

SUSTAINABILITY AND TRANSFORMATION PLANS

Relevant Board Member(s)	Councillor Philip Corthorne Dr Ian Goodman
Organisation	London Borough of Hillingdon Hillingdon CCG
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Papers with report	Appendix 1 - North West London ST Plan Appendix 2 - final Hillingdon ST Plan

1. HEADLINE INFORMATION

Summary	The Board has received regular reports on progress towards the overarching NWL footprint STP and the local Hillingdon plan. A further iteration of the NWL STP was submitted to NHS England on 21 st October and comes to the Board now for consideration. The paper also includes initial proposals for taking forward the Hillingdon STP.
Contribution to plans and strategies	The Hillingdon STP directly influences local plans including: <ul style="list-style-type: none">• HCCG commissioning intentions for 2017/18• The Hillingdon Health and Wellbeing Strategy• Hillingdon's Better Care Fund plan 2017/18
Financial Cost	There are no financial implications arising directly from this report. A successful plan should, however, facilitate access to new sustainability and transformation funding for the local health and care economy.
Ward(s) affected	All

2. RECOMMENDATIONS

That the Health and Wellbeing Board:

1. notes the NWL STP submission (Appendix 1) and, whilst continuing to offer broad support to the direction of the plan, registers concern regarding uncertainty on the funding arrangements and to seek reassurance on flexibility to deliver what works best for Hillingdon.
2. notes the Hillingdon STP (Appendix 2) and progress in implementing proposals to take it forwards into a full delivery plan as part of an overall Health and Wellbeing Strategy.

3. INFORMATION

Supporting Information

NWL STP footprint plan

The Board considered the June 2016 version of the NWL plan at its meeting in September. At that Board broad support was offered to the direction of the plan but it was agreed that the Chairman would write in response to the anticipated further iteration of the plan, which was subsequently submitted to NHSE on 21st October. This further draft is now published and a Appendix 1.

The Chairman wrote on behalf of the Board to NWL STP system leader, that letter included the following:

"...We are also aware of the advice from NHS England that it is not expected for plans to go through formal local NHS or other organisations' board approval or formal public engagement or consultation at this stage. We also understand that it is expected that most footprints will take a version of their STP to their organisation's public board meetings for discussion between late October and the end of this year. Our board will, therefore, consider this again at its meeting on 8th December.

Firstly, may I record our concern to this approach which we feel needs to be passed onto NHSE. We have ensured that principles around sovereignty and subsidiarity should form a key part of developing the NWL plan and as such our approach is much stronger. The NHSE stance, however, runs counter to these principles and to gaining partner support and buy-in.

Given that this plan will now go to NHSE and start to be reviewed or evaluated, we feel we may have lost the opportunity to influence, challenge where necessary, and help design solutions that work best for Hillingdon. There is a growing risk of a disconnect between our agreed local Hillingdon ST plan, which recognises good progress locally and the congruence between our health and social care services, and the NWL plan. We have offered some suggested drafting changes to bring these closer together. I hope that these sorts of issues are surmountable but it is not clear how we ensure they will be taken into account.

Our Board has, however, recognised the broad direction of travel in the STP, based on the June submission, but with the strong caveat that we need to be satisfied that financial analysis is robust and seek greater clarity as to how the ST fund will support transformation at the local level. Until we have the opportunity to give this submission proper consideration (including seeing the financial details) we must reserve the right to disagree with elements of the plan."

Since the submission of the latest plan at Appendix 1, further discussions have taken place to attempt to review and evidence the financial information contained in the plan, to quantify the health and social care gaps and to relate this to the local situation and the figures in the Hillingdon STP. The methodology used to calculate the social care gap has been reviewed and is now applied consistently across the eight boroughs. It is, however based upon modelling activity within each borough using individual borough estimates and assumptions about demographic changes, and pay and price inflation. Further modelling and analysis will be necessary to ensure that the final figures and supporting investment proposals are robust.

In addition, a key point in the Board's feedback on the June submission was that it did not appear to reflect the particular situation in Hillingdon, namely the congruence between social

care and having one hospital, one CCG and one community provider, in effect meaning that approximately 80% of activity remains "in borough". We have received verbal assurances through the Joint Health and Care Transformation Group that the position in Hillingdon is understood and that there is no assumption that "one size will fit all" and that there will need to be Hillingdon specific solutions such as our own Accountable Care Partnership and further development of local discharge functions.

The wider local government input across boroughs has also established that their agreement to the NWL STP should be based on following caveats:

- The implementation business case on which Delivery Area 5 of the NWL STP is based being released and understood.
- That the flow of money from acute to out of hospital settings is clarified and agreed.
- That the specifications for out of hospital settings, in particular social care, are clarified based on an agreed model of hospital care.
- That a full risk assessment for the plan with mitigation measures is agreed between partners.

Approval was offered on this basis and we understand that these areas are being actively pursued and there may be further intelligence before the end of the year.

In addition, whilst we await formal feedback, there are indications that the NWL submission has been well received and is in a strong position nationally. It is strengthened by the integral role local government has played in the governance and the development of the STP.

We are also waiting to understand how the governance and programme and project management will be delivered at sub-regional level.

Hillingdon STP

The Board noted at its September meeting the local Hillingdon STP, a final version is attached as Appendix 2. It is now proposed that the various tasks contained in the plan be developed further into a more detailed delivery plan with measurable milestones and assessed to gauge priority and timing.

It is proposed that these be considered against the following criteria (in no order of precedence):

- **Sustainability** – A key element of both the NWL STP and the Hillingdon STP is to ensure that services are sustainable and that the impact on the whole system is understood. Work which moves towards achieving sustainable whole system solutions will be prioritised over those that may not.
- **Value for money** - proposals which offer more efficient and effective ways of delivery and may lead to savings will be prioritised.
- **Health and social care integration** – the STP is seen by central government as a key driver towards greater integration of health and social care and a move of activity out of acute settings into the community. This has already begun with the Better Care Fund plan and there is opportunity through the Accountable Care Partnership. Priority will be given to activities which affect systems change and a move from acute care to out of hospital and social care.

- **Timescales** – Priority may be given to those actions which offer a return on investment or impact towards systems change in the short term.
- **Quality Improvements** – Hillingdon CCG and Hillingdon Council are committed to improving the quality of care that is provided to Hillingdon's residents. This is a key strand of our local STP and the Five Year Forward View, and work that will achieve this will be prioritised over work which will not.

In addition it is important to note that significant progress is being made in a number of areas contained in the STP and set out in more detail in relevant papers included on the agenda for the meeting on 8 December 2016, including:

Better Care Fund - has helped shift from crisis management and reactive service provision to planning for anticipated care needs, and achieving greater integration and alignment between health and social care which is ongoing.

CAMHS - The Hillingdon Transformation plan is continuing and progress has been made in developing the new eating disorder and self harm clinics. In addition, through the STP process the HWB has agreed to review proposals to re-commission CAMHS services across the full pathway.

Estates and Establishing GP hubs - There is a need to better utilise the health estate in Hillingdon. The Hillingdon Strategic Estates Group has been established and proposals for the three GP hubs across Hillingdon have been included in the STP as the identified operating model. Locally positive progress has been made in establishing requirements against opportunities in the Hayes area.

The chronic condition of physical infrastructure of The Hillingdon Hospitals NHS FT requires significant capex. Master planning by THHFT for a new hospital build is in progress, as is the establishment of an Academic Centre for Health Sciences with Brunel University London and CNWL NHSFT.

Accountable Care Partnership - Work on the ACP so far has focussed on preparation for a year of 'shadow' operation in 2016/17, which will allow all partners to assess the performance of the ACP model. This has paved the way for what will be a significant step towards health and social care integration and improved outcomes for Hillingdon's residents. Currently, the ACP will deliver services to older people with long term conditions, but its scope will expand to encompass all older people and all people with long term conditions.

Engagement - Patients and the public who have access to healthcare services in Hillingdon will continue to be at the heart of the proposed improvements. We are committed to making sure this continues - making our priorities for transforming services relevant to the people of Hillingdon.

Continued delivery of these work streams will be supported by key enablers, particularly by continuing to create a digital environment and building the workforce of the future.

Financial Implications

The high level estimates set out in the NWL STP October submission identifies the revised funding gap arising from the option to 'do nothing' over the period 2016/21 and how using new funding through the STP provided by the government will transform services and close this gap over the next 5 financial years. The financial analysis set out in the detailed plans has been calculated at a strategic level and is based upon a number of assumptions and models that have been reworked by finance officers from both Health and Local Government to ensure that financial costs and investments can be fully evidenced.

A further exercise to identify the 'Do nothing' option for the NWL STP plan, has forecast for the period 2016/2021 that the future funding gap for Health split out across the different types of provision and for Adult Social Care which was initially estimated as £1,299 million has increased to £1,409 million. The table below, which also includes the local position for Hillingdon, sets out the local forecast funding gap in more detail which has increased from £104m to £120m.

Period 2016/2021	Hillingdon £m	NWL £m
CCG	(39)	(248)
Primary Care	(2)	(15)
Social Care	(34)	(297)
Acute and Community Care	(45)	(660)
Special Commissioning	0	(189)
Total	(120)	(1,409)

The detailed assumptions underpinning these forecasts are as follows:

- For the health economy, the increased health needs of a growing and ageing population means that the forecast increase in demand and the resulting cost of delivering services will increase faster than the actual population growth. There are also financial pressures arising from inflation, increased A&E attendances, increased prescribing costs for new treatments and a range of pressures across a number of other services.
- For Adult Social Care the 'do nothing' funding gap comprises the demographic growth for Older People, people with disabilities and mental health conditions, the impact of the National Living Wage on Home Care and Residential and Nursing Accommodation provider costs. As at October 2016, this has been estimated locally as £34m over the next 5 financial years. The updated 'do nothing' forecast funding gap for Social Care now includes a corporate share of the financial savings over the 5 year period that Adult Social Care Services will need to make to contribute to the Council's statutory requirement to set a balanced budget.

The NWL STP plan sets out how the 'Do nothing' funding gap identified above can be closed over the financial period 2016/21.

The table below sets out the revised forecast for the financial impact of the strategic proposals to close the gap as at October 2016:

	Health	Adult Social Care	Total Health and Care
	£m	£m	£m
Do Nothing funding gap as at October 2016	(1,112)	(297)	(1,409)
Business as usual savings (QIPP/CIPS/MTFF)	572	108	680
Delivery Areas (1-5) - Investment required	(118)	0	(118)
Delivery Areas (1-5) -Savings to be delivered	446	63	509
Additional estimated full year impact of ongoing costs following transformation	(56)	0	(56)
ST Funding	94.5	19.5	114
Implement 2% Social Care Precept	0	72	72
Special Commissioning Services	189		189
Forecast Residual Gap as October 2016	15	(35)	(19)

The detailed assumptions underpinning these forecasts are as follows:

- The QIPP/CIPS/MTFF savings for NWL CCG's (£572m) and Social Care (£108m) have been estimated at £680million. This includes Hillingdon CCG estimated efficiencies of £46.5m and assumed Hillingdon Social Care efficiencies of £14 million over the period 2016/21 to contribute to the MTFF.
- The investment of £118m is set out in the attached NWL STP plan by Delivery Area, along with the forecast savings that will come from each planned activity delivering gross savings of £446m giving net savings of £328m within the Health and Care economy over the 5 years.
- The forecast savings for Adult Social Care assumes savings of £63m can be found from STP investment in the Delivery areas.
- STP funding is the recurrent funding currently identified in the published indicative allocations for 2020/21 from NHS England.
- The STP plans assume that the permitted 2% social care precept is either fully implemented or funded separately by each borough.
- For Special Commissioning Services the 'solution' for closing the gap has not yet been developed, however it is assumed the gap will be closed.

The unresolved residual gap of £35m for Social Care across NWL is to be addressed through further joint working between health and social care as set out below:

- Further detailed work is required to model the benefits of joint commissioning across the whole system as part of Delivery Area 3;
- The share of savings accruing to Health are assumed to be shared equally with local government on the basis of performance;
- Further work is required to identify the impact on social care of the Delivery Area schemes, and to develop joined up health and social care business cases. Where the

Delivery Area schemes result in a shift of costs to social care, it is expected that these would be NHS funded;

- The residual gap of £35m by 20/21 is assumed to be unresolved but both Local Government and NHS colleagues will be working collaboratively to identify how to close this gap, so as to put both the health and social care systems on sustainable footing.

All the financial project estimations both in forecasting the 'do nothing ' funding gap and the draft NWL STP submission to close the funding gap are subject to further detailed analysis and review across local government and health.

The high level business cases to deliver STP transformation set out in the Annex1 are still being developed in more detail and robust analysis of the investment proposals and the estimated savings continues to be undertaken by Finance Officers across the boroughs and CCG's to ensure that the financial benefits set out in this plan are realistic and achievable over the 5 year period.

4. EFFECT ON RESIDENTS, SERVICE USERS & COMMUNITIES

What will be the effect of the recommendation?

The ST Plans offer the prospect of improving health and care in the Borough.

Consultation Carried Out or Required

Communications and engagement activity is integral to both plans and build on local activity to date.

Policy Overview Committee comments

None at this stage.

5. CORPORATE IMPLICATIONS

Hillingdon Council Corporate Finance comments

Corporate Finance has reviewed this report, noting that the NWL STP bid outlines an approach to bridging the budget gap for Adult Social Care by 2020/21 through a combination of savings across the five STP delivery areas, implementation of the Social Care Precept and receipt of additional recurrent funding from the Department of Health.

Hillingdon's share of this budget gap is estimated at £18m and is reflected in the Council's own Medium Term Financial Forecast. Subject to acceptance of the NWL bid by Department of Health, savings identified will be fully costed and reflected in the MTFE alongside any additional funding available to support local Social Care services. Decisions regarding implementation of the Social Care Precept in Hillingdon remain the prerogative of the Council.

Hillingdon Council Legal comments

There are no specific legal implications arising from this report.

6. BACKGROUND PAPERS

NIL.