



## ESBT STRATEGIC COMMISSIONING BOARD

MINUTES of a meeting of the ESBT Strategic Commissioning Board held at County Hall, Lewes on 20 December 2017.

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PRESENT Barbara Beaton (Chair) Councillors David Elkin, Keith Glazier, Carl Maynard and Sylvia Tidy; Dr Susan Rae, Dr Tim Caroe, and Julia Rudrum

### ALSO PRESENT

Keith Hinkley, Director of Adult Social Care and Health  
Amanda Philpott, Chief Officer, EHS/ HR CCG  
Stuart Gallimore, Director of Children's Services  
Cynthia Lyons, Acting Director of Public Health  
Jessica Britton, Chief Operating Officer, EHS/HR CCG  
Vicky Smith, Accountable Care Strategic Development Manager

### 21 MINUTES OF THE PREVIOUS MEETING

21.1 The minutes of the previous meeting were agreed.

### 22 APOLOGIES FOR ABSENCE

22.1 Dr Martin Writer gave his apologies. Dr Tim Caroe substituted.

### 23 DISCLOSURE OF INTERESTS

23.1 There were no declarations of interest.

### 24 URGENT ITEMS

24.1 There were no urgent items.

### 25 QUESTIONS FROM MEMBERS OF THE PUBLIC

25.1 There were no questions from members of the public.

### 26 EAST SUSSEX BETTER TOGETHER (ESBT) FINANCIAL POSITION AND PROGRESS WITH THE STRATEGIC INVESTMENT PLAN

26.1 The Board considered a report providing an update on the East Sussex Better Together (ESBT) financial position.

26.2 In response to questions from the Board the following information was provided:



- Hospital care costs have inflated by 7% during 2017/18. The increase is a result of changes to the Payment by Results (PbR) tariff; specifically changes to the re-charge codes that are applied to different types of hospital treatments. These codes are set at a national level.
- It is clearly understood that there is a need to move towards place-based budgets as part of an integrated health and social care model. PbR, however, will continue as the mechanism to account for local activity and funding flows of healthcare in the Sussex and East Surrey Sustainability and Transformation Partnership (STP) area.
- It is understood from the first year of the ESBT Strategic Investment Plan (SIP) that investment in transformed services that reduce demand on the system has to be matched with cost reductions within providers. The current regulatory regime of NHS Improvement, however, is encouraging trusts in financial special measures – which includes East Sussex Healthcare NHS Trust (ESHT) – to increase their income at the cost of the rest of the system.
- Within this financial and regulatory regime, there will be opportunities to agree different local financial arrangements. The ESBT Alliance is in the process of work to identify and agree a single plan for the health and social care system that will help to align the incentives of commissioners and providers and address the deficit. During January 2018, key ESBT projects will be identified where investment can be made into them that will draw down demand for care elsewhere. At the same time, plans will be developed to reduce costs in the secondary care system and address the inflation issue.
- The southern region is the first in England to recruit a Regional Integrated Director role for NHS Improvement and NHS England. The Regional Integrated Director is designed to help integrate the two regulators, however, the legislation underpinning them requires that they remain two separate organisations with separate budgets.
- The ESBT area went from a ‘challenged health economy’ area in 2012/13 to both CCGs delivering surplus control totals across four years. The deterioration in the financial situation, therefore, is from this surplus control total to the current projected outturn for 2017/18, and the relative financial position is similar to other CCG areas. The regulator’s concern is whether management and understanding of the costs that have led to the deterioration can be demonstrated.
- The challenge for the ESBT area is that the financial risk has crystallised during the financial year. This is in contrast with the Brighton & Hove area that had an agreed control total of £65m deficit at the beginning of the financial year. This meant that the regulators had expected their financial system would go into deficit during the year.
- Primary care is a building block of ESBT. GP Practices, according to the NHS Five Year Forward View, should receive £3 per patient but the ESBT primary care strategy will provide £13 per head of investment this year. A similar level will be invested going forward, meaning that the proportion of the healthcare budget that primary care receives will increase from 8.5 to 12% by 2021. At the same time, GP practices will be encouraged to demonstrate value for money, longer opening hours, and speedier access



to GPs. A process of federating GP practices is being encouraged to support these changes.

26.3 The Board RESOLVED to:

- 1) note the East Sussex Better Together (ESBT) system financial position and scale of forecast outturn variance;
- 2) note that we are working closely with our NHS regulators, NHS England (NHSE) and NHS Improvement (NHSI) to ensure there is complete transparency and understanding of the position and mitigating plans in the remaining months of 2017/18 and into 2018/19;
- 3) endorse the recovery actions being developed and implemented collaboratively through the ESBT structures, including the financial planning framework for 2018/19; and
- 4) request an update on the ESBT primary care strategy.

## 27 ESBT ALLIANCE OUTCOMES FRAMEWORK PROGRESS UPDATE

27.1 The Board considered a report providing an update on progress with the development of the ESBT Alliance Outcomes Framework.

27.2 The following additional information was provided in response to questions from the Board:

- The Outcomes in the framework have been developed based on what matters to local people and in partnership with a range of stakeholders. Some outcomes are set nationally – such as those around public health and wellbeing – and others are set locally based on local issues. This is to measure whether the integrated ESBT system transformation is having the desired impact on quality, the experience of local people, and finances in order to secure the sustainability of local health and care services.
- It is important that wherever possible the ESBT Outcomes Framework measures the delivery of outcomes and not process or activity. The Outcomes Framework is being tested during 2017/18, and the learning will inform how outcomes and measures are set for 2018/19.
- The Outcomes Framework is embedded in the core performance principles of the individual organisations to ensure that each organisation in the ESBT Alliance is working to a common set of goals and objectives. It was noted that each ESBT organisation still has to work within their own different regulatory regimes and outcomes frameworks.
- A workshop is being set up in early-January to look at how specific performance and outcomes could be shaped around the ESBT localities. The intention is to design an integrated performance framework that enables the locality planning and delivery groups to understand the particular contribution they are making to improving service quality and finances, and how well they are doing.

27.3 The Board RESOLVED to:

- 1) note progress made with developing, refining and reporting performance against the ESBT Alliance Outcomes Framework;



- 2) note plans for finalising a revised ESBT Alliance Outcomes Framework for 2018/19.
- 3) agree that a full report with data for all three years is provided at the earliest opportunity in 2018/19, and;
- 4) agree that future reports will focus on one domain each quarter with more detailed analysis and any qualitative information available.

## 28 ESBT ALLIANCE NEW MODEL OF CARE PROGRESS UPDATE

28.1 The Board considered a report providing an update on the progress of plans to strengthen ESBT Alliance arrangements during 2018/19.

28.2 The following additional information was provided in response to questions from the Board:

- Throughout the existence of the STP, the ESBT Alliance has been clear about the need to integrate social care with health care at the place-based planning level, i.e., at ESBT level, rather than across the entire STP. This is seen as the best way to address population health needs, in part due to the size and complexity of the STP. There is agreement across the STP that this is the preferred approach.
- Now that there is new leadership in the STP, it is necessary to understand how a future acute care strategy for the whole STP can be integrated into the commissioning arrangements for the individual placed-based plans.
- The STP comprises 19 NHS organisations and 4 local authorities. The task of the STP is complex, and a coterminous STP would be easier to organise. The STP is attempting to deal with issues that have been unresolved in the health and social care system in Sussex for 15-20 years, such as the developing of an acute care network. The new Chair of the STP, Bob Alexander, has an awareness of the importance of addressing issues around co-terminosity, such as patient flows, both within the STP and between Sussex other health economies such as Kent.

28.3 The Board RESOLVED to:

- 1) note that our proposals for strengthening the ESBT Alliance in 2018/19 remain on track. This includes the recent decision to recommend to ESBT sovereign partners to extend the ESBT Alliance Agreement until March 2020;
- 2) note the ESBT Alliance planning and integrated governance, including arrangements for integrated strategic commissioning and financial planning;
- 3) note that the acceleration of Sustainability and Transformation Partnerships (STP) and commissioning reform reinforces our need for ESBT health and care system to be flexible and responsive, whilst ensuring successful implementation of our local integrated commissioning arrangements focussed on our ESBT 'place'; and
- 4) note that the ESBT Accountable Care Development Group also continues work to develop the criteria to determine how integrated health and social care service delivery will best meet local need, in the context of the wider Sussex and East Surrey STP.



29 STRATEGIC COMMISSIONING BOARD WORK PROGRAMME

29.1 The Board considered the work programme.

29.2 The Board RESOLVED to note the work programme following the addition of a report on the governance arrangements for ESBT, including any recommendations from the Care Quality Commission (CQC) report on the East Sussex Area Review.

The meeting ended at 11.10 am.

Barbara Beaton  
Chair