. finance, legal and procurement to support the development of place based commissioning and new models of care	100k		
<b>Sub Total- £100k</b>	<b>100k</b>		

<b>Market Uplift</b>			
Independent care providers are seeing increased costs in delivering services with the introduction of the National Living Wage and Apprentiship Levy. An uplift is required to ensure that sustainable fee's are provided.	£1.686m	£1.686m	£1.686m
<b>Sub Total - £5.058m</b>	<b>£1.686m</b>	<b>£1.686m</b>	<b>£1.686m</b>
<b>Total Spend Profile - £12.608m</b>	<b>£5.806m</b>	<b>£3.501m</b>	<b>£3.30m</b>