

REPORT FOR DECISION



DECISION OF:	Cabinet
DATE:	October 2018
SUBJECT:	Progress on implementation of the Bury Health and Social Care Locality Plan and appointment of the Chief Officer of Bury CCG
REPORT FROM:	Cllr Andrea Simpson, Deputy Leader of the Council and Cabinet Member for Health and Wellbeing
CONTACT OFFICER:	Geoff Little, Chief Executive Julie Gonda, Interim Executive Director for Communities and Wellbeing
TYPE OF DECISION:	KEY DECISION
FREEDOM OF INFORMATION/STATUS:	
SUMMARY:	<p>This report is to update Cabinet on progress on the implementing the Bury Locality Plan. In particular, it covers updates in respect of the development of:</p> <ul style="list-style-type: none"> • The Local Care Alliance; • Bury’s Single Commissioning Function; • The financial implications of the Locality Plan for the health and social care system overall and for the Council in particular and • Bury’s position in relation to standardisation of hospital services across Greater Manchester and the future of the Pennine Acute Hospitals NHS Trust. <p>The report also sets out proposals in respect of the appointment of the Chief Executive of Bury Council to also hold the post of as the Chief Officer of NHS Bury CCG.</p>

<p>OPTIONS & RECOMMENDED OPTION</p>	<p>Cabinet is recommended to:</p> <ol style="list-style-type: none"> 1. Note the progress that has been made in the implementation of the Bury Locality Plan and approve the move to the next phase of integration; 2. Note the key milestones to be achieved by 31 March 2019 and agree the next steps of integration as set out in the report; 3. Approve the appointment of Bury Council Chief Executive as NHS Bury CCG’s Chief Officer from 1 October 2018, as agreed at the Governing Body meeting of the CCG on 6 September 2018 and NHS approval. <p>Reasons for Recommendations</p> <p>The approval of the recommendations will facilitate the next steps of the integration process for alignment of functions and governance arrangements to operate.</p>
<p>IMPLICATIONS:</p>	<p>Failure to support this work will result in the Council not delivering transformation in line with the Council’s priorities and GM Devolution</p>
<p>Corporate Aims/Policy Framework:</p>	<p>Do the proposals accord with the Policy Framework? Yes</p>
<p>Statement by the S151 Officer: Financial Implications and Risk Considerations:</p>	<p>Reforming Health & Social Care in Bury is critical to the financial sustainability of the Council, the CCG and the wider Health & Social Care economy.</p> <p>Establishment of a single commissioning approach and a Local Care Alliance are key to the delivery of the Borough’s Locality Plan.</p> <p>Activity outlined in this report will be funded using Transformation Funding obtained via Greater Manchester through the devolution deal.</p>

Health and Safety Implications	No issues identified at this stage.
Statement by Executive Director of Resources (including Health and Safety Implications)	There are no wider resource implications
Equality/Diversity implications:	A key purpose of the Locality Plan is to reduce inequalities in healthy life expectancy between Bury and national averages and within the Borough. Any more detailed equality issues will be considered as part of the implementation of any specific elements of the proposals contained in this report, such as those associated with the proposed impact on staff structures.
Considered by Monitoring Officer:	<p>The Council has the power to integrate health and social care and take decisions using a combination of powers comprising the Health Act 1999, the National Health Service Act 2006 and the general power of competence under Section 1 of the Localism Act 2011. The health legislation creates “flexibilities” for partnership working which include establishing pooled budgets, lead commissioning and integrated provision.</p> <p>The flexibilities can be used together, for example where one partner takes on the role of commissioning services and managing existing services and staff, whether or not the partners retain separate budgets. Alternatively, the partners can establish an integrated service, where services are pooled and staff are integrated and managed by one partner through a pooled budget. In addition the NHS and Public Health (Functions and Miscellaneous Provisions) Regulations 2013 enable certain Clinical Commissioning Group functions to be exercised jointly, including through a joint committee.</p> <p>Partners retain responsibility for their functions but can delegate within appropriate schemes of delegation as to the scope of activities to be performed. The Council must ensure that the statutory role of the Director of Adult Social Services is accountable for the delivery of those functions (set out in Schedule 1 of the Local Authority Social Services Act 1970).</p> <p>Suitable governance arrangements will be identified as work progresses. Amongst other matters, the report sets out further</p>

	development of the Local Care Alliance and integrated commissioning of health and social care.
Wards Affected:	All
Scrutiny Interest:	

TRACKING/PROCESS

DIRECTOR:

Chief Executive/ Strategic Leadership Team	Cabinet Member/Chair	Ward Members	Partners
Scrutiny Committee	Cabinet/Committee	Council	

1. BACKGROUND

In February 2015 as part of Greater Manchester’s devolution plans, the 37 NHS organisations and local authorities signed an agreement to take charge of health and care spending within the city region. A strategic plan, ‘Taking Charge of our Health and Social Care in Greater Manchester’ was developed to address the known poor health outcomes and inequalities experienced by local people and the anticipated financial deficit of £2bn by 2020/21. As part of the devolution arrangements, each borough developed its own ‘Locality Plan’ to transform health and care, to improve outcomes and experience for local people in a sustainable health and care system.

In Bury too many people become ill too early, with significant health inequalities impacting upon the Borough’s most deprived communities. Healthy life expectancy in Bury is 58.5 years for men compared to an England average of 63.3 and 62.2 for females compared to 63.9 for England. In Bury’s most deprived communities healthy life expectancy is as low as 53.1 for men and 54.2 for women. One in three children are not school ready at age five.

On a do nothing basis, it is anticipated that the health and care system will have a £75.6m financial deficit by 2020/21. This is caused by limited resources whilst the population grows and becomes older. Bury’s population is projected to increase by 3.4% by 2021 (to 194k) and the proportion of that population over 65 will increase by 9.5% over the same period.

Bury's Locality Plan identified a number of key relationships that needed to be developed differently to ensure that Health and Social Care transformation could be delivered effectively by 2020/21. The plan set out a number of key transformational changes and programmes to improve outcomes and close the financial gap, delivering financial sustainability. The objective was to empower local people to remain well for longer, making informed choices about their health and care, within an integrated delivery model with a focus on prevention and early intervention.

The plan articulated an ambition to bring together the main providers of health and social care services to explore innovative methods of delivery, improve outcomes for Bury people and reduce costs. To do this five partner organisations have come together in March 2017 to form a Locality Care Alliance. The five partners are:-

- Bury GP Practices Ltd. This is a federation of all GP Practices in Bury.
- The Council
- The Northern Care Alliance NHS Group. This is a group of NHS Trusts comprising Salford Royal NHS Foundation Trust and the Pennine Acute Hospitals NHS Trust (including Fairfield Hospital)
- Pennine Care NHS Foundation Trust which provides community health and mental health services to a number of localities across Greater Manchester including Bury
- BARDOC, a provider of primary care out of hours services across Bury, Rochdale and Bolton.

In April 2018, a formal agreement was signed which holds each partner to account in terms of operating 'system wide' with a focus on delivery of transformation and generating improved outcomes for the people of Bury.

The Locality Plan also highlighted the benefits of bringing together the health and social care commissioning functions of Bury Council and Bury CCG into One Commissioning Organisation, with a pooled or aligned budget, a single commissioning strategy and strategically commissioning for outcomes.

As part of Greater Manchester's plans to ensure acute hospital and specialist services are sustainable and of a consistently high quality, Pennine Acute Hospitals NHS Trust (PAHT) services are currently being managed by Salford Royal NHS Foundation Trust via a management agreement. Running until December 2019, this agreement will support the development of new ways of working that will ensure patients receive consistently high standards of care.

Longer-term plans for PAHT are being developed to ensure stabilisation and transformation of the hospital sites, delivering improved care and patient experience, economies of scale and value for money. Whilst plans are subject to due diligence, business case approval, financial plan agreement and receiving support from NHS Improvement and the Competition and Markets Authority, the direction of travel is for the Fairfield site, along with the Royal Oldham and Rochdale Infirmarys to be acquired by Salford Royal Foundation Trust with the North Manchester site acquired by Manchester University NHS Foundation Trust.

2. Update in respect of the development of the Locality Care Alliance (LCA)

The purpose of the LCA is to help people to remain healthy for as long as possible and when people do need health and care services for these to be provided for as long as possible in their own houses. The intention is therefore to reduce admissions to acute health and residential care services by shifting more care and resources into the community. This will be a major contributor to improving the services received by Bury people and reducing the financial gap.

The work in respect of the LCA is driven through the sponsorship of the Chief Executives of the 5 partner organisations within the Alliance together with the LCA Board. Each Chief Executive reports through the governance of their own organisations. In the Council's case this is through the Cabinet Member with responsibility for health and social care and the Deputy Leader in the Council, Councillor Andrea Simpson.

The following progress has been made in the last three months:-

- The host arrangements for the LCA have been transferred from Pennine Care Foundation Trust to the Northern Care Alliance, including back office support. This is bringing additional capacity for delivery.
- The LCA Partnership Board terms of reference have been refreshed with equality of votes between the five provider partners. This Board will hold the LCA management team to account. The Bury Voluntary, Community and Faith Alliance (VCFA) and Persona are included on the Board as non-voting members;
- Additional senior capacity to deliver has been put in place through the full-time appointment of Kath Wynne-Jones, a senior manager from Northern Care Alliance as Interim Executive Lead, and a Director of Transformation & Delivery Lindsey Darley who expected to start in December.
- An LCA management team is in the process of being established to accelerate delivery and operate as a single management team, including key roles from within each partner organisation, such as:
 - a senior manager of the GP Federation to support the leadership and coordination role of Primary Care in each of the five neighbourhoods.
 - a senior manager of Adult Social Care,
 - a senior manager of Community Health
 - a senior manager of Community Mental Health

These decisions, and the introduction of additional capacity at a senior level have led to the development of a detailed work plan for the next six months which focuses on the following components of the LCA and with key milestones to ensure delivery by 31 March 2019:-

Five Integrated Neighbourhood Teams (INTs) covering the whole of the Borough that consist of primary care, adult social care, community care and VCFA staff will be operational by April 19. The teams will have:

- Single line management by five team leaders, reporting to a single post in the LCA management team
- Co-located community health, adult social work and VCFA staff in neighbourhoods supporting the delivery of high quality primary care
- Joint access to case management systems and access to relevant care records
- Risk stratified identification of cohorts, from the beginning of INTs going live.

Not all services will be based in the neighbourhood teams because of economies of scale. These services will be borough wide, or in the case of links to services in front of A&E and Integrated Discharge Teams, in hospitals in and beyond Bury. These services will be fully part of the LCA service model so that the flow of demand into and out of hospitals and residential care can be regulated.

The neighbourhood teams will be fully integrated with the intermediate tier of provision (ie between neighbourhood and hospital based services). This will bring together services such as reablement, intermediate care and end of life care provision to enable patients to effectively step up and down through different levels of intensity of care across Bury.

The purpose of the LCA is to help Bury people remain healthy for as long as possible and when they do need health and social care services for the care to be provided for as long as possible in their own homes and less often in hospital or residential care. This objective requires more than a change in the way public service organisations work together; it requires a shift in the relationships between front line staff and between those staff and residents, patients and their careers and families.

The importance of both mental health services and social care services in transformation, and their links with physical health, cannot be underestimated. As we move forward with integration we need to truly respond to all the needs of a person rather than continuing to work in silos. Mental health will be fully integrated into all the pillars of the Transformation Plan, and there is work underway to understand how Mental Health Primary Care capacity can be built into the Integrated Neighbourhood Teams.

The detailed work now underway to develop the LCA is therefore based on a strength based approach to relationships. This means different types of assessment where time is taken to really listen to people and their families and connecting to the support within families, neighbourhoods and communities. The approach focuses on what people can do, not just on fitting needs into services. This will apply to the way packages of care are designed and managed after assessment. Assessments by one service will be trusted and used by other services so that people do not need to keep repeating the same information.

Connecting to the strengths in families and communities will require front line staff in the LCA to have a good understanding of the strengths or assets in families and communities. This is one of the reasons why the voluntary and community sector through Bury VCFA will be built in from the start of the LCA, with the sector represented at all levels of governance, management and operational delivery.

The specific programme regarding Mental Health Service transformation is being led by Pennine Care Foundation Trust in line with the GM Mental Health programme; this has a particular focus on enhanced Crisis & Urgent Care for people with mental health conditions and Increasing Access to Psychological Therapies (IAPT), in particular for people with long-term conditions, in addition to a number of initiatives for young people.

Council staff in the LCA and the Council's statutory responsibilities for Adult Social Care

The Council is a key partner within the development of the LCA, with Adult Social care being essential to the effective establishment of the Integrated Neighbourhood Teams. The work on scope and phasing of services to be transformed into the LCA proposes that the Council's Adult Social Care Services should transfer in 2019/20 with aspects of Children's services and some public health services transferring later. The reason for this is to make this change manageable and to start with the services which will have the highest impact on activity levels in acute and residential care.

This will mean approximately 235 adult social care staff being deployed from the Council into the LCA. This will initially include approximately 33 moving into the INTs and approximately 100 moving into the integrated intermediate tier of the LCA. The remainder will follow when the LCA has been further developed.

The staff will remain employed by the Council. They will be operationally line managed by LCA managers, irrespective of the professional background of the manager. In other words staff in the LCA will not be managed within service silos.

However it is essential that the professional expertise of staff is not diminished and that the Council's statutory responsibilities for adult social care are protected. The senior adult social care manager on the LCA management team will therefore provide professional supervision and development support to adult social care staff. The senior adult social care manager will be accountable to the Council's Director of Adult Social Care (a statutory post held by the Acting Executive Director of Communities and Wellbeing) who will in turn remain accountable for the Council's statutory duties to the Council Chief Executive and to the Deputy Leader of the Council who holds the statutory adult social care responsibilities. Approximately 13 adult social care operational staff will remain with the Council to run the Adults Safeguarding functions.

The arrangements to protect the Council's role as an employer and to ensure that the statutory duties for adult social care, which cannot be delegated, are properly discharged will be set out in detail in a legally binding agreement between the five LCA partners.

3. Update in respect of the Strategic Commissioning Function (OCO)

The Locality Plan commits Bury to establishing a single health and care commissioning function – The One Commissioning Organisation. Bury's One Commissioning Organisation Partnership Board, established in April, meets monthly, bringing together clinicians and lay members from the CCG Governing

Body and members of the Council's Cabinet and officers. The partnership board has a number of key priorities for the OCO, namely development of:

- A commissioning and decommissioning strategy;
- A joint financial plan and reporting;
- Pooled and aligned budgets and management arrangements;
- A performance and outcomes framework;
- A risk and quality assurance framework;
- Governance structures for the partnership, to be incorporated into a partnership agreement including integrated commissioning proposals.

The OCO Partnership Board is the foundation of the OCO and will be developed into a formal Single Commissioning Board for Bury with equal equality of representation from Members of the Council and the CCG Governing Body. The Board will be accountable to the Cabinet of the Council maintaining the local democratic control of Council commissioning and to the Governing Body of the CCG maintaining the CCG accountability for NHS resources.

A single executive team will be created with combined roles covering both CCG and Council responsibilities. This will require significant organisational development and staff engagement.

To drive forward these priorities the development of a business plan for the OCO is underway, with key dates and deadlines still to be finalised. This work is led by the OCO Joint Executive Group, which brings together the senior management teams of the CCG and the Council.

The plan covers the following key areas:

- Develop and implement a target operating model
- Produce joint commissioning strategy, plans and approaches
- Establish joint financial planning and reporting mechanisms
- Establish 'business as usual' risk and quality assurance frameworks and processes
- Staff development and engagement

Work is progressing to develop a target operating model (TOM) for the OCO, that reflects its size, functions and statutory duties. The TOM will also be informed by the GM Commissioning Framework and learning from models in place across Greater Manchester. OCO senior managers recently visited Tameside to understand their development journey and single commissioning function arrangements.

In order to both make savings and progress commissioning on a joint basis, four test-bed areas of thematic commissioning have been identified. These test beds are:

- Carers
- Continuing healthcare and complex cases, including Learning Disability services
- Mental Health
- Special Educational Needs & Disability

Update reports will be brought to Cabinet at regular intervals.

4. **Appointment of joint leadership – Chief Executive of Bury Council and Accountable Officer for NHS Bury CCG**

One of the most significant opportunities of Greater Manchester devolution is to create single place based leadership of health and social care. The most important part of such place based leadership is the partnership between the political leaders of Councils and local clinical leaders in the NHS. In Bury this is being successfully achieved through the OCO Partnership Board and the Health and Wellbeing Board. This political and clinical partnership now provides the basics for single managerial leadership.

On 5 September 2018 following interview, the CCG recommended the appointment of Geoff Little, Chief Executive of Bury MBC to the position of Accountable Officer to the CCG. This was subsequently confirmed by Simon Stevens, Chief Executive of NHS England. This is subject to approval by the Council's Cabinet.

Should Cabinet approval be given, this appointment will

- Be consistent with a number of other areas within Greater Manchester, with five out of the 10 areas having dual appointments of Chief Executive / Chief Officer;
- Underpin the fact that a joined up and consistent approach is essential to effective commissioning for the future to meet the needs of Bury people;
- Bring the functions and responsibilities of two separate organisations into one place, providing a stronger basis for system-wide decision making than the historical reliance on effective partnership working;
- Strengthen the ability to move the health and care system to a preventative wellbeing model, with proactive short term care when needed, thus reducing reliance on high cost acute and responsive care.

The Cabinet is therefore requested to approve the appointment of the Chief Executive of Bury Council as the Chief Officer of Bury CCG.

5. **Financial position of the Bury Health and Social Care System**

Overview

The financial gap of the health and care system in Bury will reach £74.6m by 2020/21. £32m of the projected "do nothing" gap relates to Adults and Children's Social Care.

	Recurrent Gap 2020/21 £m	%age of 2020/21 cost base
BMBC ASC and CSC	32	26
Bury CCG	15	5
Hospitals / Providers	27	12
Total	74	

Without transformation of the health and care system, many of the council savings targets will not be achieved. The interdependencies within the system

cannot be underestimated, and it is essential that the NHS and Council do not work in isolation of each other.

Financial Opportunities

The Council, CCG and other stakeholders are better equipped to address the systemic problems in the health and care economy through collaboration, rather than acting independently. The work described in Section 3 and 4 above will deliver improved services and experiences for the public as well as financial efficiencies. The financial efficiencies can be categorised as:

- Optimal pathway design and better care
- Optimal decision making and joint working
- Technical opportunities and wider benefits

Optimal pathway design and better care

This includes the programmes of work described in the Locality Plan, and supported from the GM Transformation Fund. The GM Health and Social Care Partnership awarded £19.2m Transformation Funding in 2017 to Bury Locality. To date the following sums have been earmarked and/or approved for the various programmes:

	£m
Transforming Primary, Community and Social Care	8.0
Transforming Urgent Care	2.0
Giving Every Child the Best Start in Life	0.5
Enabling Local People and Keeping Bury Well	2.0
Transforming Mental Health	
Enabling and development fund	8.0
Contingency	2.0
Local funding	(3.3)
Total	19.2

These funds are to support the implementation costs and pump priming of transformational schemes, and to cover “double running” costs (i.e. the costs of running “as is” services in parallel to building new ones).

It was understood and agreed by all stakeholders involved in the production of the Locality Plan that most of the financial savings (c£40m) will be generated by avoiding unnecessary hospital admissions and attendances; and the majority of those hospital “deflections” would be achieved through the LCA. Hospital deflections reduce CCG commissioning costs, which in turn allows funds to be reprioritised “downstream” to community, primary and social care commissioning.

The table below shows the original deflection ambition by 2020/21 from the Locality Plan compared to the latest projections. Note: most of the reduction in 2020/21 targets is due to slippage in programme implementation.

	A&E %	Non Elective %	Elective %	O/P First %	O/P F-up %
Original deflection target (vs 16/17 base)	(17.0)	(21.6)	(13.0)	(20.0)	(25.0)
Deflection target after applying 12 months' slippage	(9.2)	(8.0)	(5.8)	(5.0)	(10.0)
<i>Optimism bias to be applied</i>	20.0	20.0	40.0	40.0	20.0
Revised deflection targets after moderating for optimism bias (17/18 base)	(6.6)	(5.9)	(3.4)	(3.0)	(8.1)

There is a detailed piece of work being undertaken, led by the Locality Care Alliance, to re-assess the scale and phasing of targets beyond 2020/21, with a particular focus on Transforming Primary, Community and Social Care. The key milestones in this 90 day review are:

- Mid October: Neighbourhood model description locked down and LCA Management Team in place.
- Mid November:
 - 1) full system model (including enablers) and in scope/hosting arrangements locked down and described, following stakeholder engagement (including the 1:1 CE meetings).
 - 2) Proposed operational arrangements for staff working within the neighbourhood teams from a governance, HR, estates and digital perspective.
 - 3) Mid December: next iteration of the mutually binding agreement agreed, supported by
 - 4) A description of revised governance arrangements (including terms of reference for strategic groups, operational groups and formally established LCA management team)
 - 5) The list of in-scope services to be included in go live April 19.
 - 6) Data pack which describes the key health and social care needs of the Borough
 - 7) The financial, activity and outcome schedule (connected to the planning and contracting round) for the next 3 years between the LCA and OCO
 - 8) Proposal for the allocation of the remaining resources
 - 9) Full financial schedule developed for the Transformation Fund
 - 10) Scheme of Delegation and Workforce Protocol agreed describing how Operational, Transformational and Professional accountabilities will be managed
 - 11) Hosting agreement
 - 12) Risk and reward framework

Risk stratification data suggests that each INT will need a caseload of circa 160 in order to deliver the deflection targets. This is deemed as achievable within timescales. It is also recognised that there should be significant opportunities for workforce efficiencies and savings in, for example, residential care packages (through keeping people at home or in more appropriate settings for longer).

Optimal decision making and joint working

Joint working has already delivered financial benefits of c£0.5m in premise costs. There are further opportunities in management structure and back office functions.

Four “test beds” are currently being fast tracked for pooling of budgets, associated due diligence and joint working. As noted above, they are:

- Packages of care (including Learning Disability)
- Mental Health
- Special educational needs
- Carers

Technical Opportunities and Wider Benefits

Integration allows the Council and CCG to agree and work towards a shared vision for Bury’s residents and start to pool resources and share risks, managing on a place base rather than in organisational silos. This will move away from the kind of harmful decisions seen in the past which have, at best, resulted in cost shunts between organisations and, at worst, seen increased costs to the public sector as a whole.

Integration of the Council and the CCG will allow the whole of spending on health and care to be connected to total public spending in Bury. This will enable a focus on the underlying determinates of health such as increasing school readiness, the Bury Life Chances Commission, transformation of mental health service for children and adults, housing including Extra Care and supported housing, air quality and social prescribing.

Integration makes this much more doable.

There are a number of potential technical financial benefits arising from integration. E.g. opportunities for different funding sources, different VAT rules and flexibilities.

Working together should bring improved procurement results, e.g. by jointly commissioning nursing and residential home beds. There may be some economies of scale in overheads, too.

Integration of Data is a critical enabler for transformation. Giving front line staff shared access to patient and service user records should significantly improve the efficiency of services as well as the patient experience and outcomes. Sharing of “big data” should also allow better risk stratification, allowing us to target limited resources more effectively and get a bigger return.

6. Pennine Acute Transaction and what it means for Bury

As part of Greater Manchester-wide plans to ensure acute and specialist hospital services are sustainable and of a high quality, plans are being developed for the Pennine Acute Hospitals NHS Trust sites.

The planned acquisition of the North Manchester site by Manchester University NHS Foundation Trust is progressing. It is anticipated that the Fairfield site,

together with Royal Oldham and Rochdale Infirmary sites, will be acquired by Salford Royal NHS Foundation Trust.

The work is currently developing and will soon complete a case for change. It is intended that this be considered by the CCG's Governing Body, the One Commissioning Organisation Partnership Board and Council Cabinet.

Once the case for change is finalised the Board will then agree evaluation criteria and examine the various options for each site, including any changes affecting services accessed by Bury residents, before moving to formal consultation on proposed changes. Work is also proceeding with the Health and Care particular on the improvement of acute health services across GM. The implications of this work for Bury people and patients will be considered. Further updates will be provided to Cabinet as work progresses.

Contact Details:-

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