

# HEALTH AND WELLBEING BOARD

29 JULY 2014

<b>Title:</b>	<b>Care City</b>
<b>Report of the North East London Foundation Trust and London Borough of Barking and Dagenham</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected: ALL</b>	<b>Key Decision: No</b>
<b>Report Author:</b> Helen Oliver Care City Programme Lead (Joint role) North East London Foundation Trust and London Borough of Barking and Dagenham	<b>Contact Details:</b> Tel: 0300 555 1201 Ext: 66228 E-mail: <a href="mailto:Helen.Oliver@nelft.nhs.uk">Helen.Oliver@nelft.nhs.uk</a> <a href="mailto:Helen.Oliver@lbbd.gov.uk">Helen.Oliver@lbbd.gov.uk</a>
<b>Sponsor:</b> Anne Bristow, Corporate Director Adult and Community Services, LBB Dr Steve Feast, Executive Medical Director, NELFT	
<b>Summary:</b>  This is the second Care City report presented to the Health and Wellbeing Board. It aims to provide the Board with an update on the joint development of Care City across LBB and NELFT.	
<b>Recommendation(s)</b>  The Health and Wellbeing Board is recommended to note:  (i) The presentation of the outline business plan on 22 July 2014 to the NELFT Board, if approved this will signify a commitment, in principle, for NELFT and LBB to work together to provide the necessary capital and future revenue funding for Care City.  (ii) The continuing development of a joint Memorandum of Understanding (MOU) between LBB and NELFT which sets out the terms and conditions of this joint venture.  (iii) Subject to agreement across both partners the proposed governance and legal structure.  (iv) Subject to agreement across both partners that there will be an Interim Steering Board reporting to both LBB and NELFT.	

The Health and Wellbeing Board is recommended to agree:

- (v) The relocation of the Care City 'show home / demonstrator site' to an alternative Barking venue (Wigham House).
- (vi) To receive a further report on the full business plan, subject to NELFT agreement, detailing proposed legal structure, ownership and projected 5 year financial forecast.

### **Reason(s)**

Barking and Dagenham's Community Strategy 2013-2016 vision to 'Encourage Growth and unlock the potential of Barking and Dagenham and its residents. To achieve the vision for Barking and Dagenham there are five priorities which underpin its delivery: Ensure every child is valued so that they succeed; Reduce crime and fear of crime; Improve health and wellbeing through all stages of life; create thriving communities by maintaining and investing in new and high quality homes and to maximise growth opportunities and increase household income of boroughs residents. Securing Barking and Dagenham as the main site for Care City will support the partnership to address all of these priorities. It will also contribute to tackling many of the health inequalities which impact upon our community as identified in our Health and Wellbeing Strategy.

## **1. Background**

### **1.1 Mission statement**

Care City aims to transform the quality of life for people living in Outer North East London through the innovative integration of health and social care. The model will inspire whole-system, locally driven change by fostering economic regeneration, developing new opportunities for education and employment, and by pioneering research in dementia care and other long term conditions. Care City will be delivered by the community for the community

### **1.2 What is Care City?**

Care City is a centre for excellence and a new concept in urban health and community care. Based in one of the most deprived areas in England, Care City will enable the wider health and social care sector to improve health outcomes for Outer North East London and beyond, and will stimulate economic growth, investment and regeneration through partnerships with industry, social enterprises and the academic and charitable sectors.

The need to improve the management of long-term conditions including dementia is one of the most important challenges currently facing the health and social care sector. In England, more than 15 million people have a long term condition, and this figure is likely to increase over the next 10 years, particularly those people with three or more conditions at once. Examples of long term conditions include high blood pressure, depression, dementia and arthritis. Long term conditions can affect many parts of a person's life, from their ability to work and have relationships to housing and education opportunities. Care of people with long term conditions accounts for 70% of the money we spend on health and social care in England. People with

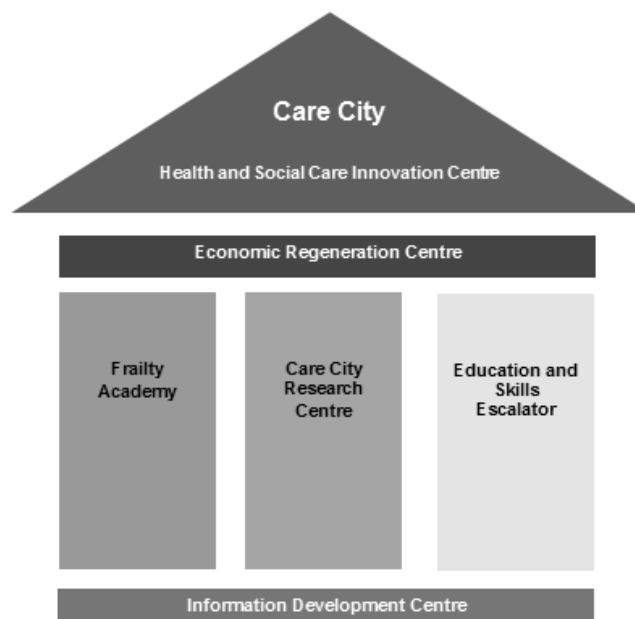
long-term conditions and co-morbid mental health problems disproportionately live in deprived areas and have access to fewer resources of all kinds. The interaction between co-morbidities and deprivation makes a significant contribution to generating and maintaining inequalities.

Care City's local, national and international collaborations will aim to modernise the provision, management and funding of health and social care. It will support a move from a model that is reactive and disease-focused, towards one that is proactive where people with long-term conditions have a leading role in their own care that will help to reduce stigma and improve community resilience.

Serving the people of Outer North East London and founded by North East London NHS Foundation Trust (NELFT) and the London Borough of Barking and Dagenham (LBBD). It will produce the knowledge and evidence required to help to prevent illness and, where that is not possible, it will support people to self-manage their symptoms better, avoiding admission to hospital and enabling them to remain independent in their own homes.

### 1.3 Care City Model

The five components of Care City will work together as a health and social care innovation centre to build a sustainable model to improve opportunities for the local community. The Information Development Centre will act as an enabler, providing support to new ideas and technologies that can support the aims of the Care City Research Centre, the Frailty Academy and the Education and Skills Escalator. The synergies of these components will realise the aim of the fifth component, i.e., economic regeneration, which will focus on creating a virtuous cycle of external investment, through innovation and entrepreneurship, amplifying the success of the other four components. On a larger scale, it will drive education and research into practice. We will develop, evaluate and implement the best research, co-develop innovative technologies, and pioneer training and education opportunities for staff to deliver integrated care. Care City will comprise:



**Information Development Centre** – aims to connect the voluntary, health and social care sector to industry and entrepreneurs. Care City will enable the

development and application of information products which make the best use of evolving technologies, to deliver person-centred services.

**Frailty Academy**– aims to redesign the way people interact with and experience health and social care by encouraging their collaboration with experts from academia and the private sector. This will help people better co-produce and experience improved health and independence at home.

**Care City Research Centre** – brings together academics, health and social care staff, patients and carers with the aim to develop world leading research relevant to health and social care and to build research capacity. The centre includes the new Institute of Dementia Care pioneering research and improving practice, and also a research and development department to support to research projects and to develop new applied research groups in long term conditions. The research centre will collaborate with world-class academic institutions to advance research and innovation, and to get best evidence into practice.

**Education and Skills Escalator** – aims to support local people to develop the capabilities they need to access employment opportunities, and to support those already in work to gain the leadership skills required to advance their careers in health, social care, research and information science.

**Economic Regeneration Centre** – aims to drive economic regeneration through attracting investment into community care, unleashing the energies of large and small businesses develop new services and products. The goal is to support individuals to self-manage, and thereby improve overall community resilience. It aims to create new jobs in research, start-up companies and SMEs. In addition local residents will be able to gain the skills needed to fill the needs of the health, social and voluntary care systems, and to improve their earning potential which will have a positive impact upon local communities.

## 1.4 Vision

The individual partners involved in Care City cannot by themselves transform the lives of the people they serve. The value of Care City is therefore in the ability to derive outcomes that are more powerful than the sum of its parts. These include:

- A well-functioning and sustainable health and social care system which is responsive to the needs of communities in Outer North East London.
- Person-centred services which support citizens to be proactive in maximising their own health independence and wellbeing.
- A workforce culture which is integrated, responsive and citizen focussed
- More effective self-management, better co-ordinated care and improved health outcomes for people living with long-term conditions.
- Measureable improvements in local health outcomes through equitable, accessible and high quality services.
- Increase in employment opportunities for local people- including progression into leadership roles
- Growth of local small and medium enterprises and create inward investment for the wider community interest.

## **2. Care City Update**

### **2.1 Care City Business Plan**

NELFT will formally receive the outline business plan on 22<sup>nd</sup> July 2014. This will seek to secure NELFT Board commitment to use strategic capital reserves to support the establishment of Care City. This will include funding the cost of the core team which will work across NELFT and LBBD to further develop the proposal. A verbal update on the outcome of these deliberations will be provided at the meeting.

### **2.2 Care City Interim Show-Home**

In January 2014, the Bathhouse was identified as the preferred site for the interim show-home. In March 2014 the Barking and Dagenham Health and Wellbeing Board agreed £300,000 contribution towards the fit out costs and in April 2014 the NELFT Board agreed £1.8 million to purchase the long lease-hold.

However, by June 2014 a third party had made an offer on the site and this meant that the site could not be secured on our preferred terms. Therefore, LBBD and NELFT carried out a further scoping exercise where a second option (Wigham House) was identified as viable. As an existing NELFT leased property it was felt that this would also support the partnership to save time in securing the site.

The Care City team are in discussions with designers and it is envisaged that renovation work will begin by October 2014 and be completed by February 2015.

The interim site will comprise: Information Development Zone; Economic Regeneration Zone; Research and Development Zone; Frailty Zone; Education and Skills Zone; Agile working space; Tea and coffee service; Additional meeting rooms; Exhibition space; Care City Project Team; Reception and Storage.

### **2.3 Care City Legal structure and ownership**

#### **2.3.1 Legal structure**

NELFT and LBBD are deemed to be the founding partners for Care City. A draft governance paper is currently under development and is due to be considered initially by the NELFT board on 22<sup>nd</sup> July 2014. The governance proposal will then be formally considered by the council. The proposed legal structure is based on the following assumptions:

- That the investors as public service organisations intend that any profit or dividend will be returned to the public purse in order to fund better local services
- That Care City will manage its day to day operations to a large degree as an 'arm's length body' from NELFT and LBBD, reporting via its interim governance to the Boards of NELFT and the Health and Wellbeing Board.

- That to allow for establishment, Care City will operate initially from an interim site for a minimum of three years before being considered and established as a fully 'stand-alone' body
- That once fully established, in approximately three years, Care City will operate with separate accounts, liabilities and governance from the investing public service partners, and in doing so will minimise the future risks to public services if significant losses were incurred
- That NELFT and LBBD may in future consider using Care City as an additional trading arm of the business that through more flexible partnerships (i.e. with the Third Sector) will help keep or attract revenue streams in providing local services.

### 2.3.2 Interim Governance

In the start-up phase Care City will require an interim governance structure that is capable of representing the founding partner's interests. It will need to maintain sound financial oversight as well as provide non-executive oversight and guidance through from inception to potential establishment as a more independent body. The interim Care City Executive group will set the cultural tone for partnership working, and connect with organisations which could contribute the company mission. It is proposed that the interim Executive Group will report to the relevant accountable structures of the founding partners. Members of the Executive Group will be proposed to and approved by the founding partners and will include leads from those partners – NELFT and LBBD. In addition a wider external Steering Group will meet quarterly. This group will provide external advice and help engage Care City within the wider pan London health and care programmes. Membership of the steering group will also require approval of the founding partners.

### 2.3.3 Financial Governance

The Boards of the Founding Partners will determine the level of investment to Care City from their organisations. These investments may take the form of capital investment and investment in kind, for example through deployment of staff. The Care City Executive Director will be accountable for deployment of these funds and the Care City Interim Executive Group will provide oversight. The Founding Partner Boards will receive an annual report of how these funds have been deployed.

Additional funds will be raised to support the activities of Care City through application of grants or via secured private sector investment. When funds are raised by Founding Partners or Partners using the Care City brand, the named lead for the grant or investment will be accountable to the Interim Care City Board for oversight of how the funds are deployed (they may also be required to report to the employing organisation).

## 2.4 Care City Permanent Site

A site has been identified by the London Borough of Barking and Dagenham (LBBD) for the permanent Care City facility. This is subject to Cabinet approval and will be discussed by Cabinet at their meeting on 4 August 2014.

## 3. Care City key milestones

- Interim site refurbishment October 2014 -February 2015
- Interim site opening February 2015
- Permanent site building open summer 2017

#### **4. Recommendations**

The Health and Wellbeing Board is recommended to note:

- (i) The presentation of the outline business plan on 22<sup>nd</sup> July 2014 to the NELFT Board, and if approved this will signify a commitment in principle for NELFT and LBBD to work together to provide the necessary capital and future revenue funding for Care City.
- (ii) The continuing development of a joint Memorandum of Understanding (MOU) between LBBD and NELFT which sets out the terms and conditions of this joint venture.
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The Health and Wellbeing Board is recommended to agree:

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#### **5. Mandatory Implications**

##### **5.1 Joint Strategic Needs Assessment**

Care City support Section 2, 3, 4, 5, 6, 7 and 8 of the Joint Strategic Needs Assessment. It will support young people to enjoy healthier outcomes through creating wealth, employment opportunities as well as more efficient and integrated services. It will address wider health inequalities and deprivation facing the community through regeneration and community resilience. It will also support the safeguarding agenda through improving both the quality and effectiveness of health and social care services through improved training and skills development.

##### **5.2 Health and Wellbeing Strategy**

Care City will support improved health and wellbeing outcomes for the community through addressing health inequalities by improving access to employment, skills and improved health services.

##### **5.3 Integration**

Care City aims to provide a platform for health and social care integration.

#### **5.4 Financial Implications**

At its meeting on 25 March 2014, the Health and Wellbeing board agreed to:

“delegate authority to the Corporate Director of Adults and Community Services, in consultation with the Head of Legal & Democratic Services and the Chief Financial Officer, to negotiate and enter into a partnership arrangement between the Council and NELFT in accordance with Section 75 of the NHS Act 2006, and to finalise the related arrangements, for the interim “collaboration lab” in 2014/15, including up to £300k of funding from the Public Health grant for set up costs, and £72k from the Adults and Community Services reserve, if needed for funding the first year of rent.”

At that time the Bathhouse was the preferred site. As explained in this report, the site is no longer available and it is now proposed to base the site at Wigham House. As this is already leased by NELFT, support for the first year of rent is no longer needed. However, £300k of funding from the Public Health grant towards fit out costs is still proposed. Funding is available to support this in 2014/15.

The NELFT Board is due to consider the case for making a significant investment from the NELFT’s capital reserves, to establish the permanent Care City site at its meeting on the 22<sup>nd</sup> July 2015. To inform its decision, the Board requested a full business plan for Care City, providing clear explanations of its rationale, core components, organisational approach and governance model, detailed financial projections for the next five years, and robust assessment of the key risks involved. At the time of writing this paper the full business plan (including financial projections) is not available to share. The Health and Wellbeing Board is recommended to agree to receive a further report on the full business plan, when available.

Implications completed by: Roger Hampson, Group Manager (Finance, Adults & Community Services)

#### **5.5 Legal Implications**

There are no implications arising from this report, Care City puts into practice the integrated working envisaged in the Care Act 2014.

Implications completed by: Dawn Pelle, Adult Care Lawyer, LBB D

#### **5.6 Patient/Service User Impact**

Care City will support a greater platform for service user consultation and engagement in research and development. It also aims to improve services for patients and service users through improving the integrated response of health and social care services and widening product available to support individuals to self-care.



## **6. Non-mandatory Implications**

### **6.1 Crime and Disorder**

Through addressing health inequalities and poverty we would hope to reduce crime and disorder. We also hope that through inward investment we will support the regeneration of the town centre in a way which enables us to design out certain crime.

### **6.2 Safeguarding**

Care City will enhance the skills and training of staff operating in the health and social care sector which in turn will improve reporting of safeguarding concerns.