

# Cabinet

## Dorset County Council



Date of Meeting	27 September 2017
<u>Cabinet Member(s)</u> Jill Haynes – Cabinet Member for Health and Care	
<u>Local Member(s)</u> All	
<u>Lead Director(s)</u> Debbie Ward, Chief Executive Helen Coombes, Interim Director for Adult & Community Services, and Transformation Programme Lead for the Adult & Community Forward Together Programme	
<b>Subject of Report</b>	<b>Delivering Dorset's Sustainability and Transformation Plan: Wave 1 Accountable Care System</b>
Executive Summary	<p>The purpose of this report is to provide Cabinet with details of the Wave 1 Accountable Care System (ACS), which will underpin delivery of Dorset's Sustainability and Transformation Plan (STP) 2017-19.</p> <p>Last month, NHS England produced a Memorandum of Understanding (MoU) that must be agreed by the Accountable Care System NHS partners, and to which local government is also asked to be a signatory. This report outlines the key areas of the MoU, and highlights specific risks and issues for the County Council.</p> <p>The Cabinet is asked to approve the County Council becoming a signatory to the MoU.</p>
Impact Assessment:	<p>Equalities Impact Assessment:</p> <p>The purpose of the WACs is to accelerate progress in delivering the Sustainability and Transformation Plan (STP). Equality impacts have been considered in developing the work-streams set out in the plan. Central to the plan is an understanding of our health and wellbeing gap and how this can be addressed ensuring that everyone in Dorset has the standard of care they need regardless of who they are and where they live.</p>

Delivering Dorset's Sustainability and Transformation Plan: Wave 1 Accountable Care System

	<p><b>Use of Evidence:</b></p> <p>Our understanding of local challenges draws on substantial analysis of Dorset's health services from a number of sources including the Clinical Services review, work underpinning the Better Care Fund and ongoing scrutiny of the wide range of data available, including patient and carer feedback.</p> <hr/> <p><b>Budget:</b> Under the MOU, the ACS will operate within a shared financial control total. This will mean the aggregation of CCG and NHS provider budgets which will give additional flexibility for them to operate more effectively together. This will allow for local financial trade-offs and for system wide efficiencies to be generated.</p> <p>At this stage there is no requirement under the MOU for further pooling / risk sharing with the local authorities. Any future proposals would need to be considered on a potential risk / reward basis.</p> <p>Additional funding is being made available to the ACS through a transformation fund. There will be opportunities for local authorities to be involved through the ACS in shaping how this funding is allocated in meeting the "next steps" priorities set out in the MOU.</p> <hr/> <p><b>Risk Assessment:</b></p> <p>Having considered the risks associated with this decision using the County Council's approved risk management methodology, the level of risk has been identified as:</p> <p><b>Current Risk: HIGH</b>  <b>Residual Risk HIGH</b></p> <p>The current and residual risk assessment of high status reflects the potential impact to the local authority across all risk considerations e.g. financial, strategic priorities, health and safety, reputation and the criticality of services in scope of STP and ACS plans.</p> <p>At this point it is also recognised that health and social care integration across the Country has not evidenced cashable savings and STP and ACS plans will need to be developed alongside the evolving financial landscape of partner organisations.</p> <hr/> <p><b>Other Implications:</b></p> <p>The wider implications of the MoU are still being assessed but it may have consequences for partnership work with locality groups and voluntary and community organisations.</p>
<p><b>Recommendation</b></p>	<p>The Cabinet is asked to approve the Memorandum of Understanding attached at Appendix 1.</p>

## Delivering Dorset's Sustainability and Transformation Plan: Wave 1 Accountable Care System

Reason for Recommendation	To drive delivery of the STP.
Appendices	1. Memorandum of Understanding for 'shadow' Accountable Care Systems (NHS England)
Background Papers	None
Officer Contact	Name: Becky Forrester Tel: 01305 224821 Email: <a href="mailto:r.forrester@dorsetcc.gov.uk">r.forrester@dorsetcc.gov.uk</a>

## 1. Introduction

1.1 In March 2017 NHS England published a report called *Next Steps on the NHS Five Year Forward Plan* which identified nine regions<sup>1</sup> as having the potential to become England's first Accountable Care Systems. These are NHS integration vehicles of which local government is a key partner.

1.2 Accountable Care Systems involve all NHS organisations in a local area working in partnership with local authorities to take collective responsibility for resources and population health. They are expected to make faster progress than other STPs in transforming the way care is delivered. Local Government is taking different approaches across the country as to its level of involvement and DCC has as yet made no financial or organisational commitments as part of moving towards a more formal ACS partnership. It has set out for adult care within the Better Care Fund some aspirations it has agreed to promote more integrated care by 2020. The objectives of the ACS are set out on page 1 of the Memorandum of Understanding, attached at Appendix 1.

1.3 In June 2017 the local NHS partners, along with local government partners in Dorset applied to be an ACS and were selected as one of eight successful applicants.

1.4 The ACS is intended to operate in 'shadow' form in 2017/18, becoming a 'full' NHS ACS from 2018/19 if the right progress has been made. As part of the selection the members of the system are asked to sign up to a Memorandum of Understanding (MoU), setting out the agreement between the Dorset system and NHS England and NHS Improvement.

## 2. The Memorandum of Understanding

2.1 The MoU was distributed by NHS England in August 2017 and outlines the expectations of Dorset to make rapid progress with delivery of the priority areas within the Five Year Forward View. It is intended to cover 17/18 and is meant to be the minimum level of agreement between NHS partners and as the plans develop to set out greater ambition about how the local system will work together to deliver integrated care, which is of good quality, delivers improvements in the health of the population and is financially sustainable.

2.2 The MoU does not have legal force but describes the agreement between the Dorset ACS partners and NHS England and NHS Improvement in order that they help each other to make the fastest progress. The emphasis throughout the MoU is for NHS Dorset alongside local government to plan and deliver services in an integrated way between health and social care based on local geography rather than organisational boundaries.

2.3 There is a clear requirement to deliver the three aims of the Five Year Forward View, which are to reduce the gaps in:

- Health and Wellbeing
- Quality & Care
- Finances

2.4 . The MoU describes four main objectives:

---

<sup>1</sup> Sustainable Transformation Plan (STP) regions

## Delivering Dorset's Sustainability and Transformation Plan: Wave 1 Accountable Care System

- to make rapid progress in urgent and emergency care reform;
- to manage within a system financial control total and maximise efficiencies;
- to integrate services and funding over the ACS defined population;
- to act as a leadership cohort for subsequent ACS sites.

2.5 There are commitments and flexibilities outlined in the MoU under the following main headings:

- improving services – this section highlights the requirements for urgent care, primary care, cancer and mental health;
- managing collective resources – this section outlines the financial and system control totals and how this may work for an ACS alongside the efficiencies that are expected;
- developing accountable care – this section describes how national bodies are expecting ACS sites to integrate services locally and how national bodies will support that work;
- freedoms and flexibilities – this section explains some of the regulatory and decision making freedoms that come as part of being a wave 1 ACS and also provides a summary of the transformation funding that will accompany wave 1 ACS sites. As noted above, it is important to note that this is largely based on existing CCG growth allocations over the 5 year period and requires further clarification. Section 3 'Flexible funding' could form the basis of a local transformation fund to develop ACS priorities, once formal assurance conditions and ACS status has been achieved;
- ways of working – this section describes in more detail how national bodies and shadow ACSs will work together to develop a pathway to full ACS status;
- reviews and checkpoints – this section describes how progress towards full ACS status will be assessed and some of the checkpoints and reviews that will be required.

2.6 To proceed in developing towards full ACS status, the STP leader will be required to sign the MoU on behalf of the partners.

### **3. Governance and Accountability**

3.1 The governance of the STP and ACS is via a System Leadership Board (SLB) made up of senior representatives from: the Royal Bournemouth hospital, Dorset County and Poole Hospitals, South West Ambulance Services Trust, Dorset CCG, the Borough of Poole and Bournemouth Borough Council.

3.2 The Chairman of the SLB is Cllr Jill Haynes, DCC lead member for health and care, and the Leader of the council is also a member of the Board. The Health and Wellbeing Board (HWBB) will have full oversight of the STP delivery programme.

3.3 Each organisation that has a responsible role in the delivery of the MoU targets is considering the MoU and its terms to ensure system-wide delivery commitment.

### **4. Risks and Issues**

4.1 Although the MoU is not legally binding, leading Members and senior officers have identified the following risks and issues:

- The focus of the MoU on local geography is welcomed, and as we move from the 'shadow' period into 'full' ACSs our expectation is that commitments on

## Delivering Dorset's Sustainability and Transformation Plan: Wave 1 Accountable Care System

'managing collective resources' and 'developing accountable care' can become integrated into a clear plan which reflects the needs and issues within specific localities.

- Partners will need to work together in new and different ways to mitigate those risks and manage them fairly across all partners.
- To be successful, implementation must have a strong locality focus in both the planning and delivery of services, including a clear leadership role for elected representatives.
- Partners must maintain a consistent and equivalent focus on three key issues as detailed in 1.3, above, and deliver them with pace.
- The financial implications and impact on DCC are yet to be fully quantified.
- Further work is needed to culture and focus amongst partners.
- Similarly, further work is needed on prevention at scale and population health.
- Further analysis must be undertaken on access to services for Dorset residents.
- If partners agree the MoU and move into a process of system design, and Local Government Reorganisation proceeds, any work on system design may have implications for the new council's operating model.

4.2 These issues will be taken forward with partners and built into the STP and ACS delivery plans and governance arrangements. Organisations are committing to work together, however there is no binding commitment and the role of the HWBB as oversight and the SLB will be critical in mitigating this risk.

4.3 The SLB is supported by the Senior Leadership Team where operational activity and problem-solving will be completed to support the STP and the strategic requirements set by the SLB.

4.4 NHS England have indicated that the MoU will be refreshed in April 2018 which, if Dorset proceeds to 'full' ACS status, presents an opportunity to influence the content and direction of the MoU in future.

## 5. Conclusion

5.1 NHS England have set out the following timetable for 2017-18:

- August 2017: Agreement of MoU
- October 2017: Programmes agreed between senior sponsors and ACS leads
- December 2017: First quarterly review of progress by national and local teams
- March 2018: Decision on whether to move to full ACS
- April 2018: Full ACS status and updating of the MoU

5.2 Cabinet is asked to approve the MoU and support lead members, the Chief Executive and officers in its delivery.

**Debbie Ward**  
**Chief Executive**

September 2017