



## **Health Scrutiny Committee**

**Thursday 21st January, 2016, at 6.00pm**

**In Committee Room 2 at the Council House, Priory Road, Dudley**

### **Agenda - Public Session**

**(Meeting open to the public and press)**

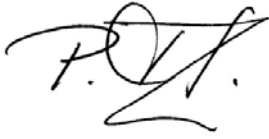
1. Apologies for absence.
2. To report the appointment of any substitute Members for this meeting of the Committee.
3. To receive any declarations of interest under the Members' Code of Conduct.
4. To confirm and sign the minutes of the meeting held on 19th November, 2015 as a correct record.
5. Public Forum – To receive questions from members of the public:-

The Public are reminded that it is inappropriate to raise personal cases, individual details or circumstances at this meeting, and that an alternative mechanism for dealing with such issues is available.

Please note that a time limit of 30 minutes will apply to the asking of questions by members of the public. Each speaker will be limited to a maximum of 5 minutes within the 30 minutes.

6. Medium Term Financial Strategy (Pages 1 – 22)
7. Joint Strategic Needs Assessment (JSNA) – The Next Steps (Pages 23 – 33)
8. General Practice Closures and Mergers (Pages 34 – 36)
9. Dudley New Model of Care (Vanguard) Programme Update (Pages 37 – 46)
10. Sport Participation and Physical Activity – To consider a verbal presentation

11. To consider any questions from Members to the Chair where two clear days notice has been given to the Strategic Director Resources and Transformation (Council Procedure Rule 11.8).



**Strategic Director Resources and Transformation**

**Dated: 13th January, 2016**

**Distribution:**

**Members of the Health Scrutiny Committee:**

Councillor Hale (Chair)

Councillor A Goddard (Vice-Chair)

Councillors M Attwood, K Casey, K Finch, S Henley, Z Islam, S Phipps, N Richards, D Russell and E Taylor.

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## **Minutes of the Health Scrutiny Committee**

**Thursday 19th November, 2015 at 6.00 p.m.**  
**in Committee Room 2 at the Council House, Dudley**

### **Present:-**

Councillor C Hale (Chair)  
Councillor A Goddard (Vice-Chair)  
Councillors M Attwood, R Body, K Casey, S Henley, C Perks, S Phipps, N Richards and E Taylor.

### **Officers**

M Farooq (Head of Law and Governance) (Lead Officer to the Committee), R Cooper (Head of Financial Services), D Harkins (Chief Officer Health and Wellbeing), I Newman (Chief Officer Finance and Legal Services), A Sangian (Senior Policy Analyst – People Directorate) and K Buckle (Democratic Services Officer – Resources and Transformation Directorate)

### **Also in Attendance**

P Maubach – Chief Accountable Officer – Dudley Clinical Commissioning Group  
N Bucktin – Dudley Clinical Commissioning Group  
J Emery – Chief Officer – Healthwatch Dudley

#### 20. **Councillor M Roberts**

Members referred to the late Councillor M Roberts being a valued Member of the Committee and as a mark of respect to both her and her family held one minutes silence.

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#### 21. **Apologies for Absence**

Apologies for absence from the meeting were submitted on behalf of P Bradbury and Councillors K Finch and D Russell.

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#### 22. **Appointment of Substitute Members**

It was reported that Councillor C Perks had been appointed to serve in place of Councillor D Russell and J Emery had been appointed to serve in place of P Bradbury for this meeting of the Committee only.

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#### 23. **Appointment to Group Vacancy**

It was reported that Councillor R Body had been appointed to the Group vacancy for the late Councillor M Roberts for the meeting of the Committee.

24. **Declarations of Interest**

No Member made a declaration of interest in accordance with the Members' Code of Conduct.

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25. **Minutes**

**Resolved**

That the minutes of the meeting of the Health Scrutiny Committee held on 24th September, 2015 be approved as a correct record and signed.

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26. **Public Forum**

No issues were raised under this agenda item.

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27. **Medium Term Financial Strategy**

A joint report of the Chief Executive, Chief Officer Finance and Legal Services and Strategic Director People was submitted on the Medium Term Financial Strategy (MTFS) for 2018/19 with emphasis on proposals relating to the Committee's terms of reference. Items directly specific to this Committee were those relating to the proposed Public Health budget for 2016/17 as contained in paragraphs 30 and 31 of the report submitted.

In presenting the report submitted, the Chief Officer Finance and Legal Services made particular reference to the agreed transfer of £2.2m by the Dudley Clinical Commissioning Group in order to further support the Adult Social Care service, the rising pressures on Adult Social Care by 2018/19 and in addition the new pressure in view of the impact of the National Living Wage.

It was noted that there would be a change in the budget process with Directorates being requested to identify further savings proposals, which would be considered by Cabinet in January, 2016 and Scrutiny Committees in January/February, 2016.

Arising from the presentation of the report submitted, Members raised concerns and asked questions and Officers responded as follows:-

- Although detailed plans for savings had been made, given the rise forecasted in the deficit of £50m by 2018/19 and the scale of the challenge, that this would ultimately impact on the level of services delivered and upon quality of life, however Officers would work to minimise those impacts which would involve working much closer with partners and providing support to enable the community to do more for themselves and each other;

- That Officers must minimise the risk to people and services and have already been provided with the opportunity to lobby local Government in relation to the impact of the national living wage, arguing that this should be recognised as a new spending pressure on the Authority.
- That discussions were continuing with the voluntary and community sector in relation to streamlining services and obtaining the best value for the services that were commissioned from the resources available and achieving a more coherent approach for purchasing services.
- Discussions were also ongoing in relation to transparency regarding the Council's aspirations and how services would look in the future, with larger budgetary constraints and fewer resources and work was continuing in relation to engaging communities in order to provide community led services. Further details in relation to the discussions and work referred to above would be disseminated to Members at a future meeting of the Committee.
- There may be greater reductions in Health Grants going forward and upon the basis that the savings from the Public Health Grant were deliverable, there could be a re-direction of funds to other activities of the Council that promote health which could mitigate the impact on the general fund.

The Chief Officer Health and Wellbeing undertook to report to a future meeting of the Committee in relation to work being conducted to strengthening communities and the transformation work that was underway.

J Emery referred to work being undertaken by Healthwatch, Dudley regarding quality services which investigated how the voluntary sector would be affected by reducing budgets and fewer resources and investigating alternatives in order to ensure that the quality of services would not be affected, especially with regard to the most vulnerable.

### **Resolved**

- (1) That the Cabinet's proposals for the Medium Term Financial Strategy to 2018/19, as set out in the report, and Appendices to the report, submitted be noted.
- (2) That the Chief Officer Health and Wellbeing be requested to submit a report to a future meeting of the Committee detailing the work on transformation and strengthening communities referred to above.

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### **28. Excess Winter Deaths.**

A report of the Chief Officer Health and Wellbeing was submitted on Excess Winter Deaths in Dudley, following the previous briefing presented to the Committee in 2012, due to those deaths being identified as an issue in the 2012 Health Profile of the Borough, published by the Department of Health.

Members also considered a powerpoint presentation of the Chief Officer Health and Wellbeing illustrating the graphs and charts contained in the report submitted and

it was noted that there had been a decrease in excess winter deaths within the Dudley Borough, with the Borough now being in line with neighbouring authorities and national standards. It was also noted that excess winter deaths were in the main caused by respiratory conditions.

The Cold Weather Planning Meetings and the annual Winter Warmth Campaign and the work conducted in order to promote vaccinations were referred to.

The Chief Officer Health and Wellbeing accepted that further work was required, particularly in relation to an audit against the data obtained pertaining to excess winter deaths, including sharing intelligence by partnership working in order to establish a systematic approach to identify those who were vulnerable. It was also noted that further signposting and training was required and issues in relation to cold homes would need to be addressed upon a timely basis, in order to prevent delayed hospital discharges.

Arising from the presentation of the report submitted, Members raised concerns, made suggestions and asked questions and the Chief Officer Health and Wellbeing responded as follows:-

- Services to residents of the Borough were offered through the Council's Home Improvement Service, which provided advice on switching to alternative energy providers and although some Government grants had been reduced, grant funding remained for loft insulation and further energy efficiencies.
- There was a Winter Warmth Planning Group which was co-ordinated by the Home Improvement Service and included National Health Services, Voluntary Sector, the Fire Service and Housing Association partners, who were involved with campaigns to encourage people to keep warm.
- That there was evidence that those who resided alone were at greater risk and work was continuing in relation to social support networks, connecting those who were vulnerable to support in their neighbourhoods, with part of the Winter Warmth campaign focusing on encouraging neighbours to check on each other.
- There was a discharge planning programme in place which often involved home visits in order to ensure that those vulnerable would be safe to return to their homes, with work also being co-ordinated with the Council's Adult Social Care and Housing Services;
- The Audit against the National Institute for Health and Care Excellence for reducing excess winter deaths would be undertaken in the spring, 2016.

In responding to a request from a Member for a case study on hospital discharge delays and the process, J Emery, Chief Officer Healthwatch Dudley undertook to provide Members with the Peoples Network Adult Social Care case study that had been undertaken.

A Member expressed concerns for those who were unable to afford to keep their homes warm and remained vulnerable.

## **Resolved**

- (1) That the information contained in the report submitted on Excess Winter Deaths in Dudley, be noted.
  - (2) That J Emery, Chief Officer Healthwatch Dudley be requested to forward to Members the Peoples Network Adult Social Care case study referred to above.
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29. **Dudley and Walsall Mental Health Partnership NHS Trust – Older Adult Mental Health Services.**

N Bucktin gave a verbal update on the significant work being undertaken on the service model that the Clinical Commissioning Group wished to commission in relation to Older Adult Mental Health.

N Bucktin referred to the following:-

- A prevalence study of those suffering from older adult mental health which had raised issues in relation to the number of older patients admitted to hospital with mental health problems, including those who had been admitted from care homes and the need to prevent inappropriate admissions and speed up discharges.
- The development of older adult mental health services as part of the Vanguard programme including the development of new levels of care and teams in order to deal with services in a co-ordinated and integrated method.
- The development of commissioning additional community care services centring around older mental health patients who had been admitted to nursing residential homes.

It was noted that discussions were ongoing between the Dudley and Walsall Mental Health Partnership NHS Trust and the Dudley Clinical Commissioning Group and a report on Older Adult Mental Health Services would be presented to the Committee at a future meeting.

## **Resolved**

- (1) That the verbal presentation on Older Adult Mental Health Services, be noted.
  - (2) That the Dudley Clinical Commissioning Group be requested to present a report to a future meeting of the Committee on the development of Older Adult Mental Health Services.
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30. **Stroke Service Reconfiguration.**

A presentation of P Maubach, Chief Accountable Officer, Dudley Clinical Commissioning Group was submitted on the Stroke Services Reconfiguration. The presentation had been circulated to Members and was

available on the Council's Committee Management Information System (CMIS).

P Maubach provided a summary of the review of stroke services making particular reference to the Hyper Acute Stroke Unit and the viability of stroke services, with performance being measured against key pathways. It was noted that Dudley generally outperformed their four other Black Country partners, with performance standards for local services being one of the best in the region, remaining both clinically and sustainably viable.

In concluding the presentation, P Maubach advised that as far as the Dudley Group of Hospitals NHS Foundation Trust were concerned, Russells Hall Hospital met the requirements of the Black Country in relation to stroke services and there would be ongoing consultations with the newly formed Black Country Alliance, in view of the need to demonstrate how they could maintain the standard of service of delivery, for hyper acute stroke services and if not how they could work together to address the issue. It was noted that the outcome of those consultations were currently awaited.

Following queries raised by Members in relation to the terminology in the Team Centred Data contained in the report submitted, P Maubach agreed to forward to Members a glossary of the data.

It was noted that once monitoring a service provider commenced, that provider was challenged to improve their standards and performance generally improved.

It was agreed that a further update would be provided to the Committee in January, 2016 on the final number of Hyper Acute Stroke Units in the Birmingham, Solihull and Black Country conurbation.

### **Resolved**

- (1) That the information contained in the presentation on the Stroke Services Reconfiguration, and as reported on at the meeting, be noted.
- (2) That the Dudley Clinical Commissioning Group be requested to provide Members with a glossary of the Team Centred Data contained in the report submitted detailing the terminology.
- (3) That the Clinical Commissioning Group be requested to provide an update on the final number of Hyper Acute Stroke Units in the Birmingham, Solihull and Black Country Conurbation to a future meeting of the Committee.

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### 31. **Update on Urgent Care Centre**

A report of P Maubach, Chief Accountable Officer, Dudley Clinical Commissioning Group was submitted on the Dudley Urgent Care Centre.

In presenting the report submitted, P Maubach made particular reference to current activity, performance and future developments of the Urgent Care Centre following the Centre becoming fully operational on 1<sup>st</sup> April, 2015.

It was noted that the Centre had been consistently meeting performance targets since the piloting and running of the Centre and was currently one of the best performing centres in the Country and following the co-location of the walk in service, the Urgent Care Centre had re-directed patients to primary care services, which had alleviated pressures on the Accident and Emergency Department at Russells Hall Hospital, producing a great success.

The re-design work that was required in order to directly locate consulting rooms to the reception area at the Urgent Care Centre were referred to and it was noted that the Governing body of the Dudley Clinical Commissioning Group had approved the feasibility study for re-locating the consulting rooms and the process that would be followed in order to complete the re-design work was outlined. It was hoped that the reconfiguration of the Centre would be completed by Easter 2017, which should improve the patient experience.

Arising from the presentation of the report submitted, Members asked questions and made comments and P Maubach responded as follows:-

- It had taken time to ensure the correct plan and re-design was in place in order to meet patients' needs and requirements and also the most cost effective and affordable method of the re-design work had to be investigated, however the quality of service had not been affected during the period of consultation.
- That the time estimate for the re-design work was approximately 9 months, however timescales were dependent upon the planning process as approval would be required from the Council's Development Control Committee and the length of time for that process was unknown.
- Discussions had taken place with the Urgent Care Centre providers, who had agreed to schedule further General Practitioners and nurses during anticipated bank holiday peak times, however as the demand for night services remained low the provision of the 24 hours each day, 7 days each week service may require a varied method of service provision.
- Although predicting demand on the service had been reliable, there would be periods when there would be more patients requiring to access the service than predicted, however due to joint working, demand on services would now be more manageable during those peak periods.
- That every General Practitioners Practice was required to offer urgent same day appointments, however that requirement would continue to be monitored.
- That consultations would be undertaken with the Dudley Clinical Commissioning Group's Head of Communications in relation to further advertising "Pharmacy First".

J Emery, Chief Officer, Healthwatch Dudley referred to a survey and feasibility study, that had been conducted at the Urgent Care Centre and undertook to forward to Members the Healthwatch Dudley Report in relation to the Centre.

It was noted that residents of the Dudley Borough were encouraged to access pharmacies and General Practitioner appointments in the first instance.

J Emery advised that it had been evidenced by the above survey that patients had not been deterred from accessing the Urgent Care Centre by parking charges.

The Chair referred to the success of the Urgent Care Centre.

### **Resolved**

- (1) That the information contained in the report submitted on the Dudley Urgent Care Centre, be noted.
- (2) That J Emery, Chief Officer Healthwatch Dudley, be requested to forward to Members the Dudley Urgent Care Centre Report referred to above.

The meeting ended at 7.40 p.m.

CHAIR

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**Health Scrutiny Committee – 21<sup>st</sup> January 2016**

**Joint Report of the Chief Executive, Chief Officer (Finance and Legal Services) and Strategic Director People**

**Medium Term Financial Strategy**

**Purpose of Report**

1. To consult the Scrutiny Committee on the updated Medium Term Financial Strategy (MTFS) to 2018/19, approved by Cabinet on 18<sup>th</sup> January as a basis for further consultation, with emphasis on those proposals relating to the committee's terms of reference.
2. For this committee the directly relevant items are those relating to the proposed Public Health budget in paragraphs 37 to 38. Members may also wish to consider any of the proposals in terms of their wider impact on health and wellbeing.

**Background**

3. At its meeting on 28<sup>th</sup> October, Cabinet considered the forecast General Fund revenue position for 2015/16 and MTFS to 2018/19 and agreed a preliminary strategy as the basis for consultation. It noted in particular that based on the resource forecasts, pressures and savings proposals set out, balances would be insufficient to fund the deficit even until the end of 2016/17. In view of that position, it was agreed that a further report would be brought to Cabinet in January and that, following the meeting of Cabinet, there would be further consideration by Scrutiny Committees.
4. At its meeting on 18<sup>th</sup> January, Cabinet will therefore be considering the impact of the Provisional Local Government Finance Settlement 2016/17 (received in December) and revised proposals for actions by the Council to work towards addressing the financial challenge. The impact of changes compared with the October report is analysed in Appendix A.

**Forecast 2015/16 Position**

5. At its meeting on 28<sup>th</sup> October Cabinet agreed the amendment of the 2015/16 General Fund budget in respect of a number of variances set out in detail. Since then, the following further variances have arisen.

6. The current approved budget for 2015/16 includes provision of £5.6m for redundancy costs required to achieve proposed savings, including those relating to pension strain. These costs are highly dependent on the age and length of service of the individuals being made redundant, and at this stage cannot be precisely calculated. However, taking into account the latest monitoring of the redundancy process including additional savings now being proposed, it would be prudent to increase the provision in the current year to £7.6m. (The MTFS includes provision for further redundancy costs of £5.1m during 2016/17 and £1.1m during 2017/18. We will continue to review these provisions, but there are no proposals to make any changes at this time.)
7. At 31<sup>st</sup> March 2015, the Council held unringfenced<sup>1</sup> earmarked reserves of £22.3m. These reserves have been reviewed to identify any no longer required for their original purpose. It is proposed to take the following amounts to General Balances.
  - The Paragon (PFI) reserve was originally established to balance the timing of funding and resources relating to the project, and was subsequently topped-up with contributions from the General Fund at a time when it was considered that resources would be insufficient to cover costs. Our latest forecast is that the £2.8m so contributed can be returned without affecting future affordability.
  - The Working Balances reserve of £2m was originally established as a reserve of last resort in the event of unforeseen costs or income shortfalls that could not be managed within budget or from General Balances. It is now considered that these risks should be covered by retaining appropriate levels of General Balances rather than via a specific earmarked reserve.

Earmarked reserves will be further reviewed at year end and any further opportunities to make transfers into the General Fund will be reported to Cabinet in June.

8. It is proposed that Council be recommended to amend 2015/16 budgets to reflect the above variances.

#### General Fund Balances

9. The latest forecast General Fund Balances position, compared to the current Approved Budget for 2015/16 is therefore as follows.

	<b>Current Budget £m</b>	<b>Latest Position £m</b>
Balance at 31 <sup>st</sup> March 2015	25.0	25.0
Planned use approved by Council in March	-6.5	-6.5
Variations approved by Cabinet in October	+1.3	+1.3
	<b>19.8</b>	<b>19.8</b>
Redundancy costs (para 6)	-	-2.0
Review of earmarked reserves (para 7)	-	+4.8
<b>Forecast balance at 31<sup>st</sup> March 2016</b>	<b>19.8</b>	<b>22.6</b>

<sup>1</sup> This definition excludes reserves that are subject to specific laws and regulations governing their use - the Public Health Grant, the Housing Revenue Account, schools' balances and the central Dedicated Schools Grant reserve.

## Medium Term Financial Strategy to 2019/2020

10. In updating the Council's Medium Term Financial Strategy, Members will need to consider carefully:
  - (a) the levels of Government support allocated to the Council;
  - (b) spending pressures, opportunities to free up resources (including savings), and Council Plan priorities;
  - (c) the implications of spending levels in later years as part of the Council's medium term financial plan;
  - (d) the views of consultees;
  - (e) the external factors and risks inherent in the Strategy;
  - (f) the impact on Council Tax payers.
  - (g) the potential impacts on people with protected characteristics as defined in the Equality Act 2010. Members will need to have due regard to the public sector equality duty under the Equality Act 2010. (Further details are set out in the Equality Impact section below.)

## Government Funding

11. The Provisional Local Government Finance Settlement 2016/17 was announced on 17<sup>th</sup> December. This settlement includes indicative figures up to 2019/20.
12. The methodology for allocating reductions in Revenue Support Grant (RSG) has been amended to reflect authorities' differential capacity to generate income from Council Tax. Other things being equal, this is favourable to Dudley. However, taking into account the overall change in RSG nationally, compared with our forecasts in October, RSG will be lower in 2017/18 but higher in 2018/19. These updated figures are reflected in the revised forecasts in this report. The current Care Act Grant and the ongoing Council Tax Freeze Grant in respect of the 2015/16 freeze have been merged into RSG from 2016/17. Anticipated costs that were previously funded from the Care Act Grant have been included in Spending Pressures below.
13. Provisional New Homes Bonus (NHB) allocations have been announced for 2016/17. Dudley's allocation is in line with the amount previously anticipated. The Government is proposing to amend the methodology for allocating NHB from 2017/18 onwards, including in particular that NHB funding will be for a maximum of 4 years rather than the current 6. Forecasts below have been amended in line with Government projections, although final figures will depend on the final methodology chosen and actual new home completions locally. Generally any reduction in NHB nationally (which is currently mostly top-sliced from the amount available for RSG) will favour Dudley given that the number of new homes locally has increased, and is forecast to continue to increase, more slowly than the national average.
14. From 2017/18, extra Better Care Fund (BCF) is being allocated to Councils with Adult Social Care responsibilities – rising to £1.5bn nationally by 2019/20. This is partly funded by the proposed reduction in NHB set out above. Details are not yet clear, but we are currently assuming that this grant will be paid directly to councils.

15. The Government has announced that the basic maximum Council Tax increase for 2016/17, above which a referendum would need to be held, will be 2%, with some extra flexibility for Police and Crime Commissioners and District Councils with relatively low existing Council Tax levels.
16. All Councils responsible for Adult Social Care will have the capacity to increase Council Tax by an additional 2% each year up to 2019/20 without the need for a referendum – the “Social Care Precept”. The Section 151 Officer will be required to certify that the resources generated have been allocated to Adult Social Care. Information in respect of the Precept will also need to be included on Council Tax Bills. The Secretary of State will monitor this via relevant statistical returns at budget and outturn stage, and may take the results into account when setting future referendum thresholds for individual authorities.
17. The Council receives Education Support Grant (ESG) to cover a number of services provided centrally in respect of schools – mainly those services which Academy schools must procure for themselves and for which they receive ESG directly. The Government has announced that the Council’s ESG will reduce by £0.3m in 2016/17 (separately from any changes as a result of further Academy transfers). Savings are being identified in the People Directorate to match the funding reduction, and details will be reported to Cabinet in February.
18. The Chancellor confirmed in the Autumn Statement that large employers will have to pay an Apprenticeship Levy at a rate of 0.5% of payroll from 2017/18 onwards to fund apprentice training. On the assumption that the HRA and Dedicated Schools Grant funded services will bear their proportion of such costs, the impact on the General Fund will be around £0.5m per year. This has been built into forecasts below.
19. From 2016/17, Councils will have the flexibility to utilise Capital Receipts (other than those from Right to Buy disposals) to fund transformation costs. We will consider opportunities to use this flexibility and report back to Cabinet in due course.
20. The Government intends to devolve 100% of Business Rates to councils by 2020. This does not affect the budget for 2016/17, and at this stage there is no indication that it will have any impact in the subsequent 3 years. The implications for the Council will be reported to Cabinet when detailed proposals are issued. The Government has confirmed that the reforms will be fiscally neutral at the national level.
21. As stated above, the settlement now includes *indicative* figures up to 2019/20. The Government has indicated that it is prepared to go further and enter into agreements with individual councils to give a guaranteed minimum level of funding up to 2019/20 subject to the development of efficiency plans. We await further details of the terms and conditions attached to any such agreement and will report back with recommendations to a future meeting of Cabinet. For the time being, the indicative figures in the settlement are considered to be a reasonable basis for forecasting.
22. The impact of the changes above compared with the October report position are shown at Appendix A. The net effect is worse than we previously forecast for 2016/17 and 2017/18, but becomes significantly more favourable from 2018/19.

### Council Tax and Business Rates

23. The Council Tax forecasts in the October report to Cabinet anticipated that the cuts to tax credits from April 2016 could increase Dudley's Council Tax Reduction (CTR) scheme costs by up to £0.5m per year. As the cuts to tax credits are no longer proceeding, our forecasts have been updated accordingly, together with changes resulting from revisions to future tax base growth assumptions. Latest forecasts indicate a further increase in the one-off Collection Fund (Council Tax element) surplus at 31<sup>st</sup> March 2016, available for use in 2016/17.
24. The October forecasts assumed that Council Tax increases by just under 2% for each year of the MTFS. Latest forecasts assume that the Council will take advantage of the ability to increase Council Tax by a further 2% in respect of the Social Care Precept, such that increases will be just under 4% for each year of the MTFS.
25. The Government has indicated that the doubling of Small Business Rate Relief (SBRR) will continue for another year until 31<sup>st</sup> March 2017. The loss of income will be funded by a specific grant. Figures have also been updated to reflect the Office of Budget Responsibility's latest RPI forecasts, given that Business Rate increases are linked to RPI.
26. The impact of the changes above compared with the October report position are shown at Appendix A.
27. The underlying buoyancy of these income streams will continue to be reviewed and final forecasts will be reported to Cabinet in February.

### Integrated Transport Authority Levy

28. We have assumed, based on indications from the Integrated Transport Authority (ITA) that the Levy will reduce by 7.4% over the next three years. This will be reviewed in line with further announcements from the ITA.

### Base Budget Forecasts

29. To reflect the announcement of indicative funding levels for 4 years and aid robust financial planning, our forecasts have now been extended to include 2019/20.

30. The Base Budget reflects the impact on spending of anticipated changes, before directorate spending pressures or savings proposals are taken into account. Details are as follows.

	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m
2015/16 base	229.4	229.4	229.4	229.4
Pay ( <i>note 1</i> )	1.5	3.0	4.7	6.9
ITA Levy ( <i>see paragraph 28</i> )	-0.6	-0.9	-1.1	-1.1
Income uplift ( <i>note 2</i> )	-1.2	-2.4	-3.3	-4.3
Change in MRP Policy ( <i>as reported to Cabinet in October</i> )	-14.4	-15.0	-0.7	-0.3
Pensions ( <i>note 3</i> )	1.2	3.4	3.8	4.0
National Insurance ( <i>note 4</i> )	2.1	2.1	2.1	2.1
Apprenticeship Levy ( <i>see paragraph 18</i> )		0.5	0.5	0.5
Other adjustments ( <i>note 5</i> )	0.2	-0.3	-0.6	-1.1
<b>Base Budget Forecast</b>	<b>218.2</b>	<b>219.8</b>	<b>234.8</b>	<b>236.1</b>

Notes:

- (1) We are expecting underlying pay awards for local government to continue to be settled at very low levels in the next few years. The national employers' organisation which covers the majority of staff has made a 2 year pay offer (for 2016/17 and 2017/18) based on a 1% underlying increase and the anticipated impact of the National Living Wage (including the maintenance of appropriate differentials as a consequence of the latter). We have allowed for increases on a similar basis in subsequent years.
- (2) This assumes an increase of 2% per year on fees and charges.
- (3) Ongoing stepping up of employer contributions following revision of the Local Government pension scheme from April 2014.
- (4) Ending of "contracting out" on introduction of Single Tier State Pension from April 2016.
- (5) Impact of Capital Programme and treasury management changes, and other minor adjustments.

31. The impact of changes compared with the October report position is shown at Appendix A. The most significant change is that there is now no provision for general price increases on non-pay budgets. With the exception of specific directorate pressures identified in paragraph 32 below, all non-pay budgets will be cash limited and any inflationary pressures will need to be managed within directorate budgets and through efficient procurement. This represents a significant financial challenge. To ensure that the challenge is met, we are reviewing authorisation levels and use of purchase cards, developing guidance and promoting an "every penny counts" approach with and for all budget managers.

## Spending Pressures

32. Spending pressures provided for are as follows. These are detailed in Appendix B.

	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m
People	14.7	16.4	18.7	23.6
Place	0.9	1.2	1.3	1.5
Resources and Transformation	0.4	0.4	0.4	0.5
<b>Total</b>	<b>16.0</b>	<b>18.0</b>	<b>20.4</b>	<b>25.6</b>

33. The impact of changes compared with the October report position are shown at Appendix A. The most significant change relates to the impact of the National Living Wage (NLW) on adult social care. In October, we made prudent provision for this pressure on the basis of the expected trajectory of NLW increases and assumptions about direct wage costs as a proportion of total costs. Following a survey of costs, comparisons with charges paid by neighbouring councils and negotiations with providers, we propose to contain cost increases within a provision of £3.4m by 2018/19 and £5m by 2019/20. This will be challenging and will require the retendering of home care in 2017/18. It may also impact on a number of smaller providers of residential and nursing care. The position will be monitored to ensure that sufficient capacity is maintained to meet care needs.

## Savings

34. Cabinet on 28<sup>th</sup> October considered a package of Directorate savings proposals as the basis for scrutiny and consultation. These have now been updated in pursuance of Cabinet's instruction that directorates would further review budgets to identify additional savings that can be implemented from 2016/17. Details are set out in Appendix C.

	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m
People	4.3	12.1	12.5	12.5
Place	1.3	2.3	4.0	4.0
Resources and Transformation	2.4	3.4	3.5	3.5
<b>Total Directorate Savings</b>	<b>8.0</b>	<b>17.8</b>	<b>20.0</b>	<b>20.0</b>

35. In addition to the Directorate savings, it is proposed to enter into negotiations with a view to reducing Car Mileage Allowance costs by £0.2m annually from 2017/18 onwards.

36. The impact of changes compared with the October report position are shown at Appendix A.

## Public Health

37. The Council's original Public Health Grant allocation in the current year was £21.4m, which was subsequently reduced by £1.3m following the reduction in national allocations by £200m in-year. We are expecting the 2016/17 grant allocation to be announced in late January, and details will be reported to Cabinet in February.

38. Savings proposals in respect of grant funded activities are set out in Appendix C. Proposals for the overall deployment of the 2016/17 funding will be brought back to Cabinet for consideration in due course. Subject to the funding available, opportunities will be sought to use the Public Health Grant to support the wider health improvement priorities of the Council.

### Medium Term Financial Strategy

39. The MTFS reflecting the revised spending proposals set out above, and forecasts of likely resource availability can be summarised as follows.

	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
<b>Base Budget Forecast</b>	218.2	219.8	234.8	236.1
- see para 30				
<b>Pressures</b>	16.0	18.0	20.4	25.6
- see para 32				
<b>Directorate Savings</b>	-8.0	-17.8	-20.0	-20.0
- see para 34				
<b>Car Mileage Savings</b>	-	-0.2	-0.2	-0.2
- see para 35				
<b>Redundancy costs</b>	5.1	1.1	-	-
- see para 6				
<b>Total Service Spend</b>	<b>231.3</b>	<b>220.9</b>	<b>235.0</b>	<b>241.5</b>
Revenue Support Grant (RSG)	44.9	33.2	25.4	17.5
Retained Business Rates	45.0	46.9	47.9	48.5
Top-Up Grant	15.3	15.6	16.1	16.6
Business Rate Grant	2.7	1.0	0.9	1.0
New Homes Bonus, inc. Adjustment Grant	5.6	5.6	3.5	3.4
New Better Care Fund	-	1.2	7.2	12.4
Collection Fund Surplus – Council Tax	2.0	-	-	-
Collection Fund Deficit – Business Rates	-1.8	-0.7	-	-
Council Tax - Basic	101.1	104.0	106.9	110.0
Council Tax - Social Care Precept	2.0	4.1	6.5	9.1
<b>Total Resources</b>	<b>216.8</b>	<b>210.9</b>	<b>214.4</b>	<b>218.5</b>
<b>Deficit funded from Balances</b>	<b>14.5</b>	<b>10.0</b>	<b>20.6</b>	<b>23.0</b>
Balances brought forward	22.6	8.1	n/a	n/a
<b>Balances carried forward</b>	<b>8.1</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

40. The table above assumes that Council Tax, including the Social Care Precept, increases by just under 4% for each year of the MTFS. This would not require a referendum in accordance with Chapter 4ZA of Part 1 of the Local Government Finance Act 1992.
41. This represents an improvement compared with the position reported in October. However, members should note:
- The improved forecasts involve significant new challenges to control expenditure (in particular the cash-limiting of non-pay budgets and the management of National Living Wage pressures in Adult Social Care).

- Based on the resource forecasts, pressures and savings proposals set out above, there will still be a significant deficit in each year of the MTFS.
- While reserves will be sufficient to cover this and set a legal budget for 2016/17, the position beyond that point is unsustainable.
- If further action is not taken to address the forecast deficit for 2017/18, this will be a matter of concern for the External Auditors in their audit of the current year's accounts (a separate report to this meeting covers this issue in more detail).
- Levels of reserves are very low compared with the national average<sup>2</sup>.
- There is a continuing challenge for the Council to radically transform service delivery. Measures to achieve this transformation were the subject of a separate report to Cabinet on 3<sup>rd</sup> December.

### Estimates, Assumptions & Risk Analysis

42. The proposals in this report are based on a number of estimates, assumptions and professional judgements, which are subject to continuous review. These may lead to further increases in expenditure and, therefore, the need to identify alternative funding sources, and include:

- (a) Revenue Support Grant for 2016/17 – 2019/20 is in line with Government indications.
- (b) income from Business Rates (net of appeals etc.) will be in line with current forecasts;
- (c) the cost of Council Tax Reduction awarded will not substantially exceed forecasts, and the tax base will continue to grow as anticipated;
- (d) New Homes Bonus funding is in line with Government indications.
- (e) Unequal Pay Back Pay costs are no more than estimated;
- (f) pay inflation and interest rates do not vary materially from current forecasts;
- (g) cash limited non-pay budgets will be managed so as to absorb any price inflation not specifically provided for, as set out in paragraph 31;
- (h) income and expenditure relating to treasury management activity, including airport dividend income, are in line with forecasts;
- (i) there will be no other unplanned expenditure (including any resulting from demographic pressures) or shortfalls in income, which cannot be met from reserves;
- (j) there will be no changes to government policy on maximum underlying Council Tax increases without the need for a referendum;
- (k) New Better Care Funding is unfettered and received directly by the Council as anticipated;

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<sup>2</sup> As at 31<sup>st</sup> March 2015 (the last date for which comparisons are available) Dudley's unringfenced reserves represented 20% of net budget. For the average council, these reserves represented 40% of net budget. Unringfenced reserves are the sum of General Balances and earmarked reserves excluding Public Health, the Housing Revenue Account, schools and the central Dedicated Schools Grant reserve.

- (l) the Adult Social Care market is able to absorb National Living Wage pressures within the proposed provision;
- (m) any initial and subsequent monitoring requirements in respect of use of the Social Care Precept are satisfied.

### **Consultation**

- 43. This year's public consultation has mainly utilised the successful online channels of the e-bulletin, internet and social media, with hard copy, printed versions available in borough libraries and Dudley Council Plus through a consultation which will continue to run until the end of January. The results will be reported to Cabinet in February.
- 44. Detailed consultation is also being undertaken with groups identified as being potentially affected by the specific savings proposals, with a particular emphasis on equalities issues. Further information is set out in the Equality Impact section below. Unions are being consulted in the context of the redundancy process.
- 45. A consultation document was distributed to representatives of Non-Domestic Ratepayers setting out the provisional budget proposals agreed in October. Further detailed information (as required in pursuance of the statutory duty to consult) will be distributed in February for comment before the Council Tax setting meeting.
- 46. In accordance with the Council's Constitution, the Scrutiny Committees were asked to consider the issues set out in the October report and any related specific issues relevant to their Council Plan and service responsibilities in the November cycle. In framing their responses, the Scrutiny Committees were asked to consider both the spending and funding implications (including the impact on Council Tax) of any observations they may wish to make.
- 47. Scrutiny Committees are being asked to consider the issues and revised proposals set out in this report and any related specific issues relevant to their Council Plan and service responsibilities. For this committee the directly relevant items are those relating to Public Health in paragraphs 37 to 38. Members may also wish to consider any of the proposals in terms of their wider impact on health and wellbeing. The Strategic Director (People), as well as representatives of all directorates, will be available at the meeting to address any queries. In framing their responses, the Scrutiny Committees are asked to consider both the spending and funding implications (including the impact on Council Tax) of any observations they may wish to make.

### **Finance**

- 48. This report is financial in nature and relevant information is contained within the body of the report.

### **Law**

- 49. The Council's budget setting process is governed by the Local Government Finance Acts 1988 and 1992, and 2012 and the Local Government Act 2003.

50. The Local Government Act 2003 requires the Chief Financial Officer to report on the robustness of estimates made for the purpose of final budget calculations, and the adequacy of the proposed financial reserves and this will be included in the final budget report.
51. The Localism Act 2011 introduced a new chapter into the Local Government Finance Act 1992 making provision for council tax referendums to be held if an authority increases its council tax by an amount exceeding principles determined by the Secretary of State and agreed by the House of Commons.

### **Equality Impact**

52. Section 149 of the Equality Act 2010 - the general public sector equality duty - requires public authorities, including the Council, to have due regard to the need to:
- eliminate discrimination, harassment and victimisation and other conduct that is prohibited by the Act;
  - advance equality of opportunity between people who share a protected characteristic and those who don't;
  - foster good relations between people who share a protected characteristic and those who don't.
53. Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic
  - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it
  - encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
54. The legislation states that "the steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities." In practice, this means that reasonable adjustments should be made for disabled people so that they can access a service or fulfil employment duties, or perhaps a choice of an additional service for disabled people is offered as an alternative to a mainstream service.
55. Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
- tackle prejudice, and
  - promote understanding.

56. Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act.

The duty covers the protected characteristics of age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

57. An initial assessment of the budget proposals has been made. Where proposals are likely to have a significant equality impact, they will undergo an equality impact assessment informed by consultation with the protected groups who may be adversely affected, during the autumn. The results of this process and any steps which emerge that might help to mitigate any potential impact of the budget proposals on the protected groups will be reported to Members so that they can pay due regard to the Public Sector Equality Duty in making decisions on the budget. In making decisions on budget proposals, Members will need to weigh the Public Sector Equality Duty against the forecast financial position, risks and uncertainties set out in this report.
58. With regard to Children and Young People, a substantial element of the proposed budget for the People Directorate will be spent on maintaining and improving services for children and young people. The expenditure of other Directorates' budgets will also have a significant impact on this group.

### **Recommendations**

59. That the Committee considers the Cabinet's proposals for the Medium Term Financial Strategy to 2018/19, taking into account the considerations set out in paragraph 47.



.....  
**Sarah Norman**  
Chief Executive



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**Iain Newman**  
Chief Officer, Finance and Legal Services



.....  
**Tony Oakman**  
Strategic Director (People)

Contact Officers: Rachel Cooper  
Telephone: 01384 814844  
Email: [rachel.cooper@dudley.gov.uk](mailto:rachel.cooper@dudley.gov.uk)

John Everson

Telephone: 01384 814806  
Email: [john.everson@dudley.gov.uk](mailto:john.everson@dudley.gov.uk)

**List of Background Papers**

Medium Term Financial Strategy report to Cabinet 28<sup>th</sup> October 2015  
Provisional Local Government Financial Settlement 2016/17

## Changes compared with October report

	2016/17 £m	2017/18 £m	2018/19 £m
<b>Previous forecast deficit</b>	<b>21.4</b>	<b>22.8</b>	<b>50.6</b>
<b>Spending Review and Provisional Settlement:</b>			
Revenue Support Grant (para 12)	-	0.6	-7.0
Council Tax Freeze Grant 2015/16 included in RSG from 2016/17 (para 12)	1.1	1.1	1.1
Spending pressure currently funded by Care Act Grant (included in RSG from 2016/17) (para 12)	0.7	0.7	0.7
New Better Care Fund (para 14)	-	-1.2	-7.2
New Homes Bonus (proposed to be revised to free up resources for Better Care Fund) (para 13)	-	0.4	2.9
Apprenticeship Levy (para 18)	-	0.5	0.5
	<b>1.8</b>	<b>2.1</b>	<b>-9.0</b>
<b>Changes to Spending Proposals:</b>			
Adjustment to pay inflation provision (para 30)	0.1	-	-
Manage general price inflation within cash limited budgets (para 31)	-2.8	-6.0	-9.1
Specific price inflation provided for (para 31)	0.2	0.5	0.7
Manage care contracts to reduce impact of National Living Wage (para 32)	-3.1	-4.5	-5.3
Other changes to spending proposals (see detail below)	-	-0.7	-0.7
	<b>-5.6</b>	<b>-10.7</b>	<b>-14.4</b>
<b>Changes to Local Resources:</b>			
Council Tax Base and Collection Fund surplus (para 23)	-1.1	-0.4	-0.3
Update Business Rate income in line with latest RPI forecasts (para 25)	-	0.4	0.2
Social Care Precept (para 16)	-2.0	-4.2	-6.5
	<b>-3.1</b>	<b>-4.2</b>	<b>-6.6</b>
<b>Latest forecast deficit</b>	<b>14.5</b>	<b>10.0</b>	<b>20.6</b>

<b>Other changes to spending proposals</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Defer savings from review of efficiency, effectiveness and investment in supporting people and voluntary sector commissioned services	568	-	-
Develop Transformation team structure within existing budget	-158	-158	-158
Further restructuring of Corporate Landlord Services	-25	-25	-25
Acceleration of savings from Financial Services	-75	-	-
Further Senior Management restructure	-359	-359	-359
Review of Car Mileage allowances	-	-200	-200
<b>Total</b>	<b>-49</b>	<b>-742</b>	<b>-742</b>

## Spending Pressures

People	2016/17	2017/18	2018/19	2019/20
	£'000	£'000	£'000	£'000
Outcomes from Safeguarding Children Services Audit	900	1005	1113	1,221
Spend to Save Initiative: District Social Worker peripatetic pool to cover maternity and turnover thus avoiding the engagement of Agency Staff Social Workers.	225	225	225	225
Invest in Children's Services to support the development of the Dudley Safeguarding and Early Help model.	250	250	250	250
Non-delivery of the Better Care Fund performance element	1,620	1,620	1,620	1,620
Existing Service Pressures - Assessment and Independence	5,000	5,000	5,000	5,000
Existing Service Pressures - Complex and Inclusion and Mental Health	3,400	3,400	3,400	3,400
Pressures around increased Safeguarding and Deprivation of Liberty standards (DOLS) activity	160	160	160	160
Increased costs of care for Older people as a result of demographic pressures of people living longer. (dementia)	539	1,078	1,617	2,156
Learning disability transition cases	1,005	1,005	1,005	1,005
National Living Wage residential care providers	451	1,363	2,293	3,242
National Living Wage care at home providers	-	-	550	1,112
National Living Wage direct payments	155	206	218	230
National Living Wage – Sleep Ins	300	338	375	413
Inflationary Pressure - Education Outcomes, Existing Premature Retirement costs	39	78	118	158
Transfer of Care Act Grant to RSG – ongoing commitments, plus new costs in 2019/20	708	708	708	3,444
<b>Total</b>	<b>14,752</b>	<b>16,436</b>	<b>18,652</b>	<b>23,636</b>

<b>Place</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Shortfall of Pay & Display income due to reduction in parking spaces without commensurate reduction in income target	250	250	250	250
Increase in free spaces & reduction in season permit holders.	100	100	100	100
Not converting free car parks to Pay & Display per agreed policy	150	150	150	150
Dudley Market Place cleansing (growth)	50	50	50	50
Leisure Centres income shortfall	100	100	100	100
Waste disposal - higher costs at recycling site and landfill tax, from 2017 when current contract is due for renewal, plus inflationary pressures	204	502	683	895
<b>Total</b>	<b>854</b>	<b>1,152</b>	<b>1,333</b>	<b>1,545</b>

<b>Resources and Transformation</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Legal Services additional support for Looked After Children	100	100	100	100
Assumed maximum reduction in DWP Benefits Admin Grant based on previous trends.	175	175	175	175
Impact of National Living Wage on outsourced Cleaning Contract for Admin Buildings	49	80	120	160
Subscription to Black Country Consortium	50	50	50	50
<b>Total</b>	<b>374</b>	<b>405</b>	<b>445</b>	<b>485</b>

## Proposed Savings

People	2016/17	2017/18	2018/19	2019/20
	£'000	£'000	£'000	£'000
Generate additional surplus traded service income.	39	100	100	100
Service efficiencies in respect of the Educational Psychology service.	0	24	24	24
Restructure the integrated youth support service.	130	330	330	330
Realign the voluntary and community sector commissioning budget.	40	80	80	80
Options will be explored for Dudley Performing Arts (DPA) service to become 100% financially sustainable by 2016/17, through traded service income, grants, partner contributions and trust status.	170	170	170	170
Establish savings through an integrated service approach to the Whole Life Disability service to be achieved as part of the People Services Directorate revised structure from 2015.	5	75	75	75
Smarten the commissioning arrangements in the People Services Directorate.	133	223	223	223
Redesign the Education Services division to achieve efficiencies and improve outcomes.	110	156	156	156
Integrate service arrangements for the Teenage Pregnancy programme with Social Care and Public Health.	0	134	134	134
Develop a more integrated approach for children and young people in the area of safeguarding and early help to include Children Centres.	137	1,401	1,401	1,401
Redesign the early help offer for Dudley to prevent children escalating to becoming looked after.	0	2,000	2,000	2,000
Alignment of contract prices at New Bradley Hall with market conditions.	0	0	354	354
Maintain reablement service capacity and delivery via alternative business model.	500	500	500	500
Commission alternative model to current Employment plus arrangements.	239	239	239	239

<b>People</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Reprovision of long term residential care and reablement at Russell Court	500	1,000	1,000	1,000
Review the scope, capacity and efficiency of the Dementia Gateway service.	443	886	886	886
Review efficiency, effectiveness and investment in supporting people and voluntary sector commissioned services.	932	3,000	3,000	3,000
Removal of grant funding for Centre for Equality and Diversity (CFED)	20	40	40	40
Redesign and integrate the service delivery model for Environmental Health and Trading Services.	0	137	137	137
Recommissioning of the Substance Misuse service in light of tendering process.	115	115	115	115
Creation of a Library Archives and Adult Learning mutual	811	1,526	1,526	1,526
<b>Total</b>	<b>4,324</b>	<b>12,136</b>	<b>12,490</b>	<b>12,490</b>

<b>People - Savings from Public Health Grant</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Restructure of Public Health management and staffing posts	632	650	650	650
Review investment efficiencies in Public Health commissioning arrangements.	1,045	1,950	1,964	1,964
<b>Total</b>	<b>1,677</b>	<b>2,600</b>	<b>2,614</b>	<b>2,614</b>

<b>Place</b>	<b>2016/17 £000</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>2019/20 £'000</b>
Directorate efficiencies - Reviewing staffing requirements and income generation targets subsequent to service review	20	222	222	222
Deliver value for money services by ensuring that high priority green areas are effectively maintained while reducing / stopping maintenance of low priority areas and reducing maintenance of ornamental lawns. Encouraging greater participation by communities in maintenance of green areas as a means of achieving civic pride and community commitment. Seek sponsorship in order to carry out planting programmes. Withdrawing support for 'Green Flag' and 'in bloom' submissions with community / voluntary sector taking the lead in future.	166	265	265	265
Reviewing street cleansing operations in order to maximise the efficiency and effectiveness of the service by focussing activity in areas affected by litter	55	55	55	55
Closure of public conveniences based upon use and condition	0	25	25	25
Ensure that HRA contribution to General Fund services is appropriate by reviewing contribution towards development of cross tenure housing strategy policy and team and rationalise grant assistance to CAB while maintaining cross tenure housing advice service	39	64	64	64
Review of events programme and associated land and building assets in order to deliver self financing service by 2019	70	125	423	423
Review use of halls borough wide in order to achieve self financing status. Closure of Dudley Museum with collection transferred to alternative premises for permanent display. Review opening hours at Red House . Engage with Hotel provider regarding the potential for provision at Ward House in order to support events at Himley Hall	20	190	764	764
Review current operation of street lighting in order to maximise efficiency of repairs service and utilising dimming technology / turning off street lights in identified low risk areas in order to reduce energy costs	150	250	250	250

<b>Place</b>	<b>2016/17 £000</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>2018/19 £000</b>
Ensuring efficient highway maintenance service by streamlining pothole repair process and focussing carriageway re-surfacing on strategic highway network	135	155	445	445
Undertake review of current winter service provision in order to ensure key strategic routes are treated as required while ensuring best value is delivered in provision of the service. Number of gritting vehicles and provision of grit bins to be rationalised	20	75	125	125
Commence review of policies related to parking charges and exemptions culminating in a strategic review of parking services in order to ensure that parking provision and enforcement facilitates and encourages access to key retail / economic centres across the borough	35	45	295	295
Review criteria for provision of dog / litter bins and signage	20	20	20	20
Private Sector Housing - Home Improvement staffing efficiencies	280	280	280	280
Introduction of Road Safety Traded Service to charge for Road Safety and Cycling Proficiency schemes	0	30	30	30
Charging Academy Schools for School Crossing Patrols & review of deployment criteria.	0	20	40	40
Maximising efficiency in Bereavement Service. Review charging policy and implement a package of measures in order to maximise take up of the service while providing high quality bereavement services across the borough	256	466	712	712
<b>Total</b>	<b>1,266</b>	<b>2,287</b>	<b>4,015</b>	<b>4,015</b>

<b>Resources and Transformation</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£,000</b>
Financial Services – Savings will be delivered following a review of processes so the service focuses on strategic financial management and reduces non-core and transactional activity. Efficiencies will be delivered following the formation of Financial Services which now includes Revenues Exchequer Services and Procurement, Creditor Services and Contract Management.	130	190	190	190
Elections - reduction in running expenses	30	30	30	30
Democratic Services and Legal Admin - staff savings from process and service redesign.	101	101	101	101
Audit Services - staff savings through rationalisation of audit work in line with key risks.	0	32	32	32
ICT – reductions in staffing, software and hardware costs made possible by increased automation and self-service, stream-lining of processes, server virtualisation, use of open source software, reduced maintenance following investment in infrastructure and further consolidation including pursuit of shared service opportunities.	357	582	590	590
Reorganisation of the Health and Safety function.	123	123	123	123
Corporate & Customer Services - review of senior management structure and other staff roles/responsibilities within the Division	404	404	404	404
HR Services - Staffing savings together with some reduction in general service overheads following service review, to focus on strategic HR business partnering, and further reductions in non-core and transactional activities. Efficiencies will be delivered following implementation of a new HR/Payroll system alongside an increase in employee/manager self service.	69	274	379	379
HR Services - Increased scope for income from traded services across HR operation.	30	50	50	50
Corporate Landlord Services - New income will be generated from new design work arising from identifying and realising opportunities from the creation of a new estate strategy. £100,000 additional income will be generated from 17/18 by increasing traded service to schools.	75	175	175	175

<b>Resources and Transformation</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2018/19</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Further to ongoing restructuring of Corporate Landlord Services it is possible to offer up an additional post from the Catering, Client and Caretaking team from Saltwells earlier than expected.	25	25	25	25
Savings will come from redefining and reducing the number of existing property roles in the new Corporate Landlord Service. Review caretakers roles including Priory Hall. Saltwells Education Development Centre to achieve 5% efficiency savings	363	375	375	375
Reduce opening times at Dudley Council Plus	40	40	40	40
Higher than anticipated recovery costs income, and proposed increase in Council Tax court summons costs by £5 per summons	75	75	75	75
Local Welfare Assistance - explore alternative delivery models, predominantly via Voluntary Sector	100	200	200	200
Communications and Public Affairs restructure of service	163	227	227	227
Review of events programme to deliver self financing service by 2019 – Communications and Public Affairs element	0	0	38	38
Reduce grant to Dudley Zoo	0	100	100	100
Restructure to remove the post of Strategic Director of Resources and Transformation and further rationalise and reduce the costs of management of central support services. Property Services will transfer to the Place Directorate and other central support services will report to the Chief Executive.	359	359	359	359
<b>Total</b>	<b>2,444</b>	<b>3,362</b>	<b>3,513</b>	<b>3,513</b>

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**Health Scrutiny Committee – 21st-January, 2016**

**Report of the Chief Officer Health and Wellbeing (Director of Public Health)**

**Joint Strategic Needs Assessment (JSNA) – The Next Steps**

**Purpose of Report**

1. To provide an update on the proposed Joint Strategic Needs Assessment (JSNA) process and implementation plan.

**Background**

2. The framework for identifying current and future health and wellbeing priorities for the population of Dudley, through the Joint Strategic Needs Assessment (JSNA) was introduced in 2007. Responsibility for the JSNA passed to the Health and Wellbeing Board (H&WBB) in April 2013. A JSNA sub-group was established, chaired by the Director of Public Health. The core aim of the JSNA is to develop local evidence based priorities for commissioning which will improve the public's health and reduce inequalities.

In January 2015, the H&WBB nominated a new chairperson of the JSNA group from West Midlands Fire Service. This provided an opportunity to review the effectiveness of the JSNA in informing intelligence based priorities and decision making. The outcomes of this review were:

- To widen the scope of the JSNA to capture assets as well as needs, therefore developing JSNA into a Joint Strategic Assessment of needs and assets (JSA)
- To continue to present intelligence using the life course approach and widen the intelligence included to include indicators of population's quality of life, the wider determinants of health and current spending and investment in specific areas that can be compared to information about the level of need or assets
- To include intelligence about community experience of, and priorities for, health and wellbeing in the JSA to complement, and provide insight into the issues arising from analysis of 'objective' hard data
- To establish 'All About Dudley Borough' as the repository for the JSA data collection including the output of intelligence gathering with local people undertaken by HWBB partners.
- To ensure success of the JSA in informing priorities and commissioning decisions by embedding an 'intelligence led' culture across partner organisations

- To develop a responsive and flexible JSA that can provide strategic intelligence when needed by decision makers, whilst still being future focused and provide horizon scanning on health and wellbeing issues.
  - To widen the range of JSA products to be defined to make the JSA accessible to all and accessible to a wider target audience -all those who can contribute intelligence and all those who need intelligence to help make decisions.
  - To establish a partnership agreement to establish shared commitment and resource for the JSA process across all partner organisations.
  - To re-invigorate the JSNA sub-group to comprise of 'users' of intelligence as well as 'producers' of intelligence and to take on the delegated responsibility for the update of the Health and Wellbeing Strategy.
1. The report was presented to the Health and Wellbeing Board on the 15<sup>th</sup> September 2015 where it was agreed that a revised design for the JSA process to take into account the recommendations from the review along with an implementation plan be developed. These were presented to the Health and Wellbeing Board on the 2<sup>nd</sup> December 2016.

### **Proposed JSA Framework**

3. The proposed framework is detailed in appendix 1

### **IMPLEMENTATION PLAN**

<b>Recommendation from the JSNA review</b>	<b>Action</b>	<b>Milestone</b>	<b>Responsible</b>
1. To widen the scope of the JSNA to capture assets as well as needs, therefore developing JSNA into a Joint Strategic Assessment of needs and assets (JSA)	Undertake community research into what keeps people in St James ward well	June to October 2015	Public health team
	Use the intelligence from the St James ward work to inform the development of intelligence about community assets in Dudley	November 2015- march 2016	JSA Leadership Group
	Identify community assets in Dudley through a Lets find out what's great about Dudley campaign	March to August 2016	Community Asset Assessment Steering Group
	Develop ways to summarise and present intelligence about community assets to be available on the All About Dudley website	March to September 2016	Community Asset Assessment Steering Group
2. To continue to present intelligence using the life course	Identify key indicators of quality of life and the determinants of health and agree themes by	January 2016	JSA Leadership Group

approach and widen the intelligence included to include indicators of population's quality of life, the wider determinants of health and current spending and investment in specific areas that can be compared to information about the level of need or assets.	which intelligence can be organised and presented		
	Work with partners to identify the source of intelligence about quality of life and the determinants of health and the frequency of reporting	January – March 2016	SA Joint working group
	Work with partners to identify sources and categories of data on spending and investment in key health and wellbeing areas	January – March 2016	JSA Joint working group
3. To include intelligence about community experience of, and priorities for, health and wellbeing in the JSA to complement, and provide insight into the issues arising from analysis of 'objective' hard data	Produce thematic web pages summarising intelligence about quality of life and the determinants of health	On-going	JSA Joint working group
	Identify and engage with partners who undertake engagement with communities on health, wellbeing and the determinants of health	January – March 2016	JSA Leadership Group
	Agree a process by which community voice intelligence will be included on All About Dudley	March 2016	JSA Leadership Group
4. To establish 'All About Dudley Borough' as the repository for the JSA data collection including the output of intelligence gathering with local people undertaken by HWBB partners.	Produce a regular summary of the key themes emerging from community voice intelligence	On-going	JSA Joint working group
	Establish a JSA joint working group comprising analysts from across H&W Board partners to share capacity and expertise in order to maintain the All About Dudley Website	January 2016	JSA Leadership Group
	Develop a joint working agreement to share capacity and expertise from across the partnership	March 2016	JSA Joint working group
	Develop guidelines for intelligence products to be uploaded onto All About Dudley to ensure appropriate quality assurance	March 2016	JSA Joint working group
5. To ensure success	Produce topic pages and quarterly commentaries which summarise the intelligence contained on All About Dudley	On-going	JSA Joint working group
	Establish a JSA Leadership	January	Health and

of the JSA in informing priorities and commissioning decisions by embedding an 'intelligence led' culture across partner organisations	group comprising key commissioners and decision makers from across H&W Board partners	2016	Wellbeing Board
	Implement the JSA strategy the primary aim of which is to develop an intelligence led culture across the partnership	March 2017	JSA Leadership Group
	Provide regular updates on the development of the JSA to the Health and Wellbeing Board and seek feedback on the development of an intelligence led culture	On-going	Neill Griffiths
6. To develop a responsive and flexible JSA that can provide strategic intelligence when needed by decision makers, whilst still being future focused and provide horizon scanning on health and wellbeing issues.	Agree key indicators of health, wellbeing, quality of life and the determinants of health to be subjected to routine surveillance through the JSA and agree leads for each indicator	January 2016	JSA Leadership group
	Produce quarterly commentaries summarising key messages about surveillance and community voice	On-going	JSA Joint working group
	Highlight key surveillance issues to the JSA Leadership Group who will identify whether further intelligence is required	On-going	JSA Joint working group
	To recommend key intelligence based priorities to the H&W Board to inform the H&W Strategy and the focus for strategic assessments to provide intelligence to address priorities	March 2016	JSA Leadership Group
	Undertake a programme of strategic assessments to provide intelligence to inform the delivery of key Health and Wellbeing Board priorities. Each joint strategic assessment will be led by a senior 'user' of intelligence and will include stakeholders relevant to the priority	April 2016 – March 2017	JSA Leadership group
7. To widen the range of JSA products to be defined to make the JSA accessible	Continue to present intelligence using the life course approach and widen the intelligence included to include indicators of	See objective 2 above	See objective 2 above

to all and accessible to a wider target audience - all those who can contribute intelligence and all those who need intelligence to help make decisions.	population's quality of life, the wider determinants of health and current spending and investment in specific areas that can be compared to information about the level of need or assets		
	Include intelligence about community experience of, and priorities for, health and wellbeing in the JSA to complement, and provide insight into the issues arising from analysis of 'objective' hard data (see objective 3 above)	See objective 3 above	See objective 3 above
	Develop All About Dudley as the repository for the JSA data collection see (objective 4 above)	See objective 4 above	See objective 4 above
8. To establish a partnership agreement to establish shared commitment and resource for the JSA process across all partner organisations.	Establish a JSA joint working group comprising analysts from across H&W Board partners to share capacity and expertise in order to maintain the All About Dudley Website	January 2016	JSA Leadership Group
	Develop a joint working agreement to share capacity and expertise from across the partnership	March 2016	JSA Joint Working group
9. To re-invigorate the JSNA sub-group to comprise of 'users' of intelligence as well as 'producers' of intelligence and to take on the delegated responsibility for the update of the Health and Wellbeing Strategy.	Establish a JSA Leadership group comprising key commissioners and decision makers from across H&W Board partners	January 2016	Health and Wellbeing Board
10. To develop a Joint Health and Wellbeing Strategy which sets out a small number of intelligence based priorities informed by the JSA	Review the intelligence in the JSA to establish a list of possible priorities	March 2016	JSA Leadership Group
	Engage with partners and community groups to identify their views of key priorities for the Health and Wellbeing Strategy	March – May 2016	JSA Leadership Group

	Undertake a workshop with the Health and Wellbeing Board to agree priorities for the Health and Wellbeing Strategy	June 2016	JSA Leadership Group
	Publish the Joint Health and Wellbeing Strategy	September 2016	JSA Leadership Group

### **Finance**

- Any financial implications arising from the future development of the JSA group would be met from within existing budgets between the agencies.

### **Law**

- There are no legal implications

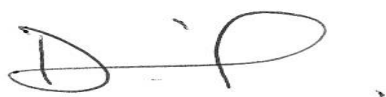
### **Equality Impact**

- The JSA process and delivery considers information and evidence for different demographic groups. Future strategy development would include equality impact assessments.

### **Recommendations**

- The Health Scrutiny Committee is asked:
  - To comment on the proposed JSA process
  - To comment on the implementation plan

### **Signature of author/sponsor**



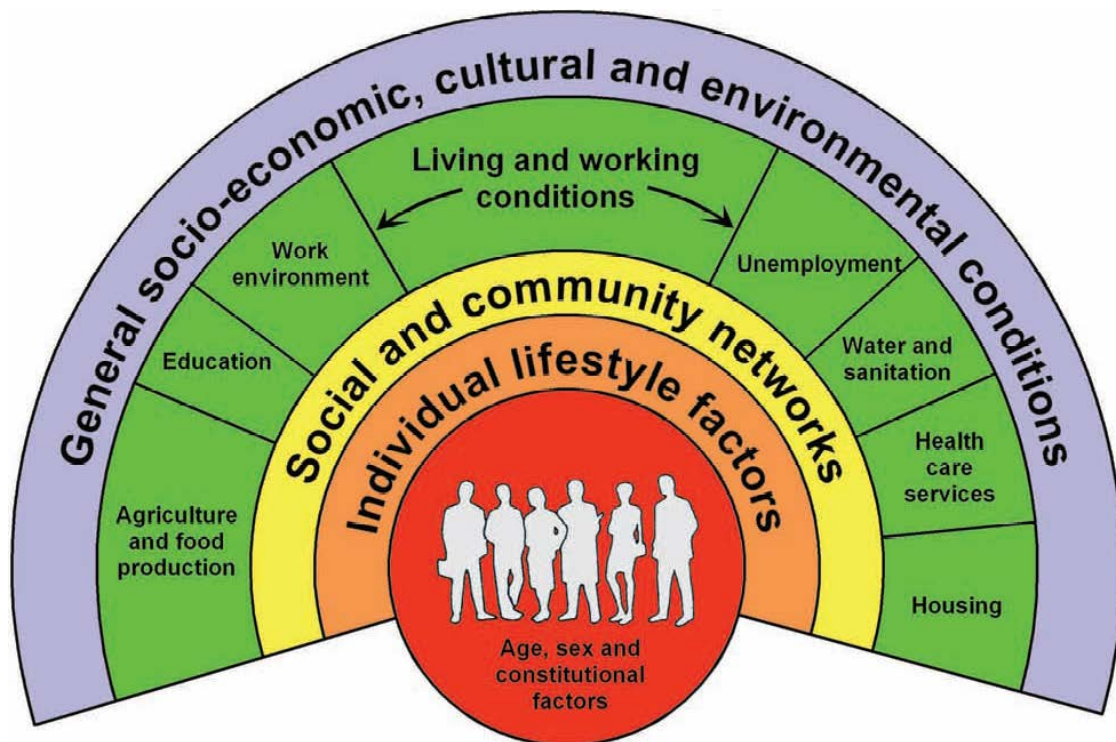
**Deborah Harkins**  
**Chief Officer Health and Wellbeing (Director of Public Health)**

### **Contact officer details**

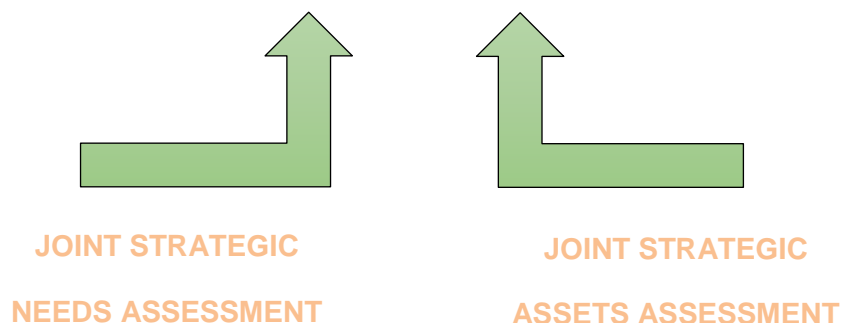
**Karen Jackson**  
**Public Health**  
**Dudley Council**

## Appendix 1

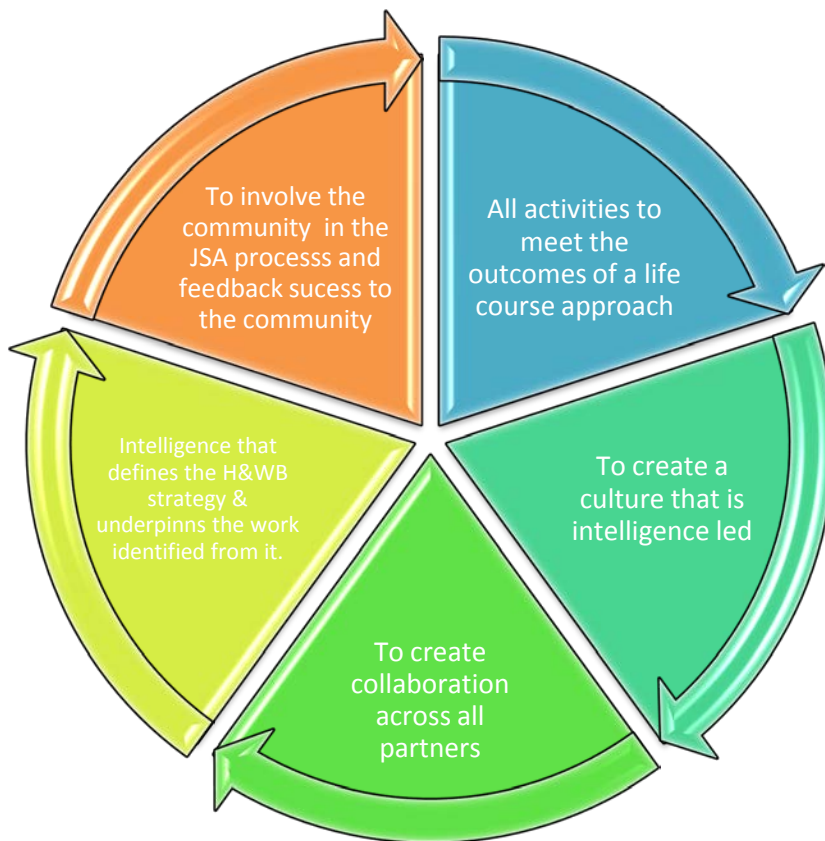
### Dudley Joint Strategic Assessment Framework



## JOINT STRATEGIC ASSESSMENT (JSA) FRAMEWORK



This framework blends both the needs assessment and community assets together to provide a partnership led, evidence based H&WB Strategy that delivers community outcomes.

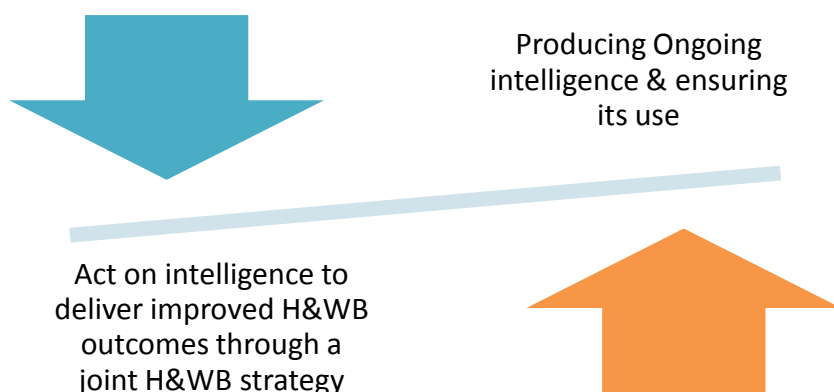


### **How it will work.....**

The JSA Leadership group will need to be made up from a wide range of partners who are both users and analysts of intelligence and who will need to be able to:

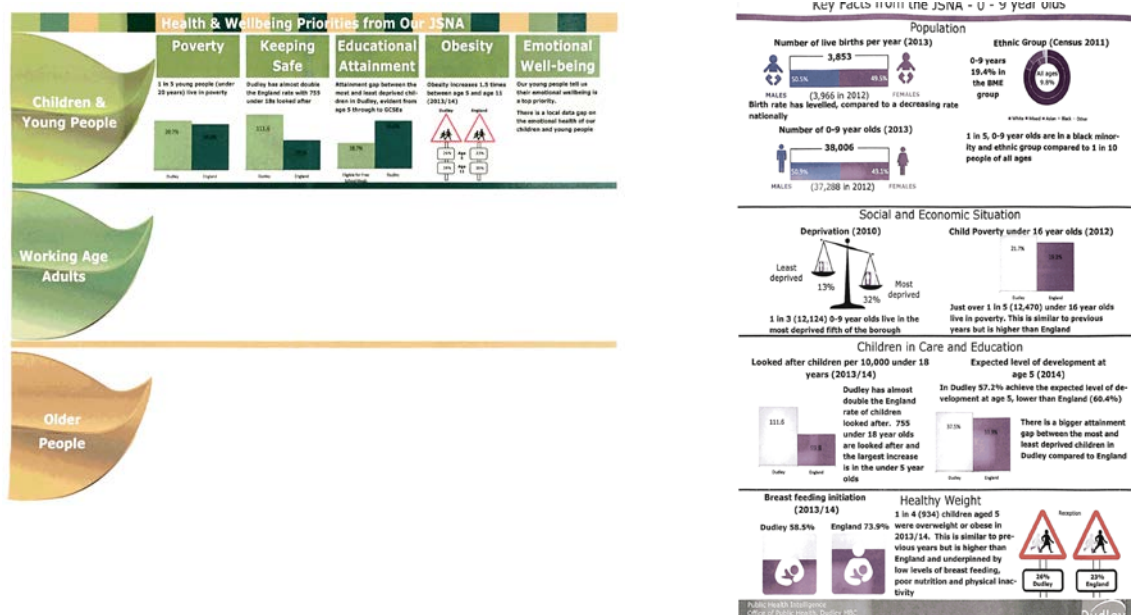
- Contribute to providing intelligence from their sector
- Commit to providing resources that will deliver action plans and outcomes.

The JSA will be broken down into 2 segments



### Ongoing surveillance of the health, quality of life and determinants of health in Dudley:

This will be evidence and data about people's lives which can be collated and visually produced using all about Dudley web site and other innovative approaches.

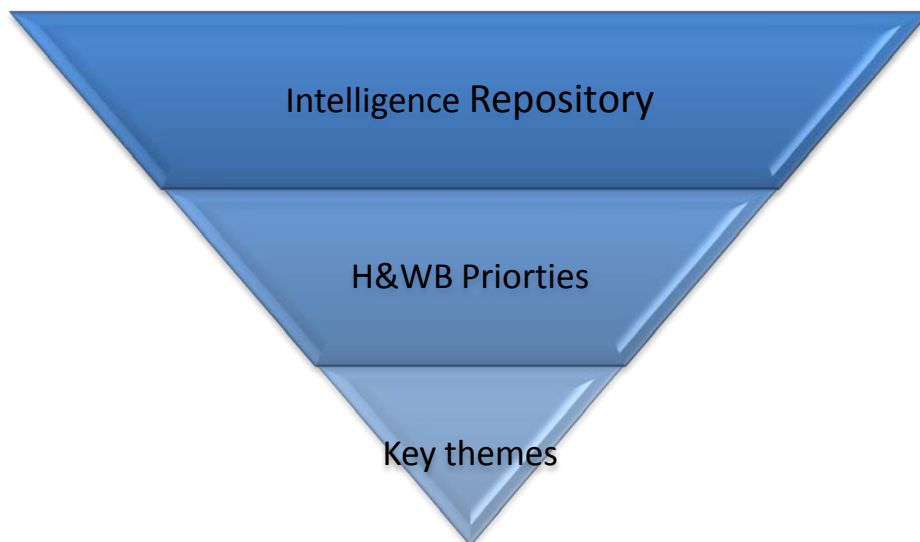


This ongoing intelligence could also include:

- Service data, surveys, community engagement, asset mapping, financial information and data available for manipulation and analysis,
- Various synthesis of the data to give an overview of the key issues as a spotlight series report- e.g. on a life stage or a theme.
- Infographics featuring the headline issues for each stage of the life stage or a theme.

This approach should identify where the gaps are and why. Then the ongoing intelligence will be synthesised to identify the key health and wellbeing priorities for the Borough and also gaps in intelligence.

The JSA leadership group will then put in place a framework to fill these intelligence gaps.

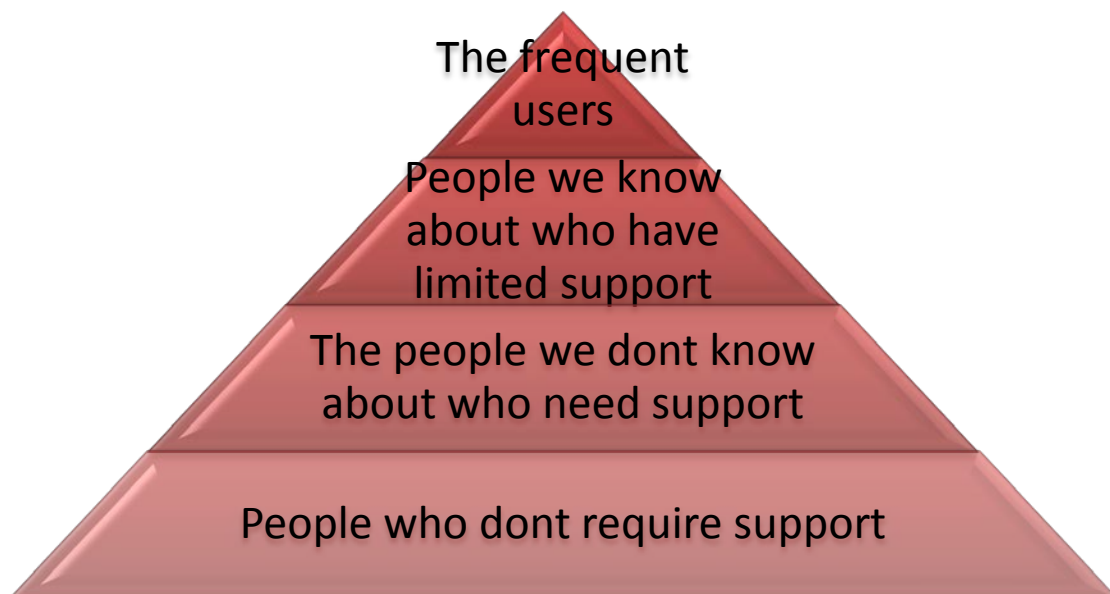


This intelligence will then formulate priorities that can be implemented to the delivery part of the JSA through the health and wellbeing strategy.

**Delivery of strategic assessments of Health and Wellbeing Priorities:**

Once the priorities have been agreed, the H&WB strategy will be produced and will be implemented by nominated contributors from relevant partners who will work together to plan, implement and then evaluate a specific priority. This may include the need for additional more focused intelligence to establish the strategy to achieve the H&W strategy priority. This will be led from the JSA group.

Step 1 of this process will be to undertake further analysis around the key theme that was identified. This will be done by looking across the wider needs and assets of the population as shown below.

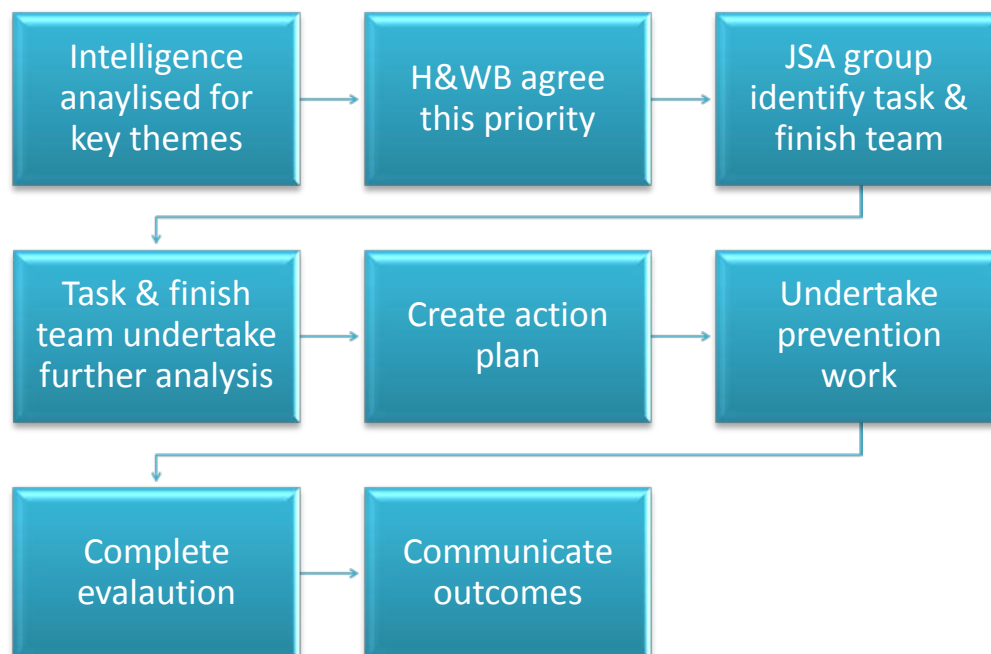


This analysis will then provide the evidence to create a targeted action plan that would be focus around the following criteria.



Each key theme will have a task and finish group who will be accountable for the delivery of the plan to produce any intelligence required y report progress back through the JSA Leadership group.

#### **In summary**



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**Health Scrutiny Committee 21<sup>st</sup> January 2016**

**Report of the Chief Officer, Dudley Clinical Commissioning Group**

**General Practice Closures and Mergers**

**Purpose of Report**

1. To provide assurance to the Overview and Scrutiny Committee that Dudley CCG is complying with NHS regulations and policy governing the closure and merger of general practices.

**Background**

2. Under the delegated functions agreement between NHS England and Dudley CCG, the CCG is responsible for making decisions in respect of GP practice mergers and closures. All applications are considered in accordance with NHS Regulations and NHS England policy.
3. Branch closures are considered in accordance with the NHS England policy 'Branch Closures for Primary Medical Services'. <https://www.england.nhs.uk/wp-content/uploads/2013/07/brnch-close-pms.pdf>
4. Practice mergers are considered in accordance with the NHS England policy <https://www.england.nhs.uk/wp-content/uploads/2013/07/mng-reg-con-vari.pdf>
5. The policies describe the process to determine the steps required to undertake the closure of a branch surgery and or merger of a practice and the associated contract variation required under The National Health Service (General Medical Services Contracts) Regulations 2004 as amended <http://www.legislation.gov.uk/ukxi/2004/291/contents/made>. Adhering to the process ensures that any changes reflect and comply with national regulations and legislation so as to maintain robust contracts.
6. The underlying principle for the CCG to consider when any such proposal is made to them is; 'has the applicant been able to clearly demonstrate the grounds for closure and or merger and have they fully considered any impact on the contractors registered population?' Consideration also needs to be given in respect of any financial impact to the CCG.
7. Practices are responsible for engaging with their patients and local population on their proposals. Engagement takes place in a number of ways including leaflets, posters, letters, information on prescriptions, talking with Patient Participation Groups and attending local community forums. In addition practices will be liaising with other practices in their area, MPs and Local Medical Committees, Healthwatch Dudley and the Health and Wellbeing Board. All practices will provide the CCG with details of why they are proposing the changes, what those

changes may mean and how to get in touch to ask questions or leave feedback. Information is also provided should patients wish to consider registering with another practice.

8. **St Thomas Medical Centre and Bean Medical Practice**

Dr Manivasagam was the sole contract holder of two separate General Medical Service contracts for providing Primary Medical Services from St Thomas's Medical Centre and Bean Medical Practice. Dr Manivasagam submitted an application to merge both contracts, resulting in one single contract providing primary medical services from the Bean Road site. Following the closure of the St Thomas Network, Dudley Council became the direct landlord. Due to the uncertainty of the future of the land the Council were not in a position to offer a long term lease. In addition to the uncertainty of the site, St Thomas's was in need of considerable investment in order to improve the premises and services offered. A recent Care Quality Commissioner (CQC) inspection reported the site as 'requires improvement'. Bean Medical Practice will offer a much wider range of enhanced services not currently provided at St Thomas' by male, female and multilingual doctors with a full time nurse.

This application was considered by the CCG, Primary Care Commissioning Committee, held in public session on 20 November 2015 where the application was approved. The practice closed on 18 December 2015 and the registered patients were transferred to Bean Road.

9. **Wordsley Green & Market Street**

Drs Barhey & Partners of Wordsley Green Surgery have applied to close their Market Street branch surgery located at 84 Market Street, Kingswinford. There is one single General Medical Services contract, all patients are therefore already registered with Wordsley Green. Despite the practice making improvements to the site a considerable amount of further investment would still be required to bring it up to modern day practice standards. The Market Street branch is currently unable to offer the full range of medical services that are provided at Wordsley Green. Market Street is approximately 1.2 miles away from Wordsley Green there are approximately 1350 patients who visit the branch site and many of these are accustomed to visiting the main practice to receive the enhanced services that the branch surgery is unable to provide. Wordsley Green has the capacity to accommodate the increase in numbers. For patients who do not wish to visit Wordsley Green there are a number of alternative surgeries in near proximity. The patient and key stakeholder consultation process ended on 29 December. The practice has made a formal application to close on 14 March 2016 this will be considered by the CCG Primary Care Commissioning Committee, held in public session, in accordance with the above policy and regulations.

10. **Lower Gornal Medical Practice and Masefield Road**

Masefield Road is the branch surgery of Lower Gornal Medical Practice who practise from Bull Street, Lower Gornal. The two sites are approximately 1 mile away from each other. Despite investment and a number of efforts being made, the practice feels that they are no longer in a position to offer equitable care across both sites. In order to provide the full range of medical services to its patients and for their services to remain viable the practice are proposing to close the Masefield Road branch. The patient and key stakeholder consultation process ended on 31 December 2015. The practice has made a formal application to close on 1 April 2016 this will be considered by the CCG Primary Care Commissioning Committee, held in public session, in accordance with the above policy and regulations.

11. The CCG has received enquiries from other Dudley practices considering similar proposals. Where a practice premises is owned by NHS Property Services, the closure of a branch surgery and increased use of space at the main site provides a good fit with the CCGs estates strategy, which seeks to consolidate services into fewer premises and reduce the level of void space in NHS-owned buildings. The NHS faces challenging times and this is no different in Dudley with an ageing population, a shortage of GPs and financial constraints. Locally we need to maintain financial stability whilst ensuring we still deliver high quality patient centred care. We are passionate about patients in Dudley having the right care, in the right place and at the right time and we are committed to integrating our services so that care is wrapped around our patients and the GP is the focal point for co-ordinating that care. Only by being innovative and bold in our approach can we ensure that health care remains viable and consistent within Dudley.

### **Recommendation**

12. It is recommended that:-

- The Committee accept the report for assurance that Dudley CCG and its member practices are complying with NHS England policy and regulations.
- The Committee advise Dudley CCG what level of involvement they want in future changes to contractual arrangements regarding mergers and closures.



.....  
**Paul Maubach**  
**Chief Officer, Dudley CCG**

Contact Officer: Daniel King  
Telephone: 01384 321868  
Email: [Daniel.king@dudleyccg.nhs.uk](mailto:Daniel.king@dudleyccg.nhs.uk)

## Health Scrutiny Committee 21<sup>st</sup> January 2016

### Report of the Chief Officer, Dudley Clinical Commissioning Group

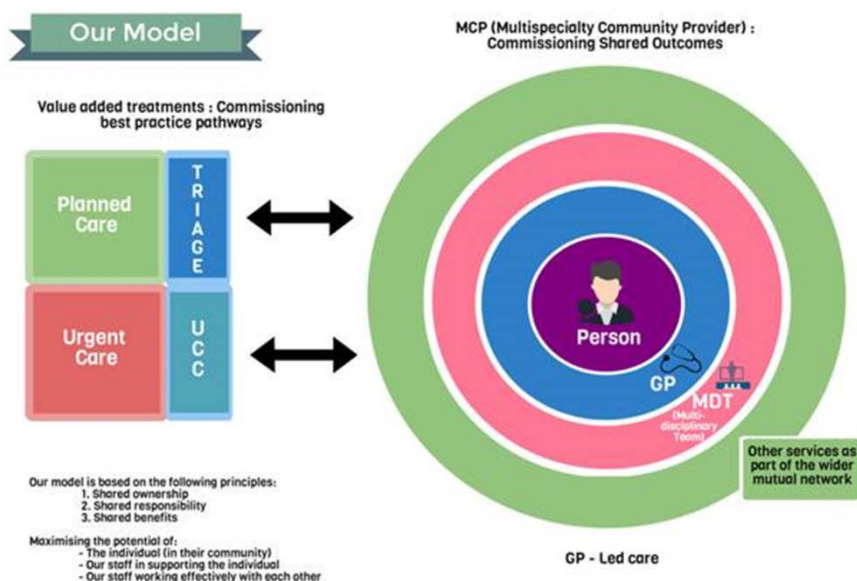
### Dudley New Model of Care (Vanguard) Programme Update

#### Purpose of Report

1. To provide an update on the Dudley New Model of Care (Vanguard) programme.

#### Background

2. The NHS new care models programme was launched in January 2015 with individual organisations and partnerships invited to apply to become vanguards, one of the first steps towards delivering the NHS Five Year Forward View and supporting improvement and integration of services.
3. Dudley CCG submitted a bid to the programme on behalf of health and wellbeing partners in Dudley and was amongst the first vanguards chosen to deliver a multispecialty community provider (MCP) model of care.
4. The Dudley model reflects multi-disciplinary team (MDT) working at GP Practice and Locality levels, coupled with best practice pathways to planned and urgent care:



5. The model of care for the MCP can best be described by the three themes of access, continuity and coordination:

	<b>Accessibility</b>	<b>Continuity</b>	<b>Coordination</b>
<b>Outcomes</b>	Improved patient experience, More efficient and effective utilisation, healthier lifestyles	Stable management of conditions, reducing risk, reducing variation and the health inequalities gap	Reduced social isolation, Enabling individuals to remain in their home and connected to their community

6. Partners involved include:

- Dudley CCG
- Dudley MBC
- Dudley Group NHS FT
- Dudley & Walsall Mental Health Trust
- Black Country Partnership Foundation Trust
- Voluntary sector organisations

7. The CCG and Dudley MBC Social Services are currently completing a process to map which health & social care services will go into the model of care. Ultimately this will then need to be jointly commissioned by Dudley CCG and Dudley MBC. Whilst planning and delivery of the new model of care is very much owned and managed locally, the NHS new care models programme maintains oversight and offers a suite of practical and financial support.
9. We are talking to the public about our plans and they are shaping what successful integrated care means for them:

At the launch of the Five Year Forward View, Dudley CCG held a Healthcare Forum to talk with local communities around the publication. We wanted to know views on how people thought the plans could work with an opportunity to discuss challenges and opportunities. A graphic facilitator captured the conversation:



Since Dudley was selected to become a vanguard site, there have been a number of engagement activities which have all fed into the New Care Models work.



The CCG Healthcare Forum took place early December 2015 and approximately 80 participants took part in structured workshops around key workstreams as part of the New Models of Care (NMC). A presentation was delivered at the start which explained the NMC and why changes were necessary. The multi-disciplinary team (MDT) also presented to participants to explain how their roles had changed since they had started working closer together. Structured workshops included:

- Primary Care
- Care closer to home
- Connecting communities and building relationships
- Accessing services
- Buildings fit for the future
- Feeding back on your experiences
- Teams without walls

Feedback was captured at every workshop and has been fed into the workstreams.

- At the end of January 2016, a Listening Exercise will be launched which will see teams visiting groups and forums across the borough to talk about the New Care Model and to give participants the opportunity to share their views and opinions and help shape how we form better integrated health and social care.
- In addition there will be separate engagement for specific workstreams which may require formal consultation of softer engagement
- We are working with Healthwatch Dudley to ensure we reach some of the groups that we don't regularly engage with
- We are working with the Social Care Institute for Excellence (SCIE) to understand the wicked issues around New Care Models

We are developing a Task and Finish Group for engagement to ensure that everything we do is grounded in common sense, to hold us to account and to provide an objective perspective on plans and help shape the direction of travel.

10. The activity to deliver the model is being managed within a single programme. A multi-agency Partnership Board meets monthly to provide strategic direction and oversee delivery of the programme. Partnership Board receives a monthly progress

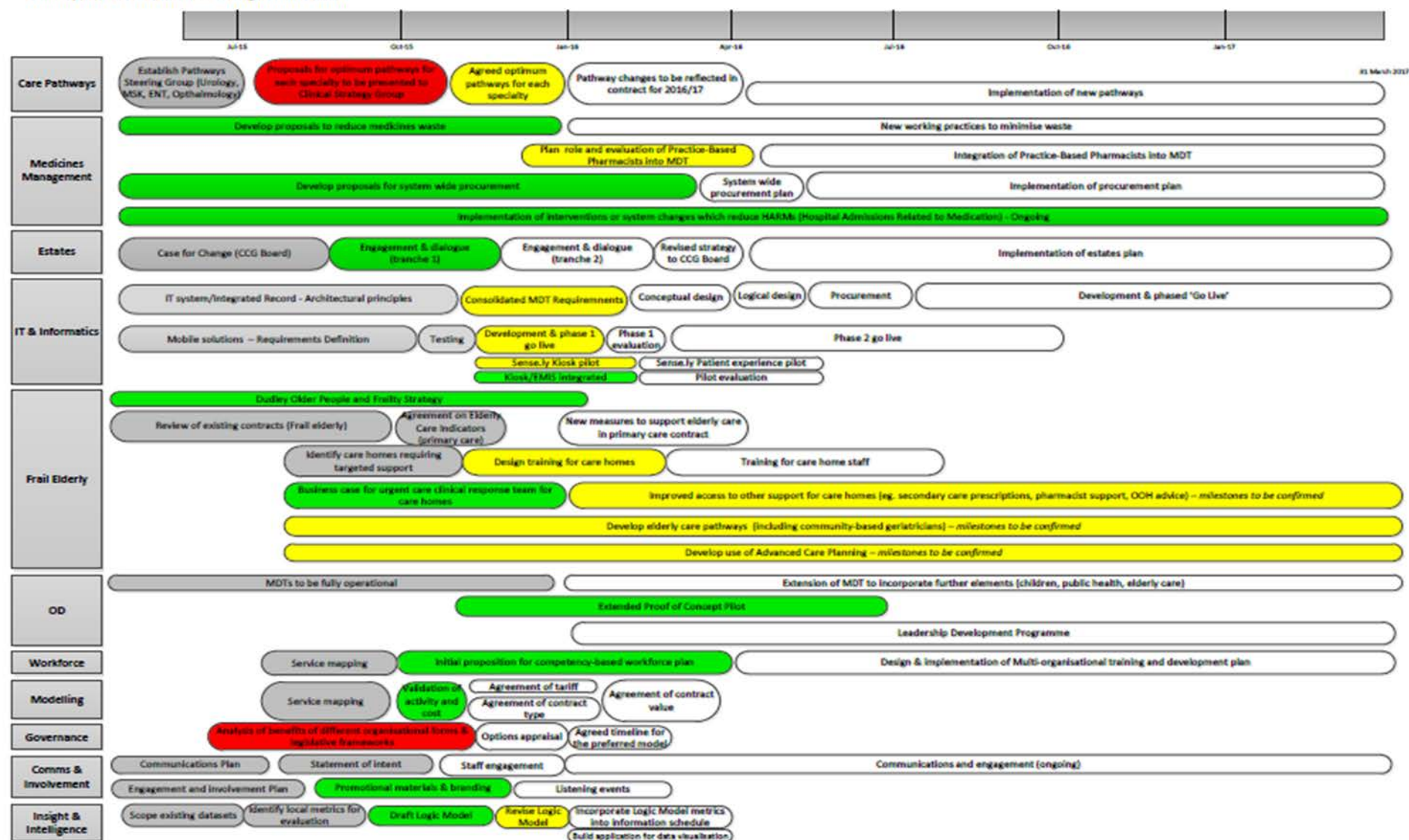
report with commentary on four domains: Project Milestones, Finances, Performance and Risks & issues:

### **Project Milestones**

A series of projects has been created to deliver discrete elements of the model. The scope, objectives and milestones for each project are subject to Partnership Board approval. There are currently thirteen active projects within the programme.

Each project has a nominated Lead Officer who coordinates delivery through a project group comprising representatives from partner organisations. Project Lead Officers produce monthly project updates highlighting progress towards the agreed milestones, with progress summarised within the programme plan:

## Dudley New Care Model – Programme Plan



## Finances

The NHS new care models programme is providing financial support to pump-prime change activity and to enable the transition to the new model of care. Funding is subject to the approval of a Value Proposition setting out the business case for the model.

For 2015/16, initial funding of £150,000 was provided to enable the setting up of programme management and governance arrangements. In addition, our Value Proposition identified a requirement of a further £2.7m to fund early delivery of key elements of the model.

Sources & Application statement	2015/16
	£000's
Initial Funding	150
Access	1,354
Continuity	84
Co-ordination	951
Other Enabling Support	330
Total Applications	2,869

To date some £1.8m has been received (in addition to the initial funding allocation) and whilst there has been some slippage in terms of timescales, we expect year-end receipts to fully match the above requirements.

Funding requirements for 2016/17 and 2017/18 are in the process of being identified and will be included in an updated Value Proposition, which is due to be submitted in February 2016.

## Performance

The programme's performance framework comprises national and local performance indicators.

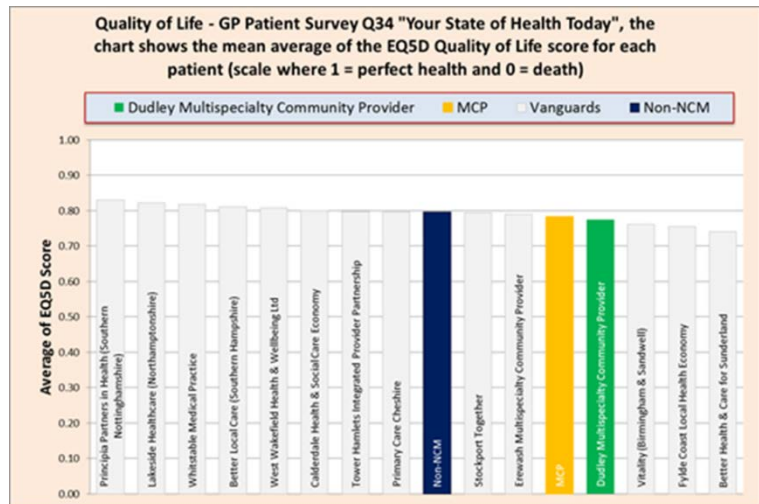
### National Measures

The NHS new care models programme has defined a basket of six indicators across three domains: Health & Wellbeing, Care & Quality and Efficiency. Performance across all Vanguard sites is benchmarked alongside 'non-New Care Model' sites.

## Health & Wellbeing

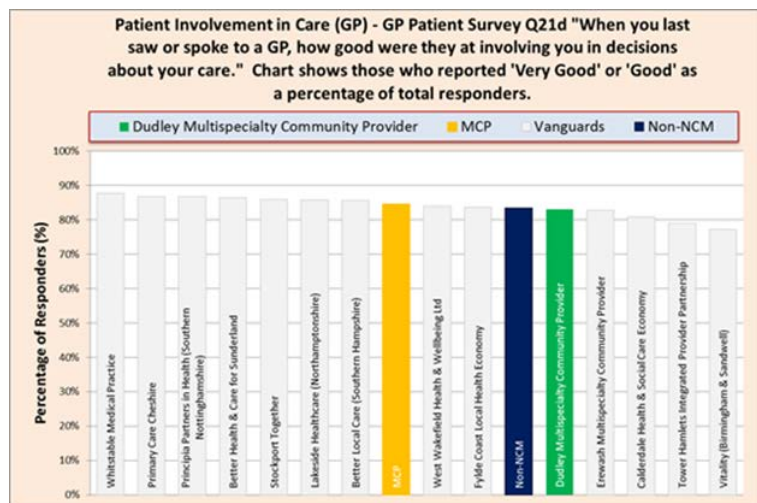
Dudley is reporting the 4th lowest mean average EQSD Quality of Life score of 14 MCP Vanguard and non-NCM (new care model) average.

Performance in Dudley is slightly below the MCP Vanguard average and non-NCM (new care model) average.

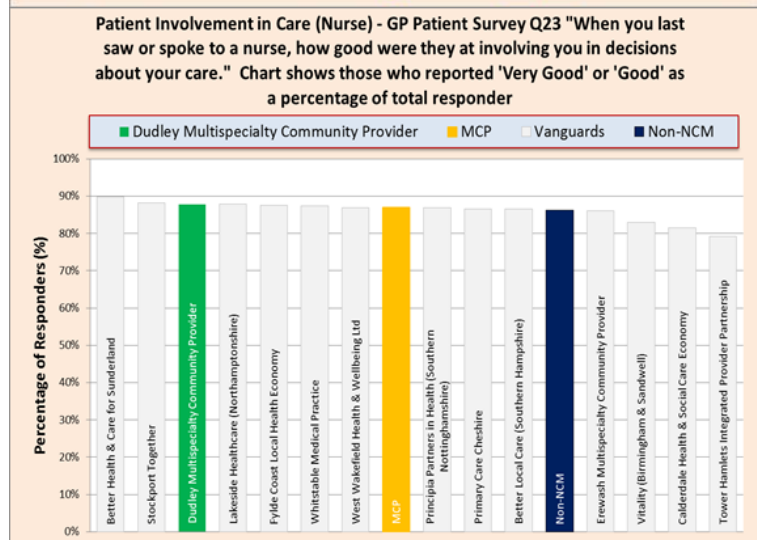


## Care & Quality

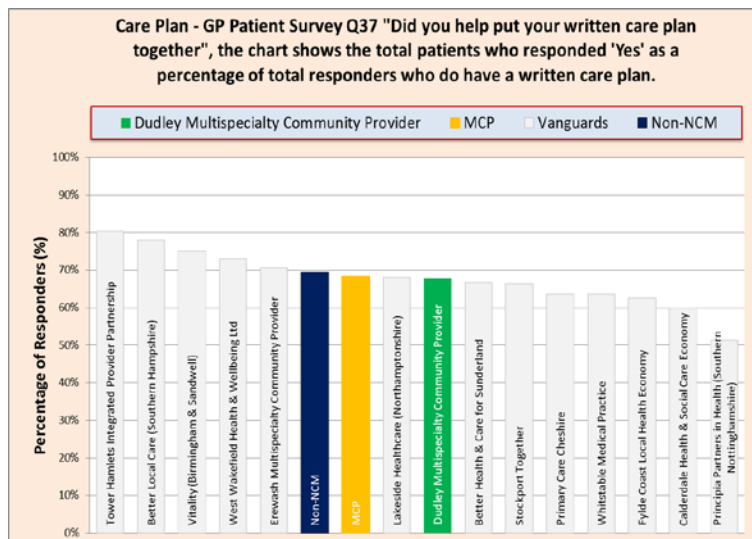
(a) Patient involvement in Care (GP) – Dudley is ranked 10th of 14 MCP Vanguard and reports slightly lower "Very Good" or "Good" responses than the MCP and non-NCM averages.



(b) Patient involvement in Care (Nurse) – Dudley performs well in this, ranked 3rd of 14 MCP Vanguard and above MCP and non-NCM averages.

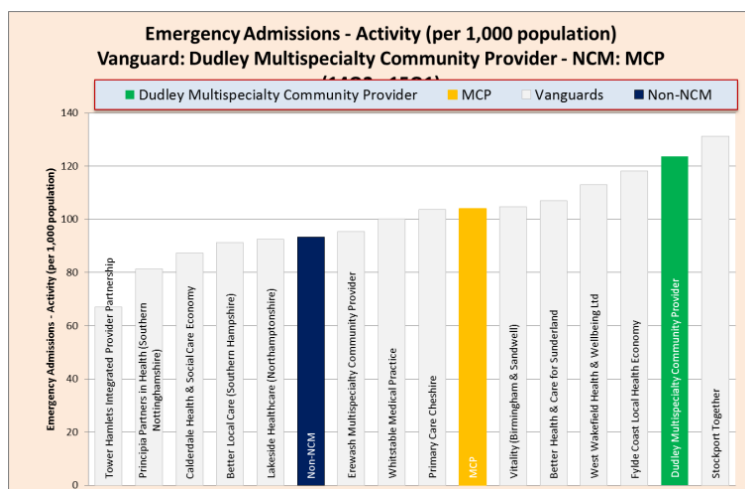


(c) Care Plan – Almost 70% of patients responded that they had helped put their written care plan together – 7th highest of 14 MCP Vanguard, but slightly below non-NCM and MCP Vanguard averages.

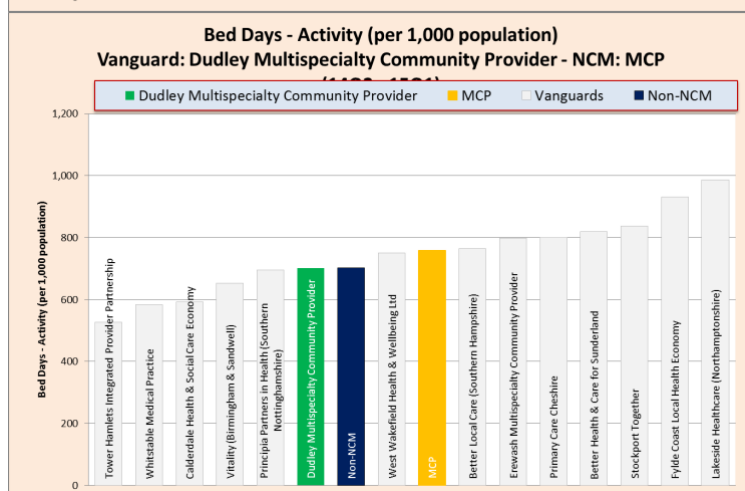


## Efficiency

(a) Emergency Admissions  
Emergency Admissions activity is proportionately higher than in most other MCP Vanguard and non-NCM economies. The trend is markedly upwards (deteriorating) and increasing at a faster rate than in other MCP and non-NCM economies.



(b) Bed days  
Bed days activity is proportionately lower (better) than MCP and non-NCM averages and 6th lowest of 14 MCP Vanguard sites. The trend is marginally downwards (improving).



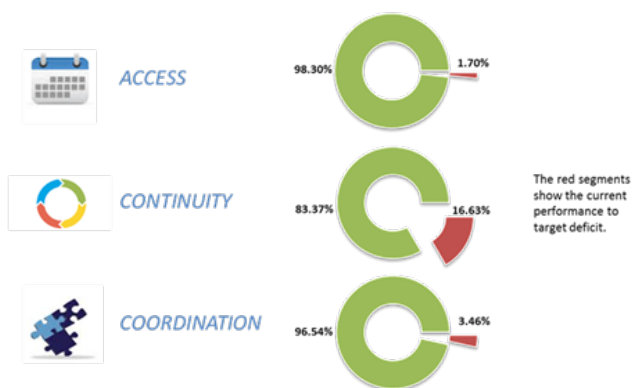
## Local Measures

A key aspect to Dudley CCG's plans for the MCP is the commitment to a robust evaluation of impact. The CCG has commissioned the CSU Strategy Unit to assist in devising this evaluation. Evaluation is an active component of change management, ideally achieving a balance of meaningful practical application and methodological rigour. For the Vanguards, dealing with high levels of complexity and uncertainty, theory-based evaluation offers a robust approach to measuring impact. The Dudley MCP logic model is a key tool to support this approach. The logic model is both a graphic representation of the relationship between programme assets, activities,

intended outcomes and a performance framework for Providers. Currently the required outcomes are being assessed along with the degree of change and impact for service users Dudley CCG is currently finalising the metrics within the Logic Model in partnership with representatives from the local health economy.

The graphic shows the size of the performance 'gap' across a basket of indicators linked to each objective. The model is not yet fully populated so gap data is indicative only at this stage.

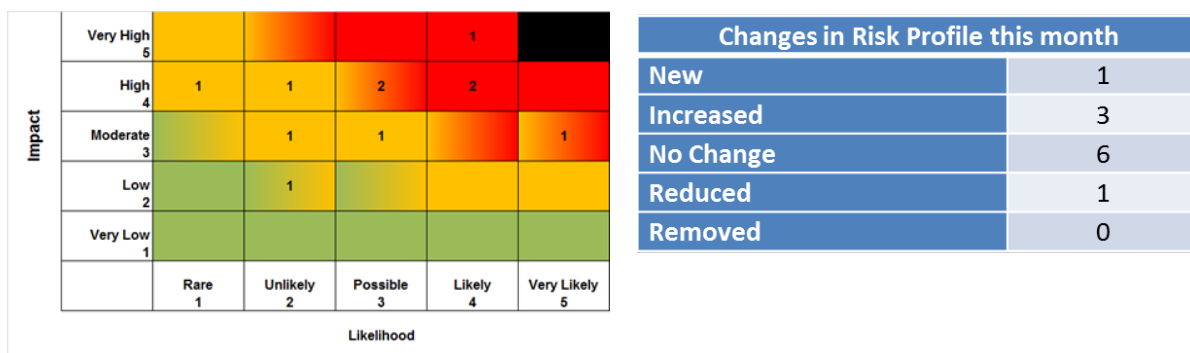
Vanguard Aggregate Scores by Domain



\*Please note that there is not a current performance position for all indicators. The above composite performance gap figures are therefore subject to change once the full suite of measures are compiled.

## Risks & Issues

Risks and Issues (and dependencies between projects) are monitored, with very high and critical risks and issues reported to Partnership Board.



There are three substantial risks for the programme:

- Risk 3 (Partners disagree about the organisational form needed to deliver the model);
- Risk 8 (Programme capacity (staff resources) to deliver the programme within the defined timescales is insufficient);
- Risk 9 (Budget recovery actions within ASC affect programme delivery).

Two programme-level issues remain open. Both are considered 'High Priority' and receive Partnership Board attention:

Critical	High	Medium	Low
0	2	0	0
Changes since last report			
0	-1	-1	0

Issue	Action
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Inconsistent prioritisation of the programme across partner organisations. A number of BAU projects exist and continue to take priority.	Further analysis of system IT architecture against agreed architectural principles
Partners generally are concerned about involvement and consultation within the programme.	(1) Development of the new Value Proposition (2) Planned partner workshop to define the key components & attributes of the NCM in Jan 16 (3) Review of project leadership

### **Law**

11. Project Leads are tasked with identifying legal implications and consulting across partner organisations as appropriate. Support is available from the NHS new care models programme.

### **Equality Impact**

12. None at this stage. Dudley's New Care Model is a 'whole population' model and appropriate consideration is given to equality impacts across all projects.

### **Recommendation**

13. It is recommended that Health Scrutiny Committee receives the report and notes the good progress being made
14. Note that the new model of care will need to be commissioned jointly by the CCG and Dudley MBC



**Paul Maubach**  
**Chief Officer, Dudley CCG**

Contact Officer: Paul Johnston  
Telephone: 01384 813017  
Email: [paul.johnston@dudley.gov.uk](mailto:paul.johnston@dudley.gov.uk)