

CABINET

Date: 13 March 2018

Progress on integrating health and social care in Northumberland

Report of the Chief Executive

Cabinet Member: Councillor Peter Jackson, Leader of the Council

Purpose of report

This report updates the Cabinet on the progress made on integrating health and social care services in Northumberland and recommends the extension of the existing Partnership Agreement for adult social care with Northumbria Healthcare NHS Foundation Trust for a further two years, with some modifications described in the report, and the extension of the partnership agreement for NHS Continuing Health Care with Northumberland Clinical Commissioning Group.

Recommendations

Cabinet is recommended:

- 1. To note the progress being made in Northumberland on integrating health and social services.**
- 2. To agree to the extension of the Partnership Agreement with Northumbria Healthcare NHS Foundation Trust for a further two years from 1 April 2018 to 31 March 2020.**
- 3. To agree that this Partnership Agreement should be broadened to enable some public health functions currently provided by Northumbria Healthcare under contract to be included within the scope of the partnership, and to support the flexible use of management capacity across the two organisations, as set out in this report.**
- 4. To agree to a renewed Partnership Agreement with Northumberland Clinical Commissioning Group (CCG), under which the CCG will continue to delegate to the Council its functions of commissioning, case managing and administering NHS Continuing Health Care services and other related services; subject to the Chief Executive confirming that the forthcoming report of a review of the**

arrangement by NHS England raises no issues which call for this arrangement to be reconsidered. The ongoing agreement will be open-ended, with either party permitted to give six months' notice, and an annual joint review to confirm that it remains up to date.

5. To note that the partnership arrangements will continue to operate on the basis that all financial risks associated with the Council's statutory social care functions rest with the Council, and all financial risks associated with statutory NHS responsibilities rest with NHS organisations, and that the proposed modifications to the agreements will not require the transfer of any member of staff to a different employer.
6. To delegate to the Chief Executive, in consultation with relevant Cabinet members, authority to approve the necessary detailed modifications to the text of the two Partnership Agreements to implement these decisions, and to sign the modified agreements.

Key issues

1. Northumberland has, over a number of years, been leading the way nationally on both strategic and operational arrangements for the integration of health and social care. The County Council and Northumbria Healthcare have led the way in developing fully integrated multidisciplinary staff teams, operational arrangements and strategic management arrangements, the benefits of which can be demonstrated when considering community and patient feedback.
2. The Council's operational adult social care functions have been delegated to NHS bodies since 2002. The current partnership with Northumbria Healthcare is due for renewal from 1 April 2018.
3. A comprehensive review of the Partnership Agreement had been planned, during 2017/18, to take into account the implications of the then planned establishment of an Accountable Care Organisation (ACO). However the ACO was not established during 2017/18, and it now seems clear that no ACOs will be created nationally in the near future, as a result in a shift of national policy. While the review has not taken place, it remains crucial for the health and social care system to work closely together, and to continue to integrate services, because of the benefits for people in need of care and treatment. It is therefore proposed to extend the current Partnership Agreement for a further two years, with some modifications of detail to reflect changes in the Council's management structure, to incorporate some public health services, and to support the flexible use of management capacity across the two organisations.
4. The CCG has since 2013 delegated operational responsibility for NHS continuing health care (CHC) and related services to the Council, facilitating an integrated approach to these services. The partnership agreement covering this arrangement expires at the end of March; it is proposed to renew it, with minor amendments. This partnership arrangement was recently reviewed by NHS England, and the recommendations from this review are still awaited. The Cabinet will be informed if they are received before the date of the meeting; on the basis of oral feedback, it is not currently expected that the review will identify any major obstacles to the continuation

of the partnership, though it is possible that some modifications to the detail of the Partnership Agreement may be called for.

Progress on integrating health and social care in Northumberland

BACKGROUND

1. Introduction

- 1.1 Joint management and operational arrangements have significantly supported the improved patient and public health and social care services delivered across Northumberland.
- 1.2 Nationally, the Government adopted in 2015 the objective of achieving the integration of health and social care by 2020. It has not set out in detail how it expects this objective to be achieved, but the 2015 Spending Review document described arrangements in Northumberland as one of three examples of approaches which the Government endorsed. It is anticipated that the Green Paper about the future of care for older people to be published this summer will give some further indications of current Government thinking, but on any likely assumption, Northumberland's arrangements will continue to place us in a strong position to carry forward the national agenda, particularly for people with physical health conditions or disabilities. The extent of delegation of functions and of joint management arrangements in Northumberland remains nationally exceptional.
- 1.3 A Partnership Agreement has been in place since April 2011 under which most of the Council's statutory operational adult social care functions are delegated to Northumbria Healthcare. This replaced the previous partnership agreement with Northumberland Care Trust, under which almost all of the Council's statutory social care functions had been delegated to an NHS organisation. The agreement with Northumbria Healthcare was initially for a two-year period, with the intention that it would be reviewed in the light of changes in the NHS which were then pending, since the impact of what became the Health and Social Care Act 2012 was not then clear.
- 1.4 Because of ongoing changes in the NHS, there was not a full review of the agreement at the end of the initial period, and it was extended with relatively minor modifications in 2013 and 2015, for two years on each occasion, recognising that the partnership arrangements were working well and were continuing to support the close integration of health and social care in Northumberland, which is nationally recognised.
- 1.5 Earlier this year it was agreed to extend the agreement for a further twelve months, with the expectation that a fuller review would take place during 2017-18. This reflected the expectation that an Accountable Care Organisation (ACO) hosted by Northumbria Healthcare would be established during the year to provide a new focus for the coordination of NHS services in Northumberland for the next ten years, and that the implications of this for the Council's social care partnership with the Trust should be considered when the ACO was in place.
- 1.6 The original plans for the ACO are not now proceeding. Discussions are ongoing with NHS England, NHS Improvement and local system leaders about how organisational relationships might now develop to support the integration of

services, however the timetable for and nature of any new arrangements remains unclear. Once again, therefore, uncertainty about longer-term developments in the NHS means that the anticipated comprehensive review of the Partnership Agreement has had to be deferred.

- 1.7 The partnership arrangement with the NHS does, however, continue to have substantial benefits for the coordination of health and social care for individuals, and for the overall coherence of local services, and it is recommended that it should be extended for a further period of two years.
- 1.8 Some changes are now needed to the existing agreement, to reflect changes in the Council's management arrangements, and other developments since the contents of the agreement were last revised in 2015.

2. The current Partnership Agreement with Northumbria Healthcare

- 2.1 The partnership arrangement is based on the principle that financial risks associated with the Council's statutory social care functions continue to be borne by the County Council. (The Council's partnerships with NHS services also follow the matching principle that all financial risks associated with NHS functions will be met by NHS organisations.) In particular:
 - a) The salaries of social care staff employed by Northumbria Healthcare are recharged to the Council. (This budget has in practice been underspent in recent years, and the Council has benefited from this.)
 - b) The budget for the purchase of care and support services from independent providers is held by the Council, while contracts with providers are negotiated by Council staff, and called off to meet the needs identified through individual assessments by staff employed by Northumbria. This arrangement has supported a substantial reduction in spending over recent years, with a stronger focus on promoting people's independence and supporting people to find solutions which do not require intensive publicly-funded support. However it has become increasingly challenging to manage increasing levels of need within the reduced funding levels required by the national programme of public sector austerity savings, and the budget would have overspent in the current year had it not been for the additional "improved Better Care Fund" grant announced in the 2017 Spring Budget.
- 2.2 These arrangements have been underpinned by close integration of senior management. Until recently, the Council's Deputy Chief Executive was also an Executive Director and board member of Northumbria Healthcare, and the Council's statutory director of adult social services managed adult social care functions within Northumbria alongside community health services. (The Council's recent management restructure will change these arrangements, as described in Section 3 of this report.) The effect of these arrangements is that the Council has clear oversight of the way in which its statutory functions are being carried out, while maximising flexibility to operate social care and health services in an integrated manner.

- 2.3 Specific developments which have taken place within the partnership since 2011 have been described in detail in previous reports. They include:
- a) The implementation of an integrated Short-Term Support Service, combining therapy services and short-term care services focused on “reablement” to help people recover their independence after a health crisis or accident. The local services in three of the County’s localities have now been rated “outstanding”.
 - b) The creation of new teams to ensure coordinated individual planning for the transition from “hospital to home” seven days a week, and of integrated teams able to arrange urgent support to avoid the need for admissions to hospital
 - c) A more flexible response to periods of increased pressure on hospital beds, with coordinated use of available capacity to keep the whole system functioning as well as possible for people with urgent needs.
- 2.4 Northumbria Healthcare as a Trust was rated “outstanding” by the Care Quality Commission in May 2016, with the partnership arrangement contributing to this assessment. Partnership working in community learning disability services contributed to a further “outstanding” judgement in August 2017.
- 2.5 Over the coming year, there is an intention to strengthen further the arrangements for providing integrated support in the community for people whose health condition requires intensive short-term support and monitoring of a kind traditionally provided in hospital, for instance when an older person with a number of long-term health problems acquires an infection which they could safely recover from at home, but only with a high level of support overseen by experienced clinicians. At present, it continues to be the safer option for GPs and other key referrers to refer people to hospital in such situations, despite the risk that a period of hospitalisation will have harmful longer-term impacts on the person’s ability to live independently.
- 2.6 In principle, any of the specific integrated arrangements for particular services which have been put in place in Northumberland could have been developed without the organisational partnership; and many of them have parallels in other areas across the country. What is distinctive about Northumberland's situation is that creating new integrated arrangements and modifying existing arrangements does not require separate detailed agreements between organisations in each case. Instead, integrated management makes it natural to consider integrated responses to every issue. As well as making it easy to introduce new service models, this has had particular benefits when individuals have complex needs which require a creative and personalised response involving both health and social care services.

3. Proposed changes to the Northumbria Partnership Agreement

Senior management roles

- 3.1 The current Partnership Agreement reflects the senior management arrangements in place during the first few years of the partnership, in which the most senior joint role between the Council and Northumbria Healthcare was a joint post which fulfilled the statutory role of Director of Adult Social Services in the Council, and within the Trust operated as a board-level executive director, with specific responsibility for the

Trust's Community Services Business Unit, within which almost all social care functions delegated from the Council were managed.

- 3.2 Following recent senior management reorganisations in the Council and the Trust, the most senior joint post now operates at a higher level in both organisations: the Chief Executive of the Council is also the Executive Director responsible for Delivery within the Trust – a role which includes management of all operational functions within the Trust, both hospital and community-based. This further strengthens the integration between the two organisations, at a time when integration is particularly important: nationally and locally NHS services are under severe strain, and social care services are fragile, and maintaining services over this winter has been extremely challenging. New operational management arrangements being put in place beneath the Executive Director for Delivery within Northumbria Healthcare are designed to ensure that all parts of the health and social care system work together as effectively as possible both to plan ways to make the system more resilient and to manage immediate pressures.
- 3.3 The Executive Director of Adult Social Services will no longer have operational management responsibilities within Northumbria Healthcare, but will continue to exercise her statutory functions as the Council's Director of Adult Social Services (DASS),. The postholder will continue to have overall responsibility for the strategic direction of adult social care services within the new arrangements. The postholder also has a secondment agreement in place under which she fulfils the duties of Accountable Officer for Northumberland Clinical Commissioning Group. This arrangement supports an integrated approach to the overall planning of health and social care but the County Council is not in any way responsible for any CCG functions except those covered by formal joint agreements.
- 3.4 The revised Partnership Agreement will set out the role of this post in setting the objectives and strategic direction for the partnership and monitoring the delivery of Council and national priorities. To ensure that the postholder is able to fulfil her statutory obligations as the Council's DASS, the revised Agreement will set out formally her entitlement to meet regularly with the senior managers responsible for adult social care in Northumbria Healthcare, to request briefings and speak to Trust staff, and to request support from Trust staff with strategic reviews. The DASS and her officers will be entitled to monitor complaints and safeguarding referrals and to carry out quality audits of services.

Public health

- 3.5 Northumbria Healthcare has been commissioned to deliver a range of public health services on behalf of the Council. Initially, replicating previous arrangements within the NHS, these services were commissioned through contracts. However in many cases, the services involved need to operate as seamlessly as possible with Council services, including both services delivered directly by the Council and services delegated to Northumbria Healthcare under the existing Partnership Agreement. As contracts come to an end, therefore, there is a strong case for considering the option of bringing them within the framework of the Partnership Agreement.
- 3.6 The Cabinet agreed in October 2016 that an integrated public health service for children and young people aged 0-19 should in future be commissioned through a partnership agreement with Northumbria Healthcare, rather than a contract. It is

proposed to bring this service, which includes health visiting and school nursing, within the scope of the overall Partnership Agreement, to maximise the scope for flexible operation of related services.

- 3.7 The Cabinet decided in 2016 not immediately to make a similar change to the arrangements for the elements of the proposed “integrated wellbeing service” which were delivered within Northumbria, because of the intention to review during 2017/18 how the range of health improvement functions intended to come together in the integrated service would in future be provided. A one-year contract for these services was therefore awarded to Northumbria Healthcare. It is now proposed to bring these services too within the scope of the overall Partnership Agreement. Longer-term plans for these services remain uncertain, in the context of planned reductions in the Government grant for public health services, and operating within a partnership agreement rather than a contract will simplify the process of making any necessary changes.
- 3.8 The Partnership Agreement will give the Director of Public Health similar rights in respect of public health services to those proposed for the DASS in paragraph 3.4 above, other than those which are specific to adult social care.

Management flexibility

- 3.9 One of the lessons of the period since the Partnership Agreement was last modified in 2015 has been that there is a need for flexibility in the use of management resources across Council statutory functions – for instance it was necessary to support children’s social care services by asking adult services managers within Northumbria to provide operational management support for a period, while there was substantial turnover of managers within children’s services, and when there were issues which urgently needed addressing following an Ofsted inspection of the Council.
- 3.10 These arrangements were made informally within the framework of the existing Partnership Agreement. Going forward, however, it is proposed to include explicit provision for eventualities of this kind within the Agreement, to ensure legal clarity about responsibilities. The intention is to provide within the Agreement that the Chief Executive/Executive Director of Delivery may, after consulting appropriately within the governance processes of the Council and the Trust, ask managers of either organisation to provide operational management support for functions of the other organisation.
- 3.11 It is proposed that the Agreement would provide that, if it is necessary for the effective operation of any such management arrangement, authority to make specific kinds of decisions on behalf of the Council may be delegated to a manager employed by the Trust, so long as the Council has the power to delegate these decisions under the statutory Partnership Regulations. For instance this might mean that, if a manager within the Trust has operational responsibility for a children’s services function, that manager has the delegated authority to make decisions about individual cases of a kind which a manager at an equivalent level within the Council would have.
- 3.12 This provision would be drafted to make it clear that it would not be used to require the transfer of staff from the Council’s employment to Northumbria Healthcare, and

that no transfers of financial risk would be associated with any management arrangements entered into.

4. The partnership with the CCG

- 4.1 Clinical commissioning groups are responsible for arranging and funding a range of services, mostly delivered by independent sector providers, which are similar in nature to, and often supplied by the same organisations as, those commissioned to meet social care needs. They do so to meet their duty to provide NHS continuing health care (CHC), and also under other funding arrangements including joint funding for people who are not eligible for CHC but have significant health needs and "funded nursing care" to cover the costs of registered nursing for people in nursing homes.
- 4.2 There are substantial advantages in these functions being managed alongside adult social care. From the perspective of service users, it means that people receiving social care services who become eligible for CHC can have a seamless transition to the new arrangement, with no change of provider (unless required because of their deteriorating condition), and no need to change elements of their care plan which remain appropriate. From a financial perspective, a joint arrangement maximises the collective purchasing power of the local public sector, and avoids the need for duplicate arrangements for case management, contract negotiation, budget monitoring, and payment of providers. It also means that the skills and experience developed by the direct payments team which supports people who choose to manage their own adult social care arrangement through a cash personal budget can be transferred to the support of the more recently introduced personal health budgets.
- 4.3 For these reasons, the shadow Northumberland CCG agreed before the organisation formally came into existence in April 2013 a partnership agreement with the Council under which the Council is responsible for commissioning services, organising case management (through its partnership agreement with Northumbria Healthcare, by the same teams which carry out care and support planning for social care), and carrying out associated support functions. The CCG remains responsible for confirming eligibility for CHC services, and for their costs (which have fallen in the years since the agreement began, at a time when costs have been rising nationally).
- 4.4 The total cost of CHC in Northumberland per head of population remains higher than in most of the rest of the country, because a larger proportion of the population has been found eligible for CHC funding (though the cost per person is lower than the national average). At least in part, this appears to be because the integrated arrangements in Northumberland mean that there is a wider understanding among professionals of eligibility for CHC, and that more people are therefore referred for an eligibility assessment.
- 4.5 Because of the relatively high cost of CHC in Northumberland, NHS England have recently carried out a review of the arrangements in this area. Oral feedback suggests that they are likely to recommend some improvements to the details of the processes being followed, and that they may suggest to the CCG that its approach to determining eligibility should be revised. (A revised national framework for CHC

eligibility is also imminently expected.) So far as we are currently aware, none of the results of the review calls in question the benefits of the current partnership with the Council.

- 4.6 Since the existing Partnership Agreement comes to an end on 31 March 2018, the Cabinet is asked to delegate to the Chief Executive the authority to sign off a new Partnership Agreement on the same basis, with minor adjustments where necessary to reflect organisational changes since 2013 and any relevant recommendations from NHS England. If NHS England were to make recommendations which called this in question, the Council could decide not to proceed with this.

BACKGROUND PAPERS

There are no background documents for this report within the meaning of the Local Government (Access to Information) Act 1985.

IMPLICATIONS ARISING OUT OF THE REPORT

Policy	The proposed extension of the two partnerships would continue the Council's longstanding policy of aiming for comprehensive integration of health and social care, which is also a national policy objective.
Finance and value for money	The benefits of integration between health and social care are not primarily financial, though there are opportunities to make more efficient use of shared resources.
Legal	Partnership agreements between local authorities and the NHS are provided for by Section 75 of the NHS Act 2006. Detailed requirements about agreements are set out in the NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000 (which have been frequently amended).
Procurement	The Partnership Agreements are agreements between public bodies rather than an arrangement for the procurement of services.

Human Resources	Staff carrying out the adult social care and public health statutory functions delegated under the Partnership Agreement will continue to be employed by Northumbria Healthcare. The Council's HR function will continue to maintain a register of those managers employed by Northumbria Healthcare who are authorised to carry out disciplinary and other personnel procedures affecting Council-employed staff, and will ensure that they are appropriately trained and supported to do so.
Property	Existing arrangements for the shared use of buildings will continue, and will be reviewed as necessary during the period of the agreement.
Equalities (Impact Assessment attached) Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	The continuation of the current agreements, and the specific modifications to them which are proposed, are not expected to have any significant impact on the Council's compliance with its equalities duties. Specific service developments taking place within the framework of the Partnership Agreements will continue to be assessed as necessary for their potential equality impacts.
Risk Assessment	No new risks which require a formal risk assessment have been identified associated with the extension of the agreements.
Crime & Disorder	No implications have been identified.
Customer Considerations	The primary benefit of effective integrated health and social care arrangements is a more coherent and "person-centred" experience for service users.
Carbon reduction	No implications have been identified.
Wards	All

Report sign off.

Authors must ensure that relevant officers and members have agreed the content of the report.

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