Leicestershire County Council

CABINET – 13 DECEMBER 2016

NHS SUSTAINABILITY AND TRANSFORMATION PLAN

REPORT OF THE CHIEF EXECUTIVE

PART A

Purpose of the Report

1. The purpose of this report is to inform the Cabinet that the draft NHS Sustainability and Transformation Plan (STP) for Leicester, Leicestershire and Rutland (LLR) has been published and to set out the governance arrangements for oversight and delivery of the STP.

Recommendations

2. It is recommended that -

   (a) The publication of the Leicester, Leicestershire and Rutland Sustainability and Transformation Plan be noted;

   (b) The governance arrangements for oversight and delivery of the Sustainability and Transformation Plan be noted;

   (c) The Chief Executive, following consultation with the Cabinet Lead Member for Health, be authorised to take such operational decisions as may be necessary to enable the delivery of the Sustainability and Transformation Plan.

Reasons for Recommendation

3. The STP when approved will have an impact on social care and public health services commissioned by the County Council. For this reason, the governance arrangements for oversight and delivery of the STP involve representatives of the County Council at a number of levels.

4. The Chief Executive will be a non-decision making member of the System Leadership Team, which will oversee all aspects of the development and delivery of the STP. The County Council cannot be bound by decisions made by the System Leadership Team, In order to facilitate partnership working however, the Chief Executive will need to take operational decisions within the County Council to enable the STP to be delivered.

Timetable for Decisions (including Scrutiny)

5. Each statutory local NHS organisation approved the draft STP on 22 November 2016. Local authorities are not required formally to approve the STP.

6. The Health and Wellbeing Board will meet on 6 December to consider proposals in regard to its role in the governance and delivery arrangements of the STP (see para. 17). The Leicester, Leicestershire and Rutland Health Overview and Scrutiny Committee will meet on 14 December to consider the STP and to provide feedback on its content (see para. 23)

7. In terms of governance, Terms of Reference for the System Leadership Team will be submitted to Clinical Commissioning Groups (CCGs) in December. Following agreement of these terms of reference, CCG Boards will be asked to update their schemes of delegation.

Policy Framework and Previous Decisions

8. The STP is a national requirement as set out in the NHS shared planning guidance 2016/17 – 2020/21.

Resource Implications

9. The STP states that, without developing new ways of working, the impact of increased demand creates a financial gap of £399.3 million for health and social care over the five year timeframe of the Plan. Of this, healthcare accounts for £341.6 million of the gap, whilst the adult social care gap equals £57.7 million over the same timeframe.

10. The STP recognises that the LLR local authorities with social care responsibilities have a range of programmes to reduce costs, review commissioning of services, equipment services, applications of technology and an ambition to coordinate some services across the range of public health and social care services. For Leicestershire, these initiatives are identified through the Medium Term Financial Strategy process.

Circulation under the Local Issues Alert Procedure

11. None.

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PART B

Background

12. The STP is to show how local health services will evolve and become sustainable over the next five years to deliver the NHS Five Year Forward View vision of better patient care and improved NHS efficiency.

13. The draft LLR STP was published on 21 November and is available via http://www.bettercareleicester.nhs.uk/. The Plan is subject to stakeholder engagement until January 2017. Specific areas within the Plan will then be subject to formal public consultation during 2017, meaning final decisions on many of the proposals will not be taken until summer 2017.

14. The draft STP contains the following proposals:-
    - Investment in local services including £45.5 million on a new emergency department at Leicester Royal Infirmary;
    - An increase in services delivered in the community by specialised clinical teams;
    - Encouraging more people to live healthily and avoid illness;
    - Helping to address a LLR projected NHS funding gap of £399 million caused by a number of factors including an increase in demand for services, and the costs of new treatments;
    - A movement of hospital beds from the big hospitals to the community, in hospitals or at home, for those people whom it would benefit;
    - The reconfiguration of hospitals from three to two acute sites;
    - Future options for maternity services in Leicester, Leicester and Rutland, including the current standalone midwife led unit in Melton Mowbray;
    - Reconfiguration of community hospitals and their beds and community-based services.

Governance Arrangements

15. The governance arrangements for the STP are illustrated in the diagram attached as Appendix A. Key to these new arrangements is the System Leadership Team (SLT) which met for the first time in shadow form in November. This is a joint committee of the three LLR CCGs. The SLT also includes the chief executives or equivalent from the three LLR local authorities and the NHS statutory providers as 'non decision making members' to ensure that the considerations and decisions of the SLT are fully informed by views from across the health and social care system. The SLT has been established after legal advice was taken in the context of restrictions on CCGs and NHS provider trusts being in membership of the same decision making body.

16. The SLT will oversee all aspects of the development and delivery of the STP for the LLR footprint and provide collective leadership and problem solving to address barriers to implementation. Members of the SLT will meet together to discuss and agree the direction of the STP and of any specific areas of work required to meet the aims of the Plan. However, where an issue requires a

specific decision by a provider organisation or a local authority, the remit of the SLT will be to develop a shared recommendation, on which all members of the SLT agree, to be presented for consideration and approval by the relevant board, governing body or executive body.

Role of the Health and Wellbeing Board

17. It is recognised that additional governance arrangements for the STP are needed to deliver improved clarity and connection between the local place and the LLR tier with more visibility, shaping and recognition of the wider determinants of health in all aspects of strategic planning. It is proposed that the three LLR Health and Wellbeing Boards take on this role, which aligns with their existing responsibilities as set out in their Terms of Reference.

18. The Health and Wellbeing Boards will provide a 'confirm and challenge' function, ensuring that the STP is aligned with the priorities set out within both the Joint Health and Wellbeing Strategy and the Joint Strategic Needs Assessment. The Health and Wellbeing Board will also apply this confirm and challenge approach to the implementation of the STP, particularly with regard to the pace and readiness of the individual programmes of work within it.

19. It is proposed that each Health and Wellbeing Board would provide an open and transparent forum in which to:

(i) Take responsibility for ensuring that the STP priorities address the key place based health and care needs of each Health and Wellbeing Board area for adults and children;

(ii) Assure itself that Health and Wellbeing Board partners have adequate plans in place to deliver their required local contribution to implementing the STP;

(iii) Assure itself, where specific proposals exist for service reconfiguration within their geographic area, that the case for change in terms of clinical model and patient benefit is clear and processes for securing patient and public involvement are robust;

(iv) Take a lead role for one of the agreed STP new model of care transformation priorities. This would be on behalf of the whole of LLR, not just the specific Health and Wellbeing Board, and would involve more frequent review, testing and leadership for the implementation plans for that specific aspect of the STP;

(v) Agree any concerns or issues which the Health and Wellbeing Board wishes to escalate to the STP or refer to or inform the executive of the relevant NHS body or local authority.

20. This 'division of labour' is not intended to constitute a formal delegation of accountability or statutory responsibilities from one body to another, but rather ensure that there is consistent challenge being applied across the system in a way which avoids duplication and creates the time and space for more detailed consideration.

21. In terms of what this would practically mean, under these arrangements in addition to taking an overall interest in the whole of the STP, each Health and Wellbeing Board would have the following specific areas of focus:

	Leicester City	**Leicestershire**	**Rutland**
New models of care	Primary care	Integrated teams	Community rehabilitation
Service reconfiguration	UHL acute hospital sites	Community hospitals (excluding Rutland Memorial)	Rutland Memorial

22. There are four key areas that the proposed governance arrangements for the STP would not change or replace:
    - Responsibility of each statutory NHS organisation to sign off of the STP and supporting financial plan.
    - Accountability arrangements for delivery of the STP by statutory NHS organisations which will remain through NHS England (for CCGs) and NHS Improvement (for University Hospitals of Leicester and Leicestershire Partnership NHS Trust).
    - The role of health scrutiny in respect of the STP which will remain separate and distinct through the local authority statutory Health Overview and Scrutiny arrangements, particularly in respect of formal service reconfiguration proposals, consultation and decision making arrangements.
    - Relevant responsibilities of each local authority executive body.

Role of the Health Overview and Scrutiny Committee

23. Where major or significant changes to health services are proposed, there is a statutory requirement for Health Overview and Scrutiny Committees to be consulted. This can be through a Joint Committee if the changes affect an area larger than one local authority. The Committee(s) remit is to ensure that adequate consultation has been undertaken and that the changes proposed are in the best interests of the local area and they will provide a formal response to the consultation addressing these points. Members will seek to work collaboratively with the NHS and seek to resolve any issues at a local level; however, if after this the Committee(s) still considers the changes not to be in the best interests for the local population they can refer the matter to the Secretary of State for Health (Leicestershire County and Rutland require their full Councils to agree to this).

Background Papers

Report to the Health and Wellbeing Board on 6 December, Sustainability and Transformation Plan – Role of the Health and Wellbeing Board
http://ow.ly/5pzE306F0Zg

Appendix

STP Governance Diagram

Equality and Human Rights Implications

24. There are no equality or human rights implications arising from this report. NHS policy-making, decisions and activities are required to be compliant with the public sector Equality duty.

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