

# **Organisational Leadership of Community Services in the Bay Area:**

## **Cumbria County Council Health Scrutiny Update**



## Executive Summary

- 1.1 The BCT Strategy envisaged a closer integration of health and care services currently provided by a range of providers and partners (Bay Health & Care Partners (BHCP)) to Bay Area residents. This integration of services supports the new care model which is delivered through 12 Integrated Care Communities (ICCs) and which are expected to deliver a number of benefits, leading to improved health outcomes and more sustainable local services:
  - clearer patient pathways,
  - population health segmentation,
  - increased multidisciplinary team working,
  - better care coordination and navigation,
  - improved sharing of clinical information.
  - reduced per capita cost.
- 1.2 A key part of the development of an integrated model of care for the Bay are our proposals to change the way in which community services in the Bay Area are led. University Hospitals of Morecambe Bay NHS FT (UHMB) and Cumbria Partnership NHS FT (CPFT) are working with Blackpool Teaching Hospitals NHS FT (BTHFT) and Morecambe Bay Clinical Commissioning Group (MB CCG) to create a defined portfolio of community services across the Bay, as a means of supporting integration of adult, physical health community services. This will be a significant part of our approach to transforming care.
- 1.3 As part of the development of these proposals the UHMB and CPFT Boards have agreed to transfer community services from CPFT into the new Accountable Care System (ACS) from 1st April 2018, with UHMB as the host for these services. These discussions support an agreed direction of travel for the Bay Area towards an accountable care model; a parallel strategic direction for accountable care in WNE Cumbria, as part of a bilateral partnership with North Cumbria University Hospitals NHS Trust (NCUHT) is also being developed.
- 1.4 The Boards of UHMB and CPFT approved an Outline Business Case in July 2017 which to set out the principles under which this transfer would progress and established a framework for involvement of commissioners and other partners of BHCP. A final agreement – via a Full Business Case - is expected to go to the Trust Boards in November 2017. The next stage proposed will include development of a corresponding transfer of community services in North Lancashire to the ACS, hosted by UHMB.

## Strategic drivers and rationale for change

- 1.5 Despite the considerable progress made by BHCP in development of integration and accountable care, our health and care system continues to face significant challenges relating to both its clinical and financial sustainability. Over the last 2 years in particular demand for services has increased, outstripping the funding available and putting those services and partner organisations under increasing pressure. This pressure is reflected in the operational and financial performance of partners and in the experience of those services by the populations we serve. Looking at the current situation and considering the future has further galvanised partners to commit to pressing forward with the BCT programme at a greater pace and scale and to consider the best way of achieving that.
- 1.6 The acknowledgment of these challenges has reinforced system partners' commitment to the BCT strategy - simplifying the local health and care service, ensuring greater consistency of care and reducing the growth in demand. We know that this can only be achieved through the development of more integrated services and a population health approach; to work as one system - reducing bureaucracy and simplifying decision making; and promote self-care, disease management and community focused services

- 1.7 Changing the organisational leadership of Community Services in the Bay Area is a key enabler of our system's approach to address the challenges we collectively face in Morecambe Bay. This recognises that Community Services work in a multi team/agency role collaborating with all care partner organisations including that of the voluntary sector. They can therefore offer a critical facilitative role for Integrated Care Communities and acute colleagues enabling care in a range of settings across the whole pathway.
- 1.8 A wider and more comprehensive development of an integrated accountable care system will enable us to support improvement in the clinical and operational performance, with the levers in place to influence demand and recruitment challenges in the right way that ensures delivery of truly mobilised communities as a partnership. Ultimately this will support our ability to address the longer-term financial sustainability challenges of the health economy.
- 1.9 The aim therefore, as part of the creation of an accountable care model, is to develop a future leadership model in which Community Services South Cumbria are a valued and full partner of equal status and standing in any future delivery vehicle in order to realise Bay Health and Care Partners' shared ambitions of better outcomes, better care and better use of resources.

### **Commissioning intentions**

- 1.10 In the North of the Bay Area community services are provided by CPFT. In addition to holding contracts for community services commissioned by Morecambe Bay CCG they also hold community services contracts commissioned by Cumbria CCG, Local Authorities and Specialist Commissioning. In the South of the Bay Area community services are provided by Blackpool Teaching Hospitals NHS Foundation Trust (BTH). In addition to holding contracts for community services commissioned by Morecambe Bay CCG they also hold community services contracts commissioned by the CCGs across Lancashire and Specialist Commissioning.
- 1.11 Both UHMB and CPFT are clear that the approach outlined above must be aligned to the strategic intention of commissioners (and other accountable care partners). As such, the providers have received support of the direction of travel from Morecambe Bay CCG. The key points from this are set out below.
- 1.12 The commissioning intention of Morecambe Bay CCG is to support the provision of a defined portfolio of community services for the residents of South Cumbria and North Lancashire from the Morecambe Bay Accountable Care System (known currently as Bay Health and Care Partners). In doing so it supports the integration of adult, physical health community services, based on the portfolio of services set out in this OBC.
- 1.13 The CCG is seeking for this commissioning intention to be implemented from 1st April 2018 after an appropriate period of due diligence from all organisations concerned. This will enable the Accountable Care System to proceed further with the implementation of its new care model based around 12 Integrated Care Communities (ICCs). It is envisaged that additions to this initial portfolio of services will be made over time. The CCG will continue to work with local partners to agree which services should be integrated and the timing of any such integration.
- 1.14 Recognising that this is about a wider system organisation and cultural change, the CCG which to emphasise the importance of the clinical and managerial leadership arrangements for the integrated community services for the Accountable Care System which are jointly agreed by partners including the CCG, GP Federations, Local Medical Committee and the Boards of UHMBT and CPFT. There are already evolving proposals for this which, whilst not formally agreed at this time, indicate the direction of travel which the CCG and partners currently envisage around the development of integrated service management. A similar expectation will be placed upon the transfer of a portfolio of service from BTH to the ACS.

- 1.15 The CCG wishes to work with UHMB, CPFT and BTH on a contract novation route in order to enable a straightforward transfer of the community services portfolio into the ACS. This allows current provider staff to transfer under existing conditions, promoting service continuity through known service specifications and contractual arrangements. The novation route will be pursued for 2018/19.
- 1.16 The basis for pursuing an initial novation of a contract is potentially supported by NHSI's recent guidance on procurement and competition, which states that "it is for the commissioner to decide which services to procure and how best to secure them in the interests of patients". The guidance is clear that there is no requirement for commissioners to competitively tender services and that the commissioner needs to make an "informed and balanced judgment" using a range of factors.

### **Development of Community Services Leadership proposal**

- 1.17 In response to the above drivers and intentions, we have agreed that the development for Community Services must result in the evolution to a broader 'health and care' organisation in the Bay area. The proposal is to develop a Full Business Case for moving the leadership of community services into the BHCP accountable care system, as UHMB as host provider.
- 1.18 An initial due diligence exercise has been conducted and we are now carrying out full due diligence. This has identified a number of areas of focus that will be addressed as part of the Full Business Case. These key areas of attention are summarised below:
- To ensure that there is no **operational impact on the current portfolio of services**, the commissioning intention is to provide for a novation of existing services as per the current contract and specification. The existing Community Services structure will be maintained during the transition period.
  - A review of **leadership arrangements** is underway to include retention of community services operational, clinical and nursing leadership within a distinct division. This will be enhanced by the appointment of an Integrated Services leadership role as part of the development of an Integrated Services management model with BHCP partners.
  - It is essential that there is a **critical mass of community services**, via parallel agreements relating to the rest of Morecambe Bay, namely in North Lancashire. Both BTH and Morecambe Bay CCG are supportive of the principle of aligning moves in community services in North Lancashire with any new arrangements in the Bay.
  - The development of the FBC and the novation of contracts will need to be supported by the process of **disaggregation of current contracts** between those services provided in North Cumbria and South Cumbria, to support agreement of final contract values.
  - **TUPE processes** can only commence through the formal establishment of a novated contract, therefore alignment with commissioning plans and governance will be essential. This is being taken forward with commissioners.
  - **Formal financial due diligence** will need to include a financial model to address the potential risks that could arise in relation to services and organisations in deficit. This model will be developed on the financial principles agreed between the parties.
  - Early engagement is being established with the **regulatory framework**, including NHSI and New Care Models team together with the CCG to discuss their requirements and timeframe.

### **Overview of Community Service Provision in the Bay and the Services in Scope**

- 1.19 Recognising it is the responsibility of the commissioners, not providers, to decide what services to procure, the Executive teams of the Trusts have agreed the initial scope of services to be included with the proposal. All the services below are currently within the CPFT Community Care Group and would be in scope to a Community Services "Clinical Division" within the UHMB.

- **District Nursing Service:** District nursing services deliver a wide range of nursing interventions and play a key role in supporting independence. Services are required for many reasons including those who are near the end of their life. Complex care once only delivered in acute settings is now being provided by district nursing teams in collaboration with key partners.
- **Heart Failure Including Cardiac Rehab:** Specialist nursing advice, support, and monitoring within bed base and clinic settings. Collaborating with primary and acute care partners to provide comprehensive assessment and care plans for optimising patients pharmacological therapies.
- **Respiratory Including Pulmonary Rehab and Home Oxygen Services:** Proactive highly specialised care for adults with Respiratory disease including specialist community Clinics, Oxygen at home Therapy support, Post discharge follow up and admission avoidance.
- **Integrated Rapid Response** (Includes Intermediate Care Team and discharge flow coordination):  
Preventing unnecessary acute hospital admission or long term residential care, facilitated hospital discharge and support for people to regain and retain as much independence as possible in order to remain at their home bed base.
- **Community Physiotherapy including Rehabilitation:** Providing intervention and rehabilitation when injury or ill health occurs whilst promoting independence and supporting those who live with chronic conditions.
- **MSK Physiotherapy:** Provides comprehensive diagnosis of spinal, upper limb and lower limb musculoskeletal conditions and supports patients to manage their conditions. The Physio service will offer treatment, advice and support for pain relief, improving mobility and the ability to carry out day to day tasks.
- **Podiatry:** Including those under current Service Level Agreements to acute partners in South Cumbria and HMP Haverigg Generic and specialist care from assessment, diagnosis and treatment.
- **Tissue Viability Nurses:** Provide expert advice to community nursing, CPFT in-patient units, residential care home staff, patients and carers. Effectively manage patients with highly complex wounds evaluating new products whilst supporting the implementation of evidence-based practice.
- **Continence Nursing Team:** Provide Assessment, Complex catheter management, Containment, Ultrasound and other clinically required treatments.
- **Palliative Care:** Offering advice on pain and symptom control, psychological and spiritual support and advice to families and carers. The team consists of a number of different professionals including specialist nurses, doctors and allied health professionals.
- **Speech and Language Therapists (SALT):** Providing evidence based services which anticipate and respond to the needs of individuals to effect optimum development, rehabilitation and or maintenance of skills for the functional needs of the individual.
- **Step Up/Step Down and Community Hospitals** Abbey View, Millom and the Langdale wards: Provide multi-disciplinary approach and intervention for all adults who require 24 hour nursing care and for therapeutic interventions for a short period envisaged as up to 14 days excluding all acutely medically ill patients.
- **PCAS:** Primary Care Assessment Service (PCAS) located at Westmorland General Hospital.
- **Better Care Together (BCT)** investment posts.

1.20 There are a number of services that are currently agreed as out of scope at this time. The rationale for these services being out of scope relate to the specialist nature of county-wide Health services:

- HMP Haverigg Prison
- Mental Health
- Children's Services- Children's Services are commissioned separately across Cumbria and are out of scope of individualised ICC services.
- LD/Autism
- Neurology

- Acquired Brain Injury
- Dental
- Persistent pain
- Sexual health
- Diabetes Service

1.21 Commissioners are currently reviewing the county-wide community services recognising the complexity and fragility of some of these services. This review will include:

- Children's, Mental Health, IAPT, CAMHS, LD services and all specialist care groups
- Local authority commissioned services
- Fragile county wide services where there is a need to understand the complexity and the impact of splitting services North & South.

### Key areas of the Due Diligence process

1.22 **Workforce:** The transfer of staff from South Cumbria Community Services will involve the TUPE transfer of approximately 450 – 500 staff, subject to final confirmation of the services in scope and the agreement of application of the principles of TUPE and how staff will be assigned to the transferring services. TUPE regulations do not formally set a required timescale for consultation; however, advice suggests that for c.450 staff it would be reasonable to anticipate that this would be a minimum of 4-6 months. The two Trusts have agreed to commence consultation with staff from 29 September 2017, subject to the agreement of the Full Business Case. It is likely that this engagement will be well received and will help to minimise any concerns about the transfer. There are no significant employee relations issues within the transferring staff group that present any significant risk to the Trust.

1.23 **Support services:** The current configuration of support services within CPFT are generally on a Cumbria-wide footprint. A disaggregation of staff employed in the support services is therefore complex and has the potential to leave CPFT with a fragile infrastructure. Equally the ability of UHMB to absorb this capacity is limited and there will be areas that UHMB can provide support services within current capacity. As part of the detailed negotiations and discussions that will take place during the production of the FBC an agreement is being developed on the treatment of each support services, against agreed financial principles and development of the leadership structures.

1.24 **Estates and Facilities:** Due diligence has been based on the assumption that the scope of the proposed service transfer is limited to Adult Community Services only, in the South Lakes and Furness areas. All sites used by CPFT in the South of Cumbria have been reviewed and any that are used in the provision of Adult Community Services have been identified as in scope. There are two major projects relevant to the in scope facilities, these are:

- Alfred Barrow Primary and Community Health Centre Development (£12M)
- Millom Community Hospital Redevelopment (£2.3M)

1.25 **Information Management and Technology:** An IM&T working group of senior service leads from CPFT and UHMB was formed to discuss the areas of due diligence. For the OBC, because of the complexity of the service, it has been agreed to focus on identifying: which systems and digital resources associated with staff group; what assets would be transferred across; financials and staff to be transferred across. The working group is developing a transition plan for the migration and support of staff and systems. It is anticipated that the migration will take place in two phases:

- Migration of staff and computers to the Bay Health & Care Partners Cumbria and North Lancashire Active Directory domain, with provision as required to access systems and data hosted by CPFT.
- Migration of systems and data as appropriate to Bay Health & Care Partner data centres.

- 1.26 Financial: A review has taken place of the financial baseline for the services transferring and the approach to development of a financial model. Additionally the review has considered the methodology proposed to allocate of support service costs and Trust overheads to the transferring services, and to apportion contract income between transferring and retained services. There are a number of outstanding areas of due diligence which will be further developed as part of the FBC:
- Mechanism for funding transferring CPFT properties.
  - Agreement on ownership of premises occupied by both transferring and non-transferring services, and financial recharges applicable.
  - Analysis and agreement of cost of support services and overheads applicable to the transferring services.
  - Apportionment of commissioner contract income between transferring and retained services.
- 1.27 The direct cost of the community services in scope in 16/17 was £16.4m, excluding estate costs. As at May 2017 404 wte staff worked in the transferring services, of which 393 wte were contracted. The entire budget is for 426 wte (this excludes potential support staff identified above and associated costs).
- 1.28 The transaction is not intended in itself to financially advantage or disadvantage either Trust.

### **Stakeholders and Staff Engagement**

- 1.29 The engagement with staff who may be affected has begun with a series of joint engagement sessions in July to which both UHMB and CPFT staff were invited. These took place in Barrow and in Kendal in non-NHS premises. These sessions heard presentations from senior leaders from both organisations, explaining the current position and the next steps that are likely to take place. A series of questions were asked, answered and subsequently published on both CPFT and UHMB intranets.
- 1.30 A formal programme of communications and engagement has commenced that includes:
- Announcement on formal consultation to staff.
  - Press announcement.
  - Letter to stakeholders – and offer of face to face briefing.
  - Regular updates to staff during the programme
  - Formal and informal engagement sessions
  - Sessions involving individual teams from community and acute services
- 1.31 The senior leadership teams across both CPFT and UHMB, supported by Workforce, are providing support to staff during the process. The purpose of the sessions are to provide staff with an opportunity to have an informal engagement session to discuss the integration and what it means for staff, the impact on them personally and on their services with an opportunity to raise any queries of questions they might have about the process or impact.
- 1.32 Key to the success of the integration plan will be for teams across acute and community provision to meet and work together. Once the formal process has begun, the aim is for teams to meet within the first six weeks of the process to introduce themselves, and agree a programme of work. A formal process will begin at the end of September 2017.
- 1.33 Feedback from the engagement process – and acting upon it – is key for staff accepting the process. The feedback from the engagement sessions already held have been shared to ensure that managers, Workforce and OD staff and communications teams are able to work together to ensure front-line staff and others affected continue to feel involved in the process.

- 1.34 A group has already been established which includes the lead governors for both organisations and staff side representatives. During the engagement sessions we asked for volunteers from front line community services to come forward to help us with our communications and these will be added to the group to help inform us of the information required by front-line staff and also help ensure the communications is meaningful and does not contain jargon.
- 1.35 Letters are going out to staff involved on 29 September to commence the TUPE consultation process. This will be supported by a launch event, outlining the aims of the consultation (filmed if possible and placed on intranets); a vision of how the services could develop; senior leadership teams and staff side to be at all consultation events. A series of drop in sessions have been arranged from September onwards to allow staff to raise and discuss issues as to how the transfer will affect them. A formal schedule of individual one to one sessions is being drawn up by UHMB/CPFT HR colleagues.



## Summary of Key Milestones

<b>Community Services Transformation Activity and Timeline</b>								
<b>Objective and Deliverables</b>								
<i>(i) to undertake due diligence and</i>								
<i>(ii) develop an Outline Business Case by the end of July 2017; supported by an implementation plan</i>								
<i>iii) Full Business Case October 2017, subject to programme plan.</i>								
<b>Time Line</b>								
<b>July 2017</b>	<b>August 2017</b>	<b>September 2017</b>	<b>October 2017</b>	<b>November 2017</b>	<b>December 2017</b>	<b>January 2018</b>	<b>February 2018</b>	<b>March 2018</b>
<b>Key Meetings</b>								
Oversight Group Oversight Group CPFT and UHMBT Boards  CCG Governing Body		CPFT and UHMBT Boards and Oversight Group  CCG Governing Body	Assurance Committees and Oversight Group	Governors and CPFT and UHMBT Boards  CCG Governing Body		CPFT and UHMBT Boards  CCG Governing Body		CPFT and UHMBT Boards  CCG Governing body
<b>Key Milestones</b>								
Sign off OBC  Commissioner Intentions Agreement for 18/19 for Community Services	Detailed Due Diligence Begins  Procure independent Due Diligence review resource.	Agreement of MBCCG to commission community services from UHMB  Commence Contract Negotiations	Complete Contract Negotiations  Detailed Due Diligence Continues  Commissioner agreement re contracting arrangements implementation: i.e. novation of the contract  Sign off FBC.  Service Specification for services in scope to be defined in line with BCT Strategy & BHCP		Agree Heads of Terms/ MOU and Execution of Documents		Contract agreed and signed	Full Implementation
<b>Time Line</b>								

<b>July 2017</b>	<b>August 2017</b>	<b>September 2017</b>	<b>October 2017</b>	<b>November 2017</b>	<b>December 2017</b>	<b>January 2018</b>	<b>February 2018</b>	<b>March 2018</b>	
<b>Activities</b>									
<p><i>Staff Engagement</i></p> <p><i>Agreement of Service Scope</i></p> <p><i>Commissioner Engagement</i></p> <p><i>Commissioner Decision</i></p> <p><i>Regulatory engagement</i></p>	<p><i>Commencement of TUP consultation - <b><u>Can only commence after OBC Sign off</u></b> (Also employee liability data exchange</i></p> <p><i>Define extent of formal consultation required with patients and users. <b><u>Can only commence after OBC Sign off</u></b></i></p> <p><i>Define extent of formal consultation required with Governor and Overview and Scrutiny <b><u>Can only commence after OBC Sign off</u></b></i></p> <p><i>Agreement of <b><u>regulatory gateways</u></b> for provider transaction and commissioner procurement.</i></p> <p><i>Develop and agree CS 'divisional' structure and leadership roles, aligned to ACS structures.</i></p>			<p><i>Regular communications with governors (FT) and stakeholders</i></p> <p><i>Conduct pre-transfer consultation/engagement</i></p> <p><i>Approvals process and CCG Intentions and Supporting assignment/novation/transfer documentation</i></p>		<p><i>Post-transfer consultation/engagement including continuation of TUPE processes</i></p> <p><i>Operational considerations for integration of Community Services</i></p> <p><i>Execution of implementation plan</i></p> <p><i>Preparation for post-transfer:</i></p> <ul style="list-style-type: none"> <li>• <i>People, resources, processes</i></li> <li>• <i>Integration milestones</i></li> <li>• <i>Post-integration performance management</i></li> <li>• <i>Post-transfer governance structures</i></li> </ul> <p><i>Benefits Realisation scoping.</i></p>			
<p><i>Strategic due diligence to validate strategic benefit of transfer</i></p> <p><i>Preliminary due diligence on:</i></p> <ul style="list-style-type: none"> <li>• <i>Governance</i></li> <li>• <i>Finance</i></li> <li>• <i>Workforce</i></li> <li>• <i>Support Services</i></li> </ul> <p><i>Identify key opportunities and Liabilities;</i></p>	<p><i>Detailed due diligence on :</i></p> <ul style="list-style-type: none"> <li>• <i>Commercial contracts</i></li> <li>• <i>Assets and Property</i></li> <li>• <i>Governance</i></li> <li>• <i>Workforce</i></li> <li>• <i>Financial</i></li> <li>• <i>Clinical</i></li> <li>• <i>Operational and Performance</i></li> </ul> <p><i>Due diligence report preparation</i></p> <p><i>Identify funding stream &amp; optimal financial structure and financial envelope</i></p> <p><i>Draft FBC</i></p> <p><i>Draft Implementation Plan</i></p>		<p><i>Preparation and Execution of project documents, e.g.</i></p> <ul style="list-style-type: none"> <li>• <i>Business Transfer Agreement (BTA)</i></li> <li>• <i>Alliance agreement</i></li> <li>• <i>Corporate documentation</i></li> <li>• <i>Statutory transaction documents</i></li> <li>• <i>Board approvals</i></li> <li>• <i>Funding documents</i></li> <li>• <i>Updated TUPE information</i></li> <li>• <i>MoU and Heads of Terms</i></li> </ul> <p><i>Completion of implementation plan</i></p>						