

## **SUBJECT: Lanarkshire's Healthy Living Centres (HLCs)**

### **1. PURPOSE**

As part of the Board's commitment to enhance the profile of a variety of Health Improvement schemes and topics, it has been agreed that the three HLCs (Community Health Initiative in Cambuslang and Rutherglen, Healthy Valleys in Clydesdale and Getting Better Together in Shotts), should be given the opportunity to present to Board members and provide information on;

1. The progress of Lanarkshire's 3 Healthy Living Centres (HLCs)
2. The future plans and aspirations of Lanarkshire's 3 Healthy Living Centres
3. The sustainability of the HLCs in the medium to long term, outlining options and challenges

### **2. BACKGROUND**

The HLCs have been in operation in Lanarkshire for over 5 years, and during that time, have grown substantially in terms of both the range of services that they provide and the areas of population that they cover.

Over this time, they have developed significant linkages with mainstream NHS Health Improvement activity, have linked with mainstream NHS services, and have been key providers of services to their local populations.

Their stature within the local areas and the success they have enjoyed in harnessing the potential of volunteers and local communities has been excellent.

They are well placed to provide a very direct benefit to their local populations in terms of health gain, and are now much more readily able to demonstrate their key success factors and outcomes.

Whilst these initiatives commenced with significant Big Lottery funding, supported by revenue from the NHS and the two councils, the financial challenges of the past few years have dramatically changed the way and manner in which these initiatives need to develop and grow.

Outlined below is a summary of the reasons why we should continue to support HLCs in Lanarkshire, along with their unique selling points. There is also a brief analysis of the agenda that they will need to pursue in order to remain relevant and sustainable and to maintain a successful delivery route.

At the Board meeting each of the HLCs will outline briefly;

1. Who they are and the services they provide
2. The successes they have enjoyed over the past few years
3. The financial position and challenges they face now
4. The routes they will be taking towards sustainability
5. Why they require the Board's ongoing support.

This paper gives a very brief flavour of these issues at the highest level and is intended to serve as an introduction to the presentations and discussion at the Board meeting.

### **3. WHY SUPPORT THE HLCs?**

#### **a. Tackling Health Inequalities:**

The current economic climate will exacerbate health issues and increase the need for a mix of effective and efficient health improvement interventions. HLCs are leaders in the arena of community led health improvement, and as such, are ideally placed to tackle health inequalities in partnership with NHS Lanarkshire. They will continue to create complementary and additional approaches to addressing the issues within disadvantaged rural and urban communities in Lanarkshire.

#### **b. Record of success and delivery:**

The HLCs are part of a Scotland wide alliance of HLCs, based upon the active involvement of communities as the key mechanism for change. This strong network of HLCs has a track record of delivering high quality, effective community-led health improvements, and thus, offers a real opportunity to tackle health improvement in an efficient and cost effective way.

#### **c. Value for Money:**

With secure core funding, the HLCs have the ability to lever an additional £4 for every £1 pound invested. In Lanarkshire, they have engaged in excess of 22,000 beneficiaries, and 524 volunteers across 205 local venues last year.

#### **d. Accountability and Governance:**

HLCs have a strong reputation both at local and national level for being transparent and accountable to their communities and other stakeholders.

#### **e. Strategic Development:**

Continuation of investment in the infrastructure and leadership of HLCs will further embed a community led health approach within the health improvement landscape, increasing their impact on tackling and reducing health inequalities, and enhancing the benefits of co-production with NHS and other stakeholders.

### **4. MOVING TO SUSTAINABILITY and FUTURE BUSINESS DEVELOPMENT**

HLCs in Lanarkshire are planning for a future of growth and sustainable development in conjunction with NHSL to make our communities healthier. To achieve this, they will need to:-

- a. Develop existing and new streams of income generation*
- b. Increase commercial awareness, knowledge and practice*
- c. Review, and adapt as necessary, the governance structures*

**a Develop existing and new streams of income generation:**

- Each HLC has undergone extensive business planning, and has developed a range of options to support sustainability on a commercial profit-making basis. These plans are subject to a rigorous appraisal and market research testing before implementation.
- With the support of the South Lanarkshire CHP Funding and Development Officer, each has developed a new fundraising strategy, including a range of new grant funding, as well as traditional forms of grant block funding.
- Each HLC management team has developed skills in procurement, and is progressively aiming to be in a position to tender and contract by summer 2010.
- Service Level Agreements have recently been completed, and it is the intention to further extend the agreements with other key partners.

**b Increase commercial awareness, knowledge and practice:**

- Charging and pricing policies are being reviewed in the recognition that the market is changing. There is a clear need to be more enterprising and entrepreneurial, and this will be the new approach building on existing knowledge and experience.
- Each HLC has undertaken extensive cost analysis exercises to achieve financial probity and to maximise the utilisation of profit in line with customer profiles.

**c Review, and adapt as necessary, the governance structures:**

- The HLCs have the support of key local partners, and enjoy an open and transparent relationship which supports effective decision making.
- They have access to a range of effective external advice from specialists, and are currently investigating the most effective governance structures to maintain proper balance and control between charitable and trading or profitable entities, most likely in the form of a new trading and profit making subsidiary entity.

**5. FINANCIAL INFORMATION**

The HLCs have had a varied financial history, having had a mix of recurrent and non-recurrent funding. They have received Scottish Government financial assistance, along with a significant level of non-recurrent NHS Lanarkshire funding, to enable them to move to sustainability over the past two years.

It was clear from the start of 2008/09 that the model of business for all three Healthy Living Centres had to become one that was not dependant upon the NHS or SG for the majority of funding. This required a change in business thinking, energetic, opportunistic bidding for grants, and a proactive approach to a range of business opportunities across a wide spectrum of activity.

At the end of 2009/10, the HLCs, collectively, will have a surplus of £295,000 to carry forward. The projected carry forward by the end of 2010/11 is £221,000. This, however, assumes new

income to the value of £389,000, which remains to be confirmed.

This position is much improved from that reported in the early summer. It varies for each of the HLCs, and reflects both substantial endeavour on income generation and the scale of the challenge ahead.

This dynamic, along with the options to ensure ongoing sustainability, will be covered in more detail by each of the HLCs at the Board meeting.

## **6. CONCLUSION**

HLCs are committed to building the resilience and the capacity of communities in Lanarkshire, to respond to local needs.

HLCs are successful in targeting disadvantaged groups, and successfully obtaining their trust and participation.

HLCs are making excellent progress in tackling health inequalities, and are leading in the community led health improvement sector in Scotland.

With sustained investment in core capacities and leadership, HLCs will continue to provide excellent value for money.

Sustainability plans are continuously evolving, and will contribute to easing the burden on public spending, with the introduction of socially enterprising concepts and income generating activities.

## **7. FURTHER INFORMATION**

For further information about any aspect of this paper, please contact

Mr Brendan Rooney, Cambuslang and Rutherglen Community Health Initiative 0141 646 0123

Ms Lesley McCranor, Healthy Valleys 01555 880666

Mrs June Vallance, Getting Better Together 01501 825800