

The background features a large, stylized graphic of two hands shaking, rendered in white. The hands are positioned as if grasping each other, with the fingers pointing towards the center. The graphic is set against a background of two large, overlapping triangles: a grey one on the left and a pink one on the right. The text is overlaid on the central part of the hands.

# The Black Country

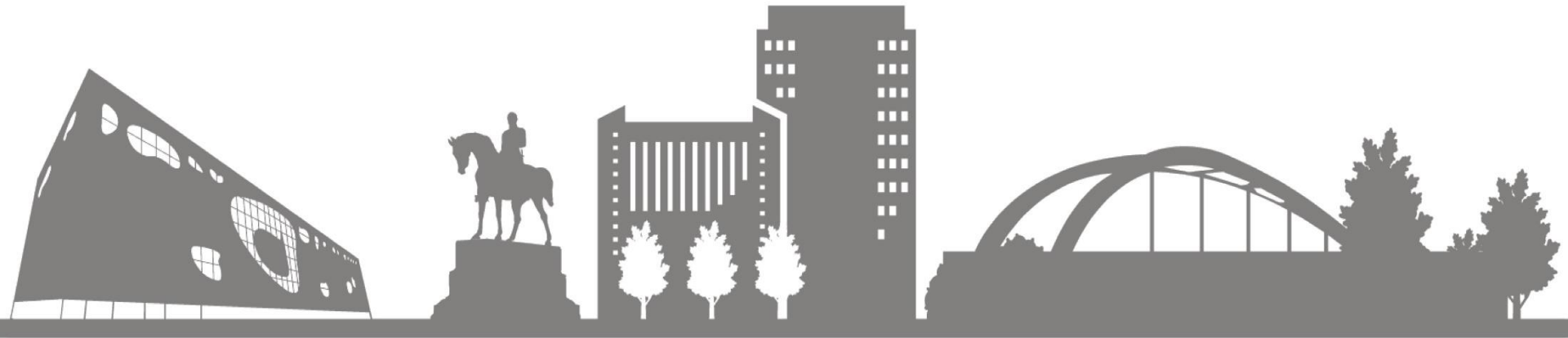
Transforming Care Partnership

Finance Plan

24<sup>th</sup> February 2017

# The Black Country

Transforming care for people with learning disabilities and autism



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# The Black Country – Partner Organisations



# Overview of Key Issues

## Key Area



The Black Country TCP comprises four CCGs, four local authorities and one specialised services commissioning hub. We are also working with the Birmingham TCP where boundaries overlap in West Birmingham. All partners are genuinely bought into the TCP plan.

Total TCP population 1.4 million

### 1 Cross-system buy-in

### 2 Clear activity plan as basis

### 3 Clarity on cost pressures/savings

### 4 Principles/vehicles agreed for moving funds across system

### 5 Transition costs identified

### 6 Capital costs identified

### 7 Governance/implementation

- 103 Black Country patients
- Currently 41 CCG commissioned and 62 Specialised Commissioning (December 2016).
- These patients with a variety of differing needs are placed with a variety of providers across the Black Country, Birmingham and beyond.

- £10.4m from closing NHSE Specialised Commissioning beds. Specialised Commissioning funding to immediately follow the patient per NHSE guidance.
- All funding released from CCG commissioned beds will be reinvested in community packages.
- £13m additional cost for care packages (CCGs and LA) off-set by Specialised Commissioning funding
- Non-recurrent costs will be partially off-set by the TCP's Transitional bid – see separate section.

- A set of principles to be formally agreed by all parties. The TCP's financial principles will ensure that the patient is at the heart of the decisions we make.
- Current pooled budget or virtual pooled budgetary arrangements will be used to fund the care of patients. In some areas there is the potential for use of New Care Models as a vehicle for change.

- The TCP has identified a range of transitional costs totalling £2m. The main element of this relates to double running costs but other associated transitional type costs are included, e.g. workforce analysis. A detailed plan can be found later in this document. The TCP has submitted a transformation bid of £0.65m.

- Working in partnership with housing providers, the TCP will secure new homes. This capital funding will likely be sourced via providers who may use government grants and private finance. There is no requirement for NHS capital at present.

- An updated and clear governance structure is in place – see Appendix A.
- Clear implementation plan with milestones, action owners, backed by appropriate resource and robust governance (Operational Group and Partnership Board).

# Cross System Buy-in

1

## Cross-system buy-in

The Black Country TCP comprises of the following partners:-

- Dudley CCG
- Sandwell and West Birmingham CCG
- Walsall CCG
- Wolverhampton CCG
- Dudley MBC
- Sandwell MBC
- Walsall MBC
- Wolverhampton City Council

All partners are genuinely bought into the TCP plan and want to improve the care and lives of their patients. Members have also contributed to this finance plan. In particular, the CCG CFOs have been sighted on this plan and the SRO is presenting updates at all stakeholder governing bodies and boards (including HWB) during March and April 2017.

Each partner is represented upon the Programme Board. A full governance structure can be found in Appendix A.

We are also working with West Midlands Specialised Services Commissioning and the Birmingham TCP, where boundaries overlap in West Birmingham. The Black Country TCP is responsible for reporting West Birmingham activity, whilst the Birmingham TCP is responsible for delivery. This has been agreed with the Birmingham TCP Partnership Board and NHSE.

A stakeholder engagement update has been produced and is incorporated in Appendix F. The TCP's stakeholder engagement has and will involve patients, parents and carers in our service model development.



# Activity Plans

## Key ingredient

2

Clear activity plan as basis

- 103 Black Country patients
- Currently 41 CCG commissioned and 62 Specialised Commissioning (December 2016).
- These patients with a variety of differing needs are placed with a variety of providers across the Black Country, Birmingham and beyond.

### Key Issues

- This activity plan aims to achieve patient numbers below the upper planning limit by March 2019. The Black Country is a significant outlier in its reliance upon in-patient beds when compared to the upper planning limit set by NHSE. In particular, the CCGs' in-patient numbers are four times the upper limit, whilst the specialised commissioning beds are in excess of twice the upper limit.
- The current patient numbers of 103 (December 2016) are planned to reduce to significantly by March 2019 (both CCG patients and Specialised Commissioning patients). This specialised commissioning in-patient bed reduction will limit the number of patients in high, medium and low secure settings. The CCG's will reduce the number of acute and locked rehab beds.
- These bed reductions will be replaced by an increase in community placements and services. These services will be consistent with the national service model and its nine principles. See Appendix E for an overview of the new community serves to be commissioned.
- The Black Country trajectory can be summarised as follows:-

	2015-16		2016-17			2017-18				2018-19			
	31.03.16	30.06.16	30.09.16	31.12.16	31.03.17	30.06.17	30.09.17	31.12.17	31.03.18	30.06.18	30.09.18	31.12.18	31.03.19
NHS England Commissioned Inpatients													
Sandwell & West Birmingham CCG	21	22	21	21	17	15	12	8	5	5	5	3	2
Dudley CCG	12	12	12	12	7	6	6	4	3	3	3	3	3
Wolverhampton CCG	21	18	18	18	12	12	11	9	6	6	3	1	1
Walsall CCG	10	11	11	11	10	7	4	3	2	2	2	1	1
	64	63	62	62	46	40	33	24	16	16	13	8	7
CCG Commissioned Inpatients													
Sandwell & West Birmingham CCG	8	15	14	12	10	4	2	2	2	2	2	2	2
Dudley CCG	7	11	11	11	7	6	4	3	3	3	3	3	3
Wolverhampton CCG	8	8	8	7	5	5	5	5	5	5	5	5	5
Walsall CCG	10	21	16	11	11	8	3	2	1	1	-	-	-
	33	55	49	41	33	23	14	12	11	11	10	10	10
Total	97	118	111	103	79	63	47	36	27	27	23	18	17

# Activity Plans - Continued

- **The TCP has concerns over the validity of the expected discharge dates from specialised commissioning. Queries have been raised and we await a response. Upon a response from Specialised Commissioning, it will be likely that discharge dates amended and the activity and finance model updated.**
- A more detailed activity plan can be found in Appendix C and a more detailed/supporting finance & activity plan has also been provided.
- The TCP will reduce its inpatient bed capacity consistently with the reduction in patient numbers (See Appendix B). However, adjustments will be made for appropriate factors, such as, relocation of out of area patients, etc. Furthermore, commissioners will work with providers to ensure that stability is maintained within the provider landscape.
- The TCP will enhance the capacity of the existing community learning disability teams including the commissioning of more intensive community support, especially for those in crisis or wishing to live with families.
- New packages of care will be commissioned before March 2019.
- New homes will be required for patients – a summary of the TCP's housing strategy can be found in Appendix D



# Financial Overview

3

Clarity on cost pressures/  
savings

- £10.4m from closing NHSE Specialised Commissioning beds. Specialised Commissioning funding to immediately follow the patient per NHSE guidance.
- All funding released from CCG commissioned beds will be reinvested in community packages.
- £13m additional cost for care packages (CCGs and LA) off-set by Specialised Commissioning funding
- Non-recurrent costs will be partially off-set by the TCP's Transitional bid – see separate section.

The Black Country TCP will aim to deliver care in a better way, whilst optimising the resource available. The financial values contained within this plan are an extract of the TCP's financial model that has also been provided for detailed analysis. A written narrative to further support the financial model has also been provided.

The key financial position of partners and associated issues are summarised in the table below:-

	2016-17	2017-18	2018-19	Recurrent Costs (£)	Double Running Costs (£)	Funding Flows - Specialised Services				Recurrent Funding (£)
	Cost Per Organisation (£)	Cost Per Organisation (£)	Cost Per Organisation (£)			2016-17	2017-18	2018-19	2019-2020	
Sandwell & West Birmingham CCG	2,787,149	2,674,899	3,861,379	3,797,887	547,021	79,216	821,887	1,509,154	1,795,800	1,795,800
Sandwell MBC	391,651	1,575,495	3,153,296	3,460,863	0	54,344	697,553	1,405,123	1,691,770	1,691,770
NHS England	3,962,070	2,740,950	718,575	474,500	0	(133,560)	(1,519,440)	(2,914,277)	(3,487,570)	(3,487,570)
	<b>7,140,870</b>	<b>6,991,343</b>	<b>7,733,250</b>	<b>7,733,250</b>	<b>547,021</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Dudley CCG	2,629,600	2,859,384	2,828,937	2,553,616	384,697	76,771	527,774	834,875	864,075	864,075
Dudley MBC	72,291	1,843,446	2,068,419	2,553,616	0	76,771	527,774	834,875	864,075	864,075
NHS England	2,323,100	919,740	804,825	594,950	0	(153,542)	(1,055,548)	(1,669,750)	(1,728,150)	(1,728,150)
	<b>5,024,991</b>	<b>5,622,570</b>	<b>5,702,181</b>	<b>5,702,181</b>	<b>384,697</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Wolverhampton CCG (Pooled Budget with LA)	1,506,572	3,102,856	4,801,024	5,266,359	375,830	153,120	1,509,853	2,655,344	3,142,315	3,142,315
Wolverhampton MBC	0	0	0	0	0	0	0	0	0	0
NHS England	3,397,815	2,135,975	720,835	255,500	0	(153,120)	(1,509,853)	(2,655,344)	(3,142,315)	(3,142,315)
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Walsall CCG (Pooled Budget with LA)	6,302,600	7,993,969	9,175,712	9,375,627	621,814	13,400	1,221,733	1,873,258	2,013,175	2,013,175
Walsall MBC	0	0	0	0	0	0	0	0	0	0
NHS England	2,268,675	912,035	199,915	0	0	(13,400)	(1,221,733)	(1,873,258)	(2,013,175)	(2,013,175)
	<b>8,571,275</b>	<b>8,906,004</b>	<b>9,375,627</b>	<b>9,375,627</b>	<b>621,814</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>25,641,524</b>	<b>26,758,749</b>	<b>28,332,918</b>	<b>28,332,918</b>	<b>1,929,362</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

# Financial Overview: Continued

## Notes:

- Dowries in respect of in-patients (>5 years) will follow the patients for the remainder of their life at the transitional value without increase.
- Cost of community placements are estimated to be approximately 20% greater (after identifying all related and supporting costs, etc.) than the hospital care package they replace.
- Patient level data is included with the TCP's financial model as described earlier.
- Cost of housing will be via commissioned services from providers/housing associations. This issue is addressed further in the capital section of the finance plan. An overview of the TCP's housing plans can be found in Appendix D.
- A risk register is maintained that includes key risks, such as, new placement affordability, non-recurrent funding, workforce and system capacity.

# Financial Principles and Working Arrangements

4

Principles/vehicles agreed for moving funds across system

- A set of principles to be formally agreed by all parties. The TCP's financial principles will ensure that the patient is at the heart of the decisions we make.
- Current pooled budget or virtual pooled budgetary arrangements will be used to fund the care of patients.
- In some areas there is the potential for use of New Care Models as a vehicle for change.

The key financial principles are as follows:-

Specialised commissioning funding (per NHSE West Midlands guidance). This financial model assumes that funding will transfer from specialised commissioning immediately upon the patients transfer.

The current pooled budgets will operate where appropriate, otherwise a virtual pool/risk share will operate (until more formal arrangements have been agreed in 2017/18) in accordance with the principles below.

Principles:-

- Funding follows the patients, e.g. if the service is entirely commissioned by a CCG, they will receive the funding benefit. However, if a patient's service is jointly commissioned then the two commissioning entities will benefit in proportion to the new liability.
- A Memorandum of Understanding will be used to document the TCP's financial principles.
- The CCG CFO's have agreed the principles. However, formal sign-off is still required an by CCG Governing Bodies and HWB Board, etc.
- Transition monies will be distributed based upon the entity incurring cost. Where costs are not fully met by transitional funding, partners will receive a proportionate share.
- Data and information sharing agreements to be introduced.

Pooled budget agreements. The Black Country TCP has numerous pooled budgets (Section 117 and Section 75) in place across its constituent members.

# Transition Costs

5

Transition costs identified

- A national allocation of £20m is available to support the 48 national TCPs with their transformation costs.
- The TCP's transitions costs total £2m.
- A transitional bid has been submitted to NHSE for £0.65m over two years.

The transitional costs associated with this initiative are summarised below:-

Description of service	2017/18		2018/19		Brief narrative on how the specific investment will meet the objective.
	Requested NHSE funding	Match funding from TCP partners	Requested NHSE funding	Match funding from TCP partners	
<i>Peripatetic Case Management team to focus on discharge of highly complex patients - initial emphasis on those with extended inpatient stays.</i>	£50,000	£50,000	£50,000	£50,000	Establishment of peripatetic case management team expected to comprise three case managers and supporting admin to be employed on fixed term contracts to March 2019. Expecting to discharge 10 patients in 17/18 with a further 14 in 18/19. Also to develop innovations that will support the discharge of less complex patients. Also to look at innovation in support and service provision and share learning to be applied more widely
<i>Double running costs associated with the transition of patients</i>	£215,000	£215,000	£215,000	£215,000	There will be a period of double running associated with the transition of patients from their current in-patient setting to the new proposed community setting. Note: The TCP's double running cost exceed the amount submitted within this bid following conversations with NHSE.
<i>Workforce analysis and skills gap</i>	£10,000	£10,000	£10,000	£10,000	Deep dive into local TCP workforce, commissioning support and local development programme.
<i>Engagement with partners and wider stakeholders</i>	£50,000	£50,000	£50,000	£50,000	Engagement and communications strategy to be refreshed and dedicated resource assigned to engagement with patients, carers and stakeholder organisations. Poor engagement across organisations has been a key factor in the issues the TCP is experiencing currently. Market engagement and development. Also, this will encompass engagement with patients and families
<b>TOTAL</b>	<b>£325,000</b>	<b>£325,000</b>	<b>£325,000</b>	<b>£325,000</b>	

The key issues in respect of the above are as follows:-

- Every effort has been made to limit the amount of transitional bid, noting that only £20m is available to support 48 TCPs.
- Double running costs have been modelled and are partially included within the above table as follows :-
  - 2017/18 £0.325m
  - 2018/19 £0.325m
- A full patient level breakdown is included within the supporting model.
- Workforce review costs have been included at £20k and engagement at £100k.
- All monies received by from the transformational fund will be 'match funded' by the TCP.

# Capital Plans

6

Capital costs identified

**Working in partnership with health care and housing providers, the TCP will secure new homes. This capital funding will likely be sourced via providers who will likely use government grants and private finance. There is no requirement for NHS capital at present.**

As a result of this strategy the TCP will access capital via third parties to secure new homes. This capital will likely be secured through provider borrowing.

NHS capital will unlikely be used for the following reasons:-

- The TCP intends to commission combined health, social, housing and support services inclusive of capital infrastructure.
- NHSE guidance instructs CCG's not to hold building assets and stipulates this is the role of NHSPS, etc.
- CCG value for money.

Note: we are awaiting guidance from NHSE re any changes to the usual capital arrangements. Should this guidance offer alternatives different from the norm then the TCP will review its position in respect of this matter. In particular, any mechanism that enables the transfer of NHS capital to external entities, local authorities, housing associations, etc. will be considered.

# Governance and Implementation

7

## Governance/implementation

The TCP has a clear governance structure that has representation from all key partners. A sub-structure that support all operational issues including the monitoring of milestones, etc.. is also in place.

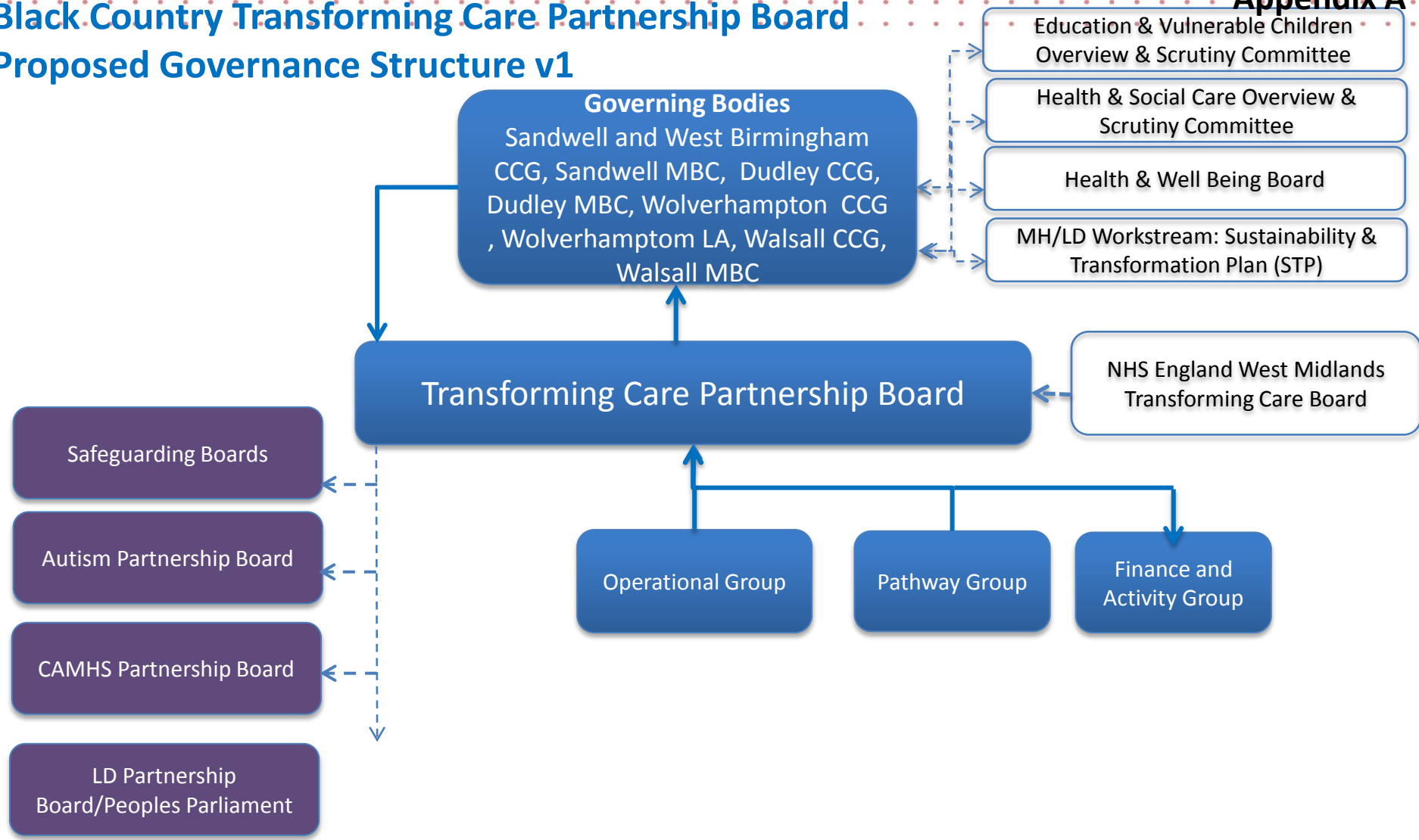
### Key Issues

- The TCP has a Partnership Board with agreed terms of reference and representation from all key partners.
- The Partnership Board is chaired by the SRO (Chief Officer at Sandwell and West Birmingham CCG). The SRO is supported by representatives from partners across the TCP. Finance is a standing agenda item for the Board.
- The Partnership Board reports to the partners' governing bodies and has robust links to relevant fora (e.g. safeguarding, HWB boards, etc.) across the Black Country. See Appendix A for the full governance structure.
- The Board is support by a dedicated programme manager and three sub-groups/committees (Finance, Commissioning and Operations and Clinical Pathway).
- The TCP have a milestone plan which is used to report to the Partnership Board and NHSE regional teams on a monthly basis. This plan includes a section on finance.
- The TCP have recently updated the milestone plan, setting out activities relating to the slides within this document, such as:
  - Production of proforma to secure the shift in allocations from NHSE to CCGs
  - Refinement of the assumptions/costings underpinning the plan
  - Key decision points for the TCP partnership board and for individual commissioning organisations
  - The TCP have a finance working group, chaired by the deputy chief finance officer of Sandwell and West Birmingham CCG and involving finance colleagues from all partners (CCGs, local authorities, spec com hub). Different members of this finance working group are clearly identified and responsible for taking forward different pieces of work set out in the milestone plan
- All partners in the TCP have a shared understanding of how work on finance is progressed and decisions made, with most issues brought to the finance working group, then the TCP partnership board, before being formally signed-off by each participating organisation.

# Appendices

- A. Governance Structure
- B. Overview of Bed Reduction Programme
- C. Finance and Activity Plan (Overview)
- D. Overview of Housing Plan
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- F. Engagement Update

# Black Country Transforming Care Partnership Board Proposed Governance Structure v1





# Bed Plan: Moving Forward

The key elements of the TCP bed plans are as follows:-

- Planned reduction of beds across the Black Country TCP
- Provision of 'bespoke' packages of care for individuals
- Prevention of entering beds by new model of learning disability services – (e.g. Wolverhampton intensive support service model), reduced A&T beds, treatment taking place in the community
- Development of a holistic approach, for people to stay at home whilst being treated
- Enhanced core service and new intensive/crisis service
- Behavioural support service embedded to prevent in-patient admissions.

# Finance and Activity Overview

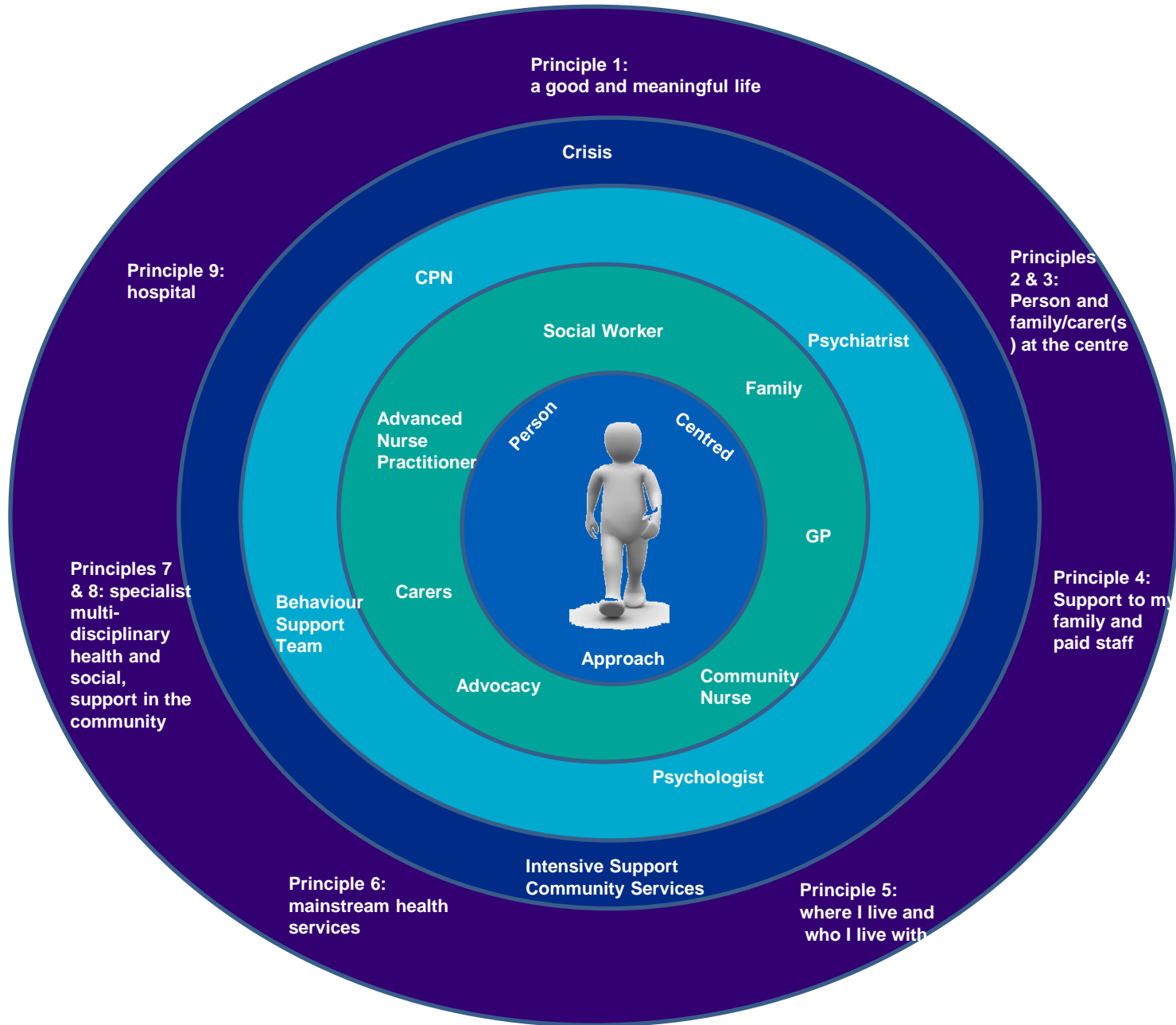
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	8,571,275	8,906,004	9,375,627	9,375,627	621,814	0	0	0	0	0	
	25,641,524	26,758,749	28,332,918	28,332,918	1,929,362	0	0	0	0	0	

# Overview: Housing Plan

- **Vision:** People with a learning disability should have choice and control over their lives.
  - This includes where they live, who they live with and how they are supported to live in their own homes
  - Housing options that promotes independence and enables individuals to have their own tenancy and be citizens of their community
- **Demand/types of housing:**
  - For people who do not benefit with sharing accommodation who need bespoke housing and plenty of outdoor space
  - Women only housing option of supported living, specifically those that self harm and have personality disorder
  - Housing for people with autism
  - Housing with a level of supervision for people coming through the criminal justice system
- **Supply**
  - Across the Black Country so that people can live in their own communities.
  - Housing needs to be flexible for our population which meets the needs of young people and older people.
  - We do not want housing which is or can become institutional e.g. blocks of flats or 'villages'.
- **Provider engagement**
  - This will include working with housing associations to develop housing that works alongside the pathway models and is affordable for commissioners

# The New Care Model for Learning Disabilities



# Engagement Update

- Engagement with service users, carers or family members being planned (March 2017) as part of the development of the future model- this will form part of the co-production work
- Voices for Choices, CVS and lay members representing critical friends and service user voice do sit at Partnership Board and are included as part of the refreshed terms of reference.
- A communication and engagement plan is being developed for the TCP (April board).
- A recent workshop to re-energise the programme included a patient engagement leads and other organisations who represent patients and service users.
- The TCP is working in partnership with a national organisation delivering a patient/service user and family engagement event in March 2017.
- Wider engagement with partners and wider stakeholders.

**NHS**

