

LOCAL HEALTH ECONOMY 5 YEAR STRATEGIC PLAN

To: HEALTH COMMITTEE

Meeting Date: 10 July 2014

From: Jessica Bawden, Director of Corporate Affairs
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Cambridgeshire and Peterborough Clinical
Commissioning Group

Electoral division(s): Countywide

Forward Plan ref: Not applicable *Key decision* No

Purpose: To provide information and to raise awareness to the
Health Committee about the 5 year planning process for
the local health economy.

Recommendation: Health Committee members are asked to comment on the
plan

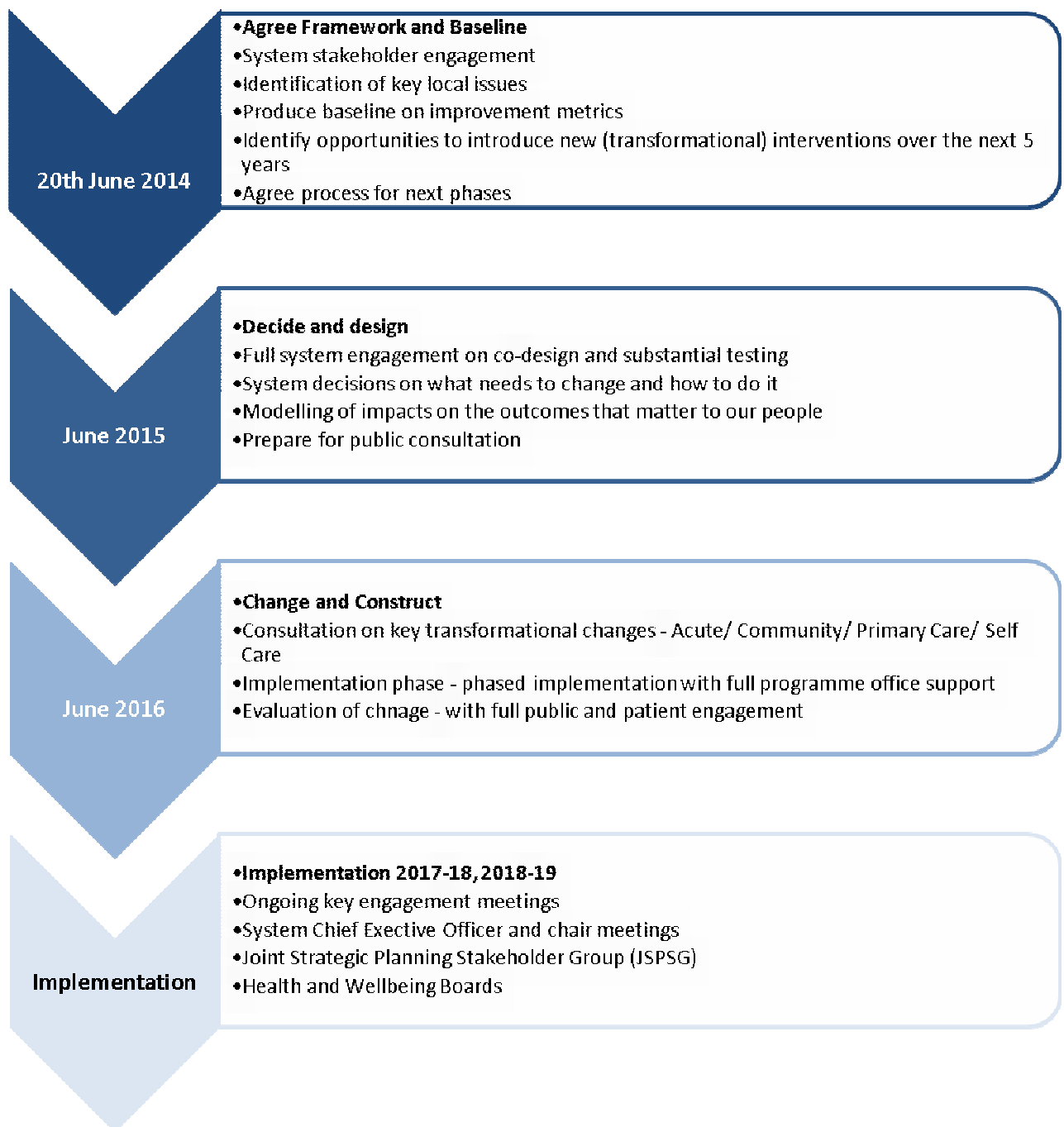
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1. BACKGROUND

1.1 The strategic planning process

The NHS has been asked to develop, in conjunction with providers, partners and patients, five year plans that will deliver sustainable health care now and in the future. This is the first time that plans have been developed for five years rather than one or two years.

There are four phases of plan development as follows:



Phase 1 concluded at the end of June and Phase 2 began on 1st July 2014. Phase 1 required Cambridgeshire and Peterborough Clinical Commissioning Group (CCG) to submit draft plans to NHS England for comment, and then a final plan, known as the 'System Blueprint' to NHS England on 20th June 2014. The System Blueprint sets out a five year plan for the whole of the local health system.

1.2 'Challenged Health Economy'

The Cambridgeshire and Peterborough system has been identified as one of 11 'challenged health economies' nationally. This reflects some of the challenges faced by both the CCG and our provider organisations. As a result, the system has been supported by external advisors to develop strategic plans to address some of these complex challenges. The external advisors assigned to the local health system were Price Waterhouse Coopers (PwC). Their work was being sponsored and overseen by NHS England, Monitor and the Trust Development Authority (TDA).

PwC worked with the Cambridgeshire and Peterborough system from 3rd April to 30th June 2014. Their objective was to support the local health system to develop a joint strategy across the Cambridgeshire and Peterborough that would deliver clinically and financially sustainable healthcare. The CCG's intention is to use PwC's work as a catalyst for the wider five year planning process.

PwC's approach centred around using "Care Design Groups". These are clinically focussed groups that function to:

- Develop agreement at a care professional level of the preferred affordable model of care for the area under consideration
- Reflect this model to commissioners and providers organisations so that an affordable system as a whole can be outlined
- Describe the capacity required to deliver the new models of care to ensure this can then be matched against available capacity.

PwC ran two Care Design Groups in May 2014 which considered elective and non-elective care. The CCG participated in these sessions and are in the process of adopting a similar approach to develop models of care in other areas including the following:

- Older People and Vulnerable Adults
- Women's and Children's
- Mental health
- Prevention

2. MAIN ISSUES

2.1 Cambridgeshire and Peterborough health system blueprint

The final version of the Cambridgeshire and Peterborough health system blueprint was submitted to NHS England on 20th June 2014. The plan was developed with feedback from stakeholder groups including the CCG's Patient Reference Group and the Cambridgeshire Health and Wellbeing Board. Further feedback will be sought from all stakeholders during phase 2.

The system blueprint includes the following information:

The formation of the System Blueprint including the reasons for selecting Cambridgeshire and Peterborough as a challenged health system

The Cambridgeshire and Peterborough health system faces significant challenges over the next five years. We have used the intelligence gained from Joint Strategic Needs Assessments (JSNAs) and other sources of evidence to learn more about the health needs of our population and in doing so we recognise the following key messages:

- The Cambridgeshire and Peterborough health system is not financially sustainable and if nothing is done, it will face a financial gap of at least £250 m by 2018/19
- The population of Cambridgeshire and Peterborough is increasing and there will be a greater proportion of older people in 5 years' time
- Demand for mental health services continues to increase
- There are significant levels of deprivation and inequality that need to be addressed
- People are living longer and health outcomes are generally good but there are significant differences in people's health across our system
- Our health system has multiple stakeholders

In this context, and specifically as a result of the financial challenges faced by the system, fundamental changes are required to the organisation, provision, co-ordination and delivery of services.

We have focused our work in the following key areas:

- Elective care
- Mental health
- Non-elective care
- Older people and vulnerable adults
- Prevention and self-care
- Women and children

NHS England, Monitor and NHS Trust Development Authority undertook an exercise to identify those health systems which were particularly challenged as a whole, and were most likely to benefit from intensive support in order to develop plans which would improve outcomes for the public and patients whilst developing a financially sustainable future across the health economy. These were the health systems that were at most risk of failing if the plans submitted did not identify future service configurations that were achievable and could resolve the major local challenges. In particular, the exercise focused on the level of financial challenge within the health system, and how aligned provider and commissioner plans were.

NHS England, Monitor and NHS Trust Development Authority then appointed teams to support commissioners and providers in these challenged health systems to consider options for the future sustainable provision of healthcare services. The objectives of this work were to provide support at a local level that:

- Enabled commissioners and providers in the local health system to submit strategic plans that were robust, deliverable and clearly set out how the anticipated challenges would be met
- Facilitated commissioners and providers to develop full implementation plans for the change that would prevent risk of failure

- Provided confidence that capacity was in place to deliver the plans, and outlined any areas of risk or where further support may be required

For further information see page 4 of the System Blueprint.

Information about Cambridgeshire and Peterborough's population and health context

Overall health is good across the local health economy. However there is a significant inequality. Life expectancy is a good summary measure of health experience and differs significantly across the CCG area.

- 77.7 for men in Peterborough (significantly below the national average)
- 80.6 for men in Cambridgeshire (significantly above the national average)
- 82.6 for women in Peterborough (statistically the same as the national average)
- 84.5 for women in Cambridgeshire (significantly above the national average)
- Circulatory disease and cancer are the main causes of death

The health of people in Cambridgeshire is generally better than the England average, although there are areas that are affluent and areas that are deprived within the county. Deprivation is lower than average, however about 14,400 children live in poverty. Life expectancy for both men and women is higher than the England average. Life expectancy is 7.2 years lower for men and 5.3 years lower for women in the most deprived areas of Cambridgeshire than in the least deprived areas.

The health of people in Peterborough is generally worse than the England average although some areas are less deprived and some more deprived. Deprivation is higher than average and approximately 9,500 children live in poverty. Life expectancy for men is lower than the England average. Life expectancy is 9.4 years lower for men and 5.6 years lower for women in the most deprived areas of Peterborough than in the least deprived areas.

For further information see page 10 of the System Blueprint.

Information on where we need to get to as a health system (including the over-arching themes identified in the Joint Strategic Needs Assessments)

Several over-arching themes emerge from the available Joint Strategic Needs Assessments and health needs profiles.

Information from the Office of National Statistics (ONS) shows that in Cambridgeshire the population is forecast to increase by 5.0 % between 2014 and 2019 (32,000 people in total) with most of the increase in Cambridge City and South Cambridgeshire. In Peterborough, the population is forecast to increase by 6.1% between 2014 and 2019 (11,600 people in total). In Cambridgeshire and Peterborough the population aged 75 years and over is set to increase by 24% between 2014 and 2019 (16,000 people).

In Peterborough the city's deprived areas are those that are more densely populated and 26% of the population live in these areas. Some of the wards in Peterborough are rated amongst the highest areas for child poverty in England and 13 of the city's smaller neighbourhoods (lower super output areas) are amongst the most deprived 10% in the country. The most deprived areas in Cambridgeshire are concentrated in

the north east of the County. Fenland, north-east Cambridge and parts of north Huntingdon have the highest levels of relative deprivation.

Our population varies both in levels of experience of unhealthy lifestyles and their consequences, as well as in the take up of preventive services such as smoking cessation.

Average life expectancy in Cambridgeshire is 80 years for males and 84 years for females. In Peterborough, average life expectancy is 78 years for males and 82 years for females (2008-2010 ONS Life Expectancy). Life expectancy in both areas is increasing over time and death rates for the major causes of death are generally declining locally, as they are nationally. Death rates for diseases like circulatory diseases are falling more quickly than death rates for cancers. However, important differences remain between the life expectancy and mortality of our populations between local authority districts and between areas in both Cambridgeshire and Peterborough, for example in Peterborough the rate of coronary heart disease (CHD) mortality is not falling as fast as in Cambridgeshire, some districts in Cambridgeshire have higher death rates than the county average, e.g. in Fenland and there are important differentials in premature deaths from CHD.

Local mental health services face many of the same trends as identified in the preceding paragraphs, in particular the increase in overall population growth, but especially of older people. The demand for services continues to increase, and especially the number of people presenting with dementia. The modern focus on community-based “recovery” services places significant pressures on community services. Community Health Profiles also provide an overview of local mental health prevalence. The most significant risk-factors for poor mental health locally are deprivation, unemployment, limiting long-term illness, crime, substance misuse, physical health, and being part of a “marginalised” group (e.g. an ethnic minority, being homeless or having a learning disability). There are pockets of deprivation throughout the CCG, but for most mental health risk factors Fenland, Peterborough and Cambridge City are above national averages, whilst Huntingdonshire, South Cambridgeshire and East Cambridgeshire are below national averages.

For further information see page 17 of the System Blueprint and Appendix 3 of the Appendices document.

Our ambition to improve health in Cambridgeshire and Peterborough

The health system in Cambridgeshire and Peterborough exists to improve the health and wellbeing of its population. There are many indicators of health and wellbeing, and 7 indicators that are relevant to monitoring improvement in outcomes over the 5 year time frame of this planning cycle have been selected.

A summary of the trajectories for improvement for these top level outcomes is as follows:

- To reduce the Potential Years of Life Lost from causes amenable to health care across Cambridgeshire and Peterborough by 6.2% reduction over the 5 year time period. This represents a significant gain in health
- To improve the health related quality of life of people with one or more long-term as measured by EQ 5D on the GP patient survey by achieving a score of 80 within 5 years

- To reduce emergency admissions from causes considered amenable to healthcare by achieving a 12 % reduction in the composite emergency admission indicator
- To increase the number of people having a positive experience of care outside hospital, in general practice and in the community by achieving a score of 4.1 on the relevant domains of the GP patient survey
- To increasing the number of people having a positive experience of hospital care by achieving a score of 122 (current baseline is 127.6) over 5 years

To make significant progress towards eliminating avoidable deaths in our hospitals caused by problems in care

For further information see page 18 of the System Blueprint.

Our plans to improve financial sustainability in Cambridgeshire and Peterborough

The increasing demands on the Cambridgeshire and Peterborough health system are driven by a population that is increasing and a population that is aging.

There has been much work already across the health system to ensure that care for patients is provided in the most appropriate place. However if demand continues to increase at a greater rate than the achievement of system efficiency savings then costs will continue to rise even though the overall system is more efficient.

PwC have modelled three financial scenarios for the whole of the Cambridgeshire and Peterborough health system for 2014-2019.

- In scenario 1 no provider savings are achieved i.e. there are no savings from cost improvement plans or commissioning efficiencies. The financial gap across the health system widens to over £300m by 2018/19.
- In scenario 2 the providers in the health system achieve their cost improvement plans and commissioners make modest savings. This lessens the financial gap in 2018/19 but it still remains at £250 m.
- In scenario 3 each provider achieves a cumulative 4% efficiency savings year on year and the commissioners also make 4% efficiencies. This amounts to reducing costs by over 19% over the 5 year time period from the 2013/2014 baseline. In this scenario the health system overall will break even in 2017.

At present the financial plans across the system do not align with the forecasts of available funding. All providers geographically located in Cambridgeshire and Peterborough serve, to a lesser or greater degree, populations from other health systems. This means that there need not be complete alignment between the local commissioner plans and the plans of providers. However, with respect to Cambridgeshire and Peterborough residents, the whole system needs more alignment to remain sustainable. Achieving this alignment will involve a several approaches:

- Continuing to increase the efficiency of the health system i.e. doing the same things in a more efficient way
- Transforming areas of the health system i.e. delivering health services differently

- Reducing demand for healthcare i.e. reducing the amount of healthcare that is needed by people by increasing health and wellbeing across the population. Delivery of Local Authority Health and Wellbeing strategies will be central to this.

For further information see page 19 of the System Blueprint.

Challenges facing primary care

The Cambridgeshire and Peterborough health system incorporates 108 GP practices and 850 GPs (equaling 350 full time posts). The CCG, as a GP member practice organization, maintains a close relationship with each practice. Historically primary care has been a strong aspect of the healthcare system across Cambridgeshire and Peterborough. However NHS England has recognised at a national level that general practice and wider primary care services (pharmacy, optometry and dental services) face increasingly unsustainable pressures and that there is a need to transform the way primary care is provided to reflect these growing challenges.

The CCG has worked with GPs at Member Practice events, provider stakeholder events, through discussion at LCG Board meetings, discussions with the Area Team and through the elective and non-elective Care Design Groups to identify a set of critical success factors for primary care. These success factors are as follows:

- Generate a greater sense of individual responsibility to remain well and choose health lifestyle choices to avoid ill health
- Reduce unwarranted variation and address inequalities (evidence shows that primary care can reduce inequalities and improve health outcomes¹)
- Deliver quality improvement
- Improve access to GPs
- Develop capability and capacity to meet the demands of a rapidly increasing population, and a greater number of older people with associated frailty and long term conditions

To enable these changes to happen the following the following enables need to be considered:

- Closer working with Public Health England to promote self-care and healthy lifestyles
- Exploration of options to deliver primary care at scale through, for example, increased collaboration between GP practices
- Review of capacity within primary care including mapping against demand
- Better signposting of services
- Improved communication between GPs and secondary care clinicians

Primary care services have the potential to contribute significantly to the Cambridgeshire and Peterborough health system goal to produce a sustainable health system because primary care reduces demand on health services through its role in preventing illness.

¹ Contribution of Primary Care to health systems and Health, Barbara Starfield, Leiyu Shi, and James Macinko, The Milbank Quarterly, Vol. 83, No. 3, 2005 (pp. 457–502)

For further information see page 26 of the System Blueprint.

Transformational work already taking place within our system

(1) Older People's and Adult Community Services (OPACS) procurement

The CCG has embarked on an ambitious Older People's and Adult Community Services (OPACS) procurement which is designed to achieve exactly this type of transformation. The main components of the OPACS procurement are:

- An innovative Framework for improving outcomes which goes beyond traditional organisational boundaries
- A new contracting approach which combines a capitated budget with Payment By Outcomes to enable a population approach to service delivery, align incentives in a better way than current funding mechanisms allow, in a way which is consistent with the CCG's long term financial plan
- A 5 + 2 year contract term to enable investment and transformation
- A Lead Provider responsible for the whole pathway, providing leadership and operational coordination

Taken together these elements are intended to deliver cultural, service and structural transformation.

In order to drive the process and leverage the best possible solutions, the CCG is using a two stage competitive dialogue procurement process. The total value of the contract over 5 years is in the order of £800m. Full solutions are due to be submitted at the end of July, with a decision on preferred bidder by the end of September 2014 and service commencement in early 2015.

For further information see page 28 of the System Blueprint.

(2) Better Care Fund

Cambridgeshire and Peterborough local health system believes the Better Care Fund is an opportunity to strengthen joint working across commissioners and providers to develop and deliver better patient experience and outcomes in line with agreed outcome targets. Fundamental to this ambition is the transformation of services which will be centred on the patient rather than constrained and fragmented by organisational boundaries. Our shared aim is to reallocate resources to early intervention and prevention which is critical to building a sustainable health and social care economy.

In Cambridgeshire and in Peterborough, there is an over-arching strategic framework in place which includes the respective Health and Wellbeing Strategies. This includes the Older People's and Adult Community Services (OPACS) Procurement Programme. The Better Care Fund has interdependencies with each of these strategic work streams.

In order to turn our shared ambitions and strategies into reality we will establish an integrated team which will shape future services and inform the joint commissioning of those services through our joint decision making structures. As services become less discrete to individual organisations the Better Care Fund will enable the design and joint commissioning of integrated services.

For further information see page 32 of the System Blueprint.

Our approach to the work: the Care Design Group process

The Care Design Group process aims to identify options for change within the health system, confirm and challenge those options, determine which options could be taken forward and how this would be done and consider further options for development. It is a clinically driven process and works with representatives from across the whole health system.

In May 2014 PwC ran two Care Design Groups, on elective and non-elective care. Organisations were asked to nominate clinicians to be invited to the events.

The following design principles were agreed as part of the Care Design Group process:

- Care is provided in the best setting (not necessarily the closest). Where patients must travel greater distances, issues with accessibility and transport are considered
- Care is patient centred, evidence based and does not compromise on quality
- Identify rules that are prohibiting efficient care, and flex them locally
- Set aside organisational boundaries, work for the benefit of the health system and the patients that we act for
- Be mindful of the impact we have on other health systems
- Manage patient expectations, work within financial limits (rights, entitlement, responsibility and education)
- The workloads of professional groups should be dictated by their skills, not their organisation
- Any future model of care should address the health inequalities across the health system
- Options for change must remain outcome focused
- Pathways must be designed to meet the needs of the most vulnerable

The result of the Care Design Group process was a set of proposals that could be used to improve outcomes and financial sustainability. The CCG is leading an approach similar to Care Design Groups to develop models of care in other areas including the following:

- Older People and Vulnerable Adults
- Women's and Children's
- Mental health
- Prevention

For further information see page 33 of the System Blueprint.

Enablers for change including workforce and IT

(1) Quality Promise

The Cambridgeshire and Peterborough System Blueprint articulates the imperative for fundamental change and service redesign across the Cambridgeshire and Peterborough system. Any period of change affords an opportunity to innovate and do things better and the Quality Promise will ensure that quality is the cornerstone of the

future delivery of healthcare services across the whole system in Cambridgeshire and Peterborough. A quality perspective will be the backdrop against which all innovation and change will be considered, and all service changes will be planned, commissioned and evaluated. In essence the Quality Promise will be an explicit driver for change and continuous improvement in service delivery and will ensure that positive patient experiences are delivered.

For further information see page 37 of the System Blueprint.

(2) Workforce

Health Education East of England (HEEoE) is working with the CCG to help improve the quality of health and healthcare by ensuring that the local workforce has the right numbers, with the right skills, values and behaviours when and wherever they are needed. Between 2000 and 2010 the local workforce in Cambridgeshire and Peterborough grew by 60%. This is faster than the workforce growth across the other counties in the East of England (EoE).

- Medical workforce grew by 82%
- Registered nurses by 35%
- Support to clinical staff by 39%

All of which were above the respective average growth rates for EoE. After the 10-year growth, in 2010 staff numbers per population in the area were above EoE average and above the average for England.

For further information see page 37 of the System Blueprint.

(3) IT

The Cambridgeshire and Peterborough Health System currently has a mixture of IT systems and information flows. The GP Practices mainly use hosted clinical systems with existing and active sharing of information across care settings, including patient data. Acute Trusts are responsible for provision and development of their own information systems, and sometimes developments occur in isolation of one another. All Trusts in the system exchange information electronically but not comprehensively with a variable set of approaches in use across systems and pathways.

For further information see page 41 of the System Blueprint.

Forward process for the Cambridgeshire and Peterborough System Blueprint

The work will be overseen by a System National Partners Group made up of an NHS England Director, the Enforcement Director at Monitor, the Head of Delivery and Development from the NHS Trust Development Authority and the Chief Operating Officer from Cambridgeshire and Peterborough CCG. The role of this group will be initially to oversee the transition of the Cambridgeshire and Peterborough Local Health Economy Steering Group to the Cambridgeshire and Peterborough System Strategic Transformation Group. The ongoing function of the group will be to ensure that the relevant health system regulators have understanding and oversight of the work undertaken, and to receive updates from the System Strategic Transformation Group, providing expert advice as required. Terms of Reference for this group will be agreed by the Chief Executives on 27th June 2014.

Reporting to the System National Partners Group will be a Strategic Transformation Steering Group made up of Chief Executives from the health organisations in the local health system, Chief Executives or Directors of Adult Social Care from Cambridgeshire County Council and Peterborough City Council, and representatives from the Area Team, Trust Development Agency and Monitor. The main purpose of this group is to set the programme of work, define the actions required, set milestones and monitor progress against these milestones. Terms of Reference for this group will be agreed by the Chief Executives on 27th June 2014. A Concordat has been signed off by members of this group.

On a day-to-day basis delivery of the work will be overseen by a Programme Director, and a team of Programme Managers and workstream leads. These positions will be filled by individuals working in the Cambridgeshire and Peterborough health system and to ensure buy-in from each of the health organisations it is anticipated that the team will be taken from across the health system rather than from just one organisation.

For further information see page 46 of the System Blueprint.

2.2 Phase 2

In Phase 2, progress on the System Blueprint will continue in two main areas:

- detailed care pathway improvement work
- broader system-wide change

A set of areas have been established to look at the design and delivery of care within the current system for delivering healthcare. These are listed in the table below. They are developed to different stages, and work continues in each of these areas. The outputs of the care design work undertaken by PwC will be taken forwards by the relevant workstream area.

Care Design Group Area	Progress to date
Elective care	Programme established
Mental health	Programme in formation
Non-elective care	Three urgent care boards in place across CCG area
Older People and Vulnerable Adults	Programme established
Prevention programme	Health and wellbeing boards lead across the system. Further discussion on health system focus planned for July 2014
Women's and Children's	Programme being established

Timelines for the initial months of Phase 2 are as follows:

Milestones	Timescale
Oversee the transition of the Cambridgeshire and Peterborough Local Health Economy Steering Group to the Cambridgeshire and Peterborough System Strategic Transformation Group	July to September 2014
Cross-system funding for transformation team agreed	By 10 th June 2014
Steering Group for transformation programme established from Chief Executive Group	By 27 th June 2014

Milestones	Timescale
Transformation team commences	1 st July 2014
Outline draft delivery plan for ongoing work	By 14 th July
First decision point: prioritisation of next phase of programme delivery	By 18 th July 2014
Milestones set for delivery across the six CDG areas	15 th August 2014
Validation of quantified information in plan (financial gap; impact of interventions on outcome and financial sustainability from commissioner and provider perspective)	16 th September 2014
Refresh of system wide plan	30 th Sept 2014

3. SIGNIFICANT IMPLICATIONS

There are not yet any significant implications within this category.

It is not until the detailed care pathway planning work takes place in phase 2 that it will be possible to determine the implications. This work will include consideration of the following implications:

- Resource
- Statutory, Risk and Legal Implications
- Equality and Diversity Implications
- Engagement and Consultation Implications
- Localism and local member involvement
- Public Health Implications

Source Documents	Location
<ul style="list-style-type: none"> Cambridgeshire and Peterborough health system Blueprint 2014/15 to 2018/19: Main text 	http://www.cambridgeshireandpeterboroughhccg.nhs.uk/five-year-plan.htm
<ul style="list-style-type: none"> Cambridgeshire and Peterborough health system Blueprint 2014/15 to 2018/19: Appendices 	http://www.cambridgeshireandpeterboroughhccg.nhs.uk/five-year-plan.htm