

CHESHIRE EAST COUNCIL

REPORT TO: CABINET

Date of Meeting:	9 January 2012
Report of:	Lorraine Butcher, Strategic Director Children, Families & Adults
Subject/Title:	Knutsford Health and Social Care Development
Portfolio Holder:	Councillor Roland Domleo

1.0 Report Summary

- 1.1 The aim of the paper is to seek the support of Cheshire East Council to agree to:
- a) Endorse the drafting of a (non-binding) Memorandum of Understanding (MoU) between Cheshire East Council (CEC), East Cheshire Trust (ECT) and Central and Eastern Cheshire Primary Care Trust (CECPCT) to facilitate the continued development of the project exploring the integration of health and social care services in Knutsford;
 - b) That the preferred site for the development if it proceeds will be on the site of the existing Community Hospital, excluding the neighbouring Stanley Centre site.

2.0 Decision Requested

- 2.1 Cabinet to agree that a Memorandum of Understanding can be entered into by the Chief Executive to enable initial options appraisal work for this project to be undertaken, and to report back to Cabinet at any key points of decision making.

3.0 Reasons for Recommendations

- 3.1 There are a number of overlapping decisions concerning the future of health and social care services in Knutsford. These are:
- a) The temporary closure of Tatton Ward (used for intermediate care) by East Cheshire NHS Trust (ECT).
 - b) The temporary closure of Bexton Court (used for respite care for dementia patients) by Cheshire East Council (CEC).

- c) The consultation on the future services provided from the Stanley centre (mainly used for day activities for vulnerable adults including those with learning difficulties by CEC.
- d) Past consultations on the co-location of the three GP (primary care) services in a single site and the intention to increase the number of integrated and co-located services available in Knutsford.

4.0 Wards Affected

- 4.1 All Knutsford Wards

5.0 Local Ward Members

- 5.1 All Local Ward Members.

6.0 Policy Implications including - Carbon reduction - Health

- 6.1. Knutsford has generally had very good primary care GP services and has been well served by a broad range of community and bed based services (both health and social care) and hospital outreach services provided by East Cheshire Trust. Knutsford is also served by 8 Acute Hospitals within 15 miles (in physical distance). However the current range of services struggle to meet current legal requirements (e.g. disabled access), service needs (e.g. integrated care) and infrastructure requirements (e.g. parking). Patients are also exercising choice and using their personalised budgets to buy more services from non public providers. There is also a need for efficiencies to be addressed in Council run social care services where personalisation is impacting negatively upon the delivery of traditional services resulting in under-occupancy/utilisation of the existing care offer. Each service (Primary, Community and Hospital Healthcare and Social Services) is currently separate and there is limited integration of services between different providers. In addition buildings are not suitable for integrated care. Although many are less than 30 years old the buildings are of mixed quality and do not allow for co-location as precondition to integration part of the agreed shared vision. The current buildings are also inefficient in terms of the waste of energy and efficiency of use of space.
- 6.2 The Health and Social Care Bill actively seeks to promote new delivery models of integrated care, which this model seeks to promote.

7.0 Financial Implications (Director of Finance and Business Services)

- 7.1 The investment rationale would be based upon an improved offer to local health commissioners' better local services at a lower cost per year than the current arrangements. To substantiate this offer, reciprocating plans in local acute providers would be necessary and a number of stakeholders would have to get behind the proposals.

- 7.2 In the initial stages whilst the project governance is being established, each partner will bear their own costs, towards the estimated £50k from each partner. Officer time will be utilised where necessary, from within the existing compliment of officer time. Where a contribution to external costs is required, those will be met from within existing budgets, be it Adult Social Care or Assets depending on the activity/consultancy required. When and if the project moves to the next stages of approval and a formal partnership is established a formal project budget between the partners will be agreed, with required formal contributions required. A further report will be brought to Members to approve such an arrangement.
- 7.3 The rationalisation of Knutsford site has important implications on the Council's Revenue Budget, with the current closure of Bexton Court contributing over three quarters of a million pounds to the delivery of savings against the Adults Budget for 2011/12. Consultation on the permanent arrangements for Bexton Court and the arrangements for the Day Centre currently located within the Stanley Centre are still in hand. It will be important that proposals for Adult Social Care facilities in Knutsford accommodate/factor in the financial and budgetary implications.
- 7.4 The full financial implications, including the potential use of the capital receipts/value, revenue implications and budgetary impact will be detailed in full ahead of any formal contractual liability being agreed.

8.0 Legal Implications (Authorised by the Borough Solicitor)

- 8.1 Advice on this project appears to have been sought from external solicitors, Addleshaw Goddard, who have prepared a draft Memorandum of Understanding. This document now needs to be checked by Cheshire East Council's Legal Department to ensure that it appropriately protects the interests of this Authority.

9.0 Risk Management

- 9.1 An initial assessment of risks and issues is included in Annex A.

10.0 Background and Options

- 10.1 There are a number of overlapping decisions concerning the future of health and social care services in Knutsford. These are:
- i) The temporary closure of Tatton Ward (used for intermediate care) by East Cheshire NHS Trust (ECT);
 - ii) The temporary closure of Bexton Court (used for respite care for dementia patients) by Cheshire East Council (CEC);
 - iii) The consultation on the future services provided from the Stanley centre (mainly used for day activities for vulnerable adults, including those with learning difficulties, by CEC);

- iv) Past consultations on the co-location of the three GP (primary care) services in a single site and the intention to increase the number of integrated and co-located services available in Knutsford.

This paper primarily deals with 4 (above) but it is important to recognise the interrelationship between these discussions. Any new facility will need to consider the re-provision of the temporarily closed bed based services of Tatton and Bexton Court and the future needs of the services provided on the neighbouring site of Stanley House.

10.2 History - There has been a great deal of background to this proposal (further details are at Annex B) and past attempts have failed as commissioners and providers and other parts of the health and wellbeing community have not been united. In particular there was no agreed view on the preferred site and no acceptable funding route for the proposals. Since the previous attempt was suspended some of the services provided in Knutsford have been suspended or are out to consultation for their future provision. These are not part of this paper but any future provision in Knutsford will be expected to be delivered from a joint site. Parties are now agreed on the Bexton Road (formerly Cranford) Community Hospital site as being the preferred site.

10.3 A New Shared Service Vision - There is an opportunity for keeping at the core the good parts of the existing services and to develop and become a leader in delivering something new. All (Health) parties have signed up to a new vision at Annex C. This has a number of elements:

- Primary Care - In terms of health it would be the intention for GPs to retain their own GMS businesses with patients registering with a practice that is owned by GP partners. They would continue to deliver their core primary care services but from more integrated and efficiently used space on a single site to remain within the current estates spend for these services (£215k). However this may create a difficulty for less well off and less mobile individuals who currently access services in Mobberley and Longridge and options are being considered around this and will require particular attention.
- Integrated Care - Acute hospital services will continue to be delivered from Macclesfield and other sites. However it is planned that more services will be delivered jointly by GPs, Hospital Consultants and community based health and social care workers in multi-disciplinary teams. It is believed that these new integrated services can be best provided in people's homes and in co-located centres, such as that proposed for Knutsford. This should improve cooperation, integration and decrease usage, as well as giving improvements in efficiency.
- Bed Based Services -The provision of bed based services, particularly respite care and intermediate care, are highly valued by the local population. However smaller units that are remote from big centres can be difficult to manage safely and recruit to (as well as being more expensive). Initial

analysis shows that there will only be demand for 8 intermediate care beds for the population within the overall Knutsford area (Tatton ward had a majority of patients from other areas) and this level can be undermined by patients making use of their increased levels of choice, and their personalised budgets to use non-public sector provision. However there would be demand for social care and privately funded beds that could become a viable unit; but this would require new delivery models that would allow a greater degree of flexibility of bed use (between uses and between private/public and health/social care provision).

- Therapeutic and Care Services - If well planned these services can take the opportunity to share space but use it at different times; for example Occupational Therapy for clients with learning difficulties can also be used for Occupational Therapy for older people's day care. Physiotherapy can share space at different times with Psychology etc.

10.5 Commercial Opportunities - The town sits within a health economy that has experienced 7-8 years of financial difficulties before current public sector funding cuts occurred. In the absence of Public Capital and PFI's high cost and the failure to transfer (demand) risk to developers (i.e. public sector continuing to bear the risk of underutilisation), new models of funding are being sought. Most of Knutsford has high levels of income and it is assessed that it is a town that will expect to develop new commercial opportunities. Such activity will be attracted to high quality town centre sites and would be a source of possible tenants. It is anticipated that these may come from a variety of sectors mainly linked with health and wellbeing. Specific conditions would be put in place to prevent incompatible use such as tobacco sales, fast food or off-licenses or sun beds.

11.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writers:

Name: Andy Bacon

Designation: Programme Director Knutsford Project CECPT / EC CCG

Tel No: 07980 958088


Email: andy.bacon@nhs.net

Name: Lorraine Butcher

Designation: Strategic Director Children, Families & Adults

Tel No: 01270 6 86021

Email: lorraine.butcher@cheshireeast.gov.uk

	Risk register Knutsford Project					ANNEX A – Risk and Issues	Central and Eastern Cheshire Primary Care Trust	
Risk No.	Description of Risk	Controls	Risk-Assessment		Risk Level	Brief description of action and planned mitigation	Ownership	Review Date
		red = no plan, amber = initial plan, green = detailed plan	Impact (1-5)	Likelihood (1-5)	red=15+ amber=8 to 14			
1	No Agreement to sell	RED	5	3	15	Steering Group and Board to develop joint proposals	ECT/CEC	
2	No Suitable buyers	RED	5	3	15	Market testing, planning issues flushed out, alignment and support of all parties to change	Durrow	
3	No buyers at right price	RED	4	4	16	Minimise onerous covenants and conditions and maximise realistic guarantees	ECT/CEC	
4	Insufficient GP commitment to be tenants	AMBER	5	2	10	Clarity of risks and benefits to practices	GPs	
5		GREEN					ECT, CCG, CEC, GPs	
6	Public oppose change	RED	4	4	16	Comms Plan, & Resources, Public engagement, new ways of engaging	A Bacon	
7	Politicians oppose change	AMBER	4	3	12	Regular engagement and explanation with convincing narrative	A Bacon	
8	Insufficient Data to make clear decisions	RED	4	4	16	Share activity data and JSNA	CEC/CCG	
9	Inadequate resources to run programme: £ for project, individuals to fill posts	RED	5	3	15	Shared agreement to funding of involvement	All	
10	Procurement Process overly complex	AMBER	2	4	8	Form JV/ pre-sale to single party	MO'C	

Issue No.	Description of Issue	Controls	Issue Importance	Options for Resolution	Ownership	Review Date
		red = no plan, amber = initial plan, green = detailed plan	red=15+ amber=8 to 14			
1	Dispensing Income for Annandale Surgery				ECT/CEC	
2	Access for Longridge Population					
3	Access for Moberly Population					
4	Costs of Transactions/transition (esp. for GPs)					
5	Sale of GP Properties					
6	Public lack of concern over GP premises					
7	Public prioritisation of location over quality					
8	Ability to deliver savings through sharing of space and functions					
9	Ability to specify likely affordable need					
10	Understanding of local need for services					
11	Ability to cross subsidise public sector use					
12	Demand for retail and other commercial space in Knutsford					
13	Private sector interest in Knutsford					
14	Fear of private sector taking over					

HISTORY & BACKGROUND

The people of Knutsford have been subjected to a full public consultation and at least three surveys in recent times and so their wishes for their health services are reasonably well understood.

However they are also frustrated by a perception that they have been consulted on many occasions and that there has been limited progress. There is also a perception that they have invested in local facilities only to have them removed with minimal consultation.

There have also been/are on going consultations by CEC on Bexton Court and the Stanley Centre. The Town Council and Planning Group have also recently held 2 new listening exercises to get people's views and a local petition is being prepared about the Stanley centre and more are planned. The variety of views of local residents have been heard and are understood but as some of them are contradictory and as funding is short, it may not be possible to accommodate all their wishes. The current concern is how these aspirations can be delivered and existing services can be maintained (and their quality improved) within static/falling budgets. A good summary of this listening exercise is attached as a separate document.

The local MP has recently expressed enthusiasm for the new centre.

The GPs have also recently developed a shared vision (See Annex C).

Knutsford Health Services - Future Vision Revisited May 2011

This short paper arises from discussions among Knutsford GPs in the spring of 2011. An earlier project to consolidate primary care and recreate the local hospital in a new location in Shaw Heath failed to reach implementation after considerable investment of time and effort by GPs. Two underlying issues remain and need to be addressed.

- The three GP practices in Knutsford are each constrained for space in their separate premises: they must resolve these problems and wish to explore the advantages of coming together in a single location which would allow them to develop and expand their services. The direction of travel for the NHS is for more to be done in primary care and population changes will increase the demand for healthcare.
- The existing Community Hospital premises are quite simply time-expired and need modernisation. The range and dynamism of locally available services has been in decline.

If a significant investment is to be made in a new facility for Knutsford, it will shape the local health service for several decades. It is not easy to look ahead 30yrs and understand how health services will have changed. Neither is it sensible to assume that things will carry on much as they are now. Is the investment to be a catalyst for changing the way services are provided? - Or should the existing services be re-packaged in modern building(s)? There are no proofs.

A completely new centre in Knutsford is proposed. This would have at its core the consolidated and expanded primary care services, allowing the majority of local GPs to practice from the same centre with on-site diagnostic and clinical support. This 'expanded' primary care would allow the inclusion in the partnerships of clinicians who would currently be called 'hospital specialists' i.e. doctors with higher specialist training. It would also encompass physical therapies, homecare services, and other clinical services. The co-location of other high street (private) health and convenience services such as pharmacy, opticians, dentists, alternative therapies, cafe/restaurants etc would be encouraged. Complete flexibility to change the menu of services in response to the times and citizens' demands is the objective.

The centre would include a local emergency assessment centre which would allow medical emergencies to be rapidly assessed - some would then be escalated to an acute hospital for specialist acute care but others could be managed locally with a combination of inpatient and homecare.

A small inpatient unit would be included in the new centre, probably between 30-60 beds all in single en-suite rooms allowing a very flexible use across sexes and the dependency spectrum.

The investment rationale would be based upon an improved offer to local health commissioners: better local services at a lower cost per year than the current arrangements. To substantiate this offer, reciprocating plans in local acute providers would be necessary and a number of stakeholders would have to get behind the proposals:

- Macclesfield hospital is the acute provider with the closest interest and for whom a 'compete or collaborate' response would be important. Knutsford GPs would like to explore the collaborative possibilities.

- The Local Authority would need to understand and integrate the new centre into the town plan with parking and highway issues resolved - they would also wish to consider the degree of integration with social services.
- There would be advantages in local community health services being closely involved and integrating them in the centre.
- The NHS authorities would need to understand that the new proposal is congruent with NHS strategy.

Someone will need to put up the money. Experience teaches that neither PFI or LIFT offer the prospect of rapid implementation on attractive terms? Public sector direct investment might be attractive but is probably unavailable in the short term and its internal processes are not quick. The short term is important: in the absence of an agreed joint plan, the three practices will have to take action to resolve their respective accommodation problems.

A third-party private investment may be possible with the NHS taking a normal commercial lease or there may be joint-venture opportunities. There is growing interest in these alternatives as the concerns around PFI/LIFT become more widely understood.

Detailed planning would need to verify the requirements but a well designed modern facility of 15,000m² would probably be in the ball-park and such a facility could probably be built in the site of the existing building of Bexton Court and Stanley House (which it would completely replace.)

What now?

A working consensus of the existing acute and GP providers is required on the ambition and scope of the plan - this is very different from unanimous buy-in and complete agreement on the details. If this working consensus can be established, it might be sensible to conduct exploratory conversations with the Local Authority, community health services, and the PCT. Discreet soundings on the likely requirements of a private investor(s) might be helpful to test the practicality of using non-NHS capital?

The first step is for Knutsford GPs to signal agreement/disagreement with the direction of travel and scope of the proposals.

AB
10/5/11