



Health and Wellbeing Board Friday 6th September 2013

Health & Social Care Integration Transformation Fund (ITF)

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1. Summary

1.1 In the recent 2013 spending review the Government has announced the introduction of a new Health and Social Care Integration Transformation Fund (ITF) from April 2015.

1.2 This fund, totalling £3.8b, 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”

1.3 A joint statement from NHS England and the Local Government Association in July noted that the ITF will;

- Provide an opportunity to transform care so that people are provided with better integrated care and support
- Help deal with demographic pressures in adult social care
- Assist in taking the integration agenda forward at scale
- Support a significant expansion in care in community settings

1.4 Prior to the commencement of the ITF in April 2015, an additional £200m, above the £900m already identified, will now transfer from the NHS to social care.

1.5 The £3.8b ITF itself will be made up of the following budget streams

- £1.9b existing funding continued from 2014/15 which includes:
 - £130m Carers Breaks funding
 - £300m CCG Reablement funding
 - £350m capital grant funding (including £220m Disabilities Facilities Grant)
 - £1.1b existing transfer from health to social care
- £1.9m additional funding from NHS allocations to include
 - funding to cover demographic pressures in adult social care
 - some costs associated with the health & social care act

1.6 £1bn of the ITF will be performance related. It is anticipated that half will be paid on 1 April 2015 based on the previous year's performance and half paid in the second half of 2015/16 which may be based on in year performance.

1.7 Further guidance will be issued in the autumn, however currently there are some key messages to consider in planning for the introduction of this fund:

- There is an expectation that locally the NHS and Local Authorities will begin working on this now by developing 2 year plans for 2014/15 and 2015/16 which will be in place by March 2014.
- Plans will need to be developed jointly between CCGs and Local Authorities and signed off by Health & Wellbeing Boards.

2. Recommendations

- 1) A task and finish sub group of the Health and Wellbeing Board is created to oversee the development of the joint plan for the introduction of the ITF in Shropshire. This will include governance arrangements and management responsibilities as well as the proposals for the use of the fund. This group will report to the H&WB Executive regularly on progress in developing the plan and bring the plan to the Board for sign off prior to March 2014 and membership will be made up of the CCG and local authority commissioners;
and
- 2) The plan to be developed, in accordance with any national criteria linked to the funding, to support:-
 - the intended better integration of health and social care,
 - the ever increasing demographic pressures and
 - the urgent need to provide more care for patients in their own communities;
and
- 3) The plan reflects and supports the collaborative work across health and social care including work already underway;
and
- 4) The task and finish sub group will develop an outcomes framework, which also links to the performance related element of the fund, to measure the efficacy of work supported by the ITF and to provide assurance to the Health and Wellbeing Board.

REPORT

3. Risk Assessment and Opportunities Appraisal

(NB This will include the following: Risk Management, Human Rights, Equalities, Community, Environmental consequences and other Consultation)

4. Financial Implications

See Summary

5. Background

5.1 Exert from press release NHS England. (August 9th 2013)

The 'Integration Transformation Fund' is a single pooled budget for health and social care services to work more closely together in local areas. The publication today provides a roadmap for local areas to plan in the run up to the fund taking full effect from 2015/16.

Sir Merrick Cockell, Chairman of the Local Government Association said: "The Spending Round was extremely challenging for local government, reducing council budgets at a time of significant demand pressures.

"In this context the announcement of a £3.8 billion pooled budget for integration in the Spending Round is therefore a positive, practical move and can contribute to delivering our goal of using the money in the health and social care system to best effect.

“The fund is an important catalyst for change, and moving more towards preventative, community-based care will help to keep people out of hospital and in community settings for longer. That’s in the interest of the individual and the public purse.

“We were very clear before the Spending Round that integration is the game-changer and we are now working closely with NHS England, Clinical Commissioning Groups and councils on the detail of how this fund will work. Today’s statement is an important first step in that process and we need the space to continue this work.

“It is already clear that health and wellbeing boards will be crucial to this process. They are key to local decision making on health and care and in signing off the plans for how the money is spent locally will play a key role in the assurance process.”

Source and for additional information can be found at
<http://www.england.nhs.uk/2013/08/09/hlth-soc-care/>

6. Additional Information

None

7. Conclusions

See Recommendations

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Cabinet Member (Portfolio Holder)
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Karen Calder, Portfolio Holder, Health
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Local Member

Appendices
