

Open Report on behalf of Glen Garrod, Executive Director Adult Care and Community Wellbeing

Report to:	Executive
Date:	07 February 2017
Subject:	Response to the Sustainability and Transformation Plan
Decision Reference:	I012820
Key decision?	No

Summary:

The Lincolnshire Sustainability and Transformation Plan (STP) was launched in December 2016 following a 'leak' to the media. The Plan itself and a 'Public Summary' has been produced. The Public Summary states that plans are now clear enough that the NHS can talk in detail to the public and get their views and input. Formal consultation on major service changes contained in the finalised STP is not expected until May 2017.

The Plan was considered at Full Council on 16 December 2016 when the Council resolved to set up a cross-party working group to consider the likely financial and other impacts on county council services and make recommendations to the Executive. It has also been considered by the Health Scrutiny Committee of the County Council on two occasions where it is likely to be a continuing agenda item.

The STP describes the future vision for the NHS in Lincolnshire and in particular seeks to address the need for improved outcomes and a financially sustainable platform. In large measure it is a document produced by senior NHS officials in response to an NHSE prescriptive process and template reflected across the Country where there are, overall 44 STPs now in the public domain.

Recommendation(s):

That the Executive:

1. Notes the STP and its accompanying Public Summary, those comments currently provided by the Health Scrutiny Committee and the recommendations of the cross-party working group.
2. Resolves to make a response to the STP at this stage and approves the points made in Appendix C as the basis of an initial response to be submitted by the Council to the STP in its current form.

3. Agrees that the Executive Director for Adult Care and Community Wellbeing draft a response to be approved by the Leader of the Council for submission.

Alternatives Considered:

1. The Executive could decide not to make any formal reply to the publication of the STP at this stage preferring to await the publication of the STP document for formal public consultation and/or the results of that public consultation later this year and/or defer the matter to the Executive following County Council elections in May 2017.

Given the profound nature of the changes proposed in the STP and the level of public profile generated to date members of the Executive may consider that such a weighty matter requires a response from the public's elected representatives at the County Council prior to any formal public consultation.

Reasons for Recommendation:

NHS colleagues have identified the publication of the STP in its current form as an opportunity to talk in detail to the public and get their views and input. From the STP itself it appears that the formal consultation will be on specific major changes incorporated in the final version of the STP. The period now between publication of this version and the final version is the period within which the Council will be able to influence the strategic thinking behind the Plan and the context in which major service changes are identified.

1. Background

At the end of 2014 two seminal documents were produced – 'The Five Year Forward View and 'The Dalton Review'. Both built on previous work such as 'The Wanless Report in 2002' and, regarding the NHS indicated the need for improvements to how the NHS was organised and how it should evolve, the former indicated what models might work best and the latter that no-one model would work everywhere. Each considered the same pressing issues of population changes, inconsistent and at times poor quality standards - enshrined in law incorporating three elements: patient safety, clinical effectiveness and patient experience (Cf. Annual CQC reports 2015 and 2016), public expectations and available and anticipated levels of funding. By the beginning of 2016 the National Health Service Executive (NHSE) had produced a programme for how local systems were to plan for change and, as a key requirement, to address any financial challenges over the next few years up to 2021. This programme was called Sustainability and Transformation Plans.

In parallel and during the latter half of 2014 the government developed Integrated Transformation Funds to encourage local health and social care systems to integrate – *at scale and pace* - which, by 2015/16 became the Better Care Fund.

In November 2015 the then Chancellor announced that by March 2017 all local systems in England must have an integration plan. This has now been changed to 'Graduation plans' and the timetable is as yet unclear though guidance is anticipated in the near future.

Locally, in Lincolnshire for nearly four years this Council, local NHS commissioners and providers and a substantial number of stakeholders have been engaged in Lincolnshire Health and Care – or LHAC. This programme in summary proposed the need for a shift of resources from acute to primary/community, a reconfiguration of some acute services to enhance patient safety and a much increased level of integration within and between health and care.

One topic that weighed heavily within the LHAC programme was 'access' ie., access to health and care services. Recognising the geography of Lincolnshire, the dispersed nature of the population and the limitations of transport and road infrastructure any changes to health and social care within the LHAC programme needed to acknowledge the very real concerns of stakeholders and the public to this point.

A further consideration has been the strategic intent, nationally, and locally as illustrated in the emphasis given to prevention in LHAC to shift resources into preventative activity in both primary (eg. stopping people smoking ever) and secondary (eg. targeting smoke stop help at smokers with long term conditions). This drive has taken little consideration of the pressure on local public health services through local government austerity and the already difficult financial position of NHS bodies.

At a national level the narrative that would bring together the various inter-related programmes – notably BCF, STP and Integration has been notably absent.

At the outset the locally determined LHAC programme has been closely aligned with the BCF and the national policy towards integration. This has helped Lincolnshire to achieve a high level of pooled resources and integrated working for learning disability, mental health for adults, integrated personal commissioning, community equipment, the fire brigade and ambulance service and, in children's services, especially for mental health services. It is also important to note that LHAC obtained general support for a future of health and social care that was to be *organisationally agnostic*.

The STP programme, prescribed by NHSE has not enjoyed the same level of co-ordination or engagement with either LHAC or the BCF until recently and the level of engagement with the Council and other partners – notably elected Members, has been slow to materialise.

The Lincolnshire STP – which has now been included in CCG operational plans for the next two years - incorporates a broad range of proposals that would have a material effect upon a range of acute services – for example maternity, neonatal and children's services, A&E, the development of Urgent Care Centres, stroke services and elective/non-elective procedures.

In the community/primary care the STP refers to much that has previously been described in LHAC and BCF plans such as the development of neighbourhood teams and existing high levels of integration for people with a learning disability or mental health need, as well as further integration of children's health and social care services through locality teams. In prevention terms the STP finesses the LHAC intent to increase prevention activity by focusing on a smaller range of interventions, and clarifies with the NHS that much of this development may be supported through the public health statutory offer to them, but will have to be funded in the NHS, largely in consequence of the national policy to reduce the year on year Public Health Grant until the end of the decade.

In addition, the STP also refers to improved use of information technology and buildings, workforce development including recruitment and retention strategies, much of which has been referred to in both the prior LHAC programme and the BCF.

One recurrent theme throughout the STP is the available funding for the NHS in Lincolnshire – both current and for the next four years – *we are spending £60m more (in the NHS) each year than we have in funding.* The 'do-nothing' scenario by 2019/20 shows the deficit in the NHS in Lincolnshire would be £184m.

Related to this is the requirement that in order to affect many of the necessary changes envisioned in the STP, notably within the acute sector, is a 'bid' for in excess of £200m capital investment. A letter to NHS Chief Officers by the NHS Chief Executive Simon Stevens in December 2016 however does not encourage much optimism that such a bid will be successful in total. One logical question is therefore what would happen to the number of initiatives contained within the STP if the required capital programme could not be resourced. The relevant extract below is included (my underlining):

"Capital

We will be working with you over the next 8-12 weeks to refine and prioritise capital expenditure. As you know, capital is extremely tight over the next few years, and STP capital proposals currently exceed what we have available. Providers should consider how their use of resources assessment under NHS Improvement's Single Oversight Framework would be affected by the proposed investment. We will identify a long list of schemes that appear to meet these criteria from STPs and operational plans, so no additional submissions are necessary at this stage. Regional teams will be in touch with STP leaders about this long-list. For pragmatic reasons, our initial priority will be on schemes that are of small-medium scale, implementable over the next few years, and that improve productivity or generate wider savings from service redesign over that timeframe. A new capital framework will provide further detail within the next couple of weeks."

Wider and formal public consultation related to the Lincolnshire STP is due to commence in May 2017 so at this stage it is difficult to ascertain the general disposition of the people in Lincolnshire, the clinical impact of any proposed changes and the true financial implications. The Council, on behalf of the Lincolnshire Community will want assurance that proposals are clinically safe, are efficient, effective and meet the needs of the residents of the County. Those areas that have been in the public domain and that are contained within the STP have

typically generated a very strong and negative action on the part of local residents – notably at Grantham and Boston.

The level and nature of public engagement with the – now published - STP document is perhaps best described as a document in the public domain that will be further amended prior to public consultation from May 2017. It can be expected therefore that this wider programme of NHS proposals will remain a high profile matter for some considerable time. What this also suggests is that the Council, specifically the Executive may wish to offer further responses to the STP document that exists for the purpose of formal public consultation later this year.

At this point it is relevant to consider the Council's own programme that has been underway for 5 years as part of a process to reduce ongoing expenditure in line with reduced funding from central government as part of the national austerity programme. Much has been done to improve the efficiency and effectiveness of services provided by the Council, to reduce 'overheads' and improve use of information technology and buildings/the wider estate; to develop new and work with existing partners to secure a better skill-mix and improved value for money. As such there are similarities between what the Council has achieved and what local NHS colleagues are seeking to do. Where we have worked well with health colleagues such as in the field of learning disabilities and in the community equipment service both are now high performing and very cost-effective.

It should also be noted that the County Council has been consistently arguing the case for a 'fairer funding' deal with Government both individually and as part of the County Councils Network (CCN). The argument revolves around the particular challenges of providing services in large rural locations and makes comparisons with London and urban Councils which, on almost any measure receive substantially better funding levels per capita. This argument might equally be extended to one in which the NHS whilst needing to be more cost-effective and efficiently run might well need to be better resourced in rural areas.

As the executive body within the Council responsible for the delivery of related services, particularly in Adult Care, Public Health and Children's Services it seems appropriate that the Executive address the STP.

The document attached at Appendix C offers a number of points for the Executive to consider as the basis of a formal response. As the STP is not finalised and the major service changes on which the NHS ultimately consult have not therefore been finally identified, the current period of public engagement gives the Executive the opportunity to respond on the strategic issues underlying the STP before it is finalised. This is the level at which the proposed points have been drafted. There would be opportunity for the Executive if it wished to comment on the finally proposed major service changes when the consultation commences.

At its meeting on 16 December 2016 the full County Council agreed to set up a cross-party working group to consider the likely financial and other impacts of the STP on county council services and make recommendations to the Executive. The working group is to meet on 30 January 2017 and those recommendations of the working group will be reported orally to the Executive at its meeting.

2. Legal Issues:

Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- * Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act
- * Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- * Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- * Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic
- * Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it
- * Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding

Compliance with the duties in section 149 may involve treating some persons more favourably than others

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision making process

This decision relates to the Council's response to a Plan published by the NHS who have primary responsibility for the services covered by the Plan. It is appropriate, however, that in fulfilment of its own Equality Act duties the Executive ensure that the NHS themselves are having due regard to the impact of changes on people with a protected characteristic and a point has been included in Appendix C to address this aspect.

Joint Strategic Needs Analysis (JSNA and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health & Well Being Strategy (JHWS) in coming to a decision

This decision relates to the Council's response to a Plan published by the NHS who have primary responsibility for the services covered by the Plan. It is appropriate, however, since the JSNA and JHWS are joint documents owned by the Health and Wellbeing of which both the Council and NHS bodies are key members that the Council bears in mind these documents in formulating a response.

Due regard has been had to the JSNA and the aims of the JHWS in formulating the points at Appendix C

Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area

This decision relates to the Council's response to a Plan published by the NHS who have primary responsibility for the services covered by the Plan. Some of the services covered by the STP, however, have the potential to directly impact on the success of initiatives to prevent crime and disorder, the misuse of drugs, alcohol and other substances in its area and re-offending in its area.

Some of the points in Appendix C are designed to address these issues, particularly as regards mental health services and preventative services including the Council's own services in relation to drug and alcohol misuse.

3. Conclusion

The County Council – officers and County Councillors - have worked closely with local NHS colleagues for a number of years in support of local programmes to support improvements in health and social care (LHAC) and, in satisfying national policy (eg. the '*Duty to Co-operate*' and the BCF programme). Some of these overlap with certain sections of the STP – notably those relating to improvements in community and primary care and use of ICT and estates/buildings.

However, the STP has operated as a later and parallel programme and involved a stronger focus on acute reconfiguration with a heavily prescribed approach within the NHS.

The Council can therefore legitimately consider itself as a consultee with respect to the STP and submit a response at this stage given the uncertain nature of a number of material factors impacting on STP proposals. It is also important to note that the current STP document is likely to be amended prior to formal public consultation from May 2017. The Executive might also usefully refer to how public services are funded in rural locations and whether the current configuration of local NHS provision is organised to best effect. The attached – Appendix C offers a number of points for the Executive to consider as the basis of its formal response.

4. Legal Comments:

The Report invites the Executive to consider a response to the Lincolnshire Sustainability and Transformation Plan.

The decision is lawful, consistent with the Policy Framework and within the remit of the Executive.

5. Resource Comments:

In considering a response to the publication of the Lincolnshire Sustainability and Transformation Plan (STP), Executive will also have to consider the financial implications to the Council, in particular to Adult Care services currently provided in Lincolnshire. Any proposed shift of resources from Acute to Primary and Community based services are likely to result in a change to the resource requirements of the Council. Much that has been proposed in relation to primary and community care has previously been described in LHAC and BCF plans (where £193m is currently pooled between the Lincolnshire Health and Care economies). The requirement for the Council to move the emphasis of the BCF to a "Graduation" to Integrated Plans over the medium term will also be impacted by any decisions taken within the STP and as such will affect the resource requirements of such plans.

6. Consultation

a) Has Local Member Been Consulted?

n/a

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

This Report has not been considered through the Council's Scrutiny arrangements but the recommendations of a cross-party working group as agreed at full Council will be reported to the Executive.

d) Have Risks and Impact Analysis been carried out?

As set out in the body of the Report.

e) Risks and Impact Analysis

This will be considered once the formal consultation process commences.

7. Appendices

These are listed below and attached at the back of the report	
Appendix A	The Lincolnshire Sustainability and Transformation Plan (<i>Please note that owing to the size of this document, it has only been circulated electronically. A hard copy of this report is available from Democratic Services and can be viewed at: http://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=121&Mid=4672&Ver=4</i>)
Appendix B	The Lincolnshire Sustainability and Transformation Plan - Public Summary
Appendix C	Potential Contents of a Formal Response from the Executive to the STP
Appendix D	Health Scrutiny Committee for Lincolnshire comments on the STP

8. Background Papers

Document title	Where the document can be viewed
The Five Year Forward View - October 2014	NHS Publications
Examining New Options and Opportunities for providers of NHS Care: The Dalton Review December 2014	Government Publications

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