

COMMITTEES IN COMMON OF THE HEALTH AND WELLBEING BOARD AND INTEGRATED CARE SYSTEM SUB-COMMITTEE

26 June 2023

Title:	Better Care Fund 2023-2025		
Report of the Strategic Director, Children's and Adults			
Open Report	For Decision		
Wards Affected: All	Key Decision: Yes		
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Sponsor: Elaine Allegretti, Strategic Director, Children's and Adults			
Summary: The Better Care Fund (BCF) provides financial support for councils and NHS organisations to jointly plan and deliver local services. Every year the local authority and the CCG (now ICB) are required to submit a template and/or narrative to NHS England to set out how the BCF is delivered in Barking and Dagenham. This year the template will cover two financial years – 23/24 and 24/25.			
Recommendation(s) The Health and Wellbeing Board and ICS Sub-committee are recommended to: <ol style="list-style-type: none"> 1. Agree the Better Care Fund submission to NHS England; 2. Agree to enter into a variation to effect the changes to the Section 75 governing the Better Care Fund, reflecting the 23-25 Better Care Fund submission. 			
Reason(s) The Better Care Fund enables the local authority and NHS organisations to jointly plan and deliver local services to support Barking and Dagenham residents. The BCF funds projects and services that are delivered by stakeholders from across the system, designed to improve health and social care outcomes, prevent re-admission to hospital, maintain and improve independence and support hospital discharge. The BCF works to deliver the Council's vision and priorities.			

1. Introduction and Background

- 1.1 The Better Care Fund (BCF) provides financial support for councils and NHS organisations to jointly plan and deliver local services. It brings together ring-fenced budgets from Integrated Care Board (ICB) allocations, and funding paid directly to local government, including the Disabled Facilities Grant (DFG), the improved Better Care Fund (iBCF) and the Winter Pressures grant.

1.2 In summary, this encompasses:

1) Minimum ICB (Min ICB):

- ICB funding including s256 proportion to LAs to support out-of-hospital services such as Reablement funding to maintain reablement capacity in LAs, community health services, independent/voluntary sectors
- Care Act monies to support the implementation of the Care Act 2014
- Carers' Break funding so carers can have a break

2) Disabled Facilities Grant (DFG) paid directly to LAs: for home adaptations and technologies to support people to live independently at home

3) Improved Better Care Fund (iBCF) paid directly to LAs for Social Care Funding:

- Meeting adult social care needs
- Reducing pressures on the NHS, including seasonal winter pressures
- Supporting more people to be discharged from hospital when they are ready
- Ensuring that the social care provider market is supported.

1.3 In addition for 23-25, Discharge Funding has also been incorporated into the Better Care Fund. This will be outlined in more detail below.

1.4 We have a Section 75 that governs the arrangement between us, Havering and Redbridge and NHS North East London. An executive group steers the development of the BCF and in terms of governance, this group feeds up into the Joint Commissioning Board (JCB). This arrangement will be reviewed as the Place Based Partnerships in each area develop over the coming year, although the intention is that each Place will have its own Section 75 with the ICB by April 2024. A follow up report will be brought to the Health and Wellbeing Board setting out these new arrangements and requesting authorisation for a new Section 75. For 23/24 each variation to the current Section 75 will be at Place level and will be agreed by October 2023 as per the national timetable.

2. Proposal and Issues

1.5 Guidance for this year's BCF was released at the beginning of April and a planning template and narrative is required by the regional and national team for submission by 28 June. The policy framework/planning guidance can be found at the following:

- <https://www.england.nhs.uk/publication/better-care-fund-planning-requirements-2023-25/>
- [Better Care Fund policy framework 2023 to 2025 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/policies/better-care-fund)

1.6 The requirements echo previous years and conditions are as follows:

- A jointly agreed plan between local health and social care commissioners and signed off by the Health and Wellbeing Board.
- NHS contributions to adult social care and NHS commissioned out of hospital services to be maintained in line with the uplift to NHS minimum contribution to the BCF.

1.7 In addition, the two policy objectives from last year have continued into this year and have been articulated as two further national conditions:

- Plans to set out how services the area commissions will support people to receive the right care in the right place at the right time.
- Plans to set out how the services the area commissions will support people to remain independent for longer and, where possible, support them to remain in their own home.

1.8 For both objectives/conditions, areas have been asked to describe their approach to integrating care to deliver better outcomes, including how collaborative commissioning will support this and how primary, intermediate, community and social care services are being delivered to support people to remain at home, or return home following an episode of inpatient hospital care. As we did last year, the narrative at Appendix 1 has been structured around these two policy objectives/national conditions.

1.9 Due to continued joint commissioning activity and capacity challenges, the narrative plan has been updated at a BHR level, with Place updates throughout the document. We will look to disaggregate the narrative to Place level only in future years.

What's changed since previous years?

1.10 **Two year plan:** One of the biggest changes this year, is that the BCF planning is across two financial years to enable longer-term planning for local areas. BCF planning template has two separate parts on section 6a expenditure. Year 2 plans are provisional. Updated spend plans once funding allocations are formally confirmed along with metrics ambitions will be collected in Q4, and systems have had a chance to review progress.

1.11 **Inclusion of Adult Social Care Discharge Fund:** An additional £600m in 2023-24 and £1bn in 2024-25 has been announced by the government to support discharge from hospital and reduce delays allocated across ICBs (£300m) and LA (£300m). Local authorities have been given the funding directly but ICBs have been allocated the other 50% of funding separately to passport to places. Instead of a separate template, the Discharge Fund planning will be incorporated into the BCF planning template for 23/24 and 24/25.

1.12 **Capacity and demand plans:** Capacity and Demand plans were introduced last year and are now being embedded within Better Care Fund planning. Plans will cover health and social care capacity for intermediate care (bed and home based), urgent community response, short-term social care, estimates for discharge and community referrals and estimates for long-term social care. Insights from the

capacity and demand plans are used to inform the plans' approaches to delivering improvement against the programme objectives and metrics.

- 1.13 **Metrics:** Metrics have remained the same as last year, with an additional metric focused on falls. Metrics are therefore as follows:
- Proportion of older people still at home 91 days after discharge from hospital into reablement or rehabilitation (effectiveness of reablement)
 - Older adults whose long-term care needs are met by admission to residential or nursing care per 100,000 population (admissions to residential care homes)
 - Unplanned hospitalisation for chronic ambulatory care sensitive conditions (avoidable admissions to hospital)
 - Improving the proportion of people discharged home, based on data on discharge to their usual place of residence (discharge to usual place of residence).
 - Emergency Hospital Admissions due to falls in people over 65 (falls).
- 1.14 From Q3, areas will be required to set ambitions for a new metric that measures timely discharge. In addition, Hospital trusts will be required to fill in their patients' Discharge Ready Dates from 1st April 2023.
- 1.15 Discharge funding reporting will also start soon and areas will have to provide fortnightly reporting. Main BCF quarterly reporting will also start from Q2. There will be additional requirements for the second half of 2023-24 including:
- Ambitions for the new discharge metric
 - Updates to capacity and demand plans.
 - Areas will also need to set ambitions for metrics and capacity and demand estimates for 2024-25 later this year as well as confirming any changes to provisional spending plans for the second year of the programme.
- 1.16 **5.66% increase in ICB minimum contribution:** The ICB's minimum contribution to social care and commissioned out of hospital care has increased by 5.66% since last year (in line with previous years). We will be reviewing how this increase will be spent.
- 1.17 **Focus on prevention:** We have ensured that the narrative reflects our Place focus on prevention, proactive care and enablement, particularly in the work that we are envisaging around the edge of care and pre-frail cohort in line with the vision set out in the Health and Wellbeing Strategy.

Documents to be submitted

- 1.18 The attachments at Appendix 1 and Appendix 2 will be submitted to NHS England for approval. These consist of the BCF BHR Narrative template (Appendix 1) and the Better Care Fund Barking and Dagenham Funding and Metrics Template, including Capacity and Demand Plan (Appendix 2). Please note that both templates may be subject to slight amendments as we finalise them over the coming weeks ahead of the deadline.

Financial summary

1.19 The below table is a summary of the pooled budget that will make up the BCF in 23-25. The DFG and iBCF are directly given to the local authority.

1.20 In summary:

- The NHS (ICB) allocation has increased by 5.66% nationally each year. This is in line with revised overall NHS revenue growth.
- The iBCF in 2023-24 remains at 22-23 levels. The iBCF in 2024-25 is expected to remain at this cash value.
- The DFG allocation has remained the same as per the May funding announcement.
- Discharge funding has been included within the BCF. 50% of the funding is included in ICB allocations and 50% paid to local government via a grant. All Discharge funding must be pooled and jointly agreed in BCF plans. The ICB portion of the funding is allocated at ICB footprint for both 2023-24 and 2024-25. Local authority allocations for 2023-24 are published and pre populated in the BCF template. The local authority allocation for 24/25 has not yet been published but has been estimated below.

1.21 It should be noted that, as in previous years, all BCF money is allocated for 22/23 against schemes and activities apart from the 5.66% increase which is currently being discussed. Any changes in spend in future years would require early planning and engagement with all partners to enable changes to be made as a large majority of spend pays for packages, placements, services and teams that support the delivery of the national conditions/metrics.

Funding Sources	Income Yr 1	Income Yr 2
DFG	£1,856,901	£1,856,901
Minimum NHS Contribution	£18,440,057	£19,483,764
iBCF	£10,707,003	£10,707,003
Additional LA Contribution	£0	£0
Additional ICB Contribution	£295,000	£0
Local Authority Discharge Funding	£1,501,105	£2,491,834
ICB Discharge Funding	£890,553	£890,553 (TBC, assumed at 23/24 levels)
Total	£33,690,619	£35,430,055

1.22 To provide some context to the above and the financial template in Appendix 2, the below list outlines the key areas that are funded by the Better Care Fund:

- Community Health Services
- Locality multi-disciplinary and integrated case management teams across the community, integrated care and mental health
- The Integrated Discharge Hub that coordinates hospital discharge and the Community Health and Assessment Team (CHAT) of social workers within the local authority that supports discharge and assessment
- The British Red Cross Home, Settle and Support Service

- Home First discharge process to facilitate same day and next day discharge
- Ageing Well urgent care and 2 hour response bridging services
- Packages and placements within extra care, domiciliary care, supported living, residential and nursing care
- Crisis intervention packages for the first six weeks of an individual leaving hospital
- Commissioning and safeguarding resource and systems
- Care Act implementation support
- Mental health and learning disabilities supported employment
- Admiral nurses
- Carers services
- Support for the Personal Assistant market
- Falls prevention
- End of life care
- Equipment, adaptations and care technology
- Social isolation support – in development with the voluntary sector
- Support to stabilise the market and respond to demand

Next Steps

- 1.23 Once the Board has approved the submission, the authority will be provided to NHS England colleagues. The narrative and template will go through a scrutiny process and we will be hoping to receive assurance in November as per the table below. Once the BCF is approved, the Section 75 arrangement will be put in place.

Activity	Date
Submission	28 June
Scrutiny of BCF plans by regional assurers, assurance panel meetings, and regional moderation	28 June – 28 July
Approval letters issued giving formal permission to spend (ICB minimum)	3 September
All Section 75 agreements to be signed and in place	By 31 October

3 Consultation

- 3.1 As stated in the narrative at Appendix 1, stakeholders, providers and residents are engaged in the BCF development and delivery throughout the year. The Place Based Partnership have been consulted and their comments have been included in the above report. Additionally, the ICB Sub-Committee will be presented with the BCF Plan at the Committees in Common meeting.

4 Implications

4.1 Financial Implications

Implications completed by Paul Durrant, Finance Manager (Care & Support)

Funding which comes under the Better Care Fund Umbrella is Section 75 Agreement under the NHS Act 2006, which allows NHS Bodies and Councils to contribute to a common fund which can be used to commission health and social care related services.

The current settlement is for a 2-year period from 2023-24 to 2024-25.

The confirmed funding allocations are stated in the table above.

There is a jointly agreed spending plan which is targeted on a set of desired outcomes for both parties, which is formally agreed by the Health and Wellbeing Board on an annual basis.

Expenditure is reported monthly, to ensure that the funds objectives are delivered within the budgets provided.

4.2 Legal Implications

Implications completed by: Kayleigh Eaton, Principal Contracts and Procurement Solicitor, Law & Governance

This report sets out an update on the Better Care Fund for the year 2023-2025. The Better Care Fund encourages the integration of health and social care systems locally to support person centred care by requiring the ICB and local authorities to enter into pooled budget arrangements and agree an integrated spending plan. Local Authorities and the ICB formalise these arrangements under a section 75 Agreement as provided for under the NHS Act 2006.

Section 75 of the NHS Act 2006 permits the NHS and Local Authorities to enter into arrangements in relation to the exercise of health related functions of such bodies. A s75 agreement enables joint commissioning and commissioning of integrated services to meet the functions of each body.

This report states that once the Council has approved the arrangements there will be an update to the existing section 75 agreement between LBBD, Havering, Redbridge and the ICB. This variation will be effective until April 2024 when it is then intended that each authority have a separate s75 agreement with the ICB, This will entail terminating the existing s75 agreement which states under clause 22 that not less than 3 months' notice in writing is to be given Council officers should factor this notice into the timeline.

The Legal team will be on hand to assist with these updates to the agreement and also to assist with the new section 75 agreement, when required.

4.6 Risk Management

The sign off of the BCF must be undertaken by the Health and Wellbeing Board otherwise NHS England will not assure our BCF narrative and plan.

Public Background Papers Used in the Preparation of the Report:

None

List of Appendices:

Appendix 1 - Better Care Fund BHR Narrative

**Appendix 2 - Better Care Fund Barking and Dagenham Funding and Metrics
Template, including Capacity and Demand Plan**