



Delivering the NHS five year forward view: Development of the north east London Sustainability and Transformation Plan

Transformation underpinned by system thinking and local action

Update November 2016

1. Background

During 2016, health and care organisations (clinical commissioning groups, providers, local authorities and voluntary and community organisations) across north east London (NEL)¹ have worked together to develop a sustainability and transformation plan (STP). It sets out how the [NHS Five Year Forward View](#) will be delivered and how local health and care services will transform and become sustainable, built around the needs of local people. The STP builds on our positive experiences of collaboration in NEL but also protects and promotes autonomy for all of the organisations involved. Each organisation faces common challenges including a growing population, a rapid increase in demand for services and scarce resources. We all recognise that we must work together to address these challenges; this will give us the best opportunity to make our health economy sustainable by 2021 and beyond.

The plan describes how north east London (NEL) will:

- meet the health and wellbeing needs of its population
- improve and maintain the consistency and quality of care for our population
- close the financial gap.

A number of different specific local plans are aligned to the STP, enabling its ambitions to be delivered. The STP builds on these existing local transformation programmes and supports their implementation: including Barking and Dagenham, Havering & Redbridge (accountable care system) and City & Hackney devolution pilots; Newham, Tower Hamlets and Waltham Forest: Transforming Services Together programme; and the improvement programmes of our local hospitals, which aim to support Barts Health NHS Trust and Barking, Havering and Redbridge University Hospitals NHS Trust out of special measures.

Crucially, the NEL STP is the single application and approval process for transformation funding for 2017/18 onwards.

2. Overseeing the development of the NEL Sustainability and Transformation Plan

The launch of the STP process signalled the move towards working in larger geographical areas and the need to develop governance arrangements to support strategy development and change at a system level. To achieve this 20 organisations have been working together to develop the NEL STP. However, as we move into the next phase of the programme, focusing on the mobilisation and implementation of our delivery programmes, the governance and leadership arrangements are being updated to ensure they continue to remain effective with appropriate membership.

A governance task and finish group (including health organisations, local authorities and Healthwatch) has been set up to review and update the governance arrangements to reflect this change in focus. Through this group we have developed a shadow governance structure, and initial terms of reference for the key governance forums. This governance structure recognises and respects the statutory organisations, while providing the necessary assurance and oversight for system level delivery. In addition to reinforcing some of the existing governance forums (i.e. re-focusing the membership of the NEL STP Board), several new bodies have been added to strengthen the level of assurance and engagement,

¹ North east London includes: Barking and Dagenham, City of London, Hackney, Havering, Newham, Redbridge, Tower Hamlets and Waltham Forest.



most notably:

- Community Council – A council of residents, voluntary sector, councillors and other key stakeholders to promote system wide engagement and assurance
- Assurance Group – An independent group of audit chairs to provide assurance and scrutiny
- Finance Strategy Group -To provide oversight and assurance of the consolidated NEL financial strategy and plans to ensure financial sustainability of the NEL system.

3. Progress on the north east London Sustainability and Transformation Plan

We shared our initial thinking with NHS England in April and submitted a draft NEL STP showing our progress in June. During summer 2016 to facilitate public engagement on the STP, we produced a summary of progress to date and shared the draft STP on our website. On 21 October we submitted an updated narrative, updated summary and eight delivery plans describing the main priorities of the STP to NHS England (NHS E) and NHS Improvement (NHS I). These are available on our website, please visit <http://www.nelstp.org.uk/>

a) The NEL STP narrative

The STP vision and priorities are shown below. A copy of our plan on a page is included in Annex A.

NEL STP Vision

1. To measurably improve health and wellbeing outcomes for the people of NEL and ensure sustainable health and social care services, built around the needs of local people.
2. To develop new models of care to achieve better outcomes for all, focused on prevention and out-of-hospital care.
3. To work in partnership to commission, contract and deliver services efficiently and safely.

NEL STP Priorities

- The right services in the right place: Matching demand with appropriate capacity in NEL
- Encourage self-care, offer care close to home and make sure secondary care is high quality
- Secure the future of our health and social care providers. Many face challenging financial circumstances
- Improve specialised care by working together
- Create a system-wide decision making model that enables placed based care and clearly involves key partner agencies
- Using our infrastructure better



b) Delivering the NEL STP

To deliver the STP we are building on existing local programmes such as borough based health and wellbeing strategies and end of life care plans, as well as setting up eight workstreams to deliver the priorities. The workstreams are cross-cutting NEL wide programmes, where there are benefits and economies of scale in consolidating a number of system level changes into a single programme. These are:

1. Promote prevention and personal and psychological wellbeing in all we do
2. Promote independence and enable access to care close to home
3. Ensure accessible quality acute services
4. Productivity
5. Infrastructure
6. Specialised commissioning
7. Workforce
8. Digital enablement

Delivery plans have been developed for each of our workstreams; they are live documents which will continue to be updated as the programme develops.

Each work stream has a Senior Responsible Officer (SRO) and Delivery Lead, and task and finish work streams are being established to take forward implementation of the delivery plans. There is local authority involvement and leadership within a number of work streams, for example the Prevention workstream. As we now start to mobilise the work streams we are seeking to strengthen local authority involvement and leadership across them.

c) Finance considerations of the NEL STP

The basis for the financial modelling has been the refreshed draft five year CCG Operating Plan and provider Long Term Financial Model templates. These have been prepared by individual NEL commissioners and providers, all of whom followed an agreed set of key assumptions on inflation, demographic and non-demographic growth, augmented with local judgement on other cost pressures and necessary investments in services.

The individual plans have then been fed into an integrated health economy model in order to identify potential inconsistencies and to triangulate individual plans with each other. Activity has been modelled across NEL utilising the TST model.

The forecast NEL FY20/21 'do nothing' affordability challenge is c£578m to break even (an additional c£30m to reach 1% surplus target for commissioners). This assumes growth and inflation in line with organisations' plans but that no CIP or QIPP would be delivered in any year.

In the 'do minimum' scenario, in which 'business as usual' efficiencies of 2% across all years have been included, the affordability challenge would be c£336m by FY20/21. Specialised commissioning and any differences in contract assumptions are included in these projections. The local authority position is modelled separately and a summary is detailed below.

A number of factors are driving our rising expenditure. One significant factor is our growing and ageing population in line with GLA projections. We also face a non-demographic demand growth which are due to factors such as new technology and increases in disease prevalence; we have assumed that this growth is approximately 1% per year. Pay and price inflation have been assumed in line with NHS I guidance. This results in a steady increase in expenditure over the planning period.



We see significant increases in CCG allocations throughout the planning period. However, Sustainability and Transformation Funding (STF) and some other non-recurrent provider income (such as gains by absorption) primarily affect the initial years and have no impact in the projections of in-year movements from FY18 onwards.

NEL local authority challenge

All NEL local authorities and the Corporation of London have provided financial data for the STP modelling, though it is recognised that further detailed work is required to confirm assumptions and what effect local authority funding challenges and proposed services changes will have on health services and vice versa.

For the 'do nothing' scenario, the combined FY17 Local Authority challenge is estimated as £87m reaching £238m by FY21. This figure is based on adult social care, Better Care Fund, children's services and public health at all local authorities.

If Children Services were excluded from the gap analysis, the gap in FY17 would be estimated as £60m reaching £174m by FY21.

A 'do minimum' scenario, where 'business as usual' savings are assumed, will still need to be completed.

Next steps

The five STPs in London are working jointly to understand the implications of out of area flows on constituent STPs and ensure these implications are accounted for, and where necessary mitigated, in local plans. An approach is expected to be defined by December 2016. This is being taken forward by a working group of the STP finance leads, and will be overseen by the London Strategic Finance Group. Further work is also underway within specialised commissioning, overseen by the London Board and Executive.

Operating plans are currently in the process of being finalised and signed off by organisations and an STP wide approach to the 2017-19 contracting round has been agreed. This includes ensuring consistency wherever possible across the entire NEL STP area in relation to both contract form and substance.

4. Engagement undertaken on the Sustainability and Transformation Plan

We recognise that the involvement of local people is crucial to the development of the STP. Since we submitted the draft STP in June we have been engaging partners, including Healthwatch, local councils, the voluntary, community and social enterprise sector, and patient representatives. The feedback we have received so far was incorporated into the revised STP for the October 2016 submission.

A summary of our engagement activities is shown below:

- Published the draft and summary versions of the plan on our website and published regular updates
- Offered to meet all MPs which has resulted in a number of 1:1 meetings
- Arranged for elected members from each borough to meet the STP Executive
- Actively sought involvement of the eight Local Authorities facilitated through the Local Authority representative on the STP Board.
- Local Authorities are represented on the Governance Working Group and have taken part in the workshops developing the plans for transformation (with a Director of Public Health leading the work on prevention).
- Engaged the Local Government Association (LGA) to provide support to individual HWBs to explore self-assessment for readiness for the journey of integration and to a NEL-wide strategic leadership workshop to consolidate outputs from individual HWB workshops.



- Engaged with council and partner stakeholders such as the Inner North East London and Outer North East London Health Scrutiny Committees (HSC); Barking, Havering and Dagenham Democratic and Clinical Oversight Group; the eight Health and Wellbeing Boards; Hackney and Tower Hamlets councillors; and Newham Mayor's advisor for Adults and Health
- Met with local Save our NHS and Keep our NHS Public campaign groups
- Presented at meetings to discuss specific clinical aspects of the STP, for instance the NEL Clinical Senate; the NEL maternity network and maternity commissioners' alliance; mental health strategy meetings; and clinical workshops on the specialist commissioning of cardiac services and children's services. The proposals have also been discussed at a number of Local Medical Committee forums.
- Discussed the plans with staff.
- Discussed the plans in open board meetings of all our NHS partners and offered opportunities to talk to patients and the public at various annual general meetings and patient group meetings.
- Held wider events on specific topics and developments, e.g. urgent care events involving patients and a wide range of stakeholders such as the London Ambulance Services and community pharmacists.

5. Future engagement plans

From 21 October to January, local Healthwatch organisations will be working together to help us gather and understand the views of local people. Our joint aim is to ensure engagement is relevant to local needs and that it builds on previous decisions made and the engagement and consultation work that has already take place across NEL on significant change programmes and developments. Healthwatch organisations will focus on gauging public views on a) promoting prevention and self-care b) improving primary care and c) reforming hospital services; with a local emphasis on:

- the Barking, Havering and Redbridge devolution pilot
- the Hackney devolution pilot
- Transforming Services Together in Newham, Tower Hamlets and Waltham Forest
- The vanguard project in Tower Hamlets

We will continue to offer alternative formats for our communications materials to ensure that we are reaching groups that are sometimes missed. We will also continue to work with clinicians, local authorities and staff to ensure they are actively involved in the development of the STP. We will encourage patients and local people to be involved at the design stage and work jointly with local authority engagement colleagues to help ensure a joined up approach; undertaking formal consultation when required.

We are committed to National Voices' six principles for engaging people and communities that set the basis for good, person-centred, community-focused health and care and will embed these across our work. We also believe that staff have a crucial role to play in the success of the STP. We want them to contribute to its development, to understand and support its aims, and feel part of it, and be motivated by it.

There will be many opportunities for everyone (including patients, service users, carers and the public) to have their say on the emerging plans, and to continue shaping their development and implementation during the next five years. Any proposals for significant changes that emerge from the plan will be subject to specific engagement and consultation where required.



6. Equality screening

An equality screening is underway to consider the potential equality impacts of the proposals set out in the NEL STP. It includes:

- An overview of all the initiatives included in the NEL STP narrative to determine at which level equality analyses should be undertaken i.e. NEL STP level, Local Area Level, CCG/borough level or London-wide level.
- An initial assessment of the NEL STP overarching '**Framework for better care and wellbeing**'.
- Actions to be undertaken during further detailed equality analyses.

The screening recognises that the initiatives included in the STP will be implemented at different times, hence further equality analyses will need to be undertaken over the life of the STP programme.

7. Next steps

The STP is a work in progress and this latest draft submission is currently being circulated to health and social care partners. We anticipate feedback from NHSE/I early in 2017, and will continue to evolve the STP following feedback from our local partners, local people and the national bodies.

8. Recommendations

This STP is a work in progress and we welcome your comments and input as we further develop the plans. At this stage organisations are asked to:

- i. Note the NEL STP
- ii. Provide feedback on the STP

Tell us what you think

We'd like to know what you think about our STP. It's still a draft, so the content can and will change. We'd like to hear from as many people as possible about what you think so we can refine our ideas and further develop our STP, based on your comments, before it is finalised later in the year.

- **What do you think about what we've chosen to focus on?**
- **Do you think we have the right priorities?**
- **Is there anything missing that you think we should include?**

Please send us an email and tell us what you think: nel.stp@towerhamletsccg.nhs.uk

For more information about the NEL STP visit <http://www.nelstp.org.uk/>



Annex A: NEL STP Plan on a page

North east London STP plan on a page

