Health Devolution and the Cities and Devolution Act 2016

Briefing session for the NHS and community and voluntary sector

1st March 2016
Purpose of the briefing session

Organised by LGA, NHS Clinical Commissioners and NHS Confederation to:
• summarise the provisions of the Cities and Devolution Act 2016
• outline the progress on health devolution so far
• look at the goals of devolution and how this aligns with the goals on integration
• give the perspectives of NHS providers and the community and voluntary sector on the key opportunities and challenges of health devolution from their perspective
• provide an opportunity for senior leaders in the NHS and the CVS to share views and discuss the potential and limits of health devolution.
Cities and Local Government Devolution Act 2016

Patricia McMahon, Adviser, LGA
Context

• Devolution is the redistribution of power and funding from national to local government
• A ‘deal-making approach’ - up to places to put forward proposals which are then negotiated with Government
• No ‘ground rules’ but some emerging themes
• Combined authorities: a legal structure enabling local authorities to work jointly
  • 5 combined authorities
  • More in the pipeline
• Pace can feel quick but implementation is slower
Summary
The Act makes provisions for:

• Greater flexibility on who can form combined authorities and expands their remit

• Enables public authority functions to be conferred on to a combined authority or local authority

• Allows for the establishment of directly elected mayors with specific functions

• Allows the Secretary of State (SoS) to make provisions around revised local governance arrangements
Provisions of the Act

Duty to report

• Secretary of State (SoS) must provide annual reports to Parliament regarding devolution to all areas in England

Combined authorities

• Can now take on any function of a local authority
• The Act removes boundary restrictions that have prevented authority areas from being non-contiguous or donut-shaped
• Can take on the function of other public authorities
  • Must be likely to improve the exercise of statutory functions
  • Functions can be exercised jointly with the public authority
  • Conditions can be specified on the transfer of powers
Provisions of the Act- continued

Mayors
• Enables CAs to have a directly elected mayor
  • The SoS can remove councils who do not consent to the adoption of a mayor when establishing a CA
  • Functions can be conferred on to the mayor specifically
  • Mayor can take on the role of the Police and Crime Commissioner

Governance, constitution and functions
• SoS can make provisions about local authorities’ governance arrangements, constitution and members, and boundary arrangements.

Health
• The SoS continues to fulfil their statutory duty
• revocation of functions can be made without local authority consent
The LGA view

• An enabling and permissive piece of legislation

• It is a positive step

• We have voiced concerns regarding the unfettered control afforded the Secretary of State - received assurances

• The legislation will not by itself deliver devolution
Devolution Deals

- Greater Manchester
- West Yorkshire Combined Authority
- Cornwall
- Sheffield City Region
- North East Combined Authority
- Tees Valley Combined Authority
- West Midlands Combined Authority
- Liverpool City Region
- London
Devolution deals: emerging themes

- All Mayoral models (except Cornwall)
- A single investment fund for economic growth
- Full devolution of 19+ skills budget by 2018/19
- Co-design with DWP future employment support for harder-to-help claimants
- Intermediate Body (IB) status for the European Funds
- Power to pursue bus franchising
- Pooled and devolved local transport funding allocated as a multi-year settlement
- Introduction of smart ticketing across local modes of transport
- Devolved approaches to business support
- Greater tailoring and engagement of city regions on UK Trade and Investment services
# Deals: Health and Social Care

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| **Greater Manchester CA** | • Health & Care MoU with NHS England responsible for £6bn budget (£2.7bn pooled)  
• Second GM MoU signed with NHS E and PH E to develop a public health and population level leadership system |
| **Cornwall**           | • Deal to ‘produce a business plan for the integration of health & care services’                                                        |
| **North East CA**      | • Commitment to ‘establish a commission for H&SC integration for the North of England including deeper collaboration & devolution’. To report by summer 2016 |
| **West Midlands CA**   | • Devo deal announced with a focus on Mental Health                                                                                     |
| **Liverpool CR**       | • Reference to further discussions on health & care devo                                                                                 |
| **London**             | • Health Pilots announced, looking at key themes across the city                                                                       |
What can we expect next?

• More deals to be announced at key Parliamentary dates

• A broadening out from the focus on cities

• Health and social care will feature more heavily in devo deals. The health interest in devolution is not confined to H&SC
Want to know more?

Visit the LGA’s DevoHub:

www.local.gov.uk/devolution
What does it mean for health services?

Matthew Macnair-Smith
NHS Confederation
The Bill and health

• Neither DH nor DCLG had fully considered implications for the NHS

• The original Bill contained few references to health

• Late amendments to the Bill included:
  - ensuring the Secretary of States’ accountability for the NHS
  - at least one of the bodies that form a joint commissioning board for health and care must be a CCG

• These amendments are supported by the NHS as an opportunity to join up services and focus on achieving better health and wellbeing outcomes
NHS message on devolution

- Increased variation between areas in priorities and quality of services
- The NHS is a national service, subject to the NHS Mandate and Constitution
- Role of the regulators in performance managing an increasingly devolved and integrated system
- Cross-border issues, where patient flows cross combined authority areas
- The contribution of the NHS in driving economy, growth and prosperity has been overlooked in many devolution proposals
- No ‘one size fits all’ for health devolution – focus on the ambitions for improved population health, and the means by which it is achieved
- Devolution can be a catalyst for system transformation but may also be a barrier if not all partners on board
- Devolution may not be the silver bullet to solve financial challenges.
Devolution principles and criteria

The NHS England Board in September signed off NHS England’s position on devolution, including the principles and decision criteria we will apply to any devolution proposals with health in scope.

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<th>Principles</th>
<th>Decision Criteria</th>
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<td>1. All areas will remain part of the NHS, and are thus bound by national standards, statutory duties, the NHS Constitution and Mandate requirements</td>
<td>1. Clarity of vision</td>
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<td>2. All parties have the opportunity to work together to shape the future of the local area</td>
<td>2. A ‘health geography’ that supports devolved decision-making</td>
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<td>4. Clear and appropriate accountability arrangements</td>
<td>4. Impact on other populations</td>
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<td>5. Clear plan to support long term clinical and financial sustainability.</td>
<td>5. Financial risk management</td>
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<td>6. A governance model which is simple to operate and minimises bureaucracy and overheads in the system.</td>
<td>6. Support of local health organisations</td>
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<td>7. Demonstrable leadership capability and track record of collaboration between NHS bodies and local government</td>
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<td>8. Demonstrable track record of collaboration and engagement with patients and local communities</td>
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<td>9. Clear mitigation plan and exit route in the case of failure</td>
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NHS concerns about the Act

- Devolution arrangements need to be bottom up and not forced on local areas, with the active engagement of NHS partners.
- Devolution is not an end in itself: there needs to be clear agreement on the challenges faced and why they cannot be addressed without devolution.
- Section 75 of the NHS Act 2006 allows local authorities and the NHS to pool budgets, but the Cities and Devolution Act takes this a step further and enables the transfer of responsibilities and resources from a public body e.g. NHS England or Public Health England, subject to an order from the Secretary of State for Health.
- Will this lead to an unacceptable level of variation?
Perspectives on Health Devolution

Community and voluntary sector (CVS) perspective

- Chris Larkin, North West Regional Director, Stroke Association

- Kate Jopling, Project Manager, Do the Right Thing
National CVS perspective

• Devolution has the potential to drive through system transformation
• CVS has a lot to contribute but often isn’t at the table at early enough to influence
• ‘Doing the Right Thing’ brings together evidence on the role of the CVS in health and social care as providers but also to give patient/user perspective
• Some of the evidence base for effectiveness of CVS in achieving better outcomes needs to be strengthened
• CVS needs to ‘speak as one’ to influence and be prepared to answer some challenging questions from commissioners
• Sometimes the constructive ‘patient voice’ challenge from CVS to commissioners is wrongly perceived as unwillingness to work with them to develop new ways of commissioning and provision
Taking charge of our Health and Social Care in Greater Manchester

what it means for you
Our collective ambition for Greater Manchester

• GM has a history of ambition and cooperation.

• Skilled, healthy and independent people are crucial to bring jobs, investment and prosperity to GM.

• We know that people who have jobs, good housing and are connected to families and community, stay healthier.

• We need to take action, not just in health and social care but across the whole range of public services, so people can start well, live well and age well.
• A historic moment - power and responsibility.

• A huge opportunity – the freedom and flexibility to decide some of the most important things in our lives, not just health.

• A huge challenge – local people are out of work longer, die younger and more illness than in other parts of the country. **We can change this**, but it won’t be easy.

• Our goal - the fastest, biggest improvement in health, wealth and wellbeing of the 2.8million people of Greater Manchester.

• Our vision - look after ourselves and each other.

• In next five years by 2021 – reduce the number of people with health issues.

• A long term deal - need to take charge and responsibility for looking after ourselves and each other over many years.
Facts about Greater Manchester

• Fastest growing economy in the country, but **people die younger here** than people in other parts of England.

• **Women** have the **worst life expectancy** in England.

• Heart, lung and breathing illnesses mean people become **ill younger** than in other parts of England and our **growing number of older people** often have many long-term health issues to manage.

• **Thousands of people are treated in hospital when they really don’t need to be**; care between teams is not always joined up and not always the right quality.

• **£Millions spent dealing with illnesses** caused by poverty, stress, air quality, debt, loneliness, smoking, drinking, unhealthy eating and physical inactivity.
A challenge and an opportunity

• The **challenge is big**; less money year on year, but higher demand for services.

• **We need to**
  • Start now and do things differently
  • Don’t spend money on services that don’t work
  • Share ideas, buildings, expertise and spending on services that do work;

• **Otherwise in 5 years by 2021,**
  • More people will have poor health,
  • Some services won’t exist
  • We will be facing a £2 billion debt for health and social care services.

• The **opportunity is also huge**; we have the power and flexibility to make changes happen, but we need everyone to be a part of this.
Looking at four big areas and £450 million to fund improvements:

• Start well, live well, age well – prevent more ill health.

• Local community NHS, care and support services working better together

• Hospitals working more closely together

• Sharing buildings, roles, ideas and ways of working.
Why do this?
– some Greater Manchester facts

• More than two thirds of early deaths could be prevented by lifestyle changes.

• More than a fifth of GM’s 50-64 year olds are out of work and on benefits, many because of ill health.

• If more of this age group where in jobs their earnings would result in 16,000 fewer GM children living in poverty.

• Nearly 25 per cent (700,000 people in GM) have a mental health or wellbeing issue which can affect everything from health to employment, parenting and housing.

• We spend more than £1 billion on long term conditions linked to poor mental health.
Why do this?
– some Greater Manchester facts

- People with severe mental illness are likely to live at least 8-12 years less than average (10-15% shorter).

- On any day there are 2,500 people in a hospital bed who could be treated at home or in the community.

- Four out of ten children are not ready to start school when they’re five-years-old; and four out of ten leave school with less than five GCSEs.

- In five years, by 2021 there will be 35,000 people with dementia; more than 10,000 will have severe symptoms and need 24 hour care.
Potential benefits in five years, by 2021

Aims (more to be developed in the coming months):

- **16,000 fewer** children living in poverty by increasing the number of parents in employment.
- **1,300 fewer** people dying from cancer.
- **600 fewer** people dying from heart disease.
- **580 fewer** people dying from lung and breathing diseases.
- **270 more** babies born a healthy weight – better for long term health.
- More children reaching a good level of social and emotional growth with **3,250 more** children ready for the start of school aged five.
- Supporting people to stay well and live at home for as long as possible, with **2,750 fewer** people suffering serious falls.
Starting the conversations

We want to know how we can work together with you to help make the changes happen.

We are starting these conversations now and will continue over the next few months with an initial focus in February and March on preventing more ill health –

Start well, live well, age well.
Taking Charge Together: a public conversation
February 15th – March 31st

1. Radial upgrade in population health prevention

**KEY 103**
- On air, online and on the road:
  - 3,000 face to face via media bus across GM
  - 80,700 Twitter
  - 90,000 VIP email
  - 500,000 on air

**Manchester Evening News**
- Online video:
  - 6.5m social media followers
  - 5.2m website users
  - 83,000 app users

**healthwatch**
- Voluntary sector and Health Watch - Face to face engagement:
  - 2,000 in 100 focus groups
  - 250 in 5 GM sessions

**Crowdsourcing Online Workshop**
- Begin to harness the ideas, energy and enthusiasm of **2.8m people**
  - Pulse check of health and wellbeing of people of GM – in their own voices

**Online survey**
- Taking charge of your own health

**CCG and council engagement around locality plans**

**Insight helps develop the implementation plan for ‘radical upgrade in population health’**

**Staff**
**Public**
**Carers**

**taking charge • taking responsibility**
What next?

- **Ten boroughs across Greater Manchester** talking to the public about their local plans.

- **Closer working** – doctors, nurses, health and social care professionals.

- **Encourage and enable people** to take more control of their own health, where possible – get everyone’s ideas about how this can best be done.

- **Further detail** and how will follow soon.

- **Future changes to services** – consult staff and public.
Greater Manchester
Health and Social Care Devolution

taking charge • taking responsibility

To join in the conversation and for your chance to win a set of family bikes please fill in a quick health snapshot
www.takingchargetogether.org.uk

Find out more:
E-mail: gm.devo@nhs.net
Website: www.gmhealthandsocialcaredevo.org.uk
Twitter: @GMHSC_Devo
Perspectives on Health Devolution

NHS commissioner perspective
Dr Tim Moorhead, Chair, Sheffield CCG and NHSCC Board Member
Key messages

• We need to be clear about what devolution is – most of the deals so far are about delegation within constraints, not real local flexibility and freedom

• In Sheffield, devolution focus is on driving economic growth – is this the core business of the NHS?

• This is not to underplay the connections between economic prosperity and population health but is devolution necessary to make these links and drive local action?
Do you need devolution to get better health outcomes?

• Sheffield took the decision not to include health devolution in their proposals because extensive partnership work in integration is already well advanced and devolution would not necessarily provide further impetus.

• Sheffield Better Care Fund includes all resources for adult social care and is one of the most extensive BCFs in the country.

• They are using BCF to encourage providers to come together to provide a seamless service – still scope to extend further to housing and welfare services.

• Sheffield is successfully using existing flexibilities to drive transformation for better health outcomes – e.g. unbundling the Tariff to focus on health and wellbeing outcomes rather than processes or NHS activity.

• Nationally, there is still too much focus on process rather than outcome – in particular the NHS national outcomes framework.
Opportunities of devolution

- ‘Cautiously positive’ about devolution as a driver for greater flexibility of provision and a way of sharing services and focusing on what they do best
- Real opportunity to join up information with other services – social care and housing
- Concerns about reconfiguration without provider involvement but positive about new models of care
- Don’t undervalue the foundation trusts as a proven model of accountable and autonomous providers
- Providers are generally positive about a place based approach to population health – and linking with other services to address wider determinants of health
Key challenges

• Financial challenges across adult social care and NHS may not be fixed by devolution and it may be a diversion from immediate challenges

• Will it change the financial framework for the NHS? Will they still be able to run deficits?

• NHS is a national service with national commitments and priorities – how does this square with local freedoms and flexibility?

• Are local relationships fully developed – is there sufficient trust?

• Concerned that local politicians may not take a long-term view of the future shape of services

• Devo deals to date haven’t included providers from the outset – they need to be part of the solution, not seen as a problems to be fixed

• Role of national regulators to support local flexibility and integration.
Questions, comments and discussion
Key messages - Opportunities

• Real potential to adopt a community based preventative approach to health and wellbeing, recognising contribution of diversity of providers
• Devolution is an opportunity to change the way we work and the aim of our work. Don’t wait to be invited: seize the opportunity to demonstrate how providers can help deliver ambitions
• There is already effective and innovative action in all areas – we need to identify and build on it
• Opportunity to scale up small community-based initiatives across a wider footprint
• To develop an inclusive shared vision/ambition for health and wellbeing outcomes based on ‘local voices’
• Flexibility allows providers and commissioners to focus on the things that matter to their local communities
Key messages - Challenges

• We need to develop a clear, strong narrative so that local communities understand the challenges, the ambition and what needs to change to achieve the ambition.

• ‘Behind closed doors’ process for agreeing devo deals isn’t conducive to local transparency about devo plans. There’s a need for extensive communications about the ambitions for health devo at an early stage.

• Organisations and communities are confused about the differences and the interrelationships between the many integration initiatives and devo. Leaders need to clearly outline how devo builds on existing integration activity.

• System transformation to improve health and wellbeing outcomes in the context of austerity is difficult – many organisations see risks outweighing the benefits.
Challenges contd.

• Strong local governance and accountability is vital but it is not an end in itself and getting the governance perfect shouldn’t be a diversion from getting on with system change.

• We need a stronger evidence base for the return on investment for community based prevention. We all have a role in this.

• The CVS role in providing the ‘user voice’ is sometimes perceived as unwillingness to engage with finding solutions.

• CVS and providers have to get on with the day job and have limited capacity to be involved in developing proposals. Leaders and commissioners need to find ways of involving them without compromising their ability to run services.
What needs to change?

- Better and more communication with communities on the problems devo will solve and the health and wellbeing outcomes it will deliver
- Meaningful engagement with NHS and CVS providers throughout the devo process – from vision to implementation and delivery
- CVS and NHS providers need to work collaboratively and recognise that their support model may need to change
- Recognise and value the advocacy and ‘public voice’ role of CVS
- Value clinical perspective and ensure meaningful clinical engagement
- A recognition from everyone that unless we seize the opportunity to develop credible local proposals for devolution and further integration, we may have an inappropriate model imposed on us.
- The role of regulators as enablers rather than barriers to joint work and a place based approach
What support is needed?

• A clear map of how the different integration initiatives, including devo fit together and build on each other
• Don’t tell local areas how to do it but provide examples of good practice for them to learn from
• Greater clarity around legislation and statutory responsibilities for integrated and devolved services – particularly in relation to shared budgets and combined authorities
• Clear messages that the primary aim of devo is about delivering better outcomes for communities. Changing processes and services must contribute to this.
• National action to overcome barriers – information sharing, financial flows, regulatory framework etc
• Continue the work on improving local leadership capacity for integration – including the need to engage community and providers
Concluding remarks

- Be clear about the purpose of system transformation – it’s about putting the citizen at the heart of services to get the best health and wellbeing outcomes.
- Devolution is just ‘one tool in the toolbox’ to achieve system transformation, make sure you are using the right tool for the purpose.
- Citizens, CVS and NHS providers need to be involved in the earliest discussion about devolution ambitions.
- We are in danger of ‘initiative overload’. Be very clear of the costs and benefits before embarking on new initiatives – and make sure they advance the best of what you already have.
- Devolution and integrations need to be an enabler of local freedoms and flexibilities – not a distraction from our shared purpose of getting better health and wellbeing outcomes for our citizens.