

## Health and Wellbeing Board

5 November 2014

Better Care Fund



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**Report of Rachael Shimmin, Corporate Director, Children and Adults Services, Durham County Council**

**Stewart Findlay, Chief Clinical Officer, Durham Dales Easington and Sedgefield Clinical Commissioning Group**

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### Purpose of the Report

1. To ratify the Better Care Fund (BCF) Plan.

### Background

2. In June 2013, the Government announced that it would be allocating £3.8 billion to a pooled budget, initially called the Integration Transformation Fund, now called the Better Care Fund (BCF). County Durham's allocation is £43.735m in 2015/16.
3. This budget is to be deployed locally on health and social care initiatives through pooled budget arrangements from 2015/16. The BCF will support the aim of providing people with the right care, in the right place, at the right time, including a significant emphasis upon care in community settings, with the express aim of reducing admissions and readmissions to secondary care and alleviating pressures on the acute sector.
4. An initial draft of the County Durham BCF plan, following national guidance at that time, was submitted to the Durham Darlington and Tees Area Team on 14 February 2014 and following an assurance process a revised plan, incorporating the additional information requested, was resubmitted on 4 April 2014.
5. The Health and Wellbeing Board has received updates and agreed the Better Care Fund plan at its meetings on 21 January and 5 March 2014, and at the development session on 3 September 2014.
6. Ministers confirmed that no BCF plans would be formally signed off in April 2014 and it was noted that refreshed national guidance would provide further detail on the changes to risk sharing, pay for performance framework and the full range of performance metrics to be included in the BCF.

The revised guidance and planning templates were subsequently published on 25 July 2014, with a requirement for BCF plans to be resubmitted on 19 September 2014.

7. Supplementary guidance was published on 20 August 2014 to provide further clarification for CCG's and Councils on the extent of flexibility available in setting the scale of ambition to reduce the total number of emergency admissions to hospital, based on the planning assumption in the guidance issued on 25 July 2014, that each Health and Wellbeing Board would plan to reduce the total number of emergency admissions to hospital by a minimum of 3.5%.
8. The BCF Plan was agreed by the Health and Wellbeing Board on 3 September 2014 and submitted to the NHS England Area Team on 19 September 2014, with a copy provided to members of the Health and Wellbeing Board.

### **Better Care Fund Planning Templates**

9. The vision for the BCF in County Durham remains as **“Improve the health and wellbeing of the people of County Durham and reduce health inequalities”**
10. The five priorities for transformation remain as:
  - Intermediate Care
  - Support for care homes
  - Non Fair Access to Care Services (FACS) reablement
  - Combating social isolation
  - Seven day services
11. The seven work programmes and levels of investment remain as follows:
  - **Short term intervention services** which includes intermediate care community services, reablement, falls and occupational therapy services (**£13,428,000**)
  - **Equipment and adaptations for independence** which includes telecare, disability adaptations and the Home Equipment Loans Service (**£8,562,000**)
  - **Supporting independent living** which includes mental health prevention services, floating support and supported living and community alarms and wardens (**£5,005,000**)
  - **Supporting Carers** which includes carers breaks, carer's emergency support and support for young carers (**£1,361,000**)
  - **Social inclusion** which includes local coordination of an asset based approach to increase community capacity and resilience to provide low level services (**£1,121,000**)
  - **Care home support** which includes care home and acute and dementia liaison services (**£1,774,000**)
  - **Transforming care** which includes maintaining the current level of eligibility criteria, the development of IT systems to support joint working and implementing the Care Act (**£12,484,000**)

12. The performance-related element of the BCF for Durham in 2015/16 will be £11.327m. The target of 3.5% for reducing emergency admissions means that circa 70% of the monies included in the performance element of the BCF (£8.086m) would be passported automatically to the BCF. The remaining £3.241m would be at risk, and would only be added to the BCF subject to meeting the admissions target. If part of the target was met, then a proportion of this element would be added to the BCF.
13. No payment will now be linked to any other metrics, and there are no changes to the following metrics agreed by the Health and Wellbeing Board on 5 March 2014:
  - Permanent Admissions of older people (aged 65 and over) to residential and nursing care homes, per 100,000 population
  - Proportion of older people (65 and over) who are still at home 91 days after discharge from hospital into reablement/rehabilitation services
  - Delayed Transfers of Care from hospital per 100,000 population (average per month)
  - The number of carers who are very/extremely satisfied with the support or services that they receive
  - The Number of People in receipt of Telecare per 100,000 population

#### **National Consistent Assurance Review Process**

14. A nationally consistent assurance review (NCAR) process has been developed by the national Better Care Fund programme team to ensure that a transparent and consistent approach is applied across all BCF plans.
15. Letters communicating the outcome of this review process and outlining the approval status of BCF plans are expected at the end of October 2014 which will include details of the next steps.

#### **Recommendations:**

16. The Health and Wellbeing Board is recommended to:
  - Note the content of this report
  - Ratify the BCF Plan

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#### **Background Papers:**

County Durham Better Care Fund Plan Part 1 Template

County Durham Better Care Fund Plan Part 2 Template

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## Appendix 1: Implications

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**Finance** – The Fund provides for £3.8 billion worth of funding in 2015/16 to be spent locally on health and care to drive closer integration and improve outcomes for patients and service users and carers.

The June 2014 Spending Round set out the following:-

- **2014/15:** A further £200m transfer from the NHS to adult social care, in addition to the £900m transfer already planned
- **2015/16:** £3.8bn to be deployed locally on health and social care through pooled budget arrangements

In 2015/16 the Fund will be created from £1.9bn of additional NHS funding based on existing funding in 2014/15 that is allocated across the health and wider care system as follows:

- £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.

The £3.8bn Fund therefore 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.

The Disabled Facilities Grant 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. However, the statutory duty on local housing authorities to provide DFG to those who qualify for it will remain. Therefore each area will have to allocate this funding to their respective housing authorities from the pooled budget to enable them to continue to meet their statutory duty to provide adaptations to the homes of disabled people, including in relation to young people aged 17 and under.

DH Adult Social Care capital grants (£134m) will also 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.

In addition, it was announced as part of the Spending Round that the Better Care Fund would include £135m of revenue funding for costs to councils resulting from the Care Act in 2015/16. This revenue funding will be identified from the £1.9bn of NHS funding, and will cover a range of new duties on councils relating to the Care Act, (including new entitlements for carers, national minimum eligibility threshold, advocacy, safeguarding and other measures in the Care Act).

On 18 December 2013 the Local Government Finance Settlement covering the period 2014/15 and 2015/16 was published. Social Care funding allocations to DCC in 2014/15 were as expected (£12.936m) and the revenue element of the BCF in

2015/16 (which includes the DCC Social Care Funding of £12.936) was confirmed as being £39.193m.

Indicative 2015/16 capital allocations for the Disabled Facilities Grant (£2.970m) and Community Capacity Grant (£1.572m), which also form part of the BCF pooled budget, have been released. The BCF planning total is therefore £43.735m.

Indications are that the performance-related element of the BCF for Durham in 2015/16 is £11.327m. Assuming Durham sets a target of 3.5% for reducing emergency admissions, circa 70% of the monies included in the performance element of the BCF, £8.086m, would be passported to the BCF. The remaining £3.241m would be at risk, and would only be added to the BCF subject to meeting the admissions target. If part of the target was met, then a proportion of this element would be added to the BCF.

Any balance not added to the BCF would be available to CCG's to spend in consultation with the Health and Wellbeing Board. In effect, the implication is that any balance would be made available to the Foundation Trusts (FT's) to compensate for additional demand pressures as a result of admissions targets not being met. It is assumed in these circumstances that funds would have been deducted from Trust contracts at a level commensurate with the reduction in emergency admissions targets, although this would depend upon local factors. The "real" risk level for Durham is anticipated to be less than the £3.241m, reflecting the relative strong financial position of our local CCG's and the relative financial stability of CDDFT. This is clearly not the case across the whole of the country where reductions in excess of 3.5% are being required to address pressures within health budgets.

**Staffing** - Workforce capacity and capability has been highlighted as an issue across the health and care system when the BCF plans are implemented.

**Risk** - The Health and Wellbeing Board need to jointly agree a local BCF proposal for County Durham, which sets out how the pooled funding will be used and the ways in which the national and local targets attached to the £1bn proportion of the BCF linked to a reduction in total emergency admissions

For the proportion of the £1bn funds linked to a reduction in total emergency admissions, money will be released from the CCG into the pooled budget on a quarterly basis, depending on performance on achievement of agreed performance targets.

As part of the performance reward element of the BCF and the requirements for pooling budgets, a clear framework for local risk sharing of activity forming part of the BCF will also need to be introduced. This will not extend to Local Government being accountable for overspending on acute activity but CCG's and the Council sharing risk and reward (including any under and overspending) for activity within the BCF.

**Equality and Diversity / Public Sector Equality Duty** – No implications

**Accommodation** - No implications.

**Crime and Disorder** - No implications.

**Human Rights** - No implications.

**Consultation** – The updated BCF templates have been prepared jointly by officers of the Council and the CCG's, with support from the Area Team. There is now also a requirement for projected non-elective activity data to be shared with local acute providers, and providers have submitted their commentary in response to those figures to confirm the extent to which they agree with the projections, and set out that those assumptions are built into their own two year plans.

**Procurement** - No implications at this stage.

**Disability Issues** - No implications at this stage

**Legal Implications** - This report sets out the requirement to establish a plan for how the Better Care Fund will be deployed in County Durham in order to meet the Governments requirements.