

NHS ENGLAND – BOARD PAPER

Title:

New Care Models in Tertiary Mental Health Services: update and recommendations

Lead Director:

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Purpose of Paper:

To update the Board on progress to date and recommended next steps

The Board invited to:

Note this action to reduce out of area placements and ensure patients using mental health services will have access to more convenient local care.

New Care Models in Tertiary Mental Health Services: Update and Recommendations

Context and Background

1. In some parts of the country, too many mentally ill young people and adults are being sent for in-patient treatment many miles from their home. This practice, known as out of area placements, can make visiting difficult for local clinicians and family members. This in turn can affect a person's recovery, leading to fragmented care and increased lengths of stay. Furthermore, this trend has increased specialised mental health commissioning expenditure. This means fewer funds are available to invest in improving the quality of local mental health services. This cycle needs to be broken.
2. The NHS Planning Guidance for 2016/17 state "we are interested in trialling with local volunteers: secondary mental health providers managing care budgets for tertiary mental health services". A programme lead was appointed in April 2016 with a budget of £1.8m provided from the transformation fund.
3. A call for applications was sent out in May to the chief executives of each NHS-funded provider of secondary mental health services, ie NHS and the independent sector. This stated that NHS England wished to provide the opportunity for local clinicians and managers to take charge of both managing tertiary budgets and providing high quality secondary care services. Applicants were invited to demonstrate how, if they were managing tertiary care budgets, they could:
 - Prevent avoidable admissions
 - Reduce the length of in-patient stays
 - Eliminate clinically inappropriate out of area placements and
 - Reinvest savings in improved community services
4. Applications were sought for child and adolescent mental health services (CAMHS) Tier 4 (in-patient) and adult medium and low secure services. This was because these two areas have the largest number of patients in out of area placements and account for over 90% of NHS England specialised mental health commissioning expenditure. This equates to around £1.5bn per annum.
5. The call for applications sparked huge interest and enthusiasm, which translated into 36 applications being received with over 100 organisations contributing to these. Shortlisting and selection of the first wave sites followed

a robust process using criteria detailed in the call for applications. 13 applicants were invited to formal panel interviews. The panel included clinical experts, specialised commissioners and experts by experience.

6. Six first wave sites have now been selected. They cover the North, Midlands, South of England and London and include partnerships between NHS providers, independent sector and charitable organisations.

Adult Medium and Low Secure Services:

West Midlands: Birmingham and Solihull FT (with South Staffordshire & Shropshire Healthcare NHS FT and St Andrews).

South London Partnership: Oxleas NHS FT (with South London and Maudsley FT, SW London and St George's NHS Trust, NHSE London Region Specialised Commissioning).

Thames Valley and Wessex: Oxford Health FT (with Berkshire FT, Dorset FT, Central and North West London FT, Solent NHS Trust, Southern Health FT, Isle of Wight NHS Trust, Response).

South West: Devon Partnership NHS Trust (with Avon and Wiltshire FT, Cornwall FT, Dorset FT, 2gether FT, Cygnet, Partnerships in Care, Livewell, Somerset Partnership FT).

Child and Adolescent Mental Health Services (Tier 4):

West London: West London NHS Trust (with Central & North West London NHS FT, Priory and Like Minded).

North East and North Yorkshire: Tees, Esk and Wear Valley FT

7. During August and September we have shared activity and financial information with the six sites. This indicates that the six sites, once live, will be taking responsibility for managing care budgets in excess of £300m. Each site has confirmed that, based on the available information, they anticipate being able to make reductions in specialist occupied bed days, with associated savings for reinvestment in other mental health services, within the first 12 months.

Analysis and Implications

8. These new arrangements will be trialled in shadow form in all six sites between 1 October 2016 and 31 March 2017. This will be enabled by a heads of terms agreement, which will allow each site to act as lead commissioner with the budget continuing to remain with NHS England. There will be no

change to existing QIPP and CQUIN requirements and the financial risk on the budget will remain, as at present, with NHS England.

9. Each site has established a programme board with terms of reference and membership including clinical leads and specialised commissioning representatives. The programme board will report into regional specialised commissioning boards. The programme boards will ensure work continues apace to identify patients who would benefit from local services; establish robust admission avoidance practices; and plan reinvestment in local services.
10. Each site will produce a full business case by December 2016 setting out the new clinical pathways and models of care; projected reduction in occupied bed days; and plans for reinvestment in local community services. Subject to satisfactory completion of due diligence, it is intended that sites will take responsibility for the care budget for 2017/18, with an agreed risk and gain share with NHS England.

Risk management

11. Each of the first wave sites is a current provider of either adult secure or CAMHs services and they each have excellent clinical engagement. This provides assurance that patients currently in out of area placements will return to safe and effective local services.
12. During the shadow six month period there will be no change to 2016/17 QIPP, CQUIN agreements or budgetary responsibility. There will therefore be no change to in year financial risk. The proposed budget transfer for 2017/18 will be addressed through the FBC approval process, including agreed risk and gain shares.
13. Monitoring and reporting during the shadow period, and development of the FBC, will be via the programme boards established in each site, which include NHSE representation.

Recommendation

14. The Board is asked to note this action to reduce out of area placements and ensure patients using mental health services have access to more convenient local care.

Authors: Claire Murdoch, National Mental Health Director & Stephen Firn, Programme Lead
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