

Report to the Health and Adult Services Scrutiny Committee
Meeting to be held on Wednesday, 5 February 2025

Report of the Director of Law and Governance

Report of the Health Scrutiny Steering Group

Part I	Corporate Priorities: N/A;
Electoral Division(s): (All Divisions);	
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Summary

Purpose of the Report

This report seeks to provide members with a summary of discussions at the meeting of the Health Scrutiny Steering Group on 13 January 2025.

Recommendation

The Health and Adult Services Scrutiny Committee is asked to receive the report of the Health Scrutiny Steering Group.

Background

1. The main purpose of the Steering Group is to manage the workload of the Committee more effectively in light of increasing number of changes to health services. The Steering Group is not a formal decision making body and reports on its activities are provided to the Committee for consideration and agreement.
2. The Health Scrutiny Steering Group met on 13 January 2025 and considered the following reports:
 - ICB Recovery and Transformation
 - Community Equipment and Minor Adaptations Services
 - Report of the Lancashire and South Cumbria Pathology Service Network

ICB Recovery and Transformation Update

3. It was noted that several improvements within Trusts had been seen including improvements to continuing healthcare with 90% of assessments being completed within 28 days, increased learning disability health checks and that the



Mental Health Trust, LSCFT had moved to System Oversight Framework (SOF) 2 and received a 'good' rating from the CQC.

4. Efforts were being made to mitigate the demand and cost of services including standardises to the 'back office' services and a particular focus on admission avoidance, prevention, and collaborative working with Lancashire County Council. It was highlighted that Pricewaterhouse Coopers (PwC) had been appointed to address the formal turnaround work of the ICB.

Members were invited to ask questions and a summary of discussions is outlined below:

5. It was reported that PwC were appointed by NHSE independent consultants to support the intervention and turnaround process, however those costs would be funded by the ICB.
6. Regarding the NHS England intervention, it was queried what the process involved. It was explained to members that the current process within the initial phase involved providing PwC with data and information on spend with a view to reducing expenditure for this financial year and minimising the deficit. It was further explained that the work being undertaken on the 2025/26 budget was longer term.
7. It was highlighted that the deficit was to the ongoing impact of the COVID-19 pandemic, as the provided funds to support Trusts' acute had been withdrawn, however the challenges and demand remained. It was explained that several other factors contributed to the deficit including the number of individuals employed by the ICB were considerably higher than prior to the pandemic so the importance of community services to relieve pressure from Trusts was paramount to controlling overspend and keeping people out of hospital.
8. It was explained that conversations had taken place between the ICB and Lancashire County Council to utilise the Better Care Fund more effectively, as it had been used to sustain services, but could fund out of hospital care for example. It was highlighted that the current budget needed to be allocated more efficiently, however it was unlikely that NHS England would allocate any further resources.
9. In regard to One LSC, the collation of all back office services, it was queried when the financial benefit would be seen from this change and whether the same initiative could be rolled out to other services within the ICB. Members were informed that savings had already been seen and the target in the next 3 years was £50m. The Group were further informed that this would be achieved in a number of ways including centralising the control of resources, automating tasks, and streamlining overhead management. Moreover, it was highlighted that clinical processes would also be standardised, and a single collaborative bank was currently used for nurses, admin, and management staff and this could be expanded to include doctors. This would be a 3-4 year programme.
10. Regarding the Barrow Integrated Wellness Service pilot initiative, the Group heard this was fundamentally about better patient care and avoiding hospital



admission, so the reliance on bank and agency staff had been reduced and wards could be closed. It was highlighted that this had been very successful in Morecambe Bay Trust.

11. Regarding hospice care, members were informed that the best monetary option was a package of care at home, it had been identified as a major project and work was being undertaken in collaboration with Trusts.
12. The Group queried if the plan and advice produced by PwC had to be adhered to. It was explained to members that an agreement regarding future action would be reached with NHS England following the advice provided by PwC. It was highlighted the outturn position for this financial year would be cleared in January 2025, and the following months for the financial budget for 2025/26.

Resolved: That an update be provided to the April meeting of the Steering Group on the funding settlement.

Community Equipment and Minor Adaptations Services

13. It was highlighted to members that these services were being recommissioned due to an increase in demand for services, fragmentation between services and to ensure statutory duty was being met with the view to enhance delivery, improve efficiency, and ensure equitable access to these services for those in need. The current commissioning contract was due to end in Summer 2025 enabling the review and recommission with key developments around partnership working with Lancashire County Council, the ICB, Blackburn-with-Darwen Council, Blackpool Council and Westmorland and Furness Council in regard to community equipment whereas work had been undertaken with the 12 district councils in regard to the minor adaptations service.
14. Regarding the community equipment service, there were several improvements to the service that were planned to include the phasing out of the retail model favour of an app where orders could be placed by the patient, provide an increased accessibility to recycle equipment, establishing facilities for assessment and demonstration, an automated telephone service for returning unwanted equipment and standardising and streamlining the catalogue of equipment.

Members were invited to ask questions and a summary of discussions is outlined below:

15. It was confirmed that there were no planned savings with the recommissioning of the two services, the focus was on streamlining and making sure the increased demand was manageable due to Lancashire's ageing population.
16. It was confirmed to members that currently only Occupational Therapists could complete assessment and submit orders.
17. Members queried who approved the budget for both services. It was explained that an Operational Team Lead oversaw the budget for this service. Furthermore, it was highlighted that there was a view to bring the services in house, as there



were only 2 main providers for equipment, and they had a monopoly on services. This would also support the ability to 'reissue' equipment.

18. Regarding the Disabled Facilities Grant, it was clarified this was for adaptations of over £1,000 and this was means tested and assessment was undertaken by an Occupation Therapist.
19. The Group raised concern over the shortage of Occupational Therapists and queried how recruitment was going. Further to this, it was queried if the threshold of £1,000 for minor adaptations had ever been altered. It was confirmed the threshold of £1,000 was set out in the Care Act 2014 and had never been altered. It was also confirmed that there were still a number of Occupational Therapist vacancies however to mitigate this a specialised portal had been procured called 'Ask Sara' which enabled people to complete an assessment of their home themselves and purchase adaptations recommended by the portal. The Group heard that traffic to this new portal was promising.
20. Members were informed both contracts were to be awarded in the summer 2025, specifically 1 July for community equipment and August for minor adaptations services.

Resolved: That the information presented be noted.

Report of the Lancashire and South Cumbria Pathology Service Network

21. It was noted that a business case had been submitted to the Department of Health to fund a central facility in 2021, further to this it was noted that in April 2023 the Department of Health had asked for confirmation that the service would like to proceed with the bid for capital investment however the timescales for securing monies was challenging.
22. Furthermore, due to the demand in service and the uncertainty around when capital funding would be received, several options had been explored to mitigate this including the option of collaborative working with other NHS Services, the procurement of equipment, and developing an IT system across the Lancashire and South Cumbria network.
23. Regarding digital pathology, it was noted that a significant investment had been received from NHS England to develop this way of working and opened the pathway to use Artificial Intelligence to streamline testing.

Members were invited to ask questions and a summary of discussions is outlined below:

24. Regarding Workforce Strategy, the Group noted that previous objections to a centralised hub had been received and queried if these had been resolved. Members heard that the investment in a central facility and the need for collaborative working as a single service were key. It was noted that significant staff engagement had been undertaken, there were no objections to forming a single service however the concern around the single service was the location of the site.



25. The Group were informed that each laboratory site had a different repertoire of tests and patients could be sent to different sites due to factors such as how time sensitive a test was. It was explained that across Lancashire and South Cumbria, there were four major labs and four satellite labs. As the service proceed with the increase in automation, more could be consolidated.

26. The Group queried the timeline for implementation of a centralised service. It was explained that currently options were being explored, with a view to progress to this in the next 12 months. Regarding the capital funding, it was clarified this was potentially dependent on the New Hospitals Programme.

Resolved: That an update be provided in 12 months' time.

Options and Proposals

27. The Health and Adult Services Scrutiny Committee is asked to receive the report of the Health Scrutiny Steering Group.

Consultations

28. Any consultations were outlined in the reports provided for the items above.

Context and Implications

Legal (including Human Rights)

29. Any legal implications were set out in the reports provided for the items above.

Financial

30. Any finance implications were set out in the reports provided for the items above.

Equality and Diversity

31. Any equality and diversity implications were set out in the reports provided for the items above.

Risk Management

32. Any risks identified were set out in the reports provided for the items above.

List of Background Papers

NA

Part II Reason

NA

