



FACTSHEET 19

The Care Bill – Better Care Fund

“[the Better Care Fund] signals a much more ambitious approach to delivering integrated care and a real opportunity to improve the co-ordination of services for patients and service-users.”

Chris Ham, Chief Executive, The King's Fund

This factsheet describes how the Care Bill will facilitate a Better Care Fund to promote closer working between the NHS and Care and Support.

What is the Better Care Fund?

It has long been recognised that there is a need for greater integration of health and social care, because this can support people better and improve their health and wellbeing by ensuring continuity of care, while making best use of resources.

In June, as part of the Spending Round, a £3.8bn pooled fund was announced to promote joint working between the health service, and care and support in 2015/16.

The Better Care Fund includes existing NHS and social care funding, which will now be jointly invested as the biggest ever financial incentive for health and social care to work together and improve outcomes for people.

Local areas will use the funding on:

- Ensuring that health and care and support work together, for example by sharing data and improving continuity of care.
- Acting earlier so that people can stay healthy and independent at home, and avoid going to hospital or A&E.
- Delivering care that is centred on individual needs – such as NHS and social care staff working together to

provide seven day services, and having a named care co-ordinator.

It is envisaged that the Fund will support areas in thinking holistically about how care services, including prevention and housing, can work effectively with the NHS and health-related services.

£1bn of the Better Care Fund will be tied to local performance. Areas will be assessed against how well health and social care work together to improve outcomes, based upon:

- Emergency admissions;
- Delayed transfers of care;
- Effectiveness of reablement;
- Admissions to residential care; and
- Patient and user experience.

Areas that do not perform well will receive managed peer support to put in place an improvement plan for better integration.

The Fund will ensure that local areas pool at least £3.8bn in 2015/16 but both the NHS and local government will have the flexibility to go further by sharing additional funding if they choose to do so, allowing them the flexibility to innovate in the interests of their population.

What will the Bill do?

The Care Bill facilitates the establishment of the Better Care Fund by providing a mechanism that will allow the sharing of

NHS funding with local authorities to be made mandatory.

The Mandate to NHS England for 2015/16 will set the NHS objectives to participate in the Better Care Fund. The NHS and local government will need to pool funding and agree local spending plans for integrated person-centred care.

The Care Bill will enable the Mandate to include requirements for NHS England to allocate funding for the Better Care Fund.

NHS England in turn will have powers to require Clinical Commissioning Groups (CCGs) to use this funding in a pooled budget for use on integrated care, and to specify objectives the area must achieve (such as protecting social care services)

CCGs will make use of their powers under Section 75(2) of the National Health Service Act 2006 to set up pooled budgets with local authorities. Money invested in a pooled budget can only be spent with the agreement of both parties on activities that benefit both health and social care. Each area will develop a spending plan agreed with the Health and Wellbeing Board.

NHS England will sign-off local plans and performance to ensure every area has a robust plan for integration. It will have powers to intervene and direct the CCG as to the best use of money in the rare cases where local areas were not working well together. It will work with local government and health and care experts when reaching these decisions.

A new duty means that NHS England will operate the fund in the joint interests of health and social care. The Mandate may spell out further requirements to work with local government and Ministers.

How the BCF is funded

In 2015/16 the Fund will be created from:

£1.9bn of NHS funding

£1.9bn based on existing funding in 2014/15 that is allocated across the health and wider care system. This will comprise:

- £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.

Further Information

- Spending Round 2013 (section 1.30), HM Treasury, June 2013
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209036/spending-round-2013-complete.pdf
- Planning Guidance to the NHS published on December 20 2013 sets out in more detail what the Better Care Fund will mean for the NHS and Local Authorities
<http://www.england.nhs.uk/ourwork/sop/>