

<b>Thursday 14<sup>th</sup> November 2013</b>	<b>ITEM: 10</b>
<b>Thurrock Health and Well-Being Board</b>	
<b>HEALTH AND SOCIAL CARE – INTEGRATION TRANSFORMATION FUND</b>	
<b>Report of:</b> Roger Harris – Director of Adults, Health and Commissioning	
<b>Accountable Director:</b> Roger Harris	
<b>This report is:</b> Public	
<b>Purpose of Report:</b> To inform the Health and Well-being Board of the proposed establishment of the health and social care Integration Transformation Fund (ITF), the likely resources available and how it is proposed the plans are drawn up, agreed and signed off.	

## **EXECUTIVE SUMMARY**

The June 2013 spending round was extremely challenging for local government. However, it did recognise the pressures on adult social care and health through growing demographic pressures and the need to ensure real and meaningful integration between health and social care systems. To help facilitate this it announced the establishment of the Integration Transformation Fund (ITF) which would be a £ 3.8 billion pooled fund to ensure closer integration between health and social care. This offers a real opportunity for genuine integration that ensures better outcomes for people who use services – be they health or social care.

### **1. RECOMMENDATIONS:**

- 1.1 The Health and Well-Being Board is asked to note the progress being made locally to meet the requirement to establish the Integration Transformation Fund and receive a progress report in January and agree that a special meeting is held in February to sign off the final plans.**

### **2. INTRODUCTION AND BACKGROUND:**

- 2.1** The funding is described as: “a single pooled budget for health and social care services to work more closely together in local areas, based on a plan agreed between the NHS and local authorities”. The department of Health are calling this money the health and social care Integration Transformation Fund (ITF) and this report sets out our joint thinking on how the Fund could work and on the next steps we need to take.
- 2.2** NHS England, the Local Government Association (LGA) and the Association of Directors of Adult Social Services (ADASS) are working closely with the Department of Health and Department for Communities and Local

Government to shape the way the ITF will work in practice. Locally we have established project management arrangements between the CCG and the Council to develop our joint plans.

- 2.3 In the document '*integrated care and support: our shared commitment*' integration was helpfully defined by National Voices – from the perspective of the individual – as being able to “plan my care with people who work together to understand me and my carer(s), allow me control, and bring together services to achieve the outcomes important to me”. The ITF is a means to this end and by working together we can move toward fuller integration of health and social care for the benefit of the individual.
- 2.4 Whilst the ITF does not come into full effect until 2015/16 it is essential that CCGs and local authorities build momentum in 2014/15, using the additional £200m due to be transferred to local government from the NHS to support transformation. In effect there will need to be two-year plans for 2014/15 and 2015/16, which need to be agreed by the HWB Board by February 15<sup>th</sup> next year. An element of the funding to be received in 2015/16 will be dependent upon our performance against a number of areas in 2014/15.

### **3. ISSUES, OPTIONS AND ANALYSIS OF OPTIONS:**

- 3.1 The ITF provides an opportunity to transform care so that people are provided with better integrated care and support. It encompasses a substantial level of funding, and whilst the funding is not 'new' it will help deal with demographic pressures in adult social care. The ITF provides us with an important opportunity to take the integration agenda forward at scale and pace – a goal that both sectors have been discussing for several years. Both locally and nationally, the ITF is seen as a significant catalyst for change.
- 3.2 There is also an excellent opportunity to align the ITF with the strategy process set out by NHS England, and supported by the LGA and others, in *the NHS belongs to the people: a call to action*. This process will support the development of the shared vision for services, with the ITF providing part of the investment to achieve it.
- 3.3 The ITF will support the aim of providing people with the right care, in the right place, at the right time, including through a significant expansion of care in community settings. This will build on the work that we are already doing in Thurrock, for example, through the establishment of the Joint Reablement Team the development of Local Area Co-ordinators and the development of the Rapid Response and Assessment Service (RRAS).

The June 2013 spending Round set out the following:

3.4

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.

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

<b>£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</b>
£130 million Carers’ Breaks funding.
£300 millions CCG reablement funding.
£350 million capital grants funding (including £220m of Disabled Facilities Grant).
£1.1 billion existing transfer from health to social care.
<b>Additional £1.9 billion - from existing NHS allocations</b>
Includes funding to cover demographic pressures in adult social care and some of the costs associated with the Care Bill.
Includes £1 billion that will be performance – related, with half paid on 1 April 2015 (which is anticipated will be based on performance in the previous year) and half paid in the second half of 2015/16 (which will be based on in-year performance).

- 3.5 To access the ITF each locality is asked to develop a local plan by February 15<sup>th</sup> 2014, which will need to set out how the pooled funding will be used and the ways in which the national and local targets attached to the performance-related £1 billion will be met. This plan will also set out how the £200m transfer to local authorities in 2014/15 will be used to make progress on priorities and build momentum.
- 3.6 Plans for the use of the pooled monies will need to be developed jointly by CCGs and local authorities and signed off by each of these parties and the local Health and Wellbeing Board.
- 3.7 The ITF will be a pooled budget which 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;
  - Protection for social care services (not spending);
  - 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;
- Ensure that, where funding is used for integrated packages of care, there will be an accountable professional;
- Risk-sharing principles and contingency plans if 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.

3.8 Minsters have agreed that they will oversee and sign off the plans. As part of achieving the right balance between national and local inputs the LGA and NHS England will work together to develop proposals for how this could be done in an efficient and proportionate way.

3.9 £1 billion of the ITF in 2015/16 will be dependent on performance and local areas will need to set and monitor achievement of these outcomes during 2014/15 as the first half of the 1 billion, paid on 1 April 2015, is likely to be based on performance in the previous year. We will be working with central Government on the details of this scheme, but we anticipate that it will consist of a combination of national and locally chosen measures.

3.10 We have set up project management arrangements with the CCG which includes a series of work streams covering the following areas:

- Governance – we want to ensure that there is appropriate governance around the use of the fund and how the CCG Board, the HWB Board and the Council will ensure effective oversight
- Finance – we need to be clear about the source of the funding and how the pooled budget will operate
- Engagement – the latest guidance on the use of the ITF makes it clear that we need to have engaged with providers and the public and patients.
- Commissioning – The ITF will build on our existing reablement plans. We need to fully understand what we want to commission from 2015/16 in particular to ensure real change.

3.11 There is a workshop between the HWB Board and the CCG Board planned for 19<sup>th</sup> December when our vision and initial proposals will be discussed. This will be further reported back to the HWB Board in January. The final plans need to be signed off by February 15<sup>th</sup>. As we don't have a meeting in February it is proposed that we have a special meeting to sign off the ITF plans.

#### **4. IMPACT ON CORPORATE POLICIES, PRIORITIES, PERFORMANCE AND COMMUNITY IMPACT**

4.1 The development of our plans for the ITF will need to be consistent with the Joint Strategic Needs Assessment and our Health and Well-Being Strategy.

4.2 The funding is also meant to cover any demographic pressures that the local authority is facing plus any costs associated with the implementation of the Care Bill locally.

## 5. IMPLICATIONS

### 5.1 Financial

Implications verified by: **Sean Clark**  
 Telephone and email: **01375 652010**  
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The report clearly sets out the significant changes to adult social care funding from DoH. Although some of this is new money members need to recognise that there is an element of existing funding already within current expenditure. At this stage, the figures for Thurrock are unknown and will be reported to future meetings once announced. However, it is clear that there are significant opportunities to integrate these funding streams with existing expenditure and opportunities for economies of scale.

### 5.2 Legal

Implications verified by: **Michael Henson-Webb**  
 Telephone and email: **0208 724 3800**  
[Michael.Henson-Webb@bdtlegal.org.uk](mailto:Michael.Henson-Webb@bdtlegal.org.uk)

There are no legal implications noted in this report.

### 5.3 Diversity and Equality

Implications verified by: **Adeyanju Baruwa**  
 Telephone and email: **01375 652472**  
[abarua@thurrock.gov.uk](mailto:abarua@thurrock.gov.uk)

There are no Diversity and Equality implications noted in this report.

### 6.0 Other implications (where significant) – i.e. Section 17, Risk Assessment, Health Impact Assessment, Sustainability, IT, Environmental

None

**BACKGROUND PAPERS USED IN PREPARING THIS REPORT (include their location and identify whether any are exempt or protected by copyright):**

- LGA / NHS England ITF Guidance notes – July 2013 and October 2013

**APPENDICES TO THIS REPORT:**

N/A

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