

HEALTH AND WELLBEING BOARD

05 NOVEMBER 2013

Title:	Integration Transformation Fund
Report of the Integrated Care Sub-Group	
Open Report	For Decision
Wards Affected: NONE	Key Decision: NO
Report Authors: Bruce Morris, Divisional Director Adult Social Care and Sharon Morrow, Chief Operating Office Barking and Dagenham Clinical Commissioning Group.	Contact Details: Tel: 020 8227 2749 E-mail: Bruce.morris@lbbd.gov.uk
Sponsor: Anne Bristow, Corporate Director, Adult and Community Services Conor Burke, Accountable Officer, B&D CCG	
Summary: <p>The Integration Transformation Fund was announced in June 2013 within the Government's spending review. It was described as creating a national £3.8 billion pool of NHS and Local Authority monies intended to support an increase in the scale and pace of integration and promote joint planning for the sustainability of local health and care economies.</p> <p>The fund is made up of a number of differing existing funding streams to Clinical Commissioning Groups and Local Authorities, anticipated annual grants, as well as recurrent capital allocations. At this stage it is not clear there is any new or additional funding. This creates risks for existing services funded from these sources, either if conditions and targets attached to the fund are not achieved or if new priorities are identified for this funding.</p> <p>Access to the Integration Transformation Fund in 2015/16 will be dependent on agreement of a local 2-year plan for 2014/15 and 2015/16. It is anticipated that this plan will need to be agreed by the Health and Wellbeing Board before March 2014. Plans agreed locally will need to align with national criteria which are yet to be announced along with local allocations and Ministers will ultimately approve any plans.</p> <p>£1 billion of the funding will be held back and released subject to performance against national and local targets. There is a further allocation nationally of £200m (transfer from the NHS to local authorities in 2014/15) which is intended to progress on priorities and build momentum.</p> <p>At this stage the Board need to be aware that any new priorities which require investment will also require plans for dis-investment. Work is underway between CCG and LBBB officers to agree local priorities for investment for discussion at February's H&WBB meeting.</p>	

The announced conditions attached to the Integration Transformation Fund imply a complex set of targets that will be directly overseen by Government. They provide opportunities for greater integration as well as significant challenges for both the CCG and the Local Authority.

Recommendation(s)

The Health and Wellbeing Board is recommended to agree:

- a) That Board Members will ask relevant officers within the CCG and local authority to draft and prepare the plans for discussion at a future Board and submission to the Department of Health.
- b) That the Integrated Care Sub-Group lead on both the development of the plan and any subsequent monitoring and reporting to the board, together with any implications.
- c) Note the opportunities alongside the implications for disinvestment
- d) To note that a further report will come to the Board with the draft two year plan in February 2014.
- e) Board Members consider the draft shared priorities in (2.2) that will form the basis for concrete proposals to be considered at a future meeting

1. Background and Introduction

- 1.1. The Government's spending review in June 2013 announced a £3.8bn fund nationally for NHS and Social Care Services in 2014-16 to support the model of integrated health and social care.
- 1.2. Practically, this will be delivered through a "pooled budget" with the aim of reducing demand for NHS services and builds on the success of the transfer of funds from NHS to councils since 2011.
- 1.3. The funds on offer need to be applied for jointly by Local Authorities (LAs) and Clinical Commissioning Groups (CCGs) on the basis of a locally agreed joint commissioning plan by March 2014 which will set out actions to achieve set outcomes in both 2014/15 and 2015/16. The local plan will need to be agreed by the Health and Wellbeing Board and agreed by both parties before submission to the Department of Health who will assure plans prior to funds being released.
- 1.4. As part of achieving the right balance between national and local inputs the Local Government Association, Association of Directors of Adult Social Services and NHS England will work together to develop proposals for how this could be done in an efficient and proportionate way.
- 1.5. £1bn of the £3.8bn Integration Transformation Fund in 2015/16 will be dependent on performance and local areas will need to set and monitor achievement of those outcomes during 2014/15 as the first half of the £1billion, paid on 1st April 2015 will be based upon performance in the previous year. The rest, will be paid in the second half of 2015/16, and will be based on in year performance. Performance will be judged against a combination of nationally-agreed and locally-agreed indicators. It is not yet clear on what will be measured or how but early indications suggest that these will relate to:
 - Delayed Transfers of Care;

- Emergency Admissions;
 - Effectiveness of re-ablement;
 - Admissions to residential and nursing care;
 - Patient and Service User experience.
- 1.6. It is understood that in the event that agreed levels of performance are not achieved there will be a process of peer review, facilitated by NHS England and the Local Government Association, to avoid any financial penalties which may impact upon the quality of service provided to local people.
- 1.7. The outline timetable for developing the pooled budget plans, conditions and metrics in 2013/14 is as follows:
- August to October: Initial local planning discussions and further work nationally to define conditions
 - November/ December: NHS Planning Framework issued
 - December to January: Completion of plans
 - March: Plans assured
- 1.8. NHS England and the LGA and ADASS will work with the DH, DCLG, CCGs and local authorities over the next few months on the following issues:
- Allocation of funds
 - Conditions, including definitions, metrics and application
 - Risk sharing arrangements
 - Assurance arrangements for plans
 - Analytical support e.g. shared financial planning tools and benchmarking data packs
- 1.9. Further announcements are expected in early November for performance metrics and risk sharing arrangements and a review of 'readiness' is also anticipated in November 2013.

2. Proposal and Issues

- 2.1. In August, NHS England and the Local Government Association published a joint statement setting out how the integration and transformation fund is to be managed. This guidance states that Local Authorities will be allowed to use part of the Integration Transformation Fund (ITF) to protect social care against cuts.
- 2.2. The ITF will be a pooled budget which will can be deployed locally on social care and health, subject to the following national conditions which will need to be addressed in the plans:
- Plans to be jointly agreed between the local Authority and the CCG;
 - Protection for social care services/spending with the definition determined locally;
 - As part of agreed local plans, 7-day working in health and social care to support patients being discharged and prevent unnecessary admissions at weekends;

- Better data sharing between health and social care, based on the NHS number (it is recognised that progress on this issue will require the resolution of some Information Governance issues by the Department of Health);
- Ensure a joint approach to assessments and care planning;
- Plans and targets for reducing Accident and Emergency attendances and emergency admissions.
- Ensure that, where funding is used for integrated packages of care, there will be an accountable professional;
- Risk-sharing principles and contingency plans if/ when targets are not met – including redeployment of the funding if local agreement is not reached; and
- Agreement on the consequential impact of changes in the acute sector.

2.3. The June 2013 Spending Round set out the following:

2014/15	2015/16
An additional £200m transfer from the NHS to social care, in addition to the £900m transfer already planned.	£3.8 billion pooled budget to be deployed locally on health and social care through pooled budget arrangements.

2.4. In 2015/16 the ITF will be created from the following:

£1.9 billion existing funding continued from 14/15 - this money will already have been allocated across the NHS and social care to support integration from the following funding streams:
£130 million Carers' Breaks funding.
£300 million CCG re-ablement funding.
c. £350 million capital grant funding (including £220m of Disabled Facilities Grant).
£1.1 billion existing transfer from health to social care.
<p>Additional £1.9 billion from NHS allocations</p> <p>Includes funding to cover demographic pressures in Adult Social Care and some of the costs associated with the Care Bill.</p> <p>£1 billion will be performance related, with half paid on 1 April 2015 (and it is anticipated will be based on performance in the previous year) and half paid in the second half of 2015/16 (which could be based on in year performance).</p>

- 2.5. There needs to be recognition by both parties of the challenges faced by both Local Authorities and Clinical Commissioning Groups and that these are addressed jointly.
- 2.6. National guidance indicates that given demographic pressures and efficiency requirements of around 4%, CCGs nationally are likely to have to redeploy funds from existing NHS services. It is therefore critical in such cases, that CCGs and Local Authorities engage health care providers to assess the implications for existing services and how these should be managed.
- 2.7. S256 monies will no longer be an automatic transfer as historically has been the case.
- 2.8. The conditions the Government has set make it clear that the pooled funds must deliver improvements across social care and the NHS. Robust planning and analysis will be required to:
 - target resources on initiatives which will have the biggest benefit in terms of outcomes for people and
 - measure and monitor their impact;
- 2.9. Plans for use of the pooled budgets should not be seen in isolation. They will need to be developed in the context of:
 - local joint strategic plans;
 - other priorities set out in the NHS Mandate and NHS planning framework due out in November/December. (CCGs will be required to develop medium term strategic plans as part of the NHS 'Call to Action').
 - Road shows in London will be scheduled for November providing key stakeholders with an opportunity to meet with Department of Health leads and further details will be released shortly.

3. The local position

- 3.1. Integrated Care is a well established model in Barking and Dagenham. The organisation of services around GP practices including social workers and some community health staff has been achieved. However, there is more work to be done to ensure shared goals and objectives across specific projects in health and social care are made explicit, shared targets are set, and achieved. Specific work in relation to integrated care is in hand to target interventions at the most frequent attenders of local Accident & Emergency departments and those with the greatest health need.
- 3.2. Work is already underway in a number of areas to improve the patient experience. Expected outcomes relate to improving end of life provision, falls prevention and targeted care and support for those leaving hospital. Outcomes for the next two years will build on this and complement what is already available.
- 3.3. It is proposed that the development of the required two year integrated plan is lead locally by the Integrated Care Sub Group of the Health and Wellbeing Board. The Board recently approved allocations of 2013/14 Re-ablement Funding which included funding for a short term Integrated Delivery Manager who is currently working across the local authority and CCG developing proposals. The board may wish to consider other joint commissioning posts to oversee the delivery of the plans associated with the fund.

- 3.4. Local Authority and CCG Finance Officers have begun work on identifying where the potential sums that may make up the fund are currently allocated. As the monies comprising the fund are already committed to existing care activity partners under the governance of Health and Wellbeing Boards need to fully consider any assumptions and the implications on existing services of a redirection of funds.
- 3.5. The basis for determining the local allocation of the £3.8 billion has not yet been announced and will be subject to ministerial decisions. However, at present the working assumption for work so far is this would be the same formula as used for the s256 allocations. For Barking and Dagenham this would approximately be £14m in 15/16. Based on that assumption, approximately £3.7m of the £14m would be tied to performance against outcomes set out in the local joint plan.
- 3.6. Whilst we are planning on this basis local partners will be able to put additional funding into the pooled budget from their existing allocations if they want to do so and indeed this may be an opportunity for creating a larger “joint pot” for plans that can be jointly agreed.
- 3.7. Work will need to be done to dovetail performance indicators from both sides into one set. The draft plan with outcome targets will be brought for sign off to the Health and Wellbeing Board in February 2014.

4. Draft Priorities

- 4.1. Early discussion between commissioners has indicated the need for developing a set of local shared priorities that can be used as a basis for developing concrete proposals. These have been developed mindful of the intended scope of the fund, and the funding streams that will be used to form the pool. These will be developed further but they will be used to guide further discussions and proposals and will be framed around Personalisation and the individual patient or service user.
 - Delivery of the Integrated Care Strategy.
 - Integrated Health and Social Care working through delivery of the Joint Assessment and Discharge Service supporting 7 day working and improved arrangements for admission avoidance and discharge.
 - Exploring opportunities to utilise joint commissioning roles, notably in Learning Disability and Mental Health.
 - Supporting a joint and strengthened commissioning role with provider services.
 - Improvements in primary care improving access to support and interventions in people’s own homes with less reliance upon acute services.
 - Improvements in prevention, keeping people well and healthy for longer and protecting support for carers.
 - Improving End of Life Care which enables greater numbers of people to be effectively cared for at home or in the place of their choice.
 - Protecting Social Care Spending and services.
 - Ensuring Integrated Service delivery to those families with the most complex needs.

4.2 Members are invited to comment on the shared priorities at this stage and whether they cover the areas the Board would like the Integration Transformation Fund proposals to focus on.

5. Mandatory implications

5.1. Joint Strategic Needs Assessment

Integration is one of the themes of the JSNA 2013 and this paper is well aligned to address and support the strategic recommendations of the Joint Strategic Needs Assessment. It should be noted, however, that there are areas where further investigation and analysis have been recommended as a result of this year's JSNA.

The purpose of the ongoing JSNA process is to continually improve our understanding of local need, and this paper identifies which areas can be addressed in more integrated way to shape future sustainable strategies for the borough.

Social care and health Integration is a recommendation of all seven key chapters of the JSNA but in particular for:

- [Supported living for older people and people with physical disabilities](#)
- [Dementia](#)
- [Adult Social Care](#)
- [Learning Disabilities](#)
- [Mental health - Accommodation for People with Mental Illness](#)
- [End of Life Care](#)

5.2. Health and Wellbeing Strategy

There are areas of health and wellbeing that would benefit particularly from an integrated approach to planning and funding. The Integration of CCG and social care commissioning through the mechanism of a pooled budget provides opportunities for better joined-up care which can lead to better outcomes for service users and improved use of current resources across health and social care.

A specific and obvious area for the Integration Transformation Fund is supporting older people's health and care needs. Older People often have complex co-morbidities and interacting health and social care needs. In particular discharging older frail people with a number of health conditions back home requires careful planning and a coordinated plan of support.,. Development of an integrated team to oversee the planning of complex hospital discharges should positively impact upon people leaving hospital in a safe and timely way and avoid the need for re-admission.

5.3. Integration

One of the established outcomes we want to achieve for our Joint Health and Wellbeing Strategy is to improve health and wellbeing outcomes through integrated services. This report makes recommendations related to the need for effective integration of services and partnership working.

5.4. Financial Implications

(Implications completed by: Roger Hampson, Group Manager Finance)

Information on the health and social care Integration Transformation Fund in this report has been taken from the joint statement from NHS England and the Local Government Association issued on 8th August 2013. Details of how the scheme will work at national and local level have yet to be finalised; further detailed work alongside the completion of the plan and its priorities will be necessary to consider the impact of the proposed pool upon existing services, and the sharing of risk between the local authority and the Clinical Commissioning Group.

As can be seen the fund is made up from a number of existing funding streams both capital and revenue. While many of the revenue funding streams are currently committed to core services and assist with pressures in base budgets the capital allocations are currently the subject of grant conditions and dedicated to one purpose and the consequences of any dis-investment proposals will need to be considered carefully. For example Disabled Facilities Grants (DFG) are dedicated for use to fund major adaptations in privately owned property and any reduction would have an impact on the availability of grants for this purpose.

5.5. Legal Implications

(Implications completed by Chris Pickering, Principal Solicitor)

The report sets out the basis for the fund and there are no legal implications at this stage. The Department of Health is considering what legislation may be necessary to establish the Integrated Transformation Fund, including arrangements to create the pooled budgets. Government officials are exploring the options for laying any required legislation in the Care Bill. Further details will be available in due course. The wider powers to use Health Act Flexibilities to pool funds, share information and staff are unaffected. Consultation will be necessary as well as an Equalities Impact Assessment with regards to how monies are spent.

5.6. Customer Impact

It is expected that integrated systems will improve the service user journey and experience. Work will need to be done to assess the impact on existing service provision to ensure any redirection of resources is not detrimental.

5.7. Contractual Issues

Services will need to be jointly commissioned by Local Authorities and CCGs. Agreement will need to be reached on contract leads for particular aspects of delivery.

5.8. Staffing issues

Any staffing implications will need consideration as part of the development of the joint plans.