

Commissioning Partnership Board Report

Decision Maker	Commissioning Partnership Board
Date of Decision:	30 th May 2019
Subject:	Community Services Transfer
Report Author:	Mike Barker, Strategic Director of Commissioning / Chief Operating Officer

Reason for the decision:

Summary: *The purpose of this report is to provide an update on the transfer of community services which are currently provided by Pennine Care Foundation trust*

What are the alternative option(s) to be considered? Please give the reason(s) for recommendation(s): *N/a*

Recommendation(s): *Agree the Risk Share Agreement
Agree the novation of the Communities contract from PCFT to the NCA*

Implications:

*What are the **financial** implications?* *None*

*What are the **procurement** implications?* *No Procurement matters*

*What are the **legal** implications?* ***None***

What are the **Human Resources** implications? None

Equality and Diversity Impact Assessment attached or not required because (please give reason) An EDIA is not required as services to residents are not being changed as a result of this transaction

What are the **property** implications None

Risks:

Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution/CCG's Standing Orders? Yes

Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the S.75 budget? Yes

Are any of the recommendations within this report contrary to the Policy Framework of the Council/CCG? No

Background:

The CCG has been working with the Northern Care Alliance (NCA) and Oldham Council to facilitate the transfer of community services from Pennine Care by 1 July 2019 following the decision by PCFT to divest itself of community services and concentrate on the provision of mental health services. The CCG was already in the position of not being able to extend the contract further under current procurement rules.

The NCA Board approved an initial business case on 29 April with the final business case to be approved at their next meeting on the 3 June.

1. Progress to Date

As part of the process to meet the planned 1 July transfer date a number of decisions have to be made by commissioners and by the NCA. A significant level of work has been undertaken across the system in an environment of willingness and openness.

In support of this transfer, shadow management arrangements have been agreed by PCFT and the NCA. For example, in Oldham we have established fortnightly 'keep in touch' meetings between Oldham Care Organisation and the Managing Director/DASS who currently holds line management and budget responsibility for the entirety of their PCFT community healthcare staff. Under these shadow management arrangements, more generally, however, PCFT must secure NCA agreement to replace posts and confirm significant resource requirements

In addition, Oldham Care Organisation will attend the Oldham PCFT management meetings in line with the shadow management agreement and will attend PCFT assurance meetings.

The community services transfer is part of this wider piece of work and is a key enabler to accelerate and embed change. The aim is to ensure staff are deployed on an Oldham Cares model designed to meet high level outcomes and linked to the evolving Oldham Strategic Commissioning Framework (SCF).

2. Risks

The due diligence report has highlighted a number of risks which have a potential financial impact; commissioners and providers are jointly looking to mitigate these risks within the overall contract value – hence a risk share agreement. A number of workshops and meetings have taken place throughout March and April to work through the risks already known across Oldham and those identified through the due diligence process.

Those risks which potentially have a financial impact are listed below:

- Nursing establishment at Butlers Green
- Delivery of safe Integrated Adult, Children's & AHP Community Health Services due to vacancies and service models
- Clinical Leadership in Community

These risks have been identified as high within the risk framework and commissioners will need to work with partners to agree service changes or service investment to mitigate these otherwise there would simply be a significant cost involved

3. Financial Analysis

As part of the due diligence process the NCA has undertaken a detailed financial analysis of community services costs, further information is provided in part B

4. Contractual terms

The Oldham PCFT community health teams and staff (in scope) will transfer and be directly employed by SRFT and deployed into the Oldham Care Organisation (NCA) under their management and governance. It is suggested this change is incorporated into the delegated duties and responsibilities of the Care Organisation. This is in order to satisfy regulatory requirements as Northern Care Alliance (NCA) is not yet a legal entity. Oldham Care Organisation is regulated as part of Pennine Acute Hospital NHS Trust (PAHT) and there is a management arrangement with Salford Royal NHS Trust (SRFT).

The contractual financial terms will be to transfer 12ths pro rated of the contract value. Commissioners have agreed to suspend KPI reporting for three months and to work with the NCA on changes to reporting and monitoring during this period. The exception to this will be nationally mandated information.

5. Contracting Plan

Oldham has set itself an ambitious journey on which its principle aim is to: 'See the greatest and fastest possible improvement in the health and wellbeing of the Borough's residents by 2020', whilst closing a forecast financial gap over the same period.

This improvement will be achieved by:

- Enabling people to be more in control of their lives and their care.
- A health and social care system that is focused on wellbeing and the prevention of ill health.
- Support and care which is as close to, and connected with, home and community as possible.
- Consistent, reliable, patient and community centred treatment and care that is available when necessary.

To help deliver this change within the health and care sector, Oldham Cares has been formed. It is within this context that the commissioners invited the Oldham Cares provider partners to develop a proposal for how they would work together to take on the transformation of community services over the two years from the point of transfer and/or up to March 2021

The intent is to use this as the first step towards the creation of a placed based integrated delivery vehicle based in communities. Oldham Cares will ensure stability and support to all providers, so we are optimally positioned to drive transformation. Oldham Cares believes that the transfer and integration of community services is a major lever to support the ambition of the locality plan to transform health and care in Oldham.

The CCG has developed an initial plan for the design and development of the long-term integrated service contract. This work will be undertaken over this financial year. This will hopefully move from the current input measuring model to an outcome based contract,

allowing providers greater freedom on services to deliver integrated services to improve the health of the residents of Oldham and the commissioning function to focus much more on strategic commissioning activities.