

**NHS DARLINGTON STATUTORY BOARD**

**County Durham and Darlington Community Health Services  
Progress Report**

**1. Introduction/Summary of Report**

During the past three months, the community Health Services Board (CHSB) and the management team have focused on the delivery of high quality, patient centred care in the emerging environment of financial challenge and transformational change. This paper outlines some of the major issues that have been addressed and will provide assurance to the Board of NHS Darlington that there are robust processes in place to maintain a sound system of internal control.

**2. Implications and Risks**

(Please respond to the questions below)

**a) Will there be a significant impact on patients or patient care?**

Yes

**b) Are there any financial implications to implementing this item?**

No

**c) Will there be an impact on equality, diversity or human rights?**

No

**d) Does this item form an essential part of quality or performance standards, eg Healthcare commission, NHS Litigation Authority? (If yes, detail which standard and include a brief summary of the implications)**

Ensuring the Board is updated on the current situation in relation to the provision of community health services, as part of the PCT's system of internal control.

**3. Recommendation**

The Board is requested to:

- I. Note the content of this report
- II. Comment on the management of the risks presented

**4. Submitted by:**

Name: Tom Hunt  
Title: Interim Chief Operating Officer  
Date: 11 January 2010

**5. Purpose of the paper**

Information sharing  Development/discussion  Decision/action

Commercial in Confidence

## **County Durham and Darlington Community Health Services Progress Update**

### **1 Introduction**

County Durham and Darlington Community Health Services (CDDCHS) became an arms length body in November 2009 under the legal establishment of NHS Darlington. A scheme of delegation was approved by NHS Darlington to allow CDDCHS to function within a legal framework.

During the past three months, the Community Health Services Board (CHSB) and the management team have focused on the delivery of high quality, patient centred care in the emerging environment of financial challenge and transformational change. This paper outlines some of the major issues that have been addressed and will provide assurance to the Board of NHS Darlington that there are robust processes in place to maintain a sound system of internal control.

### **2 Context**

The focus of CDDCHS has been on the delivery of high quality, patient centred care. To this end, an Integrated Business Plan (IBP) is being developed that will map out the business plans for CDDCHS for the period 2010 to 2014. An Outline Business Plan was considered at the first meeting of the CDDCHS Board, where the following vision was agreed:

As a provider of Community Health Services:

“We will be a first class provider of healthcare services, putting customers and patients at the centre of what we do.

We will work in partnership and alliances to be the care provider of choice”

A high level framework of the IBP has now been completed (a 92 page document), with work started within operational divisions and support services on their supporting business plans.

Draft finance, workforce, IM&T and estate plans are in place. Roadshows have been organised to enable staff to both understand and contribute to the planning of CDDCHS.

Although the current financial, policy and political environment makes this a challenging agenda, additional risks are presented from the local volatility associated with the imminent timelines for the consideration of TCS options, expressions of interest for social enterprises, notice of termination of contracts and the direction to reduce management costs by 30%.

### **3 Progress from November 2009 – January 2010**

#### **3.1 Independent members and the Community Health Services Board**

The Independent Chair for CDDCHS, Brian Everett, was appointed and two further independent lay members, Melanie Pears and Peter Rowley were also appointed following Appointment Commission approval. The CHSB has already met on two occasions and will meet a minimum of 10 times during the year.

#### **3.2 Management and committee structure**

The Interim Chief Operating Officer, Tom Hunt, was appointed and with the Director of Community Services, Carole Harder and the Director of Nursing, AHPS and Clinical Quality, Linda Templey, the portfolios of each Director were reviewed and changes implemented. The Executive Management Team consists of the three Directors and the Associate Director of Human Resources and Organisational Development, Barbara Bright and the Associate Director of Health Improvement, Lee Mack. Together they have formed a cohesive team with the delivery of first class community services as their strategic goal.

The management structure was reviewed and a new model of management was approved and implemented to ensure that senior managers have the consistent knowledge and authority to support their staff in the delivery of excellent services.

A new committee structure was established to facilitate assurance to the Community Health Services Board that there were robust processes in place (Appendix 1). This was approved in December 2009 and terms of reference for the CHSB sub-committees have been ratified.

#### **3.3 Internal control and risk management**

##### **I. Integrated Governance Sub-Committee**

NHS Darlington's Audit and Risk Committee established a sub-committee known as the Integrated Governance Committee and the three independent lay members of CDDCHS make up the membership. The terms of reference have been approved and the first meeting of this sub-committee will be held in early February. The chair of this meeting will be Peter Rowley. The role of this sub-committee is to review the internal control mechanisms that are in place within CDDCHS and to provide assurance to the PCT Audit and Risk Committee.

## II. Risk Management Committee

The Risk Management Committee has been established as a sub-committee of CHSB and the terms of reference were approved in December. The first meeting will be held on 29 January 2010. The role of the committee is to review the work undertaken by all areas of CDDCHS and review aspects where there are high level risks to the organisation. This will include all aspects of internal control prior to presentation to CHSB and Integrated Governance Sub-Committee.

An assurance framework based on previously agreed objectives is in place. The ongoing assurance framework will be based on the key strategic priorities of CDDCHS.

There is currently intensive multi-disciplinary work underway to review how risk is reported to the risk management committee and subsequently the CHSB. This work ensures that each directorate of the organisation has a risk register for local and directorate risks and that these feed into a corporate risk register which will collate all high and extreme level risks to allow the CHSB to be fully aware of any serious threats to CDDCHS.

## III. Standards for Better Health 2009 – 2010 and new registration system for provider organisations from April 2010

In early December 2009, the annual health check submission for April-October 2009 was made to the Care Quality Commission. A position of full compliance to all 24 standards was made following approval by CHSB on the 1 December 2009. CDDCHS is required to inform the Care Quality Commission of any alterations of changes in circumstances prior to 31 March 2010.

In January 2010, CDDCHS is required to register with the Care Quality Commission along with all other provider organisations who deliver health and social care in England. This is legislated within the Health and Social Care Act 2008 (Regulated Activities) Regulations 2009 and the Care Quality Commission (Registration) Regulations 2009. (Parliamentary approval expected April 2010). This new inspection system will become effective from 1 April 2010 and until then the Standards for Better Health will be the mechanism for monitoring compliance.

The new system will focus on outcomes rather than systems and processes and places the views and experiences of people who use the services at its centre. As a provider of regulated activities, CDDCHS must be registered with the Care Quality Commission before it can carry out its activities and the Commission will also monitor services in the future using their powers of enforcement to bring about improvement in poor services, or to prevent a provider from carrying out its regulated activities. CDDCHS has registered 8 locations within its profile. These are:

- All community services will be recorded under HQ at Doctor Piper House as their overarching location
- Richardson Community Hospital
- Sedgefield Community Hospital
- Weardale Community Hospital
- HMP Durham
- HMP Frankland
- HMYOI Low Newton
- HMYOI Deerbolt

### **3.4 Finance**

David Chandler has been appointed to the position of Interim Assistant Director of Finance. The remainder of provider services financial management team will transfer to CDDCHS (NHS Darlington) on 1 February 2010 following a satisfactory consultation process. This will provide further separation of provision from commissioning business, as will the establishment of a separate finance ledger and bank account from 1 April 2010.

Regular and comprehensive presentation of the 'Finance Dashboard' to the CDDCHS Board provides the confidence that CDDCHS will deliver a financial position for 2009/10 within agreed resources.

A Medium Term Financial Plan (MTFP) has been considered by the CDDCHS Board and is regularly updated to accord with commissioning intentions. The MTFP factors in the latest available data for technical and allocative efficiencies.

The baseline budgets for 2010/11 and the associated workforce plan would be greatly assisted by an early indication from commissioners in relation to any baseline Annual Operating Plan (AOP), investment for demographic demand, out of hospital services or other developments. Establishing balanced budgets in future years will present a demanding challenge.

A 'Future Liabilities Agreement' has been shared with the Joint Director of Finance (NHS Durham and NHS Darlington). Although broad agreement has been reached, a signed document remains outstanding.

### **3.5 Quality, Innovation, Productivity and Prevention (QIPP)**

CDDCHS continues to play a full and active role in the delivery of the Local Health Community (LHC) QIPP plans. Following a series of meetings with commissioning colleagues and internal meetings aimed at aligning our approach to the LHC plans, we have identified a significant range of community based services for consideration.

Internal innovation processes continue to be implemented utilising the DRIVER methodology developed with Oaklands. 129 people have now been trained as improvement facilitators. A range of breakthrough projects are being implemented and are ahead of schedule. Other key breakthrough projects are now in position to progress, eg central waiting list management, choose and book, MAPS (an electronic rostering system).

A project group to consider the options for transforming district nursing services has recently been established.

The Director of Nursing, AHPs and Clinical Quality is also taking forward the eight 'High Impact Actions' identified by the Chief Nursing Officer for England.

Prevention – The Health Improvement Services have set themselves the goal of becoming a national lead in community based preventative care. This very much builds upon the QIPP agenda and the recent DH publication: *'NHS 2010-2015 - from Good to Great, preventative, people centred, productive'*.

A draft framework of this CHS wide prevention strategy is currently being considered.

Productivity – Work continues on the development of outcome and activity systems. Our work on adult services will be part of the roll-out of the new national community data set.

Work is also underway on reference costs, in particular on health visiting.

Discussions have commenced with commissioners in relation to providing increased productivity in 2010/11 at marginal costs, utilising the above outcome and activity systems.

### **3.6 Notice of termination for the provision of community services**

In response to receiving notice of termination from County Durham and Darlington commissioners in relation to the community health services provided by CDDCHS, the Executive Management Team has been working with commissioners to identify the timeline and actions to be taken on the strategic contractual review of all community services within County Durham and Darlington Community Health Services portfolio of 53 services.

The overall timeline for this contract review process is as follows:

- Contract review process begins January 2010
- All services to be contractually reviewed will be grouped into three 'bundles' to be progressed during 2010. The priority services in the first group or bundle are:
  - Community nursing/integrated teams
  - Health visiting/school nursing
  - Intermediate care

- Details of second and third bundles will be finalised in January 2010
- New contracting arrangements to be implemented on 1 April 2011 in line with the timelines outlined within the recently published Operating Framework for 2010/11.

Commissioners have reviewed the CDDCHS services and the following services will not be included in the forthcoming contract review process. It should be noted, however, that separate arrangements will be made to contractually review the following areas:

- Offender health
- Neuro services (brain injury)
- DVT (new service)
- Interpretation (new service)
- Tier 2 pain management (FT)
- Adult and Paediatric Podiatric surgery services (new service)
- Paediatric Dietetics and Nutrition
- Local enhanced services
- Violent patients
- Public health/health improvement
- Darzi Centre
- Community Alcohol Service (DAAT)
- Provider Services Medicines Management

We are now establishing a detailed project plan in partnership with commissioners, which will identify the key actions and milestones required to deliver the agreed contracting arrangements commencing on 1 April 2011.

In addition, County Durham and Darlington Foundation Trust (CDDFT) have given notice on the contracts for the provision of a range of therapy services CDDCHS provide to them. The Director of Community Services is currently leading discussions with CDDFT to enable us to manage the service, financial and manpower implications.

A series of roadshows and team briefings have been put in place as well as information on the provider website to keep staff informed of progress.

Contracting Infrastructure – John Inglis-Jones, now acting in an interim contracting role, will be the lead on review of community contract with NHS Durham. Additional resources will be brought in to support the 2010/11 contracts review. External support and expertise are also in place to enhance skills and provide specialist expertise.

Unsuccessful bids – John Inglis-Jones is drafting a note and a learning exercise is planned to pick up the feedback received from PRONE in relation to the Out of Hours Service in Teesside.

New Business – Epilepsy service now out for expressions of interest. This is being assessed as an opportunity.

IAPT – The IAPT bid is at the PQQ stage and has been developed in two forms – as a single bid from CDDCHS and as a joint bid with Mental Health Matters and Tees, Esk and Wear Valley Trust. Our single bid has been submitted. The Joint bid was given an extension target of Monday 11 January for completion.

### **3.7 Adverse Winter weather conditions**

The nature of community health services is that staff are required to drive around the county in all kinds of weather conditions. During what has become extreme conditions, the staff of CDDCHS have continued to visit patients and support carers to provide treatments when visits were impossible. Staff who have worked in the community hospital settings have managed to work their duties and local staff have worked extra hours to ensure that patients are cared for. Urgent care staff have slept over to ensure the availability of clinical care and district nursing staff have undertaken their visits on foot. Staff have been commended for their dedication and commitment to their patients.

### **3.8 Performance**

The CDDCHS Board routinely receives performance reports that demonstrate a high level of performance against all vital signs, with some minor exceptions in dental GA activity and breastfeeding targets in Easington.

### **3.9 Communications**

In the current dynamic and volatile environment, effective communications to the 3,200 staff we employ is essential.

A new team brief cascade linked to the Leadership Group is being implemented.

A new website development is on target, with the outline website designed and ready for population.

### **3.10 Leadership Development**

CDDCHS has just completed the first programme of 40 business and clinical leaders. The second programme will commence in February 2010. This programme has been delivered in partnership with the University of Teesside and is accredited at Post Graduate Certificate level.

Such leadership development and the enthusiasm displayed by the participants will be a crucial component for transforming community services.

### **3.11 Transforming Community Services Options**

Board members will recall that on 17 September 2009 that they considered a range of options for community health services.

At this meeting, the Board agreed to the establishment of an arms length provider model, as a holding position. The Board also agreed to delegate authority to the CHS Board to lead the next stage of work which will involve making further recommendations to the statutory Board.

In October 2009, the Board received and noted an expression of interest for a Social Enterprise, covering the entire scope of CDDCHS business.

I have recently received a further expression of interest for a Social Enterprise from the Crook District Nursing Service (day service).

The Operating Framework 2010/11 states that:

“By March 2010, PCTs must have agreed with their Strategic Health Authority, proposals for the future organisational structure of all current PCT provided community services ..... We shall issue guidance shortly confirming the range of options available and the approval, assurance and engagement processes”.

The Chair and Interim Chief Operating Officer are currently in discussions with a range of interested partners.

Clearly, late guidance on the approval, assurance and engagement processes and the timescale of March 2010 present both a formidable challenge and risk.

#### **4 Summary**

This comprehensive report details extracts of the considerable progress of CDDCHS over the previous two to three months.

It serves to provide assurance to the Board of NHS Darlington that all current responsibilities should be delivered for the year ending 31 March 2010.

However, the report also highlights the risks to CDDCHS business in the current environment and the challenges it faces in the years ahead.

#### **5 Recommendations:**

The Board is requested to:

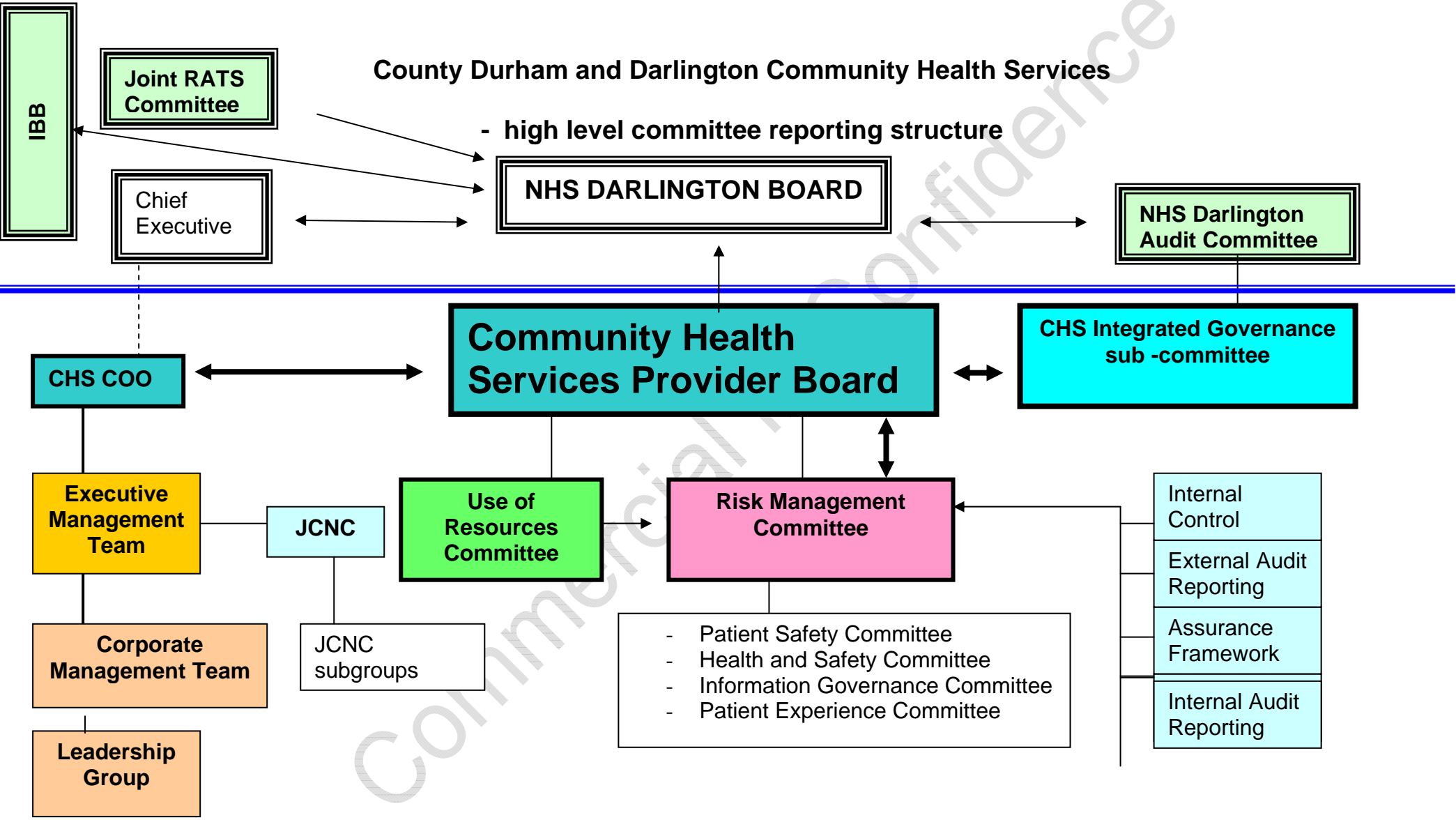
1. note the content of this report
2. comment on the management of the risks presented

**Tom Hunt**  
**Interim Chief Operating Officer**  
**County Durham and Darlington Community Health Services**

APPENDIX 1

County Durham and Darlington Community Health Services

- high level committee reporting structure



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