Place-based systems of care and providing support to local leaders

Jim Mackey
Chief Executive, NHS Improvement

1 March 2016
Current challenges are significant...

- M9 deficit £2.26bn
- 179 providers reporting an in-year deficit
- 156 providers forecasting a full-year deficit

A&E

Q3
90.66%
But we need to focus on the future too…

The NHS Shared Planning Guidance asked local areas to develop a Sustainability and Transformation Plan (STP) by July 2016.

By April 2016:

• Agree footprints
• Establish local governance arrangements
• Articulate scale of current and future challenge
• Agree key priorities

By July 2016:

• Develop 5-year Sustainability and Transformation Plans
Developing STPs won’t always be plain sailing

• **There will be technical issues to be overcome…**
  – How to make sense of new planning footprints e.g. for providers whose patients come from multiple footprints
  – Separate funding flows e.g. NHS versus social care funding
  – Misaligned incentives in the NHS reimbursement system

• **And non-technical issues…**
  – Poor local relationships
  – Vested organisational interests
  – Freeing sufficient resource to focus on the longer-term alongside dealing with short-term pressures
  – Having to confront difficult issues that have been dodged before (sometimes many times)
  – Learning to work in a systems way rather than an institutional one
44 STP footprint areas now agreed across the country

• The STP process provides an opportunity for local organisations to develop aligned strategic plans

• Most footprint areas build on existing local relationships and are shaped around natural communities.
  – Some build on existing programmes, like:
    • Success Regime areas
    • Devolution areas

• Many planning and collaborative arrangements will naturally continue to exist over smaller and larger areas
Delivering the 5YFV will involve taking a national story and owning it locally

1. Health and wellbeing gap
   • A radical upgrade in the prevention of ill health
   • Delivering a step-change in the engagement of patients, communities and NHS staff

2. Care and quality gap
   • Reducing avoidable hospital usage
   • Delivering significant improvement in quality for patients (including key national priorities for cancer, mental health, 7 days services etc.)
   • Tackling inconsistency and variation

3. Finance and efficiency gap
   • Returning the system to sustainable financial balance
Developing strong relationships will be key to success

• The STP process invites organisations to come together to
  • tackle challenges together that could not be addressed in isolation
  • help resolve long-standing local problems (this summer a window of opportunity)

• We will be asking how key local partners have been involved, including:
  • GPs
  • Local Authorities
  • Communities and local staff
  • All providers
  • The public

• If we are to get results, the quality of the relationships will drive this as much as the quality of the analysis

• We have asked for a single CEO or CO to chair the local leadership group
It is important to focus on the right things

- **How best to use collective resources to meet the needs of populations**
  - Not just how to protect institutions
  - Some areas may, in time, choose to take on joint control totals
    - But this needs to mean everyone owns the challenge, not that no one does, or use it as an accountability avoidance mechanism

- **Don’t get stuck in the weeds**
  - Be clear about the overall scale of the challenge and your major priorities

- **Don’t go straight to focusing on new organisational structures**
  - In some areas, new organisational forms or contractual and payment mechanisms will act as helpful enablers for change
  - But better to focus on the 4 or 5 fundamental things an ACO can do to improve population health than on the 4 or 5 technical things you need in order to be an ACO
    - E.g. Cambridgeshire older people’s contract
    - Don’t avoid the tricky stuff
    - Don’t wait for someone else to tell you the answers
    - Don’t try and stitch each other up

- It is important to focus on the right things
Money is tight at the moment, and will be for some time

We need to invest in those areas that have:
- Strong partnerships
- A good understanding of their challenges
- Credible plans to address them
- Energy and momentum, with a purpose

In other areas we will need to consider what support or intervention is required in order to keep up with those who are furthest ahead

The quality of the plans will be used to allocate 2017/18 transformation funding
We will be offering support

• NHSI is working with NHSE, Public Health England and the other ALBs to jointly sponsor and support this work

• Our regional teams will be working directly with footprint areas, with additional support from a dedicated national team. This will include:
  – Support with financial modelling
  – Direct support, webinars and resources relating to key priority areas (e.g. cancer, mental health, 7 days services), new care models programme etc.

• Regional development days in late April, bringing footprint leadership teams together to network and share progress and common challenges

• Let us know if you need anything else
Tell us about any national barriers

• As well as sharing your plans, we want to know about any barriers that make it difficult for you to implement changes that will benefit patients

• We know you need us to collaborate nationally the same way that we are asking you to collaborate locally

• NHS Improvement now convenes a working group with CQC and a selection of vanguard sites, focused on understanding and addressing regulatory issues relating to new care models

• And we intend to continue adjusting our oversight regime so that it
  – Incentivises the right behaviours; and
  – Focuses increasingly on whole health systems, not just individual institutions
Alongside all of this, NHSI is continuing to evolve to support the NHS

**Development support**
Provided through NHSI’s regional teams and a central Development team

**Improvement Faculty**
Will push forward the improvement movement within the NHS

**Clinical Network**
Engage clinical leaders in the service to ensure we have maximum clinical engagement and support for our work.

**Provider Sustainability**
Supporting short term operational improvement, longer term sustainability solutions and leadership development

**Advancing Change Team**
Provides expertise in change management capability development, and supports NHS staff in the delivery of change
Closing thoughts

• The NHS must continue to deliver core access, quality and financial standards while planning properly for the next five years. Non-negotiable.

• Long-term success requires us all to think beyond our statutory and organisational borders to meet the needs of the people we serve.

• Further strengthening of collective system leadership at both national and local levels is essential to ensure that we succeed.

• The STP process is the beginning of a journey towards a more collaborative way of working at all levels of the NHS.

• This will take time to get right.

• We will be evolving with you and offering support wherever we can.

• This really is your big chance to go for it (honest) - take it!