NHS England

NHS Hartlepool and Stockton-on-Tees Clinical Commissioning Group

AGENDA ITEM

REPORT TO HEALTH AND WELLBEING BOARD

20 NOVEMBER 2014

JOINT REPORT OF NHS ENGLAND AND HARTLEPOOL AND STOCKTON ON TEES CLINICAL COMMISSIONING GROUP

The NHS Five Year Forward View

1. Background

The NHS Five Year Forward View (5YFV) was published on 23 October 2014. It describes the collective view of NHS England, Public Health England, Monitor, the NHS Trust Development Authority, the Care Quality Commission and Health Education England on why change in the NHS is needed, what that change might look like and how it could be achieved. This paper summarises what is already a fairly succinct document (with an executive summary) and outlines the potential implications for the Durham, Darlington and Tees Area Team and the NHS organisations within that geographical footprint.

2. The key proposition

The key proposition in the 5YFV is that it is possible to maintain a financially sustainable NHS without contraction of the current scope of services. It describes how the predicted funding gap can be closed by addressing the current gaps in care, quality, health and wellbeing. To do so, the 5YFV argues that this can only be achieved by a combination of local action, in managing demand and introducing more efficient services thus reducing the amount of funding the service will require and national action by increasing the current forecast allocation (thus closing the remaining funding gap).

2.1 Local action

The 5YFV argues that the following approaches must be taken if local services are to close the care and quality and health and wellbeing gaps that will make the service more efficient:

- A “radical upgrade” in prevention and public health.
- Patients gaining far greater control of their own health care.
- The NHS breaking down the barriers in how care is provided.

These actions will be supported by much greater engagement of communities, recognition of carers and a range of enabling activities.

2.2 Public Health and prevention

The 5YFV describes a lost decade since the Wanless Report[1] which outlined the need for much greater emphasis on public health and prevention of unnecessary illness (which then requires more expensive treatments). By particularly focusing on reducing smoking, levels of obesity and inactivity, harmful drinking and poor child health, we can reduce the health and wellbeing gap and reduce the treatment burden on the NHS. This needs to be a shared agenda between the public health functions of local authorities and through secondary prevention in the NHS.

2.3 Greater patient control

Patients will be given much greater control of their care through a combination of having better information (see the enabling activities section), more support to manage their own care and more say over where and which care they receive (with financial mechanisms that support this such as Integrated Personal Care budgets).

As the population ages and develops more long term conditions, the already critical role of carers will become more and more vital. The NHS, working in partnership with local authorities and the voluntary sector, will need to do much more to identify and support them, particularly the most vulnerable i.e. young carers and the elderly who are carers themselves. The NHS will make it easier for voluntary and charitable organisations that support patients and carers to access funding through shorter, simpler alternatives to the NHS Standard Contract currently used.

[1] http://webarchive.nationalarchives.gov.uk/20130129110402/http://www.hm-treasury.gov.uk/consult_wanless04_final.htm

By giving patients greater control and support, patients with conditions such as dementia will have services that work for them as individuals. The 5YFV also supports greater volunteering (as opposed to voluntary organisations) of individuals who are currently working across a range of services and the role of the NHS as a leader of change and a significant employer itself.

2.4 New models of care

Whilst there is a commitment to a list-based primary care service continuing as the foundation of the NHS (albeit with a "New Deal" of additional investment in primary care services, increased numbers of GP in training and widened control of the NHS budget for clinical commissioning groups), the 5YFV opens the door to the introduction of a range of new models of care.

These models of care will work across (and breakdown) traditional barriers – either between health and social care, between primary and secondary care or between physical and mental health care providers.

These new models include:

- Multi-specialty Community Providers (MCPs). Building on the role of GP as "expert generalist", this model will allow extended group practices to come together, employing a wider range of health and social care professionals (including consultants, community and mental health staff and social workers). These MCPs could begin to provide alternative locations for outpatient and ambulatory care services outside of traditional hospital settings, even in some cases taking over community hospitals to take on more services (e.g. diagnostics and chemotherapy). Ultimately these groups could take on delegated responsibility for managing the budgets of their patients.

- Primary and Acute Care Systems (PACS). The PACS model sees the "vertical integration" of primary and acute services, allowing hospital providers to provide general practice services with their own registered lists. Ultimately this could see a PACS service become an accountable care organisation (ACO) working with a capitated budget for its population.

- Re-designed urgent and emergency care services. The Urgent and Emergency Care system will be simplified and strengthened by creating stronger, linked specialist emergency centres, urgent care centres, community and primary care alternatives (working with the wider primary

- care such as community pharmacy) underpinned by a coordinating clinical triage and advice service. These services with be fully integrated with mental health crisis services and be available seven days a week.

- New opportunities for smaller hospitals. The 5YFV offers a role for viable smaller hospitals in the future. It clearly states that these smaller hospitals should not be providing complex acute services where there is evidence that high volumes are associated with quality of care. It does however argue that smaller hospitals (with new financial mechanisms and new staffing models) can continue to provide services as part of a hospital chain, having some services provided on-site by a different specialised provider or vertically integrating with community and primary care services (as described in the PACS model above).

- Specialised care. There is evidence that concentrating care can lead to improvements in patients outcomes. The 5YFV describes a three year rolling programme of reviews that will look to develop networks of services across geographies supported by delegated budgets or prime contract arrangements.

- Maternity services. The 5YFV outlines a review of future models of maternity services (to be completed in summer 2015) that supports women to make the best choice of place of birth and allows midwives to make best use of their skills.

- Enhanced care in care homes. In partnership with local authorities, and building on the better care fund, locally-led work with the care home sector will develop new models of in-reach support services that will help improve the quality of life and reduce hospital utilisation.

The 5YFV is clear that a national “one-size-fits” all approach to the implementation of these models will not work, with each area needed to reflect its individual circumstances. Neither however does it support letting “a thousand flowers bloom”.

The NHS will work with local communities and leaders to identify what changes are needed in how national and local organisations best work together, and will jointly develop:

- Detailed prototyping of each of the new care models described above, (together with any others that may be proposed that offer the potential to deliver the necessary transformation)

- A shared method of assessing the characteristics of each health economy, to help inform local choice of preferred models

- National and regional expertise and support to implement care model change rapidly and at scale.
- National flexibilities in the current regulatory, funding and pricing regimes to assist local areas to transition to better care models.
- Design of a model to help pump-prime and 'fast track' a cross-section of the new care models.

2.5 Enabling work

This work will be underpinned by a range of enabling activities:

- Alignment of reporting and interventions regimes across Monitor, the TDA and NHS England
- Workforce development led by Health Education England to development new roles and identifying education and training needs
- Improved health technology and information such as more transparent performance data, expanding accredited health "apps", developing fully interoperable electronic health records and bringing together audit data
- Accelerating innovation by cutting costs on randomised control trials, expansion of the Early Access to Medicines and Commissioning Through Evaluation programmes, developing "test-bed" sites for combinations of health innovations and exploring the development of health and care "new towns", amongst other things

3. The financial perspective

The 5YFV argues that:

- By maximising prevention and public health, demand for hospital services will be moderated (over a number of years)
- That through a combination of "catch up" (levelling up of providers to those that are most efficient) and "frontier shift" (implementing new care models and
- introducing technological advancements) then up to 3% efficiency may be released. This will not be realised in year one and would require pump-priming investment (potentially from FT surpluses and sale of excess land and estate) to support transformation.

- That additional funding would need to be found to close the remaining funding gap.

Depending on the combined efficiency and funding option pursued, the effect is to close the £30 billion gap by one third, one half, or all the way as described by three funding scenarios.

These three scenarios are:

- Scenario one, the NHS budget remains flat in real terms from 2015/16 to 2020/21, and the NHS delivers its long run productivity gain of 0.8% a year. The combined effect is that the £30 billion gap in 2020/21 is cut by about a third, to £21 billion.

- Scenario two, the NHS budget still remains flat in real terms over the period, but the NHS delivers stronger efficiencies of 1.5% a year. The combined effect is that the £30 billion gap in 2020/21 is halved, to £16 billion.

- Scenario three, the NHS gets the needed infrastructure and operating investment to rapidly move to the new care models and ways of working described in this Forward View, which in turn enables demand and efficiency gains worth 2%-3% net each year. Combined with staged funding increases close to 'flat real per person' the £30 billion gap is closed by 2020/21.

4. In summary

In summary, the 5YFV offers a route-map to a financially sustainable, tax funded NHS which is free at the point of use achieved through the re-shaping of the current health service landscape.

5. Local Implications

Clearly the 5 year forward view offers opportunities to consider the preferred local scope and shape of services. The Health and Wellbeing Board has recently considered and agreed through the Better Care Fund (BCF) planning process, a system wide vision for local health and care services that is consistent with the local approaches described in section 2.1. Work has already commenced in relation to reshaping urgent care services, supporting enhanced care in residential and nursing homes and in enhancing the quality of primary care provision, as part of the BCF and the Clinical Commissioning Group's Clear and Credible (commissioning) Plan and supporting strategies that have been informed by public engagement processes during the last year.

Local NHS leaders with key partners such as Stockton Borough Council, voluntary and third sector organisations and the public, will need to consider the preferred model of service provision that will provide the best ‘fit’ to meet local health and care needs and deliver the best and most sustainable outcomes for local people.