

AGENDA ITEM

2.2.3

PLANNING, PERFORMANCE AND FINANCE COMMITTEE
REGIONAL PARTNERSHIP BOARD TRANSFORMATION
FUND UPDATE

Date of meeting	27/04/2021
FOI Status	Open/Public
If closed please indicate reason	Choose an item.
Prepared by	Chris Coslett, Assistant Director of Planning (Interim)
Presented by	Clare Williams, Director of Planning and Performance (Interim)
Approving Executive Sponsor	Executive Director of Planning & Performance
Report purpose	FOR NOTING

Engagement (internal/external) undertaken to date (including receipt/consideration at Committee/group)

Committee/Group/Individuals	Date	Outcome
Population Health and Partnerships Committee	07/04/2021	NOTED

ACRONYMS

RPB	Regional Partnership Board
CTM	Cwm Taf Morgannwg
D2RA	Discharge to Recover and Assess
ICF	Integrated Care Fund
IPC	Institute of Public Care, Oxford Brooks University
WG	Welsh Government

1. SITUATION/BACKGROUND

- 1.1 This paper was tabled for discussion at the Population Health and Partnerships Committee on 7th April 2021, however due to the financial matters and risks that are covered within the report, the action arising from that meeting was for this to be deferred to the Planning, Performance and Finance (PPF) Committee to review and note the financial risks.
- 1.2 Within Cwm Taf Morgannwg (CTM), the Welsh Government (WG) Transformation Grant is overseen by the CTM Regional Partnership Board and there are 8 programmes of work funded through this, covering the following four key areas:
- Community health and care;
 - Early help;
 - Alternatives to hospital care; and
 - Integrated primary and social care arrangements.
- 1.3 This paper sets out the funding allocation for 2021/22, the challenges associated with delivery against this and the plans in relation to sustainability, in the context of this fund being due to end at the end of March 2022.

2. SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

Transformation funding for 2021/22

- 2.1 The award letter for the Transformation Programme for 2021/22 was received in December 2020, with the final award of £7m representing an increase on the original indicative £4.2m.
- 2.2 This does, however, represent a financial risk, as the business case submitted against this fund in August 2020 was for £13.2m, which was subsequently revised down to £10.6m. Options to carry funding forward from 2020/21 to 2021/22 have been explored however this is not possible. In light of the shortfall in funding, all work stream budgets have been further reviewed and from this a few proposals have been put forward where there is the potential to mainstream costs into core services or further reduce the current cost base. These proposals have yet to be agreed and final figures confirmed, however if agreed the total funding required to sustain the programme would be in the region of £9.1m for 2021/22, therefore a shortfall of £2.1m against the funding allocation.
- 2.3 It is important to note that within the Transformation Sustainability Plan, there was an assumption that a significant proportion of the

funding required to support the programme could be delivered through the redirection of other recurrent funding streams, predicated on cost release from existing models of care. The impact of Covid-19 has been disruptive, however, and this has meant that some Transformation delivery has been paused and to a degree reframed towards COVID-19. The result of this is that robust assessment of the impact of new services and the extent to which they will support cost release has not yet been possible.

- 2.4 Aligned to this, in early March WG announced a 'Transformation Scaling Fund' for 2021/22. The purpose of this funding is to build on existing Hospital to Home / Discharge to Recover and Assess (D2RA) activity in order to scale within and across regions. The intention is that funding should be used to support and enhance the Pathways specified within the D2RA guidance, with a view to ensuring that there is a regional approach across the RPB in delivering the D2RA model.
- 2.5 The CTM allocation of the Transformation Scaling fund is £907,800 and applications for this funding need to be made by the 9 April 2021. As much of the current Transformation Programme supports the D2RA pathways and principles, it is envisaged that this additional funding can add capacity to sustain and bolster the available transformation funding.
- 2.6 Work is ongoing to determine how the funding shortfall will be met in year, with a focus on service efficiencies as well as aligning the Transformation and Transformation Scaling Funds. The financial risk is mitigated by the fact that many staff in the specific work streams are fixed term and therefore these can end in year should there be insufficient funding available to continue.

Sustainability-

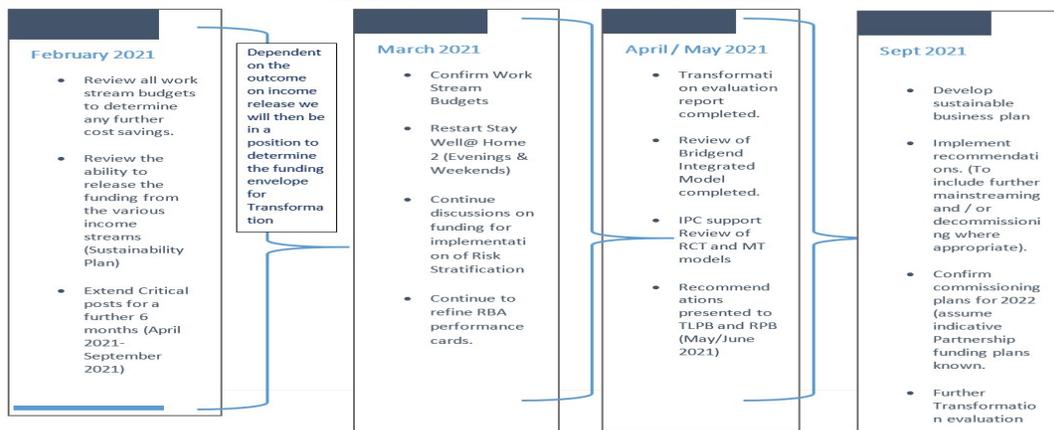
- 2.7 The Transformation Programme grants are due to end in March 2022, so by September 2021 partners will be required to take a view on the impact of each work stream and which services and activities will be mainstreamed into ongoing core activity/ funding.
- 2.8 Aligned to this, the Integrated Care Fund (ICF) programme is using approximately £7.5m per annum on a range of programmes for adults, some closely linked with the transformation fund support, across the region. There is further short-term funding such as resources to address Winter Pressures and recent monies from WG in relation to the response to Covid-19. WG have signalled that arrangements for support through the ICF may change, and that

there may also be changes in arrangements for support through short-term resources such as Winter Pressures funding.

- 2.9 In light of the above, the RPB is exploring how to take a more whole-system perspective when planning for the further development and implementation of integrated health and social care services from 2022. There will be a focus on delivering a more coordinated approach to the use of resources, to secure the aspirations of the 'A Healthier Wales' Plan and to deliver better outcomes for people and local communities.
- 2.10 By September 2021 the RPB plans to be in a position to agree:
- An overall model for the configuration of services in local areas in CTM;
 - How it intends to work towards that model and
 - How it will approach the deployment of core and any grant funded resources across the system to enable it to do this.
- 2.11 It is planned to achieve this through:
- A review of the overall configuration of community-based services across CTM and the impact that they have had in 2019-21, drawing on evaluations of the programmes above. This would involve detailed data analysis including financial analysis, service user, professional and managerial interviews.
 - The Institute of Public Care (IPC) Oxford Brookes University have been engaged to review the service model in Bridgend, aiming to set out an optimal model for integrated community services. A business case for the sustainability of the model and a dynamic service, financial and performance framework will also be developed. To achieve a regional picture, Rhondda Cynon Taf and Merthyr Tydfil have also now engaged IPC to support the same.
 - An exercise with the RPB and its members to agree shared principles and design elements for primary, community and social care services for adults across the region. This could be undertaken through a series of workshops and individual interviews.
 - An analysis of each local area against these principles and design elements, and identification of key development gaps and how they need to be addressed. This could be undertaken through reviews of activity under the range of WG grants, plus performance and activity data across the system.
 - Development of a shared plan for ongoing transformation from 2022 addressing these gaps for consultation with stakeholders. This would require more detailed discussion with key stakeholders in interviews, workshops and formal meetings.



TRANSFORMATION PROGRAMME CRITICAL PATH



3. KEY RISKS/MATTERS FOR ESCALATION TO BOARD/COMMITTEE

- 3.1 There is a risk in relation to the current gap of £2.1m between the available funding and projected costs of the Transformation programme. As set out above, work is ongoing to manage this financial risk and maintain service delivery.
- 3.2 There is a further risk in relation to the plans for sustainability beyond 2021/22, when the Transformation funding is due to end. As described above, work is ongoing to determine an approach to identify those services that have been efficient and effective and how to mainstream funding for these.

4. IMPACT ASSESSMENT

Quality/Safety/Patient Experience implications	Yes (Please see detail below)
	The Transformation fund is funding 8 separate services, a shortfall in funding in year or failure to identify recurrent funding could result in some or all of these services being removed.
Related Health and Care standard(s)	Staff and Resources
	If more than one Healthcare Standard applies please list below: Staying healthy, safe care, individual care, timely care, dignified care, effective care
Equality impact assessment completed	No (Include further detail below)
	EQIA would be completed in relation to any decisions made regarding services.
Legal implications / impact	There are no specific legal implications related to the activity outlined in this report.



Resource (Capital/Revenue £/Workforce) implications / Impact	Yes (Include further detail below)
	As set out, there is work ongoing to determine how to deliver this programme within the available funding and how to sustain this once the funding ends
Link to Strategic Well-being Objectives	Provide high quality, evidence based, and accessible care

5. RECOMMENDATION

- 5.1 The Planning, Performance and Finance Committee are asked to:
- 5.2 **NOTE** the report
- 5.3 **NOTE** the risk in relation to the current gap of £2.1m between the available funding and projected costs of the Transformation programme.
- 5.4 **NOTE** the further risk in relation to the plans for sustainability beyond 2021/22, when the Transformation funding is due to end.