

REPORT TO: Health Policy & Performance Board (PPB)
DATE: 21st June 2016
REPORTING OFFICER: Strategic Director, People & Economy
PORTFOLIO: Health & Wellbeing
SUBJECT: One Halton - Health & Wellbeing Operational Plan 2016/17
WARD(S) Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 To inform the Health PPB of the initial operational plan for 2016/17 submitted to NHS England (NHSE) as part of the annual planning round and to identify further work that will be undertaken to develop the priorities for the five year Sustainability and Transformation Plan and the Financial Recovery Plan, with the clear actions to be delivered during the year.

2.0 RECOMMENDATION: That the Board:

- i) **Note the contents of report and associated appendix; and**
- ii) **Support the commissioning team(s) in identifying the priorities and delivering the subsequent actions.**

3.0 SUPPORTING INFORMATION

3.1 Introduction

NHSE issued their Five Year Forward View planning guidance in October 2014, with a set of priorities for the NHS up to 2020, and the direction of travel for new models of care and the improvement of care, quality and financial efficiencies.

In October of the first year of the Five Year plan, NHSE published its revised planning guidance, 'Delivering the Forward View', that extended the planning period to 2021, with a continuation of the existing direction of travel but with a number of new challenges.

The greatest change to the previous processes since Clinical Commissioning Group (CCGs) have been created has been the requirement set by NHSE for the planning footprint to be greater than a single CCG and to be based on the natural geographic health economies. It is on this footprint that NHSE expects to receive a single integrated and consolidated Sustainability and Transformational Plan (STP).

With this in mind all of the CCGs, Local Authorities and Provider Trusts within Cheshire and Merseyside have agreed to work collaboratively on the STP, to

develop a governance structure and to manage any allocations received from the national transformation fund.

Although NHSE want a single STP across an economy footprint, they still require every organisation to provide a series of planning returns describing the level of activity being planned for, the contractual arrangements and the achievement of the key constitutional standards. For 2016-17 NHSE issued all CCGs with a level of activity they expected each CCG to be purchasing and required an explanation of why any CCG has deviated from their forecasts. This Operational Plan (see attached) acts as Halton's response to NHSE, with details of the assumptions and trajectories to evidence the values submitted.

NHSE has, over the last few weeks of the planning cycle, been putting CCGs under increased pressure to increase the levels of activity within their submitted plans, above their own original forecasts, without regard for local strategies or for affordability. NHS Halton CCG has rejected these additional requests and has defended and evidenced the agreed plans and these have now been accepted by NHSE as providing a robust approach.

3.2 Halton's Planning Process

NHS Halton CCG has adopted an integrated Borough wide approach to planning with Halton Borough Council and a series of stakeholders, called "One Halton". The "One Halton" consultation and Steering Group identified 6 areas of focus and their executive leads, as follows:

- Mental Health and Learning Difficulties – Dave Sweeney
- Older People – Sue Wallace Bonner
- Long Term Conditions – Jan Snoddon
- Children and Families – Ann McIntyre
- General Well – Eileen O'Meara
- Strategic and Operational Enablers – Leigh Thompson

The process for these areas to identify their service priorities and develop their work plans and delivery timescales for the five years of the STP is still continuing with their task and finish groups. The finalised priority work will be completed and presented to NHS Halton CCG Governing Body in June 2016 and will then be shared with the respective committees and groups for wider circulation in the Local Delivery System (LDS) for inclusion in the STP.

3.3 Financial Recovery Plan

NHS Halton CCG is currently forecasting a £8.5m deficit at the end of the current year, while having a statutory duty to break even and a business requirement to deliver a 1% surplus, hold a 1% non-recurrent reserve and a 0.5% contingency. Without the technical requirements the service pressures are closer to £4m.

In order to turn around the deficit and bring the budget on to a sustainable surplus position and financial recovery plan is being enacted, led by the Chief Officer and a newly appointed Head of Recovery. This financial recovery plan will work in parallel

and in collaboration with the Areas of Focus, the LDS and the STP.

To deliver the transformational requirements and to allow a lead time to the delivery of increased efficiencies it is anticipated that the financial position will remain static or even deteriorate in the first instance, before a trajectory of improvement is seen. It is therefore expected that the CCG may not be able to report a breakeven position by the end of the current financial year and that it may take 2 to 3 years, depending on the whole scale system change that will be part of the STP transformational plan.

A series of diagnostic and review processes are being finalised, plus there will be the creation of a clinical taskforce and a management action team undertake the key work streams. A number of early opportunities have been identified and are already being targeted for commencement.

3.4 **Improvement and Assessment Framework**

NHSE has issued the new Improvement and Assessment Framework for 2016-17 on 31st March, which replaces the former assurance process and is aimed to be aligned with the Forward View and the delivery of the STP.

The framework is constructed with four domains, expanding on the “Triple Aim”:-

1. Better Health: this section looks at how the CCG is contributing towards improving the health and wellbeing of its population, and bending the demand curve;
2. Better Care: this principally focuses on care redesign, performance of constitutional standards, and outcomes, including in important clinical areas;
3. Sustainability: this section looks at how the CCG is remaining in financial balance, and is securing good value for patients and the public from the money it spends; and
4. Leadership: this domain assesses the quality of the CCG’s leadership, the quality of its plans, how the CCG works with its partners, and the governance arrangements that the CCG has in place to ensure it acts with probity, for example in managing conflicts of interest.

And the framework has six key clinical priority areas, which are already identified within the One Halton Areas of Focus:-

- Mental health
- Dementia
- Learning disabilities
- Cancer
- Diabetes
- Maternity

Many of the key metrics within the framework will require an integrated response with Public Health towards the preventative strategies and their desired outcomes. The process to undertake the assessment monitoring and review with NHSE is still being confirmed, but should be finalised by the end of the first quarter.

3.5 **Governance, Conclusion and Recommendations**

With the on-going work that is still taking place, it is anticipated that the Operational Plan presented today is the first iteration and that the plan will be refined over time during the first half of the year and evolve into the detailed rolling Operational Plan to manage the strategic 5 year plan.

It is expected that the next few years will be financially taxing and there will be significant difficulties across the economy to deliver the constitutional standards. This is the starting phase for a programme of system wide transformation that will rationalise the configuration of service provision across the provider sector and the foundation for the developments of new models of care with a focus on out of hospital provision.

NHS Halton CCG is going to have to adopt the mentality from a decade ago for “QIPP and GRIP” to identify the opportunities and to ensure there is control and delivery of the plans and schemes through a robust programme management approach. The Borough will need to develop a culture of improvement within its functions and preach a culture of prevention and self-care with its population to reduce the unnecessary demand for health and social care interventions.

The suggested reporting arrangements for this plan are that the commissioning manager’s report progress via a Programme Management Office and escalate any concerns to their respective Directors. A consolidated performance report will be sent to NHS Halton CCG’s Performance and Finance Committee on a bi-monthly basis with a line of sight through to HBC committees with a quarterly update to the Governing Body.

Work will continue with the portfolio directors on the areas of focus and will be aligned to the Health and Wellbeing strategy and the Joint Strategic Needs Assessment.

It is proposed that this Operational Plan for 2016/17 will be presented to the Health and Wellbeing Board in July.

4.0 **POLICY IMPLICATIONS**

4.1 The Operation Plan is a response to NHS England’s priorities planning guidance “Five Year Forward View – October 2014” and “Delivering the Forward View – October 2015”.

4.2 The attached Operational Plan will form the first year of the five year Halton Health and Wellbeing Sustainability and Transformation Plan, which will be the framework for the commissioning priorities for both NHS Halton CCG and Halton Borough Council Social Care and Public Health Services.

5.0 **OTHER/FINANCIAL IMPLICATIONS**

5.1 There will be Financial and other implications in delivering the plan but allocations received by all of the bodies have been included within the Plan.

6.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

6.1 **Children & Young People in Halton**

The Operational Plan will support the priority to improve the health and wellbeing of children and young people in the Borough.

6.2 **Employment, Learning & Skills in Halton**

The Operational Plan will help to support maintaining a healthy workforce.

6.3 **A Healthy Halton**

All issues outlined in this report and Operational Plan focus directly on this priority.

6.4 **A Safer Halton**

None identified.

6.5 **Halton's Urban Renewal**

None identified.

7.0 **RISK ANALYSIS**

7.1 The main risk identified at this stage is that the Operational Plan may not be delivered due to availability of resources or destabilisation from the LDS or STP.

8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 The implementation of the Operational Plan will take full account of the Public Sector Equality Duty and the statutory responsibilities of NHS Halton CCG and other partners under the Equality Act 2010.

9.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

9.1 None under the meaning of the Act.