

Integrated Care Board

Date of meeting	10 January 2024
Title of paper	Blackburn with Darwen Transaction – Child and Adolescent Mental Health services Transaction
Presented by	Kevin Lavery, Chief Executive Officer
Author(s)	Claire Richardson, Director of Health and Care Integration, Blackburn with Darwen Jackie Moran Integration Place Leader, Lancashire - East Paul Kingan, Programme and Place finance lead
Agenda item	9
Confidential	No

Executive summary

On the 3 May 2023 the Integrated Care Board (ICB) received a paper at its meeting in public on Community Health Services Transformation from Professor Sarah O'Brien, Chief Nursing Officer.

The paper asked the board to support and approve the work to stabilise and strengthen the provision of Community Services within Blackburn with Darwen (BwD) as a core recommendation.

As part of scoping discussions around the transfer of adult community physical health services for Blackburn with Darwen residents from Lancashire and South Cumbria Foundation Trust (LSCFT) to East Lancashire Hospitals Trust (ELHT), opportunities have been identified regarding a reciprocal transfer of Child and Adolescent Mental Health services (CAMHS) in the opposite direction. The proposed CAMHS transfer will include services delivered to both Blackburn with Darwen and East Lancashire children and families.

This paper sets out a rationale for the transfer of CAMHS services from ELHT to LSCFT, which aims to align our providers around key areas of expertise, supporting both the delivery of a consistent service offer and improve overall service sustainability. Based on this rationale, the Board are now asked to approve a transfer of the CAMHS from ELHT to LSCFT as a single transaction, aligned to the Adult Community services transaction.

The ICB recognises that the future provider configuration for CAMHS services across all of LSC requires further debate and discussion and a clear set of strategic intentions needs to be agreed with our partners and places to secure the best offer for our children and young people. This transaction, whilst relevant to only one part of the system, does signal a direction of travel and starts to lay the foundations for what a single offer for CAMHS could look like across the entire geography.

However, the impact and potential transformation required to realise that ambition requires more detailed work and therefore the suggestion is this piece of work is done concurrently, to engage with system partners to reach a conclusion that can be built into our strategic system intentions.

The paper also provides an update for the Board on the process being undertaken to ensure the services transfer safely including the due diligence process, the financial elements of the CAMHS transaction and the supporting communications and engagement processes. Areas of risk and concern and where possible set out mitigating actions are also now highlighted for the Board.

Recommendations

The Board is requested to:

1. Approve the inclusion of the ELHT Child and Adolescent Mental Health Services for both Blackburn with Darwen and East Lancashire, within the wider Blackburn with Darwen community services transaction agreement, subject to satisfactory conclusion of the due diligence, and appropriate recommendations to and approvals from statutory boards and NHS England.
2. Note the financial risk implication scenarios which are set out in the paper
3. Note the delay in the due diligence work for the proposed transfer, the compounding impact on the programme milestones and potential for a revised go-live date.

Which Strategic Objective/s does the report relate to:

Tick

SO1	Improve quality, including safety, clinical outcomes, and patient experience	X
SO2	To equalise opportunities and clinical outcomes across the area	X
SO3	Make working in Lancashire and South Cumbria an attractive and desirable option for existing and potential employees	
SO4	Meet financial targets and deliver improved productivity	
SO5	Meet national and locally determined performance standards and targets	
SO6	To develop and implement ambitious, deliverable strategies	

Implications

	Yes	No	N/A	Comments
Associated risks	X			Risks and mitigations around the transfer are outlined in section 3.10.
Are associated risks detailed on the ICB Risk Register?	X			Programme objectives and outcomes are included within the risk register.
Financial Implications	X			High level financial risks are discussed within section 4 of this paper, with further detail to follow as part of the due diligence process.

Where paper has been discussed (list other committees/forums that have discussed this paper)

Meeting	Date	Outcomes
Executive Team Meeting	October 2023	The ICB Executive team affirmed their support for the proposed transaction (including reciprocal transaction of CAMHS) subject to satisfactory conclusion of the due diligence and appropriate recommendations to statutory boards.
Executive Team Meeting	2 January 2024	Approved this report

Conflicts of interest associated with this report

ICB Partner Member for Mental Health Services, Chris Oliver is the Chief Executive of LSCFT, and would be excluded from the decision of the board for this item.

Impact assessments

	Yes	No	N/A	Comments
Quality impact assessment completed		X		In progress as part of the due diligence and assurance process – no changes expected to the service provided.
Equality impact assessment completed		X		In progress as part of the due diligence and assurance process - no changes expected to the service provided.
Data privacy impact assessment completed		X		In progress as part of the due diligence and assurance processes.

Report authorised by:

Kevin Lavery, Chief Executive Officer

Integrated Care Board – 10 January 2024

Blackburn with Darwen Transaction – Child and Adolescent Mental Health Services (CAMHS) Transaction

1. Introduction

- 1.1 On the 3 May 2023 the Integrated Care Board (ICB) received a paper on Community Health Services Transformation from Professor Sarah O'Brien, Chief Nursing Officer. The board paper set-out the case for change with particular focus on the current scale of variation across the ICB and the vulnerability of several community health services.
- 1.2 The paper asked the board to support and approve the work to stabilise and strengthen the provision of Community Services within Blackburn with Darwen (BwD) as a core recommendation, through a contract transaction between Lancashire and South Cumbria Foundation Trust (LSCFT) and East Lancashire Hospitals Trust (ELHT) in Autumn 2023.
- 1.3 As part of scoping discussions around the transfer of adult community physical health services from LSCFT opportunities have been identified regarding a reciprocal transfer of Child and Adolescent Mental Health Services (CAMHS) provision in the opposite direction. The proposed CAMHS transfer will include services delivered to both Blackburn with Darwen and East Lancashire children and families.
- 1.4 This paper seeks approval for the proposed transfer of CAMHS for both Blackburn with Darwen and East Lancashire, from ELHT to LSCFT as a single transaction, aligned to Blackburn with Darwen Adult Community services, as well as providing an update on the progress of the Blackburn with Darwen Adult Community services transaction to date.

2. Child and Adolescent Mental Health services

- 2.1 Further to the agreed transfer of the adult community physical health services, a second phase of the contract transaction is proposed with a transfer of CAMHS services from ELHT to LSCFT, which aims to align our providers around key areas of specialism and expertise, supporting both the delivery of a consistent service offer and improved overall service sustainability.

Specialist Mental Health providers

- 2.2 Mental health trusts are specialists in their field. Consolidating child and adolescent mental health services within a trust that already offers all age provision, whilst remaining integrated within an acute paediatric environment, will offer greater service resilience and greater opportunities to enhance and

improve transition pathways, as young people progress into adulthood. Consolidating knowledge within the mental health trust also offers the opportunity to achieve efficiencies through pathway improvement and consolidation, and barriers, such as information and record sharing between child and adult services, can more easily be overcome, which would increase satisfaction for both patients, parents and professionals alike.

- 2.3 The ICB recognises that LSCFT's CAMHS services were rated as Good by the Care Quality Commission (CQC, 2016) and ELHT's CAMHS service as Outstanding (CQC, 2019). It will therefore be a requirement of the transaction that both Trusts work jointly with the ICB, both during and post transaction, to ensure service quality is maintained across all CAMHS services. Again, however, this transfer offers the opportunity for LSCFT services to learn from the practices of the ELHT service, to drive their provision to be even better and cascade wherever possible across other CAMHS services in Lancashire and South Cumbria.
- 2.4 All ELHT CAMHS current working arrangements, such as working alongside the wider community services and strong interface with paediatrics, schools and family hubs for example, will be maintained. This has been identified as a particular benefit of the experience for children, young people and families.
- 2.5 ELHT CAMHS has been re-accredited with the Royal College of Psychiatrists Quality Network for Community CAMHS (QNCC) in 2023 - the only service in the north of the England with this accreditation. It is expected that all providers would engage with the QNCC process in due course.
- 2.6 Despite these good current arrangements, it is known from local co-production and insight work undertaken through Family Hubs and wider engagement work across BwD and East Lancashire, that the interface across some services, psychology and psychiatry as examples – or transition from child to adult mental health services, are key concerns for young people and their families in this area. It is expected therefore that these concerns should be treated as priorities for improvement actions post transaction.
- 2.7 As part of the transaction LSCFT will be expected to maintain the robust level of performance and reporting currently in place within ELHT, while further increasing the numbers of children accessing the service needs to be prioritised both during and post transition. Adherence to this will be closely monitored by the Operational Transaction working group.
- 2.8 In addition to maintaining the current levels of quality and addressing the areas of concern raised by patients and families, there will also be a continued focus on the key deliverables within the Long Term Plan for children and young people's mental health. Specifically:
 - Continue to increase access to children and young people's mental health services,
 - Increasing mental health support teams (MHSTs) across the system,

- Expanding timely, age-appropriate crisis services to children and young people and reduce pressures on A&E departments, paediatric wards and ambulance services,
- Reducing waiting times from referral to assessment and referral to treatment
- Enable the routine use of outcome measurements and demonstrate improvement in outcomes for children and young people accessing support.

Alignment with Lancashire and South Cumbria CAMHS Transformation Programme

- 2.9 Through the existing CAMHS transformation programme mobilisation, across Lancashire and South Cumbria, the system is seeing an increasingly consistent and co-produced children and young people’s mental health service model based on the nationally recognised THRIVE model, which is integrated, person-centred and needs-led. The benefits of transfer offer an opportunity for services to become one team, enabling a single point of referral and access to timely evidence based intervention regardless of speciality. One priority, if this transfer is approved, will be for the providers to work collaboratively to implement the single point of access as coproduced in the model by children, young people and families.
- 2.10 The transformation programme has provided increased investment into CAMHS services over a three-year period (2021-2024) as part of meeting the national mental health funding standard and required a considerable growth in workforce to deliver that transformation. ELHT, in year three, have achieved most of this workforce growth, with only a small number left to recruit for remainder of year three. It is important for the continued delivery of the national targets that stability within the workforce is retained as part of any service transfer.
- 2.11 Conversely LSCFT have faced greater challenges with both recruitment into the model and retention of existing staff. This needs to be considered in terms of risks and mitigations in any potential transfer plan. However, the proposed transfer of services would provide an opportunity for learning from current East Lancashire Child and Adolescent Service (ELCAS) delivery and recruitment and allow for a more stable CAMHS offer across the system.
- 2.12 The ICB recognises that the future provider configuration for CAMHS services across all of LSC requires further debate and discussion and a clear set of strategic intentions needs to be agreed with our partners and places to secure the best offer for our children and young people. This transaction, whilst relevant to only one part of the system, does signal a direction of travel and starts to lay the foundations for what a single offer for CAMHS could look like across the entire geography. However, the impact and potential transformation required to realise that ambition requires more detailed work and therefore the suggestion is this piece of work is done concurrently, to engage with system partners to reach a conclusion that can be built into our strategic system intentions.

3. Risks and mitigations – CAMHS

3.1 Early discussions with both providers have identified a number of potential risks associated with the transfer. These are highlighted, along with plans to mitigate in the table below.

Risk area	Description	Mitigation
Impact on staff	Risk of impacting staff resilience, wellbeing and retention.	<p>Comprehensive communications and engagement programme and offers of health and wellbeing support.</p> <p>Operational Transaction working group to be established involving all parties to allow them to understand and enact the principles of the transaction – maintaining quality, good practice and address areas of concern.</p>
Quality of services and regulatory assessment	Risk of impacting the quality of services provided to patients, leading to increase in complaints, waiting times, reduction in reported outcomes etc and possible impact on regulatory assessment	<p>Operational Transaction working group to be established involving all parties to allow them to understand and enact the principles of the transaction – maintaining quality, good practice and address areas of concern.</p> <p>Any issues will be escalated through to the Steering Group and Transaction Board as they arise.</p> <p>Current CAMHS model, integrated with paediatric services at ELHT, to remain post transfer including how and where the services are delivered to patients, and the interface with wider services inc. paediatrics, schools and family hubs.</p>
Patient and public concerns	Risk of patient and public challenge to the transfer of services and change in service providers.	<p>Communications and engagement plan aligned to the decision processes.</p> <p>Current service models to remain post transfer, with no change to how and where the services are delivered to patients.</p> <p>Operational Transaction working group to ensure work on these areas of concern is completed.</p>
Financial impact	Risk of negative impact on any one organisation or the system financial position	<p>Shared financial principles developed between all organisations to manage and mitigate the risks.</p> <p>Financial due diligence exercise to be completed to understand full cost position.</p>

Figure 1 - High Level Risk and Mitigation summary

- 3.2 It should be reiterated that, as per the physical health community service transaction, the CAMHS transaction relates only to changing current provider arrangements and does not involve any changes to services, including how and where they are delivered. This has been discussed with legal advisors and NHS England (NHSE) and if robustly adhered to will not trigger a requirement for Public Consultation

Programme Governance and Timelines

- 3.3 As outlined for the Board previously, a Blackburn with Darwen Transaction Board has been established with Claire Richardson, ICB Director of Health and Care Integration (DHCI) as the Senior responsible Officer (SRO), with Trust Executive representation through Tony McDonald (ELHT) and Emma McGuigan (LSCFT). This work is supported by ICB team members across finance, commissioning, contracting and transformation. Sub-groups are established around workforce, finance, communications, governance, and ICT.
- 3.4 If the CAMHS transaction is approved by the Board, this existing programme governance structure will manage the due diligence and business case production, leading to a single transaction covering both elements of Adult Community services and CAMHS.

4. Due Diligence Update – Adult Community Services

- 4.1 With the support of both Trusts and utilising NHSE transaction guidance, significant progress has been made with due diligence work relating to community services across a broad range of factors including workforce, estates, IT, quality and finance.
- 4.2 A progress report on the due diligence was due to be presented to the Transaction Board in November 2023, with a full due diligence report presented to the two Trust boards and ICB Executive Team in December. Unfortunately, this work has been delayed by two weeks which means those deadlines have not been achieved.
- 4.3 New planning dates would mean consideration of the due diligence information by provider Trusts in January 2024, concurrently, completion of the business cases and NHSE approvals process and then final approval of the business cases by all parties' boards in March 2024. A formal period of TUPE engagement with staff will take place and then, subject to no significant issues arising, the transfer would occur. As a result of slippage of timescales on the due diligence work and knock on impact on programme governance and assurance processes, it will be challenging to ensure a go live transfer date of 1 April 2024. As such, an extended timescale of up to June 2024 may need to be considered by partners.
- 4.4 Work has begun to understand the CAMHS service in greater detail and subject to the transaction being approved at Board, further due diligence work will be

completed to support the integration of this information into the business case towards the one transaction.

5. Financial Implications

- 5.1 One of the areas of concern raised by system partners has been to ensure the transaction does not contribute to a worsening of the system financial position. An initial working assumption of the adult physical health transfer programme was that the transaction should be cost neutral and would require any risk of stranded costs to be fully mitigated and managed.
- 5.2 A reciprocal transaction of services and the inclusion of the CAMHS transfer in this programme will help alleviate financial risk to the system. The intention to transfer both services as two phases within one transaction, also significantly reduces the financial risk associated with the transaction.
- 5.3 Both services are of a similar contractual value and the transfers will be based on the current cost of the service, less any corporate overhead that can't be split or directly attributable to the transfer. This will be subject to due diligence to ensure there are no current issues with service performance, vacancy levels and fulfilment of contractual specifications. There is a good spirit of cooperation across the finance and operational teams of both organisations to make this work, with minimal financial impact to the system.
- 5.4 Both Trusts are fully engaged in the process and are sharing information as part of the detailed due diligence exercise. In advance of this information being completed, a 'high level' financial risk appraisal has been undertaken across partners to aid decision-making within the ICB.
- 5.5 The table below summarises the high-level financial risk summary pending further due diligence and business case work.

System Financial Risk			
Transfer		Community Plus CAMHS	
risk range base on below:-		£50k to £775k range	
Best		no financial risk re: Overheads incidental risk £50k estimated risk £50k	
Likely		neutral Corp Overheads £0k incidental risk <£75k estimated risk £75k	
Worse		25% Corp Overheads £475k incidental risk < £300k estimated risk £775k	

Figure 2 - scenario planning - financial implications

- 5.6 No agreement has been made by the ICB to fund any additional financial risk, however principles have been agreed to minimise costs as far as possible and to work together as 3-way partners to problem-solve any financial risk that emerges as part of the transaction. Further clarity on financial risk will follow completion of the due diligence process and will be reflected in the financial appraisal as part of the Business Case.
- 5.7 The ICB Executive team reviewed progress of the Transaction on the 10 October including risks and mitigations and have affirmed their support for the proposed transaction (including reciprocal transaction of CAMHS) subject to satisfactory conclusion of the due diligence and appropriate recommendations to statutory boards.

6. Conclusion

- 6.1 Blackburn with Darwen Transaction Board was established and aimed to complete the transaction and ensure services are operationally ready by 1 April 2024 for Adult Community services. Due to the slippage of timescales on the due diligence work and knock on impact on programme governance and assurance processes, it is challenging to ensure a go live transfer date of 1 April 2024. As such, an extended timescale of up to June 2024 may need to be considered by partners. If the CAMHS transaction is approved by ICB Board and subject to Trust board approvals/NHSE assurance, the anticipated go live date for these services would be July 2024

- 6.2 Discussion has taken place with NHSE and legal advisors to confirm that there are no requirements for public consultation for a transaction such as this where services are transferring in their current state, and which form a minor part of the total service of either organisation. This situation will be consistently reviewed.
- 6.3 The next key milestones are the consideration by all Boards of the report on the completion of the due diligence exercise, the completion of the NHSE assurance process and the development and completion of the full business case.
- 6.4 Once approved by the internal governance arrangements by all three organisations, the business case will be presented to Boards for approval.

7. Recommendations

- 7.1 This paper provides an update to the Board on the BwD Adult Community Services Transaction, and the proposal to include CAHMS in the transaction. The Board is requested to:
1. Approve the inclusion of the ELHT Child and Adolescent Mental Health Services for both Blackburn with Darwen and East Lancashire, within the wider Blackburn with Darwen community services transaction agreement, subject to satisfactory conclusion of the due diligence, and appropriate recommendations to and approvals from statutory boards and NHS England.
 2. Note the financial risk implication scenarios which are set out in the paper.
 3. Note the delay in the due diligence work for the proposed transfer, the compounding impact on the programme milestones and potential for a revised go-live date.

Claire Richardson
2 January 2024