

<b>Report To (committee):</b>	<b>Health &amp; Adult Social Care and Communities Overview and Scrutiny Committee</b>
<b>Report Title:</b>	<b>Third Sector Grants</b>
<b>Meeting Date:</b>	<b>Thursday 9<sup>th</sup> November 2017</b>

Report Author(s)		Governing Body Lead	
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Outcome Required	Approval		Assurance		Discussion		Information	X
<b>Recommendations:</b>								
<ol style="list-style-type: none"> <li>1. The Third Sector report was taken to the Governing Body meeting on the 2<sup>nd</sup> November 2017. This was agreed and further work to commence with Cheshire East Council to align early intervention commissioning and future strategic direction.</li> <li>2. This report includes all the proposed reduction in grants as well as those grants that are to cease in January 2018.</li> <li>3. The CCGs remain committed to ensure early intervention and prevention programmes are developed across East Cheshire. To this end, the CCGs have ring-fenced £426,000 to integrated commissioning of early intervention and prevention schemes for 2018/19 for Vale Royal and South Cheshire residents..</li> </ol>								



## Executive Summary (key points, purpose, outcomes)

1. This paper provides detail of the CCGs' proposals to alter spending on Third Sector grants as part of our work to achieve financial stability.
2. Between April 2016 and April 2017, NHS Vale Royal CCG and NHS South Cheshire CCG completed an analysis of the Third Sector provision and identified issues including duplication of provision, lack of clarity regarding expected outcomes and disjointed commissioning practices with Local Authority colleagues.
3. The CCGs have been working with Cheshire West and Chester (CWAC) and Cheshire East Councils (CEC) regarding Third Sector commissioning to align these with early intervention and preventative approaches. Work is ongoing with both Local Authorities and Public Health to ensure a holistic approach is taken to exploring early intervention approaches, including promoting community groups and services supported by local communities.
4. The CCGs completed an Equality Impact assessment and Quality Impact assessment on each of the services which would be impacted upon by the proposals. Improving outcomes through strengthening collaborative approaches forms the majority of the mitigating actions identified in the EIA and QIA.

Have the following areas been considered whilst producing this report?	Yes	N/A
Other resource implications (apart from finances covered above)	X	
Equality Impact Assessment (EIA)	X	
Health Inequalities (JSNA, ISNA)	X	
Risks relating to the paper	X	
Quality & Safeguarding (6 C's +1, CASE)	X	
Stakeholder engagement/involvement (member practices/GP Federations, patients & public, providers etc.)	X	
Regulatory, legal, governance & assurance implications	X	
Procurement processes		X

Glossary	
CCE	Clinical Commissioning Executive
CEP	Capped Expenditure Process
CHC	Continuing Health Care
BCF	Better Care Fund
NHS SC CCG	NHS South Cheshire Clinical Commissioning Group
NHS VR CCG	NHS Vale Royal Clinical Commissioning Group



NHS Vale Royal Clinical Commissioning Group



NHS South Cheshire Clinical Commissioning Group

## 1. Summary of Evaluation process

- 1.1 To ensure a fair and equitable process, a multi-professional panel was convened to review the existing grant allocations, determine which services may be met through alternative provision or, where the purpose and unique nature of the service would necessitate the need to continue and efficiency savings could be made by a reduced funding allocation. The panel included the following representatives: Patients Representatives; Clinical lead; CCG Commissioners; Communications Lead; Equality and Diversity Officer and the CCG Quality Assurance Officer.
- 1.2 The CCGs completed an Equality Impact Assessment and a Quality Impact Assessment on identified Third Sector grant agreements. Discussions were held with the two Local Authorities to discuss mitigating actions and reduce any impact on service delivery and patient outcomes.

The recommendation of the panel is to:

1. Serve notice on 11 grant agreements
2. Establish a new contract for palliative care through CHC funding, i.e replace one grant (included in "1" above) with a contract for the same annual value
3. Renew five agreements subject to a reduction in their financial value
4. Renew one agreement with an increase in value

## 2. Recommendation to cease funding where alternative provision exists

2.1 Work was undertaken earlier in 2017 to consider and identify alternatives for each of the services currently covered by the grant allocation. In a number of cases, alternatives exist through universal provision already commissioned by the Local Authority and/or the CCG, so whilst some negative impact is unavoidable however the CCGs are working closely with all providers to ensure the impact is minimised.

2.2 It is recommended to cease funding from 1 January 2018 for the following services:-



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**Table 1: Summary of agreements where grant funding is to cease**

	Provider and service	Rationale/alternative provision available	Saving (full year effect)
1	Carers Trust 4 All (Carers Support)	CCGs contribute to the Better Care Fund scheme covering Carers' Assessment and Support and funding for short breaks	£13,475
2	Carers Trust 4 All (Young Carers)	Services for Young Carers are commissioned through the BCF and work is underway with the Local Authority to develop a specific Carers Hub.	£9,404
3	Visyon (Counselling Services for young people)	The CCGs fund Visyon through other routes for similar provision and this will form part of the wider Visyon contract	£13,156
4.	Cheshire East CAB (General Advocacy)	This is not a statutory service Individuals can access Mental Health Gateway and or CAB services dependent upon need. Both Local Authorities have an interactive portal for residents to use as well as Libraries and other Housing offices.	£25,987



	Provider and service	Rationale/alternative provision available	Saving (full year effect)
5	Crewe YMCA (Housing Support Worker)	Housing Officer support to be delivered through Local Authority Housing Solutions and referrals into the Gateway Team for universal services	£11,789
6	Pathways CIC (Mental Health Services for Black and Minority Ethnic groups)	Patients are able to access mainstream mental health support via the Mental Health Gateway Team. The CCGs would like to ensure that services such as CWP who offer specific assessments and treatment are trained in all aspects of equality and diversity.	£32,637
7	Carers Trust 4 All (Palliative Care)	Grant funding to cease but new contract to be arranged through CHC to deliver care at home, emotional and physical support to patients	£150,725
8	Macmillan Benefit Advice	Macmillan Benefits advice. This service will run through to 2018/19 as Macmillan are to use additional funds available to them. Macmillan will then review this service over the next 12 months to assess requirements	£35,849

2.3 The cessation of grant funding represents a saving of £293,022.00 per annum from the Third Sector grants budget.

2.4 Included in the above figure is a grant of £150,725 to Carers Trust 4 All (palliative care). This service is to be re-provided through a contract from CHC, therefore investment will continue and the impact on patients and the stability of the current provider should be minimal.

2.5 The recommendation to cease funding with effect from 1 January 2018 takes account of the time needed by providers to manage human resources issues and transition/exits for those using the services. This is a key requirement in the mitigation of risk to patients/service users and the reputational risk to the CCGs.



### 3. Recommendation to support ongoing grant arrangements but reduce funding

3.1 The exercise to evaluate suitable alternatives identified that for some services, alternative options do not currently exist and there were significant risks involved if those services were to cease.

3.2 The recommendation for the following services is for funding to continue as there are no real and/or relevant alternatives available. However, in order to meet the objectives of the CEP, it is recommended that the funding allocated to each grant is reduced as set out in the table below.

**Table 2: Summary of agreements where the value of grant is to change**

	Provider /Service Description	Rationale	Current Allocation	Amount of reduction £
1	Age UK Cheshire (Statutory Advocacy)	This is a statutory service that as a CCG we have to fund. To ensure that we have coverage over Vale Royal and South Cheshire an additional £7,700 is to be invested into this service using existing funds	£35,085	(Net increase of £7,700)
2	Homestart Central and West Cheshire (Family Support)	The CCGs have met with this service it provides specific support to Children in need as well as those children who may be subject to court orders. This service is delivered through volunteers that support children and their parents with daily living tasks, parenting skills particular in relation to health visitor visits and nutritional input.	£17,100	£5,100
		Following discussions with Home start the recommendation is to reduce the grant provided and commence conversations with both Local Authorities for a single contractual arrangement between parties.		



3	End of Life Partnership (Training, research and public health initiatives)	<p>This service supports both primary care and other providers to ensure EOL support to both patients and professionals</p> <p>Reduction has been discussed with the provider and accepted. Revised contracts will be issued with effect from 1 October</p>	£243,000	<p>£15,000 (effective from 01.10.17)</p> <p>£5,000 (effective from 01.01.18)</p>
4	IRIS Vision (Low vision resource centre)	This is service for patients with visual impairments. The service is also funded by Cheshire East Council and Cheshire West and Chester Council. The CCG is in discussion with the provider in regards to the reduction of £5,000, as well as looking towards a single contractual arrangement with the local authorities.	£22,716	£5,000
5	Neuromuscular Centre (Specialist physiotherapy)	Provide specialist support and activities for people with neuromuscular conditions. Having met with the provider NMC state the reduction of £20,321 may lead to 20 less people being supported. CCE have recommended that alternative Contract arrangements should be in place for this service.	£90,321	£20,321
6	Stroke Association (Dysphasia and Family Support Services)	Stroke Association provide support for patients who have support needs following a stroke and work with the acute Trust to ensure follow up and early intervention. The reduction has been discussed with the Provider and it has been agreed that 6 week reviews will continue and further work is ongoing to work closely with the acute provider and the Stroke Association to ensure adequate provision is available by the 01.01.18.	£101,355	£40,000



3.2 The reduction (full year effect and taking into account the overall increase to Age UK), is £83,721.00.

3.3 Providers have been contacted about the proposals to reduce funding and a meeting has either taken place or is planned with each to manage the impact of the reduction

3.4 The CCGs have met with both Local Authorities including the Directors of Public Health to explore joint working options, single contractual arrangements with joint budgets and an overall strategic offer for early intervention and prevention services that will support residents within South Cheshire and Vale Royal to access services closer to home.

#### 4. Financial Summary

The following table provides a summary of the value of proposed savings. It should be noted that subject to approval of proposed changes, the CCGs' cumulative investment in Third Sector grants for 2018-19 will be £376,743.

**Table 3: Summary of savings from Third Sector grants**

	£	Comments
1. Value of savings from agreements to cease	£293,022.	Includes savings of £150,725 from the agreement with Carers Trust 4 All (for palliative care) which is to be re-provided through a contract through CHC
2. Value of savings from reduction to current value	83,721	Taking into account an increase of £7,700 to Age UK Cheshire
<b>Total Savings</b>	<b>£376,743</b>	Full year effect

#### Opportunities for joint working with Local Authorities

There are opportunities for working collaboratively with both Cheshire West and Chester Local Authority and Cheshire East Council to have innovative early intervention and prevention provision, reduce duplication, improve outcomes for residents and achieve greater value for money through improved commissioning strategies which are focused on early intervention and prevention. The Third Sector economy has historically been a key provider of these services and the CCGs are committed to working with Partners to ensure residents have services within their communities.



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Working in partnership with Cheshire East Council we are exploring joint commissioning options as well as production of a Joint Strategy for the Third Sector development and a Third Sector Framework that will further support the implementation of early intervention and prevention services in 2018/19.

The CCGs have worked closely with CWAC on a new lead provider model for the Third Sector within Vale Royal and are exploring the option to include the residual Third Sector grant allocation for Vale Royal into the newly commissioned service.

The CCGs are also committed to work with Cheshire East Council on the redesign of the Third Sector provision and will return with proposals in partnership with Cheshire East Council Commissioners, in terms of a strategy for residents and a commissioning approach for provision.

### **Recommendations**

The Third Sector report was taken to the Governing Body meeting on the 2<sup>nd</sup> November 2017. This was agreed and further work to commence with Cheshire East Council to align early intervention commissioning and future strategic direction.



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