

Report of the Deputy Chief Executive and Directors of Adult Social Services and Children's Services

Report to Executive Board

Date: 17 September 2014

Subject: Leeds City Council Social Care and Health Capital Fund

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

This report advises Members of a proposal to create a specific Capital fund of £25 Million to support the City's ambitious plans to be the Best City in the country for Health and Wellbeing. The proposal builds on strong foundations already recognised by the government's appointment of Leeds as a Pioneer City for the integration of social care and health and the widespread acknowledgement of the pace and reach of health and social care integration achieved so far.

Should the proposals be accepted, the benefits to Leeds people would include relocating back to the city a number of people with profound disabilities who require intensive, specialist care packages and accommodation tailored precisely to their needs. At present a number of severely disabled people are accommodated far from families and friends in specialist and costly care facilities elsewhere in the UK. Secondly, the fund would enable the city to extend the joint intermediate care service city-wide, building on the model established by the South Leeds Independence Centre, which has been successful in preventing many premature admissions to residential care, avoiding hospital admissions and facilitating early discharge from hospital. Thirdly, the fund would enable health and social care to build on work already under way to invest in Information Technology infrastructure for sharing service user and patient data, leading to a more integrated experience for people who need the support of both health and social care services. Lastly, the fund would be used to help people with long term conditions manage their care without needing frequent visits to hospital using 'tele-consultation' from their own homes. This could be potentially extended to the city's 123 care homes for older people and would significantly reduce the regular need for patients to be transported to and from hospital.

The Information Technology aspects of the proposals would place Leeds at the leading edge of harnessing the power of new technology to promote Better Lives for people needing both health

and social care support. Meanwhile, the proposals for housing for disabled people and those for intermediate care would mean Better Lives for people moving to be closer to family and friends and for people avoiding hospital admission or premature admission to residential care. All the measures described in this report would lead to savings and economies in the Leeds health and care system.

The Capital fund represents a part of the Council's contribution to support the release of revenue funding from the Better Care Fund (BCF) on which Members received a separate report earlier in the year. The BCF guidance states that it will be a pooled fund of £3.8bn nationally, which should be used to support more joined up health and social care, and more specifically from the Council's perspective to Protect Social Care Services. This proposal to commit capital investment is, so far as we are aware, unique nationally and represents a truly innovative means of ensuring no opportunity is missed to maximize the value of the Leeds £. The BCF is seen as one enabling element in a programme of transformation across health and social care designed to improve outcomes for Leeds Citizens, address inequities that they face and also address the significant structural financial deficits that face both the Council and NHS organisations in the City.

Officers from Adult Social Care and Children's services have worked with colleagues in the Clinical Commissioning Groups within the City, to formulate firm plans for how the fund in Leeds will be used to make health and social care feel more joined up by people who need such care and their carers. Part of the role of the fund is to also make the whole system of care more efficient by reducing current levels of dependency on acute hospital care. Chief Executives and Accountable Officers from organisations across the city have come together to agree the main thrust of how the fund will be used to meet the changing needs of patients and citizens. It will be used to understand that the way in which people want to receive care is changing, and to meet people's expectations of more flexible approaches that fit in with their lives and families.

Through this process it has become apparent that the fund, in some areas, would benefit from the support of capital investment. Highlighted in this report are an initial set of proposals where the availability of different types of technological solutions, refurbished buildings and new build proposals would speed up and enhance the benefits already assessed by those drawing up the BCF proposal.

Recommendations

- Approve the creation of a £25m Capital Fund in support of health and social care initiatives
- Note the schemes put forward so far and the benefits predicted for those schemes to deliver.
- Agree to the release of a 'pump priming' fund of £100,000 in the first instance, to support business case development in relation to the schemes most likely to be brought forward quickly (more Independent Living Opportunities for People with Learning Disabilities (Building) & Investment in Technology Solutions - IT Hardware (Support Systems), this in addition to the £50K already committed by Leeds CCG's for the PPPU evaluation of options in relation to Intermediate Care beds.
- That Executive Board Members agree to receive further reports seeking agreement to commit capital as each scheme becomes ready.

1.0 Purpose of this report

- 1.1 This report advises Members of the intention to create a specific Capital fund of £25 Million to support the City's ambitious plans to be the Best City in the country for Health and Wellbeing.

- 1.2 The report follows the report considered by Members of the Executive Board earlier in the year which highlighted the Government's intention to create a Better Care Fund the value of which was set at £3.8bn nationally. The stated aim of the BCF is to ensure that Health and social care becomes more integrated so that people have a more seamless experience of these types of care when they need it. In addition, a key condition of the BCF is to ensure the protection of Social Care Services, in light of the increasing demand pressures and reduced funding levels being faced by Council's.
- 1.3 Significant work has already been undertaken by Council officers working alongside colleagues from the three Clinical Commissioning Groups in the City, to bring forward schemes designed to fulfil the requirements set down in relation to the BCF.
- 1.4 Through the course of developing business cases in relation to these schemes, it has become apparent that some schemes would benefit from the support of a specific Capital programme which would enhance their value through access to technology solutions, refurbished buildings or, in some instances, entirely new build to support redesigned services within the community.
- 1.5 To that end, it is proposed to create a specific Capital Fund of £25million. It is proposed that the Capital Fund would be accessed through the submission of robust business cases designed to demonstrate how proposals supported the aims of the BCF, improved outcomes for Leeds people and delivered financial revenue savings that could be shared to benefit the Council and its health service partners.
- 1.6 This proposal recognises the very limited ability of local NHS organisations to develop their own capital programmes, (CCGs being the main contributors to the BCF in revenue terms), the experience of the Local Authority in managing such programmes and the ability of the Local Authority to borrow at advantageous and affordable rates.

2.0 Background information

- 2.1 Earlier this year Members of the Executive Board received a report setting out the local requirements associated with the new national policy directives associated with the 'Better Care Fund', (BCF) that report described how, in December 2013, Central Government issued guidance for the creation of the BCF, a £3.8bn single pooled budget "to ensure a transformation in integrated health and social care". This figure equates to a fund of circa £55m locally (approximately £51m from Health, £4m from Leeds City Council). The BCF is due to commence in April 2015 and, in Leeds, this financial year is being used to operate the fund in shadow form with a range of initiatives being 'pump primed' and evaluation being undertaken of their efficacy.
- 2.2 The guidance states that, in order to access this funding, local BCF plans must be developed jointly between CCGs and the local authority before being signed off by the relevant Health and Wellbeing Boards, a significant evaluation and assurance process has also been put into place by NHS England.
- 2.3 At that time, the report highlighted a growing expectation nationally that local areas would contribute more than the minimum required nationally into the pooled BCF budget. Members will recall that at the close of the 2013/14 financial year the Council, through its relationship with Clinical Commissioning Groups within the city, was able to set aside revenue resources of £5m in a reserve specifically set aside to support this work.
- 2.4 A series of draft plans have been (and continue to be) developed in Leeds which seek to maximize the potential to address the financial challenge facing the whole health and care system whilst recognising that much of this funding is already committed to delivering

existing programmes of work. The schemes of activity which will be delivered through the Better Care Fund are framed via three key themes which articulate delivery of the outcomes of the Leeds Joint Health and Wellbeing Strategy, in particular the commitment to “Increase the number of people supported to live safely in their own homes”:

- Reducing the need for people to go into hospital or residential care
- Helping people to leave hospital quickly
- Supporting people to stay out of hospital or residential care

2.5 Both the Better Care Fund and the wider ‘Transformation Programme’ that exists between the Council and its NHS partners are within the purview of the Health and Wellbeing Board *(H&WBB) and guidance places responsibilities of Health and Wellbeing Boards to sign off plans associate with the BCF. This reflects the cross cutting nature of these initiatives and it is suggested that the H&WBB will have a key role to play in the oversight of this proposed fund.

2.6 Equally, schemes have been selected for their “invest to save” potential, and the BCF, with continued leadership and commitment of partners, has potential to help achieve Leeds’ ambition of a high quality and sustainable health and social care system over the next five years.

2.7 It is within this context that the Council now proposes the creation of a Capital Fund that can be used to support not only some of the schemes which will be vital to the success of the BCF but also other schemes which have the potential to generate revenue savings for the Council and its partners.

2.8 Attached, as Appendix 1 are proposed set of principles (terms of reference) for the fund which, it is hoped, give complete clarity to its intended purpose and outcomes.

3.0 Main Issues

3.1 Work to date has concentrated on generating outline proposals for potential investment; each of the proposals is summarized below.

3.2 Residential Intermediate Care (Building):

3.2.1 Following on from the first year of operation of the city’s’ first joint Intermediate Care Centre (South Leeds Independence Centre - SLIC), proposals for options to expand the number of such beds in the City are currently being evaluated by the officers within the Council. Those options include potential schemes which involve conversion of existing premises; others involve proposals to build new facilities, conversion or new build. Our experience of the operation of the SLIC] is that there is a high rate of success in the rehabilitation of people attending the SLIC rather than acute hospital. In terms of the potential savings from not admitting people into acute care, this suggests that every acute admission avoided would save the system a significant proportion of the average cost of admission which currently stands at £2,800 per episode (i.e. less reprovion costs in the community).

3.2.2 Leeds CCG’s have already committed £50K to purchase PPPU support to evaluate a range of business case options to secure additional Intermediate Care beds for the City.

3.3 More Independent Living Opportunities for People with Learning Disabilities (Building)

3.3.1 In Learning Disability Services, the work that we have been undertaking is identifying the people at risk of being sent out of area, particularly those young people with very complex needs coming through transitions. We have identified 21 people but the real figure is likely to be nearer 30. Our experience of the ILP and our recent commissions in Leeds would

suggest a revenue amount of £1,500 a week per person; approx. £2.4m per annum. If we do not commission locally, our market intelligence is that we would be likely to be paying in excess of £2k per week per person, approx. £3.2m per annum. There is also a more immediate issue with regard to a young man with very complex and challenging needs who has been accommodated outside of Leeds since childhood in very specialist accommodation, there is now a pressing need for him to return to Leeds and efforts are being made to identify properties which could be redesigned and refurbished around his needs.

3.4 Investment in Technology Solutions - IT Hardware (Support Systems)

- 3.4.1 In terms of our shared approach to data, the Leeds Care Record (LCR) project is aimed at clinical integration – to deliver the LCR to health and social care professionals across Primary, Secondary, Mental Health, Adults and Children’s Care and Community Care over 12 months. The need to have such a shared approach to patient data is a key element of the Better Care fund and the swift adoption of the LCR would certainly help the system meet its BCF performance targets, releasing efficiencies in the process.

3.5 Investment in Technology Solutions - IT Equipment (Front Line Care)

- 3.5.1 Also in technological terms, there is a need to develop solutions designed to relieve the pressures on A&E and acute hospital services and to enable people with one or more long term conditions to be managed successfully in their own homes. This proposal is to, in the first instance; deploy a specially designed version of video conferencing to enable remote “tele” consultation. The basis of this case is modelled on that done in Bradford (Airedale) and would focus on equipping the 123 care homes in Leeds to be able to consult remotely with Hospital Consultants without the need for patients to be transported to hospital and, in all likelihood, be admitted as a consequence. The first year in operation in Bradford enabled the acute trust there to report a 64% reduction in presentations and admissions from care homes, clearly this represents a potentially significant cash saving to the system.

4.0 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 The transformation programme across health and social care which has oversight of each initiative is engaged with representative groups associated with its particular workstream. Consultation will follow once firm proposals supported by robust business cases are generated.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 Clearly, all the activity related to the transformation of health and social care services in the City are designed to address health and social inequalities and to provide better access to and experience of health and care services.
- 4.2.2 As each scheme is developed an equality impact analysis screening tool will be used to determine whether there is a need for a fuller impact assessment to be undertaken in relation to that scheme.

4.3 Council policies and City Priorities

- 4.3.1 The proposals set out in this report are aligned to the ambition for the City to be the best in the country in relation to Health and Wellbeing. Furthermore, the proposals are designed to practically and innovatively support the national Better Care Fund initiative, its guidance

and requirements. This directly supports the Best Council Plan 2013-17 objective, 'Delivering the Better Lives Programme'.

- 4.3.2 In particular the proposals will support schemes and programmes which are specifically designed to reduce the current levels of dependency on acute and long term care models, moving instead to wider range of services based in communities, which are more integrated and offer better outcomes for people and better value to the whole system of health and care.

4.4 Resources and value for money

- 4.4.1 Clearly, the establishment of a significant and specific Capital Fund by the Council on behalf of health and social care, requires the formulation of robust business cases that are able to demonstrate cashable revenue savings for the whole system but significantly for the Council. It is clear that managing the investment programme will require due regard to be given to managing the ongoing financial challenges faced by both Adult Social Care and Children's services.

- 4.4.2 Following a review of the phasing of current schemes in the Council's capital programme, and in view of the continued availability of historically low interest rates, the Council can accommodate this proposal within available funding. However, more significantly, the Council faces very significant financial challenges in social care costs over the next few years, in particular as a result of an ageing population; the release of recurring revenue funding from the Better Care Fund is an essential part of the future financial sustainability of the Council. The BCF and this associated Capital Fund will not, alone, address the fundamental financial challenges faced by the health and social care community in the City, however the formulation of a programme of activity designed to address longstanding structural deficits across the whole system supported by a targeted investment programme presents a significant opportunity.

- 4.4.3 Work is already underway in relation to the projects and programmes described at S.3. of this report. It may well be that a relatively small proportion of the proposed fund could be released at an early stage to support the swifter formulation of business cases

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 There are no legal implications arising from this report nor the proposal contained in it. The Investment Fund is being established for the purpose of supporting initiatives which will be of benefit to the Council and its NHS partners and not for the purpose of seeking to undertake the duties associated with another statutory body.

4.6 Risk Management

- 4.6.1 There are inherent risks involved in managing a significant transformational programme of activity across the whole system of health and social care in the City. A formal programme management structure is currently in place which will be used to manage the risks associated with both the Capital and revenue components of this.
- 4.6.2 Colleagues from the Councils PPPU have been actively engaged in oversight of the preliminary proposals set out in this report and their engagement will continue to ensure that risks are adequately identified, managed and mitigated.

5.0 Conclusions

- 5.1 This report seeks the approval of Members to create a specific Capital Fund of £25 Million to support the City's ambitious plans to be the Best City in the country for Health and

Wellbeing. The Capital Fund represents a significant Local Authority contribution to support the Better Care Fund (BCF). The BCF guidance confirms the creation in each local area of a pooled fund worth £3.8bn nationally. The fund is essentially made up from money currently being spent by Clinical Commissioning Groups which, the guidance states, should be used to support more joined up health and social care, as well as meeting a number of nationally agreed criteria, one of which is to ensure that plans Protect Social Care Services.

- 5.2 The BCF is seen as one enabling element in a programme of transformation across health and social care designed to improve outcomes for Leeds Citizens, address inequities that they face and also address the significant structural financial deficits that face both the Council and NHS organisations in the City.
- 5.3 Officers from Adult Social Care and Children's services have worked with colleagues in the Clinical Commissioning Groups within the City, to formulate firm plans for how the fund in Leeds will be used to make health and social care feel more joined up by people who need such care and their carers. Part of the role of the fund is to also make the whole system of care more efficient by reducing current levels of dependency on acute hospital care.
- 5.4 Through this process it has become apparent that the fund, in some areas, would benefit from the support of an available capital programme. Highlighted in this report are an initial set of proposals where the availability of different types of IT equipment, refurbished buildings and new build proposals would speed up and enhance the benefits already assessed by those drawing up the BCF proposal. This proposal is, so far as we are aware, unique nationally and represents a truly innovative means of ensuring no opportunity is missed to maximize the value of the Leeds £.
- 5.5 It is the case that the Local Authority rules in relation to the raising and use of Capital are far simpler and easier to access than is the case with NHS organisations, it is also the case that by far and away the biggest portion of the revenue element of the BCF will be provided by the Cities Clinical Commissioning Groups.

6.0 Recommendations

This report recommends that Members:

- 6.1 Approve the creation of a £25m Capital Fund in support of health and social care initiatives
- 6.2 Note the schemes put forward so far and the benefits predicted for those schemes to deliver.
- 6.3 Agree to the release of a 'pump priming' fund of £100,000 in the first instance, to support business case development in relation to the schemes most likely to be brought forward quickly.(. More Independent Living Opportunities for People with Learning Disabilities (Building) & Investment in Technology Solutions - IT Hardware (Support Systems) this in addition to the £50K already committed by Leeds CCG's for the PPPU evaluation of options in relation to Intermediate Care beds.
- 6.4 That Executive Board Members agree to receive further reports seeking agreement to commit capital as each scheme becomes ready.

7.0 Background documents¹

None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

Appendix 1

Leeds first for health innovation: developing a capital investment fund for health and care innovation

Introduction

We want to ensure that services in Leeds can continue to provide high quality support that meets or exceeds the expectations of children, young people and adults across the city; the patients and carers of today and tomorrow.

We know that we will only meet the needs of individuals and our population if health and social care workers and their organisations work together in partnership. We understand that the needs of patients and citizens are changing; the way in which people want to receive care is changing, and that people expect more flexible approaches that fit in with their lives and families.

The capital investment fund for health care innovation will help the city to achieve this ambition.

Purpose

The purpose of the capital investment fund is to enable Leeds to implement innovative and cost effective approaches to health and care and to help achieve the 'Best city' approach to create a sustainable health and social care system.

Principles

In line with the city's ambitions for health and wellbeing the schemes will:

- Demonstrate how they will impact on quality of experience of care for the people of Leeds as well as delivering revenue savings.
- In line with the anticipated revenue savings and the city's Transformation programme, schemes will generate [for example] an increase in the prevalence of self-management of conditions, investment in new medical technology and research in the City and in developing state of the art medical devices and equipment
- Operate in such a way that they do not further widen health inequalities
- Work with patients, carers, young people and families to enable them to take more control of their own health and care needs.
- Provide high quality services in the right place, backed by excellent research, innovation and technology - including more support at home and in the community, and using hospitals for specialised care.
- Remove barriers to make team working across organisations and professional groups the norm so that people receive seamless integrated support.
- Use the Leeds £, our money and other resources, wisely for the good of the people we serve in a way in which also balances the books for the city.

Investment and cost savings

Proposed schemes will:

- Be fully costed, with business cases, clearly demonstrating how they will achieve revenue savings and where will costs benefits be realised.
- Clearly identify 'owner(s)' of the revenue savings generated and ensure they support the scheme as savings will need to contribute to offsetting the cost of capital investment
- Demonstrate benefits to commissioners or providers, but agreement should be reached between providers and commissioners in relation to use / reinvestment of revenue savings beyond offset of capital investment
- Be open to any aspect of the Leeds health and care system, but where there are benefits to NHS England (or other national commissioners or commissioners of non NHS/LCC services), agreement should be reached to ensure revenue savings benefit the Leeds health and social care economy
- Will set out headline contingency plans, i.e. consequences of overspend or failure to deliver anticipated revenue savings.
- Draw on innovation and best practice both nationally and internationally and can demonstrate with high confidence how this learning and benefit will be transferable to the Leeds health and care system.
- Be encouraged to be matched to funding, e.g. this capital investment scheme as match funding or to test out an innovative idea that could then be used (if successful) to lever in more funding to scale up across Leeds
- Have links to the Leeds JHWS and Transformation Board programmes