

<b>HEALTH AND WELLBEING BOARD</b>		AGENDA ITEM No. 5 (c )
<b>17 JULY 2014</b>		<b>PUBLIC REPORT</b>
Contact Officer(s):	Andrew Reed, Area Director	Tel.

## UPDATE ON PWC 'CHALLENGED HEALTH ECONOMY WORK'

<b>R E C O M M E N D A T I O N S</b>	
<b>FROM :</b> NHS England Area Team	<b>Deadline date :</b> N/A
To note outputs from the Cambridgeshire and Peterborough 'Challenged Economy' programme and arrangements for making further progress	

### 1. ORIGIN OF REPORT

This report is submitted to Board following the meeting of local health and care chairs, elected members and chief officers on 30 April 2014.

### 2. PURPOSE AND REASON FOR REPORT

- 2.1 The purpose of this report is to update the committee of progress on the 'challenged economy' programme and its planned further progress.
- 2.2 This report is for Board to consider under its Terms of Reference No. 3.3 To keep under review the delivery of the designated public health functions and their contribution to improving health and wellbeing and tackling health inequalities.

### 3. BACKGROUND

- 3.1 The Cambridgeshire & Peterborough (C&P) local health system faces significant problems: the CCG posted a deficit in 2013/14 and will not meet its full financial requirements in 2014/5; Peterborough & Stamford Hospitals NHS FT has well-documented major financial problems; and other providers have faced financial challenges. As part of a national approach, NHS England, Monitor and the NHS Trust Development Authority (TDA) commissioned and funded support for eleven of the most challenged health economies, of which C&P was one, to enable them to identify and address issues within the context of developing five-year plans.

### 4. PROCESS

- 4.1 The nationally- supported programme commenced for a 12-week period on 7 April 2014. Governance arrangements included a local Steering Group comprising representation from NHS England, Monitor and the TDA, and chaired by the NHS England Area Director as the local sponsor. Cambridgeshire and Peterborough CCG was also represented on the group. Commissioned support was provided by Pricewaterhouse Cooper (PwC).
- 4.2 A stakeholder group was set up comprising chief officers of all NHS provider organisations within Cambridgeshire and Peterborough, Cambridgeshire County Council and Peterborough City Council. A stakeholder day was also held at the end of April for chairs and elected leaders of these organisations together with representatives of local Healthwatch groups.
- 4.3 In addition to providing programme management support, PwC provided analysis of the financial challenge facing the health economy, a review of the alignment of the plans of

organisations within the system, and facilitated two Clinical Design Groups in which clinicians reviewed the challenges and potential solutions in the areas of urgent and elective care.

- 4.4 It was recognised from the outset that the nature of the challenges facing the local health economy were such that they could not be resolved within the twelve-week period, and a key element of the programme was therefore to ensure continuing arrangements for a programme of change supported by the local health economy as a whole but led locally by the CCG.

## **5. PROGRESS**

- 5.1 The outputs of the twelve-week supported programme were:
- recognition of the lack of congruence in provider five year plans;
  - agreement over the size of the financial challenge faced by the local health economy;
  - establishing two care design groups (for urgent and elective care) which have developed proposed options to transform health and social care;
  - modelling the potential activity and financial impact of these options;
  - A draft blueprint for the future delivery of services across the local health economy, which is referenced in each of the provider five year plans;
  - agreement by the Chief Executives of all providers to a concordat that sets out the principles under which the local health economy will work together;
  - establishing a plan for the further development and implementation of options; and
  - establishing formal governance arrangements and a resourcing and funding structure that will ensure that the plans developed have the best chance of being successfully implemented.

## **6. Further action**

- 6.1 The CCG will now lead the longer programme to identify and implement transformation within the health system, including the active engagement of both social services' authorities. A programme budget has been established with contributions from all NHS provider organisations, with accountability to the wider group of chief officers. As a priority the programme will seek to agree quick wins, longer term transformational goals and will report regularly to the Steering Group. A communications strategy will also be developed to ensure wider stakeholders are also involved. This will include regular reports to the Health & Wellbeing Boards.
- 6.2 It is recognised that this programme will in effect determine the commissioning intentions for PSHFT, which is already subject to actions following the recommendations of the Contingency Planning Team. Discussions are taking pace between the Trust, the CCG, NHS England and Monitor to ensure that these processes dovetail with each other.

## **7. CONSULTATION**

- 7.1 The programme is at an early stage of development and a communications strategy is being developed to ensure wide involvement on service proposals.

## **8. RECOMMENDATION**

- 8.1 It is recommended that the Health & Wellbeing Board note the content of this paper.