

Birmingham City Council

Report to Cabinet

21 January 2020



Subject: EARLY INTERVENTION PROGRAMME – ROLL-OUT OF THE EARLY INTERVENTION COMMUNITY TEAM

Report of: Professor Graeme Betts
Director - Adult Social Care

Relevant Cabinet Member: Cllr Paulette Hamilton - Health and Social Care

Relevant O &S Chair(s): Cllr Rob Pocock - Health and Social Care

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Are specific wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
Is this a key decision? If relevant, add Forward Plan Reference: 007274/2019	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? Paragraph 3 of 12A of the Local Government Act 1972 (as amended) - Information relating to the financial or business affairs of any particular person (including the council).	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

1. Executive Summary

- 1.1 The purpose of this report is to seek approval from Cabinet to extend a work order through the contract with Bloom Procurement Services Limited for the provision of specialist organisational change partners – Newton Europe Limited - to improve outcomes for citizens and to realise financial benefits

through developing, testing and rolling-out an integrated health and social care model for older people. This is one element of our approach to investing in system capacity for transformational change, alongside building the “in-house” capacity of the system to lead and deliver sustainable transformation in the future.

- 1.2 It is proposed to vary the existing work order to complete the citywide roll-out of the Early Intervention Community Team (EICT). This will build on the success of the prototype within the South locality which has demonstrated the value of the model in terms of improved cross-system working and increased independence for citizens.
- 1.3 Whilst the rollout of EICT was one of the deliverables for the existing work order, system partners are agreed that, contractually, Newton Europe are not liable for the inability to complete EICT rollout within the timeframe and resources defined by the work order. Rather it is a reflection that the programme is breaking new ground in terms of integration within a very complex system – so that at the commencement of the programme there were few points of reference to benchmark timescales and expectations. Unfortunately, delays have been experienced in the programme – mostly relating to capacity and workforce issues – and as a consequence it has not been possible to complete the rollout of EICT as originally programmed.
- 1.4 System partners are satisfied that the Early Intervention programme is delivering significant and sustainable change that is leading to improved outcomes for older citizens in Birmingham and that Newton have committed resources to support the system that are commensurate with the terms of the work order. The programme is recognised as a national exemplar of innovation for the way in which it is bringing partners together to design and implement system transformation in a complex environment.
- 1.5 Partners have learnt a great deal during the last 12 months of programme delivery and have worked together to develop a robust action plan for completing the rollout of EICT (**Appendix 1**). This takes account of the lessons learnt – especially the need to ensure that implementation is properly resourced in respect of the operational teams who will be delivering change.

2 Recommendations

2.1 That Cabinet:

- 2.1.1 Approves an extension to the existing work order with Newton Europe (via Bloom Procurement Service Limited) to provide cross-system support for the Early Intervention Programme.
- 2.1.2 Notes the contents of the financial information contained within the **Exempt Appendix 4**

2.1.3 Authorises the Director of Adult Social Care and Chief Financial Officer to conclude negotiations agree the terms of the work order extension within the following parameters:

- Completion of a fully implemented and sustainable Early Intervention Community Team model across the city;
- Work order end date of 30 September 2020 – with work scheduled to be completed by 24 July 2020.

2.1.4 Authorises the City Solicitor (or their delegate) to conclude and enter into all legal documents to give effect to the above recommendations.

3. Background

3.1 Cabinet received a business case and approved a strategy report on 26th June 2018 to enter into a procurement process to appoint external support on behalf of the Birmingham Health and Social Care System (Birmingham City Council, Birmingham and Solihull Clinical Commissioning Group, Sandwell and West Birmingham Clinical Commissioning Group, University Hospitals Birmingham NHS Foundation Trust, Birmingham Community Healthcare NHS Foundation Trust and Birmingham and Solihull Mental Health NHS Foundation Trust) to deliver the improvements for citizens and financial benefits for the system identified in the business case.

3.2 Subsequently Newton Europe Limited were engaged – in December 2018 - through the Bloom procurement framework to provide this external capacity for a fee of £10.25m. The key deliverables in the work order were:

- Design and test an integrated care pathway (5 components) in one locality of the city
- Geographical roll-out of the integrated care pathway across remaining localities
- Support organisations within the system to be ready for roll-out
- Monitoring achievement of the integrated care pathway
- Additional, free, diagnostic assessment of Prevention and/or Ongoing Personalised Support
- Objective of ensuring that each workstream is achieving silver status on the Sustainability Matrix
- Fee Guarantee – recurring annualised financial benefits of at least £14,516,250

3.3 The existing work order with Bloom is due to expire on 31 January 2020.

- 3.4 During the period, Newton Europe has supported the local health and social care system, through the Early Intervention Programme, to successfully deliver sustainable, transformational change.
- 3.5 Whilst the current work order has been delivered to the satisfaction of system partners and to BCC as the contract manager, it is accepted that it has not been possible to fully achieve the ambition of the work order deliverables in the agreed period. Specifically, the roll-out of one of the components – Early Intervention Community Teams (EICT) – has not been achieved. It is accepted by system partners that this outcome was a consequence of system workforce issues that could not be foreseen in a way to enable partners to deploy resource capacity to meet the requirements of the programme plan. It is also a reflection of the innovative nature of the programme; with few exemplars to use as templates for predicting accurate delivery timescales. Consequently, all parties have come to recognise that the original plan was overly ambitious – underestimating the complexity of effecting change in such a complex health and social care system with multiple partners and ongoing operational pressures. In accordance with the terms and conditions of the work order, Newton served a corrective action notice in respect of this issue. The notice was accepted as being reasonable – and prevented the achievement of contractual outputs both in terms of delivery and the associated forecast financial benefits.
- 3.6 EICT is the most challenging but critical element of the Early Intervention model. Full implementation of EICT requires the creation of five new delivery teams – one in each locality of the city. These are multi-disciplinary teams; aligning professionals from different organisations to work together to provide a co-ordinated and consistent service to citizens who need intensive, short-term interventions. As the “new” part of the model, EICT provides the crucial element that gives professionals in other components the confidence that citizens will be properly and safely cared for in their own home. Conversely a lack of confidence in the ability for care to be provided at home results in longer stays in hospital and referrals to short-term nursing and residential care; with the potential for negative impacts on citizens’ independence and capacity.
- 3.7 The system’s Finance, Performance and Delivery Group has validated that, despite the lack of full programme delivery, the programme has already delivered significant, annually recurring financial benefits for the system. At the 5th December EI Steering Group “live” benefits of £14.4m were reported; with potential for benefits of up to £18m to be realised from the current changes that have been implemented. The latter is dependent upon system capacity and performance management.
- 3.8 However, there is a remaining opportunity to realise further improved citizen outcomes and system financial benefits through fully implementing the EICT model. The full programme financial benefit target for the whole system is forecast as a potential £33.6m per annum.
- 3.9 The Birmingham Older People Partnership Board (BOPPB) have agreed that it is essential – in terms of realising the remaining opportunity for improvement – that the programme is fully delivered. BOPPB considered a range of options on

2 October 2019 and determined that it would be necessary to maintain external support for the next phase of transformation and that their preference would be for Newton Europe to continue to provide this support.

3.10 The Better Care Fund Commissioning Executive are the accountable system body for the Bloom Contract as the work was commissioned by the Executive using Better Care Fund resources. The Commissioning Executive has identified that further funding is available to support the delivery of the extension of the external capacity.

3.11 The Local Government Association/Better Care Fund Support Team provided a Peer Panel Review for the system on 26th July 2019. This session was designed to provide support and challenge to the system in respect of the Early Intervention Programme. The Panel subsequently provided a feedback letter. Key points include:

- Ensuring that the programme of change is owned by all across the system as we transition from test-bedding innovation to implementing a whole system change programme;
- “Ensure the programme is supported by both rigorous programme management and an organisational development programme supported by strong and visible system leadership. The system needs to consider investing in substantial programme management expertise, ensuring that a system-wide and rigorous programme management office approach is in place.”
- “...all of the statutory bodies involved will need to remain committed to be prepared to see through tough decisions if the improvements are to be consolidated and not lost. The system will need to invest substantially in these changes.”

3.12 Following the panel’s feedback as we move into future phases of transformation the system is considering investing in “in-house” capacity for change management so that we are able to lead and own future improvement programmes.

3.13 The financial information relating to the extension is contained within the **Exempt Appendix 4**.

4. Options considered and Recommended Proposal

4.1 Options have been evaluated in the context of three key considerations:

- Full implementation of the Early Intervention Programme within a reasonable timescale
- Developing the system’s “in-house” capacity to lead and own transformation programmes
- Availability of funding for the above from the Better Care Fund

- 4.2 Option 1 - Do nothing. A “do nothing” option would terminate the Early Intervention programme at the end of the current work order period. The outcome would be incomplete implementation of the Early Intervention model – with the critical EICT component only operational in the South locality. Realistically it would not be feasible to continue to operate EICT in just the South locality as it would be operationally unsustainable to maintain different processes and procedures for a single part of the city. Demobilising the EICT would result in the loss of financial benefits that have been achieved and would also undermine the benefits delivered through other components of the model for the South locality. In addition, there would be reputational damage to the system. The Early Intervention programme is recognised nationally as an exemplar of cross-system working. Failure to successfully complete the programme would undermine the confidence of key partners – such as Care Quality Commission (CQC) and NHSE – in the ability of the system to work together to make the improvements that are needed for Birmingham’s citizens. On this basis, “do nothing” is not a preferred option.
- 4.3 Option 2 - Extend the current work order to complete EICT roll-out for all localities. The projected timescale is for implementation of the Early Intervention Community Team to have been completed 24 July 2020. This option meets the criteria in terms of full implementation within a reasonable timescale. Sufficient funds are available from the BCF for 19/20 and 20/21 to cover the cost of this option. The option is dependent upon continued input from Improvement Managers seconded from within the system and also requires the system to provide specific capacity for communications and engagement alongside the considerable commitment of resources needed to staff and manage the new EICT teams. It will also require the system to have capacity in place to ensure sustainability of the model at the end of the contract extension period. Finally, the cost of this option will allow an amount of BCF to be made available to build “in-house” capacity for system change. As such the option is compatible with the ambition to develop system capacity for transformation.
- 4.4 Option 3 - Complete EICT roll-out for all localities using “in-house” capacity. This option would require recruitment and mobilisation of an “in-house” change team to manage the full implementation of the EICT model. This would be additional to the capacity that is required in all options from operational teams to work alongside change managers for implementation. Whilst this is an affordable option, the key issue is the ability to deliver within a reasonable timescale. Although the nucleus of a change team is in existence in the form the Improvement Managers who have been seconded from system partners to work alongside Newton, it would not be realistic to fully recruit and mobilise a team until well into 2020. New team members would need to become familiar with the programme and would need immersing in the improvement methodology in order for them to effectively deliver change. Partners recognise and value the expertise that Newton have brought in terms of making change happen – the lack of this input at a critical point for the programme is seen as a significant risk. In addition, the opportunity cost – in terms of the value of the benefits that would have been delivered – associated with further delays to

delivery should be noted. On balance, it is considered that the system is not in a position to fully deliver the programme using solely “in-house” capacity.

- 4.5 Option 4 – a new procurement for external change management capacity. A fresh procurement exercise could be undertaken. There are a number of issues with this option. First, the time taken to undertake the procurement would cause additional delays and cost in terms of loss of benefits that could have been delivered. Secondly, the risk of losing the knowledge of the system and programme that Newton have developed through working with partners since the original diagnostic was undertaken in 2017/18. Thirdly, Newton was the only bidder who passed the quality threshold for the original procurement exercise. For these reasons, BOPP board considered that this option was not realistic or desirable.
- 4.6 It is therefore recommended to pursue Option 2. This will allow the system to continue seamless delivery of the programme and provide the opportunity to build sustainable system “in-house” capacity for further transformational change programmes during the next phase of implementation.

5. Consultation

- 5.1 BOPP Board comprises senior executive officers from all system partners. The Board considered the broad options for the future of the Early Intervention programme at their meeting on 2 October. The Board’s view was that it was essential to fully implement the programme and that it was preferable to retain support from Newton for the next phase of implementation, whilst also seeking to develop the “in-house” change management capacity of the system.
- 5.2 The contents of this report were discussed at the Better Care Fund Programme meeting on 16 December, which included the recommendation for the use of BCF resources from the 2019/20 and 2020/21 programme to fund investment in additional change management capacity – for both external support from Newton and to build the system’s own capacity.
- 5.3 The contents of this report were discussed with the members from the Better Care Fund Executive which included approval for the use of the Better Care Fund to fund the investment in the additional change management capacity.
- 5.4 The Cabinet Member for Finance and Resources has been consulted on the proposals within this report and is supportive of the recommendations.

6. Risk Management

- 6.1 System partners have worked with Newton to develop a revised project plan for the rollout of EICT. A full consideration of risks has been central to this process. System partners are assured that the revised plan takes account of and mitigates for all identified risks – although it is recognised that it is not possible to eliminate all risks from the project. To this end a number of critical milestones or gateways have been identified in the plan to ensure that all partners are ready

for roll-out before resources and capacity are committed to the next stage of delivery. The gateway will check that all of the elements required for a successful roll-out are in place before moving on to the next step in the plan. Newton will not deploy capacity to support rollout unless the gateway has been successfully passed.

- 6.2 In the event of rollout slipping beyond the programmed 24 July 2020 date, partners will need to consider whether or not additional support from Newton is required to complete implementation. This will be determined through a meeting of the Birmingham Older People Programme Board. Any additional BCF would then need to be approved by the BCF Commissioning Executive. Note that in terms of BCC procurement a 10% variation on the contract value is allowable. For clarity this would be 10% of the value of the contract extension (i.e. £299k) rather than 10% of the value of the original contract plus the contract extension.
- 6.3 A negotiation will be required to finalise the terms of the extension of the work order. Officers from Legal and Finance will work alongside Adult Social Care colleagues in negotiating the extension.

7. Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

- 7.1.1 Birmingham is a fulfilling city to age well in- the recommendations will contribute to this priority through more effectively managing joint health and social care interventions for frail older people whose needs are escalating towards a point of crisis or who are recovering after an episode of hospitalisation. This will prevent admission to hospital, maximise independence for those discharged from hospital and reduce re-admissions. Ultimately the health and well-being of citizens will benefit from being able to remain at home to receive multi-disciplinary care that prevents an admission to bed-based care (e.g. hospital or nursing home) or from being able to return to their own home following a short-term period of bed-based care.

7.2 Legal Implications

- 7.2.1 The recommendations in this report support the delivery of the Council's duties under the Care Act, 2014 which places a duty on Birmingham City Council to prevent and delay the need for Adult Social Care.
- 7.2.2 Under Section 111 of the Local Government Act 1972, a local authority has the power to take action which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions and therefore has a general power to enter into contracts for the discharge of any of its functions.
- 7.2.3 Sec 72(1) C Public Contract Regulations 2015 enable the extension of the contract in the accordance with the facts outlined in this report.

7.3 Financial Implications

- 7.3.1 It is proposed to meet the cost of the contract extension from the Better Care Fund. This is a pooled budget arrangement between BCC and Birmingham and Solihull CCG and Sandwell and West Birmingham CCG.

7.4 Procurement Implications

- 7.4.1 The Works Order with Newton Europe Limited let via the Bloom Procurement Services Limited Framework contains a provision to extend the contract. The full roll-out of the Early Intervention Community Team is not altering the scope of the Works Order.

7.5 Public Sector Equality Duty

- 7.5.1 An Equality Analysis has been completed as outlined in **Appendix 2 and 3**.
- 7.5.2 The proposals in this report are focused on improving the quality of life for Older Adults and in so doing improve the council's delivery of the equality agenda.

8. Appendices

1. Proposed Early Intervention Community Team Project Plan
2. Original Equality Impact Assessment – EA002865 (May 2018)
3. Updated Equality Impact Assessment – EQUA444 (December 2019)
4. Exempt Information

9. Background Documents

- 9.1 Integrating Targeted Health and Social Care Services for Older People Cabinet Report – 26 June 2018 (005190/2018)
- 9.2 Early Intervention – Programme Options presented to the Birmingham Older People Partnership Board – 2 October 2019
- 9.3 Local Government Association Peer Panel Feedback letter - 26 July 2019