Better Care Fund in 2016/17
London Councils' core design principles

The government's manifesto committed to continue to integrate health and social care, joining up the systems between homes, clinics and hospitals through the Better Care Fund (BCF).

The Comprehensive Spending Review (CSR) will give the government the chance to commit to the wholescale integration of health and social care within the lifetime of this parliament. London Councils supports this but strongly believes that the delivery should be led through local collaboration, not top-down imposed solutions.

To enable this the government cannot afford to wait for the outcome of the CSR but needs to set out its aims for 2016/17 immediately and put in place a timetable to allow local partners to develop their own ambitious local BCF plans.

The BCF has increased the scale and pace of health and care integration, achieving a pooling of £5.3 billion NHS and social care funding. But it has also been overly bureaucratic often impeding rather than hastening local progress. Its payment-linked target of reducing acute admissions has skewed the programme at the expense of a broader health and wellbeing based approach. Also, the failure of government to acknowledge that the BCF was not new money but rather the pooling of existing allocations has been hugely unhelpful and misleading.

To ensure that the BCF can be an effective vehicle for moving to full health and care integration by 2020, the following core design principles should be encapsulated within the 2016/17 programme.

1. Extend the scope

BCF has mostly focused on the frail elderly so far but many others should also receive person-centred joined-up services. All areas should expand the scope of their integration to new groups in their 2016/17 plans. It should be for local partners, through Health & Wellbeing Boards, to agree what areas to focus on.

2. Make prevention and early intervention a mandatory component of every local plan

Including prevention and early integration as a mandatory element in the BCF will accelerate local collaboration and rapidly increase the evidence base of what works, as well as driving real progress on rebalancing activity across health and care. As this is unlikely to be fully self-funding within a year, a proportion of the national NHS transformation funding should be allocated to the BCF pool for pump priming. In return, local government should re-purpose some of its public health activities.

3. Expand the scale by doubling the minimum amount to be pooled nationally from £3.8 billion in 2015/16 to £7.6 billion in 2016/17

The BCF includes only a fraction of spending on health and social care in most areas. The government needs to address real funding pressures in health and social care but must be honest about what new money is being provided for the BCF, as opposed to where existing funding is being planned jointly. Much greater pooling or aligning of funding will be needed to mainstream integration. Doubling the minimum amount to be pooled in the BCF in 2016/17 would be a step towards that. There should be some local flexibility to determine which parts of NHS, social care and public health budgets to include in the BCF pool. Contributions should also come from NHS England's specialised commissioning budgets and national transformation funding.

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4. Local BCF and sub-regional operational resilience planning should be aligned by including operational resilience funding in the BCF pooled budget

Both BCF and systems resilience planning have a strong focus on reducing hospital admissions and facilitating timely discharge. NHS system resilience funding has been baselined into CCG budgets. This should be included in the BCF pool, to ensure that BCF and system resilience planning are fully aligned. The government has not yet made any commitment to any system resilience funding for councils. It should make an early announcement to at least match the £37 million allocated to councils in January this year, to enable that to be included in the BCF/system resilience planning.

5. End the nationally mandated payment for performance target

The nationally mandated approach has proved complex and bureaucratic and by focussing only on hospital admissions has undermined the whole system integration potential of the BCF. Integration must continue to play an important role in reducing planned and unplanned admissions to hospitals and that the risks of planned interventions to achieve this must be managed locally. Local authorities and CCGs should, therefore, be required to develop local risk-share deals to address this and some of the focus of this year's BCF support programme could be on what robust deals look like and facilitating local deals.

6. Strengthen alignment of commissioner and provider plans

There is a fundamental misalignment of incentives that needs to be addressed if commissioner and provider planning is to be aligned, to give everyone greater confidence in delivery. For BCF in 2016/17, all the commissioners of an individual provider should be required to engage with that provider together to ensure that the total impacts on providers are considered. In return, Monitor and the NHS Trust Development Authority, should require alignment of planning assumptions with BCF plans as part of their provider plan assurance.

7. Reduce bureaucracy and conduct monitoring intelligently

The assurance and monitoring processes need to be quicker, more streamlined and proportionate to risk and the track record of implementing the 2015/16 BCF plan. Assurance should be largely regionally managed, led jointly by NHS England and local government, with upward reporting on an exceptions basis.

8. Require local areas to submit a roadmap of how they will move towards full integration of health and care by 2019/20 at the latest, alongside their BCF plan for 2016/17

What should happen next?

To be a powerful driver of integration in 2016/17, the BCF requires a sensible planning timeline. Waiting for the outcome of the Comprehensive Spending Review will curtail effective local planning and ambition will be constrained. Also, future uncertainty risks undermining implementation in 2015/16. We therefore urge the government to work to the following timetable:

by July	Government sets out its policy direction for BCF in 2016/17
early Sept	Final detailed guidance and timetables published
early Feb	BCF plan assurance complete – allowing areas to prepare for implementation and final plans to be reflected in provider plan assurance

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