

**Report to:** Health Overview & Scrutiny Panel

**Date:** 27 September 2012

**Report by:** Claire Budden, Senior Programme Manager

**Presented by:** Claire Budden, Senior Programme Manager

**Subject:** **Continuing Health Care – Section 75 Agreements**

**1. Purpose of the Report**

- 1.1 To brief the Health Overview and Scrutiny Panel on the integration of the local authority and health teams dealing with Continuing Healthcare assessment and commissioning within the City.

**2. Recommendations**

- 2.1 That the Health Overview and Scrutiny Panel note the content of this report.

**3. Background**

- 3.1 Under the National Health Services Act 2006 local authorities and NHS bodies can enter into partnership arrangements to provide a more streamlined service and to pool resources, if such arrangements are likely to lead to an improvement in the way their functions are exercised. These powers give rise to the three Health Act "flexibilities", namely:
- Pooled budgets.
  - Lead commissioning.
  - Integrated provision.
- 3.2 In October 2011 the Integrated Commissioning Board approved work to commence the creation of two section 75 agreements to support the integration of continuing healthcare (CHC); one to provide an integrated assessment team, and one to establish a pooled budget and combined commissioning function. The decision to establish the integration through two separate agreements was taken in light of the Audit Commission guidance that these functions should be dealt with under separate legal arrangements. This decision was further supported by the Cabinet member for Health & Social Care In November 2011.
- 3.3 The National Framework for NHS Continuing Healthcare clearly outlines the responsibility of PCT's and local authorities to support the delivery of the Continuing Healthcare assessment and review process to establish eligibility. The final version of the Law Commission's report on the Adult Social Care review

highlights that in the future there will be an enhanced duty on social care to cooperate with the NHS in Continuing Healthcare assessments.

- 3.4 Both the NHS and local authorities work with people with high support needs. Indeed some people move between eligibility for NHS Continuing Healthcare and for local authority social care as their needs change. There are also some people who, although they are not eligible for NHS Continuing Healthcare, are jointly funded by both the NHS and their local authority.
- 3.5 NHS Continuing Healthcare and local authority social care is commissioned from largely the same care home and home-based care providers. The development of the Personal Health Budgets programme also means that the NHS and local authorities now share the same 'direction of travel' in terms of personalisation. Local authorities have more years of experience of personalisation from which the NHS can benefit.
- 3.6 There are significant potential benefits in terms of continuity of care for the individual and also improved value for money by the NHS and local authorities working together locally to develop integrated arrangements on issues such as:
  - i) multi-disciplinary assessment and case/care management
  - ii) hospital discharge
  - iii) rehabilitation and reablement
  - iv) personalisation, including Personal Health Budgets
  - v) commissioning of care and support
  - vi) end of life careNHS Continuing Healthcare is an integral part of all of the above.
- 3.7 The Continuing Healthcare process is resource intensive for both health and social care. Integrating processes and staff will lead to greater efficiencies and cost savings. The team will become truly integrated over time and not just co-located, with combined IT and management structures.

#### **4. Scope of Integration**

- 4.1 The S75 agreements establish Portsmouth City Council as the lead commissioner and pooled budget holder for the CHC and Funded Nursing Care budget (£11,057,647 for CHC plus £1,511,071 for funded nursing care 2011/2012 from NHSP and £32,702,936 for 2011/2012 from PCC) supported through the integration of the CHC clinical assessment and social work teams, as well as the Council acting as the lead commissioner to commission services from third party providers. This will include responsibility for the funded nursing care review process and contract management which lies with the CHC team.
- 4.2 The lead commissioning function and integration of the team has taken effect from the 1<sup>st</sup> September and the implementation of the pooled budget will take effect from 1<sup>st</sup> October (enabling an initial transition period prior to budget

transfer). This will allow for a supported transition period prior the transfer of responsibilities from the PCT to the CCG as part of health reform under the Health & Social Care Act 2012.

- 4.3 Ultimately the project will aim to improve patient / service user experience of continuing healthcare. This will be achieved through timely and improved communication between health and social practitioners and a holistic assessment process focused on the needs of the individual.
- 4.4 Portsmouth has high levels of Continuing Healthcare cost and activity even in direct comparison with those whose areas have higher than average deprivation, cancer and heart disease. Likewise the Council is facing a difficult financial future in the face of public sector funding cuts against the rising demands of an ageing population. There is recognition locally that working together across health and social care, and doing things differently will provide the greatest opportunity to tackle these issues.

## **5. Consultation**

- 5.1 The section 75 arrangements are in effect an internal change of arrangements between the Council and NHSP and therefore while relevant stakeholders, such as staff, have been consulted with prior to the arrangements taking effect there has not been a full public consultation at this stage, which mirrors the approach taken by the partners on other similar arrangements.
- 5.2 The next stage of the project will be to review the services delivered by the integrated team and in the event that this has the potential to result in changes to service delivery an equalities impact assessment will be carried out along with the necessary consultation.

## **6. Progress**

- 6.1 The NHSP staff involved in delivering CHC assessments and those who support the delivery of the CHC within commissioning and finance were seconded to the Council from the start of September. No staff declined to be seconded and no redundancies were required, although one member of staff has been redeployed to a suitable alternative role.
- 6.2 Although there have some minor IT glitches the staff have been able to access all necessary NHSP software and data in addition to the host Council's software. At the time of writing this report (during the second week of integration) workarounds have been identified for all of the glitches and permanent adjustments will be put in place over the coming weeks.
- 6.3 Slippage in the development of the project earlier in the year meant that it has not been possible to put in place unified IT systems for the first day of co-location and therefore some of the efficiencies that are anticipated from the integration

will not arise until later on in the integration process. This will not have a detrimental impact on the service, but will mean that the anticipated operational and financial savings of integration may not be available until 2013

- 6.4 All of the hard copy files were securely transferred from both partners to their new locations for the first day of the integration.
- 6.5 The proposed date for the pooled budget to take effect from 1<sup>st</sup> October is still on track and is considered achievable and this pool will be held by the Council on behalf of the partners. Some elements such as the transition of all of the invoicing for NHSP contracts will come across under a staged approach to minimise disruption and ensure continuity of provision is maintained throughout.
- 6.6 Governance meetings are scheduled from September onwards to review the arrangements on a monthly basis, and reports will be provided to both parties covering financial and activity data.
- 6.7 A new Service Manager has been appointed by the Council, who will have overall responsibility for the team and who has a nursing background. Steps are also underway to revise the Panel appeals process to ensure that NHS CHC eligibility remains a clinical led process outside of budgetary constraints and with suitable levels of expertise present.
- 6.8 Regular risk reviews continue to be in place for the project, with exception reports issued to highlight changes in risk profile.

## **7. Next Steps**

- 7.1 Phase two of the project, now that the teams are integrated and the pooled budget is about to take effect, will include a review of operational systems to unify them and make them more efficient. A number of projects across the country provide useful comparators for combining processes on integration projects and these will be reviewed and assessed before making changes to the current team's work patterns.
- 7.2 Reports on the activity and financial spend of the integrated team will be reported internally on a monthly basis, with quarterly benchmarking data providing a comparison between local and national data.