

Agenda item: 1.8

Paper No: 5



Guildford and Waverley
Clinical Commissioning Group

Committee:	Governing Body
Venue:	East Horsley Village Hall, East Horsley
Date:	25 April 2017
Status:	FOR APPROVAL

Title of Report	Surrey Heartlands Sustainability & Transformation Plan (STP) and Devolution	
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Finance Lead Sign off (<i>Detail to be included in Implications – Financial/Resource</i>)	Karen McDowell, Chief Finance Officer and Deputy Chief Executive	Date
Conflict of Interest Identified	N/A	
Governance and Reporting – at which other meeting has this paper been discussed	Governing Body – 29 March 2017	Outcome
Freedom of Information	Author considers that no exemption applies: <input checked="" type="checkbox"/>	

Executive Summary:

This report is on the agenda for the Governing Body to be aware and assured of the progress being made in implementing the Surrey Heartlands STP and to approve the next steps in relation to devolution enabling agreements to be finalised with local and national partners ahead of implementation

Implications:

Health/ CCG strategic objectives	We will improve the health of our local population and reduce health inequalities.
Financial/Resource	The CCG's plans with partners relating to health and social care integration and an increasing focus on prevention and self-care are included within the STPs. A key aspect of this is managing demand pressures across

	<p>Surrey's health and social care system, which is vital to achieve financial sustainability in the long term.</p> <p>It is important to recognise that in addition to the opportunities that the health devolution agreement provides to the local health and care system, taking on additional devolved / delegated responsibilities may also present financial risks in the case of commissioning responsibilities – the CCG and its partners will need to assess and ensure effective controls are in place to manage and mitigate any identified financial risks.</p> <p>In addition, agreeing a health devolution agreement for Surrey Heartlands alongside a credible and ambitious STP will be the only way for the Surrey health and care system to access the transformation funding being held by NHS England.</p>
Legal/compliance	<p>The legislative framework that enables the devolution of health (and other) services from central government or a national body to local areas (either to local authorities, combined authorities or to CCGs) is set out in the NHS Act 2006 and the Cities and Local Government Devolution Act 2016.</p> <p>In developing specific plans for health and social care integration and devolution, it will be important to ensure that any specific duties placed on the CCG are properly managed recognising existing regulatory requirements and the requirements of any devolution agreement.</p> <p>The governance arrangements proposed for Surrey Heartlands can be put in place through a partnership agreement under section 75 of the National Health Service Act 2006, and delegations and appropriate scrutiny will also need to be considered. Whilst these more detailed discussions take place, it is proposed that shadow arrangements are established from 1 April 2017 under a memorandum of understanding.</p>
Equality Analysis	<p>Equality analysis and Equality Impact Assessments (EIAs) will form an important part of any planning for changes to services across health and social care to assess the impact upon residents, people who use services, carers and staff with protected characteristics. Where they represent a service, or policy change, individual schemes and programmes that are part of the STP will have equality analysis / EIAs completed and included as part of the plans.</p>
Patient and Public Engagement	<p>A wide range of partners have been involved in the development of the STP including the organisations that commission and provide NHS services across Surrey and the STP either has developed a communications and engagement plan.</p> <p>In addition:</p> <ul style="list-style-type: none"> • The Surrey Health and Wellbeing Board received updates from the three Surrey STPs at its meetings on 26 May 2016 and 8 December 2016 where they discussed the emerging themes, issues and next steps.

	<ul style="list-style-type: none"> • A Wellbeing and Health Scrutiny Board workshop took place on 31 May 2016 to review the emerging STPs and a further STP update was presented to the Scrutiny Board on 10 November 2016. A specific presentation on the Surrey Heartlands devolution opportunity was given to the Scrutiny Board on 17 February 2017. <p>The ongoing engagement and the involvement of residents, CCG Members, elected Members and partner organisations in the design and development of plans and services will be crucial to the successful delivery of the STP.</p> <p>Paragraphs 13-16 in the main report below describe a range of work in place relating to communications and engagement with residents and key stakeholders.</p>
Risk (including reputational) and rating	<p>Reputational Implication: Positive feedback has been received from national partners (the ALBs) through the STP assurance process.</p> <p>In addition, the development of a devolution deal for Surrey Heartlands would raise the national profile of work being undertaken in the area.</p> <p>The STP process provides a vehicle for strengthening partnership governance arrangements, closer alignment of strategies and plans with partners, and supporting the delivery of existing plans (such as the integration of health and social care).</p> <p>As part of the detailed delivery planning for the STP, key risks have been identified within each workstream and are being managed through workstream governance arrangements. A risk register will be developed for the implementation of the devolution proposals and the 'shadow year' (2017/18) will form an important part of the mitigation against key risks as locally new proposals are tested and refined before fuller delegation / devolution from April 2018.</p>

Recommendation(s):

<p>The Governing Body is asked to:</p> <ol style="list-style-type: none"> 1. Note the progress that has been made in the development of the Surrey Heartlands Sustainability and Transformation Plan; 2. Consider the specific update in relation to the development of a health devolution agreement for Surrey Heartlands and the opportunities that it could bring to residents; and 3. Endorse the proposed governance principles for health devolution and asks the Clinical Chair and Chief Executive to take the necessary steps to finalise and implement the new arrangements.

Next Steps:

N/A

Background

1. NHS Sustainability and Transformation Plans (STPs) are place-based, five-year plans built around the needs of local populations. They are intended to identify benefits to be realised in the short and longer term – helping organisations within the STPs to meet their immediate (16/17) financial challenges and ensure that the investment secured by the NHS in the Spending Review does not merely prop up individual institutions but is used to drive sustainable transformation in patient experience and health outcomes over the longer-term.
2. STPs are the overarching strategic plans for local health and care systems covering the period October 2016 to March 2021 and represent a significant shift in NHS planning towards a place-based approach (as opposed to solely asking individual NHS organisations to produce their own plans).
3. The STP guidance letter issued by the NHS in September 2016 summarises the reason for introducing STPs as follows:

The Five Year Forward View set out our shared ambition to improve health, quality of care and efficiency within the resources given to us by Parliament. This ‘triple aim’ will only be achieved through local health and social care organisations working together in partnership with the active involvement of patients, stakeholders, clinicians and staff. Sustainability and Transformation Plans are the means of delivering these objectives in each local health and care system.

4. Successful delivery of the STP will be crucial to ensure the achievement of the shared aims of the CCG and its partners around improving health outcomes and greater integration of health and care services. It forms an important part of the partners’ collective response to the challenges they face in meeting residents’ health and social care needs with rising demands on services and reduced funding levels.
5. The approach that has been taken in Surrey Heartlands with strong partnership working between health partners and the County Council has enabled it to be truly place-based – ensuring that the resources within an area are used in the most effective way to meet people’s health and social care needs.
6. A map of the Surrey Heartlands footprint is annexed to this report (annex one).

Progress on developing the Surrey Heartlands STP

7. Following the sign off and subsequent submission of the Surrey Heartlands STP in October 2016, good progress has been made in shifting from planning to implementation, and entering into dialogue with local and national partners around a potential devolution agreement. (A copy of the submission can be found at www.surreyheartlands.uk/).
8. As a reminder, Surrey Heartlands STP has established a shared vision:

“Our plan is to work together as one area to improve public services and make sure we have sustainable, high quality health and care services for the long term.”

9. Supporting the vision, the STP has identified four key objectives - they are:
 - To make sure all local residents have access to the same high quality standards of care – via a Surrey Heartlands clinical academy;
 - To promote self-care and encourage and support local people to take more responsibility for their healthcare;
 - To improve the way we provide services – with more care in the community, and single centres for some of the most specialist hospital services (creating expertise and improving patient outcomes); and
 - Working as one – moving towards one budget and one overall plan for the Surrey Heartlands area.

10. The Surrey Heartlands STP represents a significant and complex portfolio of work spanning 11 core partner organisations with a range of clinical, enabling and new operating model workstreams. To support the leadership of the STP, a small central STP programme team has been established and has led a number of initiatives – these include:
 - Working closely with the STP Senior Responsible Officer (Julia Ross, North West Surrey CCG), Transformation Board Chair (David McNulty, Surrey County Council) and other Transformation Board members to support, coordinate and manage STP-wide elements of the programme including holding a monthly meeting of the Transformation Board to oversee progress;
 - Facilitating regular meetings between key workstream leads to support coordination and alignment between different work areas, identify key risks, issues and interdependencies, and support communication, organisational engagement and the sharing of learning; and
 - Coordinating resource requirements across the programme and recruiting to additional capacity and expertise to support delivery (e.g. dedicated clinical leads for the clinical workstreams and programme managers working across workstreams).

11. Good progress has been made across the individual workstreams. For example, early success in joint working has been seen in the Women and Children's workstream where a funding bid and plan relating to 'better births' across Surrey Heartlands secured more than £800k as one of seven local areas selected to improve maternity services as set out in the NHS Maternity Transformation Programme. The Out of Hospital workstream also continues to place significant focus on the integration of health and social care services for the frail elderly population in each of the local areas.

12. A key element of the STP is the development of the Surrey Heartlands Academy. Work has begun in a number of areas including:
 - Agreeing priorities for the Academy including supporting STP clinical programmes, creating a common, structured and consistent co-production process to facilitate service re-design and to align resources for the Academy to act as an enabling inter-speciality network, ensuring assessment of impact to the whole system;

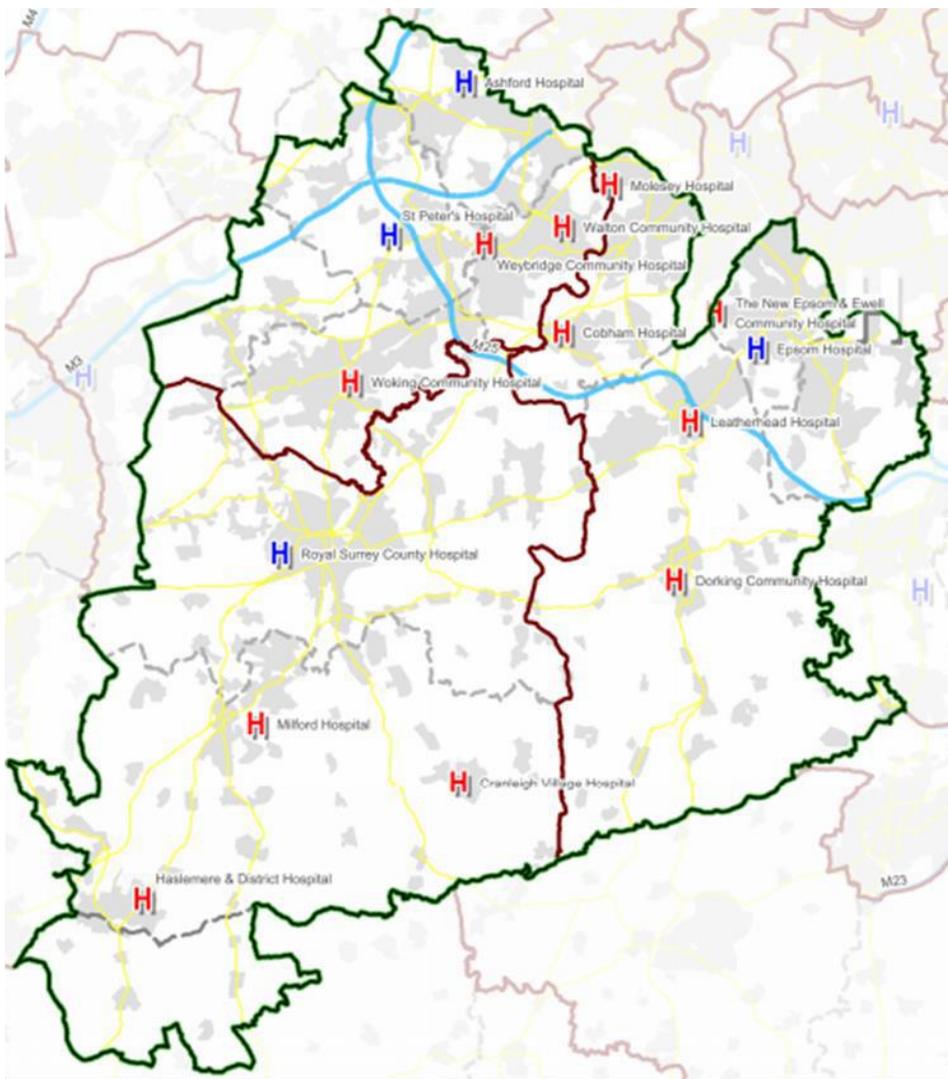
- Establishing the Academy Clinical Forum which met for the first time on 15th March;
 - Developing further the proposed operating model for the Academy, securing the time of Public Intelligence Denmark to work with leads to undertake user co- design;
 - Scoping and initiating the Safer Discharge Project to support the Urgent and Emergency Care workstream; and
 - Mobilising a review of Out of Hospital services to identify the most effective approaches and inform clinical change.
13. A communications and engagement plan for the STP has been developed and regular updates are being circulated to all partners to help raise awareness and involvement with the STP. A plain english description of what the STP is aiming to achieve has also been produced and published on the STP website <http://www.nwsurreyccg.nhs.uk/surreyheartlands/Pages/default.aspx> .
14. A number of stakeholder events have now been held to engage with partners and patient representatives and on 7 March 2017 a system wide event was held with over 170 people in attendance from across the system.
15. The STP also commissioned seven deliberative research workshops in October 2016. These involved a total of 129 randomly selected members of the public in deliberative discussions relating to their priorities on health and social care as well as some of their top of mind thoughts around some of the changes that are being proposed as part of the STP. The research found:
- Health and social care services were defined by their perceived quality. While the provision of good facilities, technology and expertise play a key role in defining expectations around this, a number of other factors, including interpersonal relationships, providing reassurance to patients, good communications and a general sense that the system was operating efficiently, were important.
 - For residents to feel that they had received a good service they needed to feel that they had been listened to and that their concerns have been noted. Frequently however, participants felt that the health and care system did not have the time or resources to provide these kinds of interactions.
 - Changes which were under consideration as part of the STP initially, such as more self and community based care, greater reliance on non-medical services and intervention, were all regarded positively in the context of a more joined up and efficient health and care system that could provide greater access at times that suited residents.
16. The data gathered at these workshops will inform question development for the next stage of the research where we will undertake quantitative research with a statistically representative sample of 1,500 Heartlands' residents. This stage is currently being piloted and a full set of findings incorporating both stages are expected in the Spring of 2017.

Developing a health devolution agreement for Surrey Heartlands

17. Alongside the development of the STP, local partners (the three CCGs and the County Council) have been in dialogue with national partners (primarily NHS England and the Department of Health) to discuss a health devolution agreement for Surrey Heartlands.
18. Securing a devolution agreement will not be an end in itself – it will be a crucial vehicle and enabler to delivering the scale and pace of change set out in the STP. There are a number of key areas where a devolution agreement will add value:
 - Through the devolution of commissioning powers, enabling the (re)introduction of a population based approach to commissioning across the board to meet local needs.
 - Developing a system with aligned incentives to achieving public value and the best possible outcomes for the people of Surrey Heartlands - working with national health partners and regulators to create the conditions across the system with fully aligned incentives for performance management and regulation, contracting and payment systems.
 - Acting as a catalyst for accelerating the integration of health and social care services, with greater alignment of commissioning of health, social care and public health.
 - Introducing local democratic accountability and ownership, and triggering and facilitating an essential local dialogue and debate with residents and system leaders about their priorities in transforming a resource constrained health and social care system so that it will meet their ambitions for wellbeing and health in a sustainable way.
 - Providing freedoms and flexibilities to unlock and maximise the potential of the Surrey Heartlands system - ensuring the range of resource and investment available in Heartlands is focused towards improving the health and wellbeing of the population and achieving maximum public value. For example through innovations in income strategies and procurement, and our One Public Estate pathfinder has the potential to unlock significant value through a collaborative place based approach to getting best use out of existing land and buildings.
 - Harnessing the collective strengths and expertise of partners across Surrey Heartlands, placing the health and care system as an important building block for economic growth and prosperity - enhancing our ability to respond to local conditions and opportunities through the flexibility, local ownership and increased level of local control devolution provides, and as a driver of the innovation and investment needed to transform the health and care system.
19. Discussions between local and national partners have progressed well since November 2016 including the development of an initial set of devolution ‘asks’ that will form the basis of a Memorandum of Understanding between local and national partners and the devolution agreement. These include:
 - integrating health and social care commissioning across Surrey Heartlands and establishing a single commissioning voice and function;

- shifting responsibility for commissioning appropriate services to local commissioners;
 - taking a strategic, Surrey Heartlands system-wide approach to managing our estates and business support functions; and
 - creating the conditions and mechanisms that enable and incentivise Surrey Heartlands to work as a single health and care system, recognising the statutory responsibility for the regulation of health and social care providers at the national level.
20. Further work is underway to refine the ‘asks’ and leads from the CCGs and the County Council are working closely with national partners including the Department of Health, NHS England, NHS Improvement, Public Health England, Health Education England and the Care Quality Commission.
21. In addition, learning from existing partnership governance arrangements such as Committees in Common, draft governance arrangements will be developed setting out how partners will work locally, create the decision-making forum(s) and local ‘vehicle’ for powers/responsibility to be devolved. The draft arrangements will be based upon the following key principles:
- creating a single point of leadership across health, social care and public health through the creation of a joint committee with representatives from the three CCGs and the County Council;
 - establishing a new executive leadership group responsible for the commissioning of health, social care and public health, chaired by the County Council’s Chief executive;
 - placing clinical and professional leadership at the heart of the new governance arrangements;
 - establishing a principle of subsidiarity to ensure that responsibility for decision making sits at the lowest appropriate level; and
 - setting the ambition for Surrey Heartlands to be assured, regulated and performance managed as a place (rather than a set of individual organisations).
22. The timetable for the development of the devolution work is to have the new arrangements in place for April 2017 and to use 2017/18 as a ‘shadow year’ – this will enable partners to work together to shape the approach and work through how the devolution of new responsibilities and greater integration of health and social care will operate in practice. It is anticipated that the proposed Joint Committee will become operational after the election of the new County Council in May 2017.

ANNEX ONE – SURREY HEARTLANDS MAP



- 3 CCGs working through eight GP-led localities
- 684 GPs in 95 practices
- H** 4 acute hospital sites
- H** 11 community hospital sites
- 2 community services providers
- 1 mental health provider working from 4 in-patient sites and delivering community services from 22 sites
- 1 upper tier local authority (Surrey County Council) operating adult & children's social services
- 7+ District/Borough Councils