

SCRUTINY COMMISSION FOR HEALTH ISSUES	Agenda Item No. 5
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Report of the Director of Corporate Affairs, Cambridgeshire and Peterborough Clinical Commissioning Group

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LOCAL HEALTH ECONOMY FIVE YEAR STRATEGIC PLAN

1. PURPOSE

- 1.1 This report gives an update on the ongoing development of the Local Health Economy Five Year Strategic Plan. The purpose of the item is to provide information and to raise awareness to members of the Scrutiny Commission for Health Issues.

2. RECOMMENDATIONS

- 2.1 Members of the Scrutiny Commission for Health Issues are asked to discuss the ongoing work and to make comments.

4. BACKGROUND

- 4.1 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:

20th June 2014: Agree Framework and Baseline

- System stakeholder identification, identification of key local issues, produce baseline on improvement metrics, identify opportunities to introduce new interventions over the next five years, agree process for next phase

July 2014 to June 2015: Design and decide

- Full system engagement, decisions about what needs to change and how to do it, modelling of impacts on the outcomes that matter to people, preparation for public consultation

July 2015 to June 2016: Change and construct

- Consultation on key changes, implementation phase, evaluation of change with full public and patient engagement

July 2016 onwards: Implementation

- Ongoing key engagement meetings

We are currently in Phase two. Phase one, which concluded at the end of June, required Cambridgeshire and Peterborough Clinical Commissioning Group (CCG) to submit draft plans to the NHS England for comment, and then a final plan, known as the 'System Blueprint' to NHS England on 20 June 2014. The System Blueprint sets out a five year plan for the whole of the local health system.

‘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 the healthcare provider organisations in Cambridgeshire and Peterborough. As a result, external advisors PricewaterhouseCoopers (PwC) worked with the Cambridgeshire and Peterborough system from 3 April to 30 June 2014. Their objective was to support the local health system to develop a joint strategy across Cambridgeshire and Peterborough that would deliver clinically and financially sustainable healthcare. Their work was being sponsored and overseen by NHS England, Monitor and the Trust Development Authority (TDA).

PwC’s approach centred around using “Care Design Groups”. These were clinically focussed groups that functioned 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 could be outlined
- Describe the capacity required to deliver the new models of care to ensure this could then be matched against available capacity.

The CCG has adopted this Care Design Group approach.

Cambridgeshire and Peterborough health system blueprint

The final version of the Cambridgeshire and Peterborough health system blueprint was submitted to NHS England on 20 June 2014. The plan was developed with feedback from stakeholder groups including the CCG’s Patient Reference Group. Further feedback will be sought from all stakeholders during phase two. 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 £250m by 2018/19
- The population of Cambridgeshire and Peterborough is increasing and there will be a greater proportion of older people in five 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 four 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 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 seven indicators that are relevant to monitoring improvement in outcomes over the five 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 five 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 five 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 five 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 (equating 350 full time posts). The CCG, as a GP member practice organisation, 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 outcomes)
- 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.

Forward process for the Cambridgeshire and Peterborough System Blueprint

Going forward, 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.

A Health and Care System Transformation Board has been established, 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 System National Partners Group. This group has started to meet on a monthly basis and will drive forward the work.

In addition, a project team has been appointed, responsible for day to day delivery of the work. This includes a Programme Director, Programme Managers and Workstream Leads and individuals appointed are from health organisations from across the local health system.

The Transformation Board has decided on a final set of workstreams to be included in the programme as follows:

- Elective Care
- Mental health
- Non elective care
- Older People
- Primary Care
- Women and Children
- Acute Configuration Review

(Note that prevention, initially proposed as a workstream in its own right, has now been incorporated into all other workstreams).

A key element of the next phase of work is developing the workstreams above in more details. This includes further analytical work to provide a baseline for 'where we are now' as well as work to determine what changes need to take place and what the outcomes of making these changes will be.

5. KEY ISSUES

- 5.1 The commission is asked to consider the ongoing work and to make comments.

6. IMPLICATIONS

- 6.1 The implications of this work will be determined in Phase two.

7. CONSULTATION

- 7.1 Preparation for public consultation will take place prior to June 2015. Consultation will take place from July 2015 onwards. Timescales will be determined by each workstream during Phase 2.

8. NEXT STEPS

- 8.1 The commission is not required to make any decisions asked at this stage. Further updates will be presented at future meetings for consideration and comment.

9. BACKGROUND DOCUMENTS

- 9.1 System Blueprint: <http://www.cambridgeshireandpeterboroughccg.nhs.uk/five-year-plan.htm>

10. APPENDICES

- 10.1 Appendix 1 – Cambridgeshire and Peterborough Health System Blueprint
Appendix 2 - System Blueprint appendices