**AGENDA ITEM**

**REPORT TO HEALTH AND WELL BEING BOARD**

**24th FEBRUARY 2016**

**REPORT OF CHIEF OFFICER NHS HARTLEPOOL AND STOCKTON ON TEES CLINICAL COMMISSIONING GROUP**

# Planning Update 2016/17

## SUMMARY

The purpose of this paper is to outline the planning requirements released by NHS England and how NHS Hartlepool and Stockton-on-Tees Clinical Commissioning Group (CCG) and its partners are progressing against these requirements.

As with last year there is an expectation that commissioners will work with their providers and other organisations e.g. local authorities to develop local plans. Assumptions related to activity and outcomes must be aligned. Plans must reflect the local Joint Health and Wellbeing Strategy and commissioners must demonstrate that providers and local communities have been fully engaged in the process.

## RECOMMENDATIONS

1 It is recommended that the Health and Wellbeing Board:

- Consider and comment on the requirements in the planning guidance on the need to develop a clear overall shared vision and plan for our area.
- Note the actions that have been taken to date in the local health and social care community to meet the needs of the 16/17 Planning period.

## DETAIL

### 2. Introduction and background

2.1 Each year NHS England produces a framework which CCG commissioners use to work with providers and local authority partners to develop robust and ambitious plans in order to secure high quality services, reduce health inequalities and improve health outcomes for patients and public.

2.2 This year the document sets out a clear list of national priorities for 2016/17 and longer-term challenges for local systems, together with financial assumptions and business rules. It also reflects the settlement reached with the Government through its new Mandate to NHS England **(**annex 2 of the guidance)**.** The Mandate, for the first time is not solely for the commissioning system, but sets objectives for the NHS as a whole.

2.3 The guidance requires that NHS organisations are required to produce two separate but connected plans:

- a five year Sustainability and Transformation Plan (STP), place-based and driving the Five Year Forward View; and
- a one year Operational Plan for 2016/17, organisation-based but consistent with the emerging STP.

In addition it will be requirement to update the Better Care Fund Plan.

## 3. Key messages

3.1 This is a new, different planning process that supports local change, transcends boundaries and looks beyond one year though there are specific asks for 2016/17.

## 3.2. Operational Plans for 2016/17

3.2.1 The 2016/17 Operational Plan should be regarded as year one of the five year STP, and there is an expectation of significant progress on transformation through the 2016/17 Operational Plan. A basic planning rationale was submitted to NHSE on the 8th February which explained the basis for the performance trajectories provided at the same time and a further revised and more detailed document will be submitted on March 2nd before final submission on the 11th April.

3.2.2 By April 2016, commissioner and provider plans for 2016/17 will need to be agreed by NHS England and NHS Improvement, based on local contracts that must be signed by March 2016 covering activity, capacity, finance and 2016/17 deliverables from the emerging STP.

3.2.4 The guidance outlines Goals for 2020, deliverables for 16/17 and a series of Must Do's also for 16/17. These are outlined below.

### 3.3 The nine 'must dos' for 2016/17

**1.** Develop a high quality and agreed STP, and subsequently achieve what you determine are your most locally critical milestones for accelerating progress in 2016/17 towards achieving the triple aim (better health, transformed quality of care delivery and sustainable finances) as set out in the Forward View.

**2.** Return the system to aggregate financial balance. This includes secondary care providers delivering efficiency savings through actively engaging with the Lord Carter provider productivity work programme and complying with the maximum total agency spend and hourly rates set out by NHS Improvement. CCGs will additionally be expected to deliver savings by tackling unwarranted variation in demand through implementing the Right Care programme in every locality.

**3.** Develop and implement a local plan to address the sustainability and quality of general practice, including workforce and workload issues.

**4.** Get back on track with access standards for A&E and ambulance waits, ensuring more than 95 percent of patients wait no more than four hours in A&E, and that all ambulance trusts respond to 75 percent of Category A calls within eight minutes; including through making progress in implementing the urgent and emergency care review and associated ambulance standard pilots.

**5.** Improvement against and maintenance of the NHS Constitution standards that more than 92 percent of patients on non-emergency pathways wait no more than 18 weeks from referral to treatment, including offering patient choice.

**6.** Deliver the NHS Constitution 62 day cancer waiting standard, including by securing adequate diagnostic capacity; continue to deliver the constitutional two week and 31 day cancer standards and make progress in improving one-year survival rates by delivering a year-on year improvement in the proportion of cancers diagnosed at stage one and stage two; and reducing the proportion of cancers diagnosed following an emergency admission.

**7.** Achieve and maintain the two new mental health access standards: more than 50 percent of people experiencing a first episode of psychosis will commence treatment with a NICE approved care package within two weeks of referral; 75 percent of people with common mental health conditions referred to the Improved Access to Psychological Therapies (IAPT) programme will be treated within six weeks of referral, with 95 percent treated within 18 weeks. Continue to meet a dementia diagnosis rate of at least two-thirds of the estimated number of people with dementia.

**8.** Deliver actions set out in local plans to transform care for people with learning disabilities, including implementing enhanced community provision, reducing inpatient capacity, and rolling out care and treatment reviews in line with published policy.

**9.** Develop and implement an affordable plan to make improvements in quality particularly for organisations in special measures. In addition, providers are required to participate in the annual publication of avoidable mortality rates by individual trusts.

### 3.4 The Five Year Local Health System Sustainability and Transformation Plan (STP)

3.4.1 The guidance also asks that every health and care system will come together, to create its own ambitious local blueprint for accelerating its implementation of the Forward View; this will be called the Sustainability and Transformation Plan (STP). STPs will cover the period between October 2016 and March 2021, and will be subject to formal assessment in July 2016 following submission in June 2016.

3.4.2 Locally the STP has been defined as covering; Hartlepool and Stockton on Tees, South Tees, Darlington, Hambleton, Richmond and Whitby, North Durham as well as Durham Dales, Easington and Sedgefield CCGs. This was submitted to NHSE on the 29th January 2016 and supported by local Trusts and Local Authorities at the North of Tees Partnership Board early January 16.

3.4.3 An important factor to note is that the STP will become the single application and approval process for being accepted onto programmes with transformational funding for 2017/18 onwards. Many of these streams of transformation funding form part of

the new wider national Sustainability and Transformation Fund (STF). The most compelling and credible STPs will secure the earliest additional funding from April 2017 onwards.

3.4.4 While the STP needs to address the list of national challenges set out in the guidance there is a clear message that the list should not be seen simply as a narrow template for what constitutes a good local plan, the most important initial task is to create a clear overall vision and plan for our area.

3.4.5 The guidance details the 'national challenges' to help us set out ambitions for our populations – these are about reducing:

- The Health and Wellbeing Gap
- The Care and Quality gap
- The Finance and Efficicnecy Gap

and are the basis on which we are developing our Plan for 2016/17. Addressing the national challenges is essential in gaining sign off of the plan, and importantly attracting additional national investment.

## 4 Better Care Fund

4.1 The CCG and Local Authority need to agree a joint plan to continue to deliver the requirements of the Better Care Fund (BCF) in 2016/17, building on the 2015/16 BCF plan, and taking account of what has worked well in meeting the objectives of the fund, and what has not.

4.2 CCGs have already been advised of the minimum amount that they are required to pool as part of the notification of their wider allocation. BCF funding should explicitly support reductions in unplanned admissions and hospital delayed transfers of care.

## 5 Financial planning guidance

5.1 Guidance to date has indicated that:

- Contracts will need to be closed off by the end of March
- Plans will clearly need to identify the efficiency gap to meet the planning parameters, with an emphasis on risk assessment and scenario planning.

- Plans will need to contain final planning assumptions including fixed allocations for next three years
- Plans will need to build on triangulation work undertaken in 2015/16 with clear links between activity and finance (including QIPP plans) and commissioners and providers

## 6 Assurance

6.1 There will be a new, more joined-up approach to planning including NHSE and NHS Improvement (Monitor and the NHSTDA) ,to ensure detailed, credible and robust plans with evidence of them being jointly owned and delivered by commissioners and providers.

6.2 This will include organisations being asked to self – assess their readiness for shared planning, identifying issues that will require support, both for its operational plan and the STP.

## 7 Timetable

| Event | Date |
|---|---|
| Localities to submit proposals for STP footprints | By 29 January |
| First submission of full draft 16/17 Planning Templates (activity and finance) and Planning Rationale (basis for Operational Plan) | 8th February |
| Better Care Fund Plan Submission | 15th February |
| AO meetings | 22nd -26th February |
| Publish National Tariff | March |
| Interim activity and finance plans submitted. | 2nd March |
| Boards of providers and commissioners approve budgets and final plans | By 31st March |
| National deadline for signing of contracts | 31st March |
| Submission of final 16/17 Operational Plans, aligned with contracts | 11th April |
| Final activity plans submitted. | 11th April |
| Submission of full STPs | End June |
| Assessment and Review of STPs | End July |

## 8 Next Steps

8.1 **Transformational Footprint/STP:** The first key milestone was to submit our proposed STP transformation footprint **(as per paragraph 4.2.4)** to NHS England by Friday 29 January 2016, for national agreement. In addition a checkpoint meeting is to held with CCG AOs and Trust Chief Executives week commencing the 22nd February.

8.2 This checkpoint meeting will cover the following issues:

- Plans for service transformation and the impact these will have on health outcomes of local populations and how will this reduce inequalities within the local health economy?
- How will the STP deliver improvements in the three elements of the quality of care (safety, effectiveness, and patient experience) and are there any areas (speciality/unit) in particular that require rapid transformation to ensure the clinical sustainability of services in the long term ?
- The scale of the financial challenge and has consideration been given to how the transformation funding is committed to enable this ?
- What is your local timeline to ensure production of the STP by end of June including the practicalities i.e. coordination, governance and sign off by all key stakeholders.

8.3 All contracts are to be signed off and agreed by the 31st March 2016 with final submission of 16/17 Operational Plans, aligned with contracts and activity by the 11th April 2016

8.4 The final versions of the STPs will be submitted by the end of June 2016 with regional and national review completing by the end of July 2016.

## 9 Commissioning Intentions 16/17

9.1 As a result of this guidance the CCG will now need to tailor their commissioning intentions for 2016/17 to meet the requirements and deliverables of both the first year operational plan and the five year STP.

9.2 The CCG will need to review the additional requirements set out in the plan, particularly around mental health and prevention against the current plans to ensure compliance. Given the scale and pace of change in the nature and setting of care, our commissioning intentions take on a greater importance this year. We need to develop clear plans to change volumes, pathways and settings of care. This must also be done through a "single commissioner voice" where the CCG and its co-commissioners and the Council are speaking "as one" to our key Providers. Success also requires that we secure genuine Provider "buy in" to the changes and that plans are developed which recognise risks and issues and result in a joint system-wide commitment to implementation.

9.3 Alongside ensuring delivery of the planning requirements the CCG will also utilise the RightCare approach to identify specific areas of focus. NHS England has committed significant funding to rolling out the RightCare approach to all CCGs over the next two years. In order to provide close support to CCGs and ensure successful implementation, this will happen in three waves. NHS Hartlepool and Stockton-on-Tees have been selected as a wave one CCG. This means that the CCG will receive early access to RightCare Delivery Partner support from January 2016.

8.4 The Rightcare team have already identified a number of high level clinical pathways that require further investigation and this work will be incorporated into the 2016/17 CCG workplan, these include;

- cancer
- musculoskeletal
- respiratory
- endocrine
- genito urinary

Fortnightly meetings are being held with CCG and Local Authority representatives to ensure a partnership approach to the development of the STP reviewing the priority areas.

**FINANCIAL IMPLICATIONS**

Financial planning is required as part of the annual planning process and financial plans have been agreed with the CCG Governing Body. The plans will be developed in order to determine the required commissioning that will need to be undertaken in order to make best use of resource and to create a sustainable health economy in Hartlepool and Stockton-on-Tees.

**LEGAL IMPLICATIONS**

All statutory responsibilities will be delivered. The annual plan is a statutory duty set that is required to be delivered by CCGs.

**RISK ASSESSMENT**

Key risks will be identified and included within the CCG risk register.

**CONSULTATION**

The CCG will comply with statutory duties in relation to consultation and will consult where appropriate on any required service change.


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**9 Background papers**

The Planning Guidance: Appendix 1.