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**Title of meeting: Health and Wellbeing Board**

**Subject: The Blueprint for Health and Care in Portsmouth and relationship to the delivery system**

**Date of meeting: 21<sup>st</sup> June 2017**

**Report by: Innes Richens, Chief Operating Officer, NHS Portsmouth Clinical Commissioning Group & Director of Adult Services, Portsmouth City Council**

**Wards affected: n/a**

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**1. Requested by**

N/A

**2. Purpose**

- 2.1 To present to the Health and Wellbeing Board a summary of key programmes underway in support of the Portsmouth Blueprint for Health and Care; key governance arrangements and links with other system levels; and demonstrating how these are expected to contribute to meeting the financial challenge.

**3. Information Requested**

- 3.1 The Blueprint for Health and Care in Portsmouth is now well-established as the set of guiding principles that set out how the key health and care organisations in the city will work together, with an overarching goal *where everyone is supported to live healthy, safe and independent lives by health and social care services that are joined up around the needs of individuals and are provided in the right place at the right time.*
- 3.2 The Blueprint sets out a vision for the delivery of health and care services in the City that will be less fragmented and better able to support people to stay well and remain independent, through the delivery of 7 key commitments. The delivery of the Blueprint is integral to improving the long term health of the population.
- 3.3 There is a great deal of work underway in all organisations and services, as business as usual, in order to achieve savings and efficiencies, and in order to achieve more transformational change as envisaged in the Blueprint. This landscape is increasingly complex as work also develops across a wider

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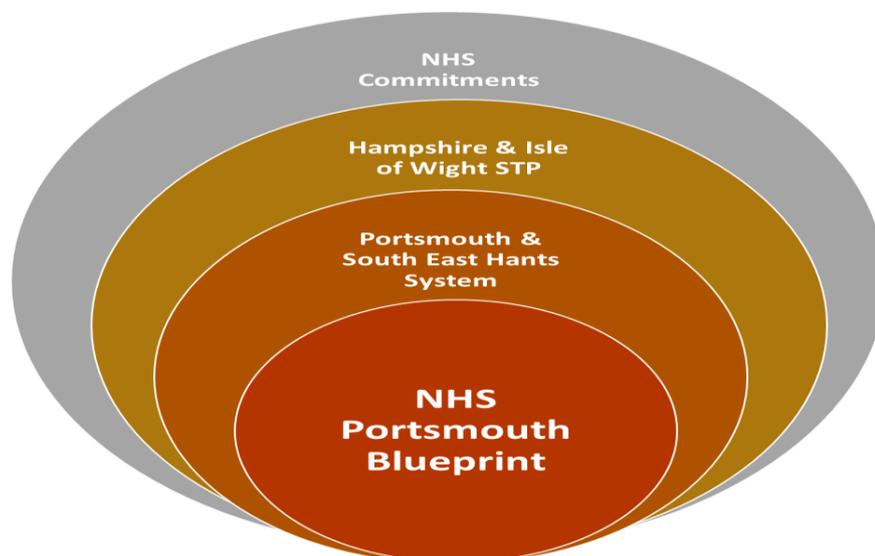
Portsmouth and South East Hampshire geography around an accountable care system, as well as responding to the county-wide STP footprint. Portsmouth is also increasing links with Southampton via the public health agenda.

- 3.4 To ensure that the Health and Wellbeing Board retain visibility of the transformational change programme for Portsmouth, these have been mapped (attached as Appendix 1) to provide:
- Clarity of broad programme content and programme governance for service and system developmental work for the city
  - Clarity on dependencies and influences coming from wider planning geographies.
- 3.5 Comments are invited from the Health and Wellbeing Board around whether the correct programmes, governance arrangements and system relationships have been identified.

**4. Health and care system tiers of planning**

4.1 Health and care systems across Hampshire and Isle of Wight (HIOW) have come together in partnership to develop a strategic transformation plan (STP), setting out the strategic aims and objectives for transformation across the county. The key aims and objectives of the Portsmouth Blueprint are reflected within this wider system plan. It has been agreed that delivery of the STP needs to take place at local level, within local delivery systems. The City of Portsmouth forms part of the Portsmouth and South East Hampshire (PSEH) delivery system. Health and care partners in PSEH have come together to form an accountable care system (ACS) as a vehicle for delivering the New Models of Care set out in the NHS 5 Year Forward View publication. Once again the aims and objectives and key work programmes to deliver the Blueprint are reflected in the ACS plans (Fig. 1)

Fig. 1 - How the plans fit together



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4.2 This multi-layered planning approach enables system partners in the City to focus the delivery of the commitments through either local delivery or with wider system partners where it makes sense to do so and whereby incoming together maximum gains can be achieved. We are working on the principles across the wider system that transformation must be based on local needs and where possible delivered locally. However, effective partnership working across PSEH and HIOW allows us to work together in areas of commonality and shared aims to ensure alignment and ability to operate on a wider footprint to achieve efficiencies from a truly 'do it once' approach where it makes sense to do so.

**5. Financial challenge**

5.1 It is important that the city is able to articulate how the local transformational programme is supporting sustainability in the longer term and addressing the financial challenges of the wider system.

5.2 The Hampshire and Isle of Wight STP sets out the financial challenge for the HIOW health economy. Within this, more detailed analysis is being undertaken for each of the local delivery systems and alignment to individual organisations.

5.3 For Portsmouth and South East Hampshire there is a financial challenge of £80 million, which by working together through the Accountable Care System, the system needs to meet. Key to the delivery of this is the development of new methods of contracting and the agreed aligned incentive contract between Portsmouth Hospitals NHS Trust and the three local CCGs, (NHS Portsmouth CCG, NHS South Eastern Hampshire CCG and NHS Fareham and Gosport CCG. This new contract model, moves the system away from the traditional activity based contracting approach of PBR, whereby the hospital is paid on an activity basis to payment for an agreed expected level of activity. This method means the CCGs and hospital can work more effectively together to reduce costs and manage demand for services.

5.4 For the local authority, adult social care is an increasingly high profile area of local authority business. There is acknowledgement at national level that social care is under increasing pressure, for a variety of reasons, including increasing demand; and that the quality of the social care system is critical to ensuring the health services remain viable in the medium to long term.

5.5 The Department for Communities and Local Government produced a pre-budget report in March 2017 highlighting some of the national drivers of demand and cost, in particular:

- Demographic changes - the King's Fund report that the number of people in their 80s and 90s has increased by almost a third in the last 10 years; and is set to double in the next 20 years.

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- Care Act 2014 - reformed and modernised social care law, and whilst the sector was broadly enthusiastic about the changes introduced, there were concerns about potential increases in demand for services, leading to higher costs.
- National Living Wage (NLW) - In July 2015, the Government announced the National Living Wage for those aged 25 and over. While the NLW gave care workers, amongst whom recruitment and retention is a significant issue, a needed increase in pay, it did add to the funding pressures on councils.
- Deprivation of Liberty safeguards - A Supreme Court judgement in March 2014 changed the definition of "deprivation of liberty" under the Mental Capacity Act 2005, resulting in more people who have been deprived of their liberty for treatment, care or protection from harm coming forward for council safeguarding assessments.

5.6 A number of measures have been introduced in the recent past to try and address some of these challenges, including the Better Care Fund, the social care precept and the adult social care support grant.

5.7 The cumulative effect of these high-level pressures on Portsmouth means that at the beginning of the financial year 2017/18 there is an underlying budget deficit of £1.158m per annum, with a forecast future savings requirement in the next two years of £1.848m to be achieved, and projected demographic pressure of £1.3m in the next two years. However, there are also funding opportunities to support transformational change.

5.8 In relation to public health, the Chancellor confirmed in the 2015 Autumn Statement that local authority funding for Public Health would be reduced by an average of 3.9% in real terms per annum until 2020, equating to a reduction in cash terms of 9.6% over the same period. This represents a significant financial challenge. In Portsmouth City Council, In Portsmouth, we use the grant in three main ways:

- commissioning services that are required to fulfil the statutory functions (including sexual health and substance misuse services)
- directly delivering services and programmes, through the Public Health directorate
- delivering services and programmes that support improved outcomes delivered across the authority through the redistribution of public health grant.

5.9 It is therefore important that a short-term opportunity to invest in transformation is taken.

5.10 Finally, it is important to note that the children's system is also a financial challenge for the authority, and the Stronger Futures programme sets out the strategy for ensuring this system moves to sustainability in the longer term.

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**6. Next steps**

- 6.1 It is suggested that key conclusions from this mapping exercise are presented to the ACS Leadership group to set out the work that is core to the transformation of health and care services in the city. It is also suggested that this work is used to guide the development of a clear series of "asks", potentially developed jointly with the ACS leadership, to the STP team to ensure that system wide work is in support of and driving achievement through the local delivery system.

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Signed by (Director)

**Appendices:**

Appendix 1 - Local Programmes and Projects mapped to wider system levels.

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location