Nottinghamshire County Council

Report to Health and Wellbeing Board

16 January 2013

Agenda Item: 4

REPORT OF CHIEF OPERATING OFFICER, NEWARK AND SHERWOOD AND MANSFIELD AND ASHFIELD CLINICAL COMMISSIONING GROUPS

DEVELOPING VIABLE OPTIONS FOR SHERWOOD FOREST HOSPITALS AND SURROUNDING HEALTH ECONOMY THROUGH A PARTNERSHIP TRANSFORMATION APPROACH

Purpose of the Report

1. Following a presentation to the November 2012 Health and Wellbeing Board from the Interim Chief Executive Officer of Sherwood Forest Hospitals, the purpose of this report is to inform the Board of the work underway to ensure a sustainable health economy for Mid-Nottinghamshire. The intention is to create a "road map" for the future that sets out how Nottingham and Nottinghamshire commissioners and providers will work together to develop and integrate services, in the face of unprecedented financial pressures. The report will describe;

- The programme of work required to secure the future, including proposed outputs and associated timescales.

- The programme management approach to be adopted, and the constitution of the overseeing body – the "Mid-Nottinghamshire Integrated Care Transformation Board"

Information and Advice

Background

1. The health needs of the population of Mid-Nottinghamshire are changing and increasing due to growth, an ageing population, and changing expectations. This will increase demand for health and care services at a time of low growth in the economy for years to come, and major pressure on NHS and social care budgets. A large proportion of acute care is currently provided by Sherwood Forest NHS Foundation Trust, which has a number of fixed costs (including a PFI contract), as well as services that require a critical mass of activity to be viable under current payment arrangements.

2. Within the overall economy, Sherwood Forest Hospitals has a particularly urgent and challenging financial position that requires immediate action. The Foundation Trust has been found in significant breach of its terms of authorisation, and Monitor has intervened using its statutory powers. A new senior leadership team are dealing with the organisational implications. Commissioners and providers have agreed to work together

to jointly understand the current state trading and operating position at the Foundation Trust and to develop responsive plans for a sustainable and integrated health and social care economy. It is recognised that the longer term viability of services provided from Kings Mill and Newark Hospitals is the most significant legacy risk that Mansfield and Ashfield and Newark and Sherwood CCGs will inherit.

Establishment of the Transformation Partnership Board and Approach

3. The PCT Cluster Board, Midlands and East SHA, CCG Governing Bodies and Foundation Trust Board have all expressed the imperative for a more detailed piece of work to find solutions and to plan future service configurations. Boards and Governing Bodies have agreed that a Partnership Board should be established for Mid-Nottinghamshire that will oversee a series of projects within an overall programme of work. Governance requirements have been agreed through board level approval of terms of reference. The "Productive Nottinghamshire" collaborative has agreed an overarching vision, values and principles for local service transformation that will guide more specific decisions about service delivery and asset utilisation in the coming months and years, and the Mid-Nottinghamshire Partnership will operate within this context.

4. The Partnership Board is called the "Mid-Nottinghamshire Integrated Care Transformation Board" and has been established to oversee the progress of projects and to ensure that adequate supportive analysis is undertaken across the whole programme of work. The approach taken will be to focus on the whole Mid-Nottinghamshire "system affordability gap" and empower its clinicians to develop and deliver better models of care – irrespective of which organisation happens to incur the benefit under current rules and payment mechanisms. If care can be delivered in a way that achieves better outcomes for patients and costs the same or less money – then the leaders of the health system will support and make it happen. Examples of this might include:

- Using expertise currently residing in the acute provider to deliver care to patients not currently in the hospital
- Supporting decision making in primary care with expertise and diagnostic capabilities from the hospital
- Recognising that for patients, out of hours care is frequently most easily accessed from A&E, and structuring other out of hours provision aligned to (rather than in competition with) this
- Delivering more sub-acute care in closer-to-home settings

Key Deliverables and specific outputs of the Transformation Work

5. The initial programme of work will take 16 weeks from the beginning of January 2013, and whilst focussing on the medium to longer term in terms of required system reconfiguration, the process used will ensure that necessary 2013/14 actions can be built into contract negotiations. Key deliverables will include;

- *A model of shared clinical leadership* – with primary and acute clinicians working together in the interests of patients and freed up from organisational constraints.

- *A shared vision / blueprint for the physical health system of the future* - grounded in local understanding, owned by the organisations and capable of being delivered.
- *Analysis to demonstrate what this blueprint means for acute and out of hospital services, and the providers of those services* – including financial and quality impact at an aggregated and then individual organisation level, and how this can work in terms of organisational forms, regulatory authorisation, etc.
- *A high level road map for the health economy and individual organisations for the next 3-5 years, and a more detailed plan for the next 12 months* – built on a foundation of supporting the best services and outcomes for patients and with a local commitment to deliver.

So as to build on the working of existing clinical networks, it is proposed that clinical services are considered under the following groupings;

- Elective care
- Long term conditions
- Frail elderly
- Maternity and paediatrics
- Emergency care

6. It is also anticipated that the programme of projects will give rise to the following specific outputs.

- A description of viable options for services/specialties over the next 5-10 years in line with projected health / population needs will be provided.
- Financial, cost improvement, productivity and efficiency, and innovation measures will be quantified and projected to underpin service descriptions (based on available planning assumptions).
- Areas for statutory consultation in 2013/14 will be clearly identified.
- An engagement document will be produced, in order to begin a meaningful dialogue with stakeholders and the public. This will include options for asset utilisatiion.

Constitution of the Transformation Partnership Board

7. As outlined earlier, the Mid-Nottinghamshire Integrated Care Transformation Board has been established by the Boards / Governing Bodies of constituent providers and commissioners. It is accountable to the Boards / Governing Bodies of its membership. The scope will cover the totality of the local health system for physical healthcare (i.e. all locally commissioned services covering acute, community and primary care) as well as social care. It will not include the major parts of mental health provision, except where they overlap with physical healthcare, e.g. dementia care for physically unwell patients and liaison psychiatry.

8. Organisational sovereignty will remain, but the Board will adopt a whole system approach to debate and decision- making. The Board will ensure that all local and national levers used to drive transformation and productivity gain are considered jointly and severally (e.g. QIPP, CQUIN, CIPs). They will be impact-assessed with regard to the risks to the sustainability and viability of all providers and the differential effects/unintended consequences that may arise within the system.

9. In recognition of the programme and scope of the works, Membership of the Transformation Board will be drawn from the following;

- Board Chair (mutually agreed by members)
- Chief Executives / Chief Officers or senior representative from:
    - Commissioning CCGs
    - Sherwood Forest Hospitals NHS Foundation Trust
    - Nottinghamshire Healthcare Trust (community and mental health provider)
- Chairs (including CCG Clinical Chairs)
- Local Area Team Director
- Director of Adult Social Care and Health (representing Nottinghamshire County Council)
- Directors of Finance
- Medical Directors
- Directors of Nursing

The Board or its Chair may co-opt other members as may be required

Statutory and Policy Implications

1. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

It is recommended that the Health and Well Being Board:

1) **Notes** the progress underway to secure a vision for sustainable hospital and community based services in Mid-Nottinghamshire in the future.

2) **Considers** how and when further updates may be required.

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Constitutional Comments

Because this report is for noting only, there are no constitutional comments.

Financial Comments

None.

Background Papers

None.

Electoral Division(s) and Member(s) Affected

All.