# TRUST BOARD

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| **Date of Meeting:** 02/11/2010 | **Enclosure:** 7<br>**Agenda Item No:** 8.2 |
| **Title of Report:** Equity and Excellence: Liberating the NHS | |

**Aims:**

This report provides an update for the Trust Board regarding developments that are linked to the White Paper "Equity and Excellence: Liberating the NHS".

**Summary:** The report covers matters relating to:

- GP led commissioning
- Locality Priorities
- Clinical Leaders Group
- Development of Integrated Service Models
- Foundation Trust Status

**Specific implications for consideration (Financial/Workforce/Risk/Legal/Race Equality etc):**

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| **Financial** | Meeting obligations in respect of the Closer to Home strategy and the White Paper. |
| **Workforce** | Impact on Trust staff who are subject to organisational change. |
| **Other** | Need to ensure that sound governance processes are applied. |

**Recommendations:**

The Trust Board is asked to note the content of the report.

**Document previously approved by:**

Not applicable. Report directly to the Trust Board.

| **Prepared by:** | **Presented by:** |
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| Caroline Griffiths<br>Director of Strategic Planning and Business Development<br><br>Ramona Duguid<br>Company Secretary | Kevin Clarkson<br>Chief Operating Officer/Deputy Chief Executive |

# TRUST BOARD
# EQUITY AND EXCELLENCE: LIBERATING THE NHS
# NOVEMBER 2010

## 1. INTRODUCTION

At a previous meeting of the Trust Board it was agreed that the bimonthly report covering “Closer to Home” initiatives should be extended to cover wider developments linked to the White Paper ‘Equity and Excellence: Liberating the NHS’. It is clear that the original briefing process surrounding progress with “Closer to Home” has progressed through the Clinical Leaders group who are leading some excellent work that extends beyond the original “Closer to Home” objectives, as GP led commissioning moves from a shadow form towards a live system of devolved budgets and locality based commissioning priorities.

The White Paper also included the following themes which will be incorporated into future updates to the Board as appropriate:

- GPs in charge of local commissioning decisions through GP consortia
- Patient choice increased and supported by greater access to information on safety, effectiveness and experience
- Choice to include consultant teams, GPs, out of hours/urgent care, extended maternity, diagnostic testing, long term conditions and ‘end of life care’ no later than 2013/14
- Payment and incentives will be directly related to excellence and quality
- Local Authorities to take on responsibility for health improvement and for jointly appointing Directors of Public Health
- Community provision will be clearly separated from commissioning
- All providers to become a Foundation Trust or ‘alternative’ form of employee-led social enterprise by 2013
- Monitor becomes the financial regulator for all health and adult social care with a new system of regulation being established

## 2. GP LED COMMISSIONING

The model for GP led commissioning in Cumbria has been developed over the last 12 months in preparation for the White Paper proposals. GP leads

in each locality in Cumbria are currently developing the required infrastructure for GP led commissioning supported by PCT transition leads.

Locality Boards are now operational and commissioning priorities are being developed in line with devolved commissioning budgets for 2011/12. Each locality is linked to the Cumbria wide Clinical Senate where key commissioning decisions are discussed and ratified.

In addition to establishing Locality Boards the PCT has completed and submitted a Business Case for the transfer of community services to the Cumbria Partnership NHS Foundation Trust on 1st April 2011.

Key developments in GP commissioning include the development of a West Cumbria clinical forum (Copeland and Allerdale Localities) whose aim is to develop integrated service models which link the redevelopment of West Cumberland Hospital to locality developments in Cleator Moor and Cockermouth. A number of work streams have been established which will support the ‘Closer to Home’ strategy by building on this foundation to achieve a health economy wide approach to ensuring that health resources are used to maximum effect and efficiency. The key work streams cover:

- Ambulatory care
- Elective care
- Emergency care
- Child and Family Services
- Elderly care

Secondary care clinical engagement in these groups is being coordinated and led by the Medical Director. Each work stream is tasked with developing the clinical model for West Cumbria based on enhanced integration and seamless care delivered through new clinical relationships and innovative working practices.

The West Cumbria clinical model will help form the basis of an updated clinical strategy and Long Term Financial Model which will be described in our Integrated Business Plan (IBP). It is hoped that a similar approach can be established with Eden and Carlisle Localities based on integrating services provided from the Cumberland Infirmary with various community services in each locality. An initial meeting to discuss this approach has been arranged.

## 3. LOCALITY PRIORITIES

Locality Boards are in the final stages of developing individual commissioning plans which will be agreed by the Clinical Senate. Whilst there are common themes emerging in terms of demand management and transferring clinical care for long term conditions it needs to be recognised that local implementation may need to be different across localities.

To date Allerdale and Copeland localities are working together on a health model as described in the previous section. Whilst this arrangement has yet

to be established for Eden and Carlisle localities, all localities are undertaking commissioning reviews in the following areas:

- Dermatology
- Community cardiology
- Community gynaecology
- Neurosciences and rehabilitation

## 4. CLINICAL LEADERS GROUP

Trust Board members have previously received reports demonstrating that the Clinical Leaders Group have made progress in respect of managing demand and developing clinical pathways.

The Clinical Leaders group is currently discussing how its role and remit should be further enhanced in order to ensure that the health community gains the maximum benefit from the recent announcements contained within the White Paper and from the excellent foundations that have already been established in Cumbria for the progression towards GP commissioning.

## 5. DEVELOPMENT OF INTEGRATED SERVICE MODELS

There has been significant progress in the development of the following integrated service models.

### Emergency Care

A new specification for the Emergency Floor has been developed involving primary care, CHOC (out of hours primary care service) and the A&E department at West Cumberland Hospital. The service model includes CHOC doctors working in the A&E department at peak times.

This initial development will be evaluated and then potentially extended to include further integration of services. This is an exciting development that is scheduled to start in the next month following the departmental induction of CHOC doctors. Similar discussions are underway regarding the Cumberland Infirmary site.

### Elderly Care

A new pathway for rapid assessment of elderly patients has been developed by the secondary care clinicians in Elderly Care and the GP locality leads. The aim of the pathway is to provide rapid assessment and advice on patient management without the need for admission. This integrated model should reduce the number of short stay emergency admissions, demand for medical assessments and the number of GP admissions by utilising the full scope of community and acute services more effectively.

The pathway will be piloted at West Cumberland Hospital between November 2010 and January 2011. The evaluation measures have been

agreed with locality commissioners and these will inform the development of a local tariff for the service.

## 6. FOUNDATION TRUST TRAJECTORY AND PLAN

The new White Paper also outlined a clear direction in relation to NHS Trusts achieving Foundation Trust status or an 'alternative' form of employee-led social enterprise by 2013.

Board members will note the letter received from the Secretary of State for Health, outlined in the Chairman's report, regarding our timeline for becoming an NHS Foundation Trust.

The Strategic Health Authority (SHA) has a key role to play in relation to the initial phase of the FT process, to ensure that NHS Trusts develop robust and credible Foundation Trust applications. The key criteria that SHA's apply include:

| SECRETARY OF STATE CONFIDENCE IN CORE DOMAINS: | SHA ASSURANCE THAT: |
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| **Legally constituted and representative**<br><br>***Is the applicant legally constituted?*** | • The trust's proposed NHS foundation trust application is compliant with current legislation<br>• The trust has carried out due consultation process<br>• Membership is representative and sufficient to enable credible governor elections |
| **Good business strategy**<br><br>***Is the applicant financially viable?*** | • Strategic fit with SHA direction of travel<br>• Commissioner support to strategy<br>• Takes account of local/national issues<br>• Good market, PEST and SWOT analyses |
| **Financially viable**<br><br>***Is the applicant financially viable?*** | • Financial Risk Rating of at least 3 under a 'downside scenario'<br>• Surplus by year three under a downside scenario and reasonable level of cash<br>• Above underpinned by a set of reasonable assumptions e.g. CIPs, capex plans, IFRS treatment for trusts with PFIs, impact of tariff changes e.g. HRG4, etc.<br>• Commissioner support for activity and service development assumptions |
| **Well governed**<br><br>***Is the applicant well governed?*** | • Evidence of meeting statutory targets<br>• Declaring full compliance or robust action plans in place<br>• Robust, comprehensive and effective risk management and performance management systems in place, which are |

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| | proven to effect decision-making |
| **Capable board to deliver**<br><br>***Is the applicant well governed?*** | • Evidence of reconciliation of skills and experience to requirements of the strategy<br>• Evidence of independent analysis of board capability/capacity<br>• Evidence of learning appetite via NHS foundation trust processes<br>• Evidence of effective, evidence based decision making processes |
| **Good service performance**<br><br>***Is the applicant well governed?*** | • Evidence of meeting all statutory and national/local targets<br>• Evidence of no issues, concerns, or reports from third parties, e.g. HCC and in future CQC<br>• Evidence that delivery is meeting or exceeding plans |
| **Local health economy issues/external relations**<br><br>**Is the applicant well governed?** | • If local health economy fi nancial recovery plans in place, does the application adequately reflect this?<br>• Any commissioner disinvestment or contestability not reflected<br>• Effective and appropriate contractual relations in place<br>• Other key stakeholders such as local authorities, SHAs, other trusts, etc. |

*(Source: Monitor, Seven Domains of Secretary of State Assurance)*

The Trusts application will be assessed in three specific phases by the SHA:

1. **Pre-consultation** – draft business plan and financial model, trust and board review;
2. **Public consultation** – minimum of 12 weeks; and
3. **Post consultation** – final business plan and financial model, historical due diligence, board-to-board practice.

The SHA will be responsible for ensuring robust evidence is in place against the above domains before recommending that our application is put forward via the Secretary of State for assessment by Monitor.

During the last 12 months significant work has been undertaken in a number of the above domains, which have been reported to the Trust Board. The Executive Team have discussed how the project arrangements and key milestones during the next 6 months will be achieved. A significant aspect of this work will be the development of the Clinical Service Strategy and the supporting Long Term Financial Model.

It is anticipated that the reporting arrangements to the Board on progress against achieving Foundation Trust status and specifically the above domains, will require to be increased from January 2011.

## 7. RECOMMENDATION

The Trust Board is asked to note the content of the report.

**Kevin Clarkson**
**CHIEF OPERATING OFFICER/DEPUTY CHIEF EXECUTIVE**