

SUMMARY REPORT			
Transformation Board Meeting in Public		19 December 2017	Item: 08
Title of report	Strategic Case for Health and Care Devolution		
SRO	Tracey Lee, Programme Director, Shaping Our Future & Jessie Hamshar, Service Director, Strategy & Engagement		
Author(s)	Nick Hayden, Head of PMO, Shaping Our Future		
Purpose of report	<p>The purpose of this report is to provide an update on the status of the strategic case for health and care devolution including:</p> <ul style="list-style-type: none"> • the findings from the external challenge sessions undertaken • agreed next steps and indicative timescales for finalising the devolution case 		
Recommendation	<p>The Transformation Board are recommended:</p> <ul style="list-style-type: none"> • To endorse the revised indicative timeframe for the development of the strategic case for Devolution • To note the following conditions that are to be met before we proceed with formally engaging external parties: <ol style="list-style-type: none"> 1. The in-year financial recovery plan has been approved by NHS England 2. Strategy for approaching the three year financial strategy for health and social care agreed locally 3. Business case for shadow ACS developed for sign off in February 2018 4. Model of care blueprint developed and agreed 5. Warning notice at Royal Cornwall Hospital Trust lifted by the Care Quality Commission 		
Engagement and Consultation Undertaken to Date	<p>The draft case has been developed following consultation with the following groups:</p> <ul style="list-style-type: none"> • Cornwall Executive Group – 05.07 • Council Corporate Directors Meeting – 13.07 		

	<ul style="list-style-type: none"> • SoF Transformation Board – 21.07 • Informal Portfolio Holder Briefing – 31.07 • SoF Clinical Practitioner Cabinet – 08.08 • SoF Portfolio Board – multiple • Model of care Delivery Group – multiple • System Reform Delivery Group – multiple • Leadership Board – 03.11 (although not discussed due to time constraints) <p>Preliminary discussions have also taken place with NHS England.</p>
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Executive Summary

Over recent weeks the SoF team have been working with the council’s Devolution team to develop the strategic case for Devolution. This is following a series of engagement events with key stakeholder groups over the last four months to build, test and refine our emerging asks to Government. A summary of the draft case can be found on the A3 sheet in the appendix, in the form of a ‘plan on a page’ consisting of three key focus areas. For the reasons set out below, this is not yet in its final state of presentation, but in broad terms the existing plan aims to:

1. Deliver a radical upgrade in prevention including using the powers and flexibilities of devolution to implement radical programmes to improve our citizens’ health and wellbeing.
2. Provide an innovation test bed for rural and island based communities, and accelerate delivery of new model of care, a flexible workforce and essential infrastructure developments, enabling a more efficient, integrated system, driving up quality and moving faster towards making our health and care system clinically and financially sustainable.
3. Living within our means through a fair funding settlement and achieving local enhanced accountability by establishing an ACS and the use of a single place based budget, with local controls, to commission and deliver services that are place based and outcomes focused.

The strategic case sets out the role that devolution can now play in stretching our ambitions, combining new devolved freedoms and invest to save funding, with our strong local identity, building on the concept of ‘place’ to develop a comprehensive model of public services reform across health and social care, and delivering key outcomes for local people. This proposal also commits to bring us back to financial balance by 2021 (in line with the objectives of the proposed three year financial plan). Devolution has the potential to deliver significant transformative funding, and is being seen as a strategic driver underpinning our plans.

External Challenge

Ahead of finalising the case the Council has helpfully sought external and independent challenge on our case from three different parties, all of whom offer unique insight into delivering successful cases to government and how these are best positioned to reflect and respond to government priorities.

The sessions have been with Bruce Mann who has previously held posts at the highest level within Central Government, Kieran Brett from Impower and Ernst & Young who have worked with Cornwall on Devolution since the original case for Cornwall.

The key areas for consideration from the challenge sessions are as follow:

Ensure we have clarity of vision: articulated in a simply and engaging way.

Reframing our case – We need to more clearly articulate the detail of the underpinning ‘pillars’ of activity including more underpinning detail of how devolved funding alongside local investment will be used, what outcomes they contribute to ‘fixing the system’ and/or to ‘achieving greater ambition’, with quick wins, medium term benefits and long term outcomes. The pillars are considered to be:

- **Prevention:** fuel poverty, falls prevention and other preventative interventions, healthy pupils, food and alcohol pricing with associated asks, many of which are non-financial, in return for which we will deliver a set of outcomes which will address current priorities as well as delivering our ambitious for the future.
- **Extra care housing:** although using extra care and supported housing to reduce pressure on acute health and social care services is not completely ground-breaking, the fact that Cornwall Council is directly investing at real scale makes it a very substantial local ‘offer’ with the genuine ‘additionality’ Government will look for in any deal.
- **Technology enabled care:** Cornwall and the Isles of Scilly will be seen as a very obvious place to test the potential of technology enabled care given our geography. Cornwall has an excellent platform in terms of digital investments and market interest; willing to pilot an innovative model of technology enabled care that underpins reconfiguration of community care; with potential for wider roll-out. It also has very strong support from the co-production events held to date.
- **Reconfiguration of community care:** whilst this remains under co-design, we know it will require substantial capital investment, which could come from pooled or locally retained capital receipts, access to transformative capital funding directly through devolution and/or from prudential Council investment building on current pilot subject to evaluation and business case.

- **Fixing our system:** it is absolutely essential that we can articulate a clear, credible plan with progress to date and forward milestones, if we are to secure the confidence of Government with regard to devolution.

The plan is therefore to reframe the A3 summary more clearly in line with the themes set out above.

Depth of thinking - Our current draft strategic plan needs to provide a strong evidence base and robust benefits realisation linked to long term outcomes. We must also articulate in detail our proposals for good governance and leadership. This will require us to be able to articulate what the proposed framework of local accountability is, how risk is shared and how issues are resolved. This work is an integral element of the shadow ACS developments over the coming weeks, and starts to be moved forward by the recent work on system governance.

Local Support – We will also need to be able to assure Government that the public and key stakeholders are behind devolution proposals. Refreshed plans for securing stakeholder support will be worked up.

Next steps

We are committed to develop the strategic case for devolution to enable decisions to be made ahead of public consultation in 2018. This is still very achievable, but timing is absolutely key. At its November Portfolio Board meeting, it was agreed to align the timeframe with the agreed critical pathway for system priorities over the coming weeks. This will facilitate senior staff being able to provide critical contribution to the devolution case in a way which is both efficient and effective at a time of significant strain on the system. System leaders have been agreed to work up the required detail, as set out below:

Case narrative, flow & depth	Jessie Hamshar & Ethna McCarthy
Prevention	Caroline Court
Extra Care	Jon Price
Technology enabled Care	Jon Price and Steve Trowell
Reconfiguration of community model	Jackie Pendleton
Governance & leadership for ACS	Tracey Lee (delivered via the ACS critical path deliverables)
Finance	Simon Bell

It has also been agreed that the following conditions should be met before we proceed with formally engaging external parties, providing evidence of progress on our improvement journey:

- The in-year financial recovery plan has been approved by NHS England
- Strategy for approaching the three year financial strategy for health and social care agreed locally
- Business case for shadow ACS developed for sign off in February 2018 (this will address the recommendations from the external challenge sessions)
- Model of care blueprint developed and agreed
- Warning notice at Royal Cornwall Hospital Trust lifted by the Care Quality Commission

We envisage therefore that the case for devolution should be ready for consideration by the Portfolio Board late February 2018.

With the right inputs locally and the support of NHS England and Government, devolution can provide us with the tools and funding required to truly transform our health and social care system and deliver significant benefits for our local population.

Interdependencies with other work streams (where relevant)	The strategic case for devolution is a strategic enabler for realising our ambition for an Accountable Care System and delivering a transformed model of care
Financial implications	The potential financial gains are currently being worked through.
Key Risks	The approach adopted at the November Portfolio Board is intended to mitigate the risks of not securing NHS England support or finalising the case without sufficient depth.
Sources of evidence in support of proposals	The paper is informed by external scrutiny from key individuals.
Equality and Diversity Statement	The preventative aspects of the devolution case would make a significant impact on tackling inequalities.
Communications requirements	There is a need to refresh our plan for communication and engagement with key stakeholders.



Cornwall and the Isles of Scilly's emerging health and social care devolution proposals



