

Portsmouth Health Overview and Scrutiny Panel Report

30th January 2020

This paper describes progress to date on the 2016 Sustainability and Transformation Plan along with next steps in terms of our recently submitted response to the national NHS Long Term Plan.

Information about the £577million quoted in the 2016 plan

In 2016, we predicted that, if we were to continue operating using our current model, by 2020 we would be overspending by £577 million. This figure was calculated using a number of assumptions:

- the expectation that we would receive approximately £0.5 billion financial growth between 2016/17 and 2020/21;
- growth monies would be distributed on a 'fair share' basis across the NHS as a whole in our case £119million share of national sustainability transformation fund;
- an extrapolation of current rates of cost growth predicted over the course of the five year period;
- receipt of £195million capital investment over four years.

However, despite a rigorous financial planning process during 2016/17, there were subsequent changes to the national approach which altered our financial plan:

- control totals were introduced – NHS Improvement agreed totals separately with providers (and break-even was no longer the target to be achieved in most cases).
- Sustainability Transformation Funding became linked to achieving control totals and not invested as originally expected (hence because we did not achieve all our control totals, we did not receive the forecast amount of funding);
- allocation assumptions changed and inflation / efficiency / tariff / NHS planning guidance were all updated;
- investment opportunities were processed in a very different way, we were asked to bid for funding, rather than receiving the expected 'fair share'. In

addition, this funding was not all available at the beginning of the financial year, reducing our ability to maximise its potential.

- finances at the end of 2016/17 were not as expected which had a knock on effect for future plans.

In summary, in our 2016 plan the £577 million was intended to identify an estimated amount by which we would need to reduce expenditure to return to a break even position. It is now a redundant figure due to the ever evolving financial landscape of the NHS.

The progress made with regard to cost reduction and the ten HIOW-wide work streams.

Whilst a number of our financial planning assumptions have changed over the past three years, one that has remained comparable is the productivity, efficiency and demand management ambition which we share as a system.

The table below details our cost reduction goals for each financial year along with the amounts achieved.

	Target	Actual
2017/18	£212million	£165million
2018/19	£218million	£190million
2019/20	£220million	£203million*
Total		£558million*

Target = aggregated productivity and efficiency target across Hampshire and Isle of Wight NHS organisations

*Estimated based on figures to month 9 2019/20.

The increase in actual cost reduction has come about due to changes in our approach to care, increased collaboration and reductions in duplication.

Progress on our ten work streams can be seen in Appendix A, HIOW STP programmes 2018/19.

Plans and anticipated savings predicted on receipt of £90m capital allocation

As yet we have not received the majority of the £90 million funding. Upon receipt, the money will be divided as follows:

1. **Hampshire Hospitals NHS Foundation Trust - £10,200,000** : Burrell Centre, Winchester - Disposal of poor condition buildings with high backlog, part of the programme to modernise service delivery in Winchester, which enables disposal of several out-buildings whilst transforming care services giving greater efficiency of estate, supports workforce and increases value for money. (Disposals = approx. £3million, Backlog = £2.5million).
2. **Portsmouth Hospitals NHS Trust - £58,282,000**: Portsmouth QA Hospital - The redevelopment will provide a new Emergency Department at QA Hospital that will be fit for current demand and practice and will address increasing demand. This will also deliver better patient safety as it was highlighted by CQC as not-fit-for-purpose.
3. **Solent NHS Trust - £15,833,000**: Western Hospital, Southampton - Additional beds, better environment, consolidates elderly care. Will subsequently enable significant land disposals, increased care beds, extra care with nursing and key worker units. Well advanced project will relocate elderly care beds from the Royal South Hants Hospital to Western Community Hospital which will centralise elderly care in Southampton. This will enable significant changes at the Royal South Hants site where the CCG are working with the Council on the provision of extra care and key worker housing. It will reduce backlog and void costs significantly and allow the Dept of Psychiatry building to be used for alternative health care provision, including key working housing). (Disposals = approx. £6million, Backlog = £2.5million).
4. **Portsmouth City CCG - £2,628,000**: Cosham Health Centre, Portsmouth - Relocation of GP practice, poor condition building will be disposed, resulting in better environment for patients and practitioners and in line with integrated primary and community care aims to address need for local hub in Portsmouth North. (Disposals = £600k plus significant backlog due to the condition of the building).
5. **North Hampshire CCG - £2,400,000** : Basingstoke - integrated care centre enhancement of the extended hours offered by the Acorn Partnership and inclusion of wider network of practices in a same day access centre that will provide better primary care for patients.

The progress made from 2016 until the present day

Please see Appendix A for detail.

Next steps

In January 2019 the NHS published its Long Term Plan setting out the national commitment for the NHS over the next five to ten years. It set out an exciting and inspiring vision for the future of health care, outlining a significant number of expectations and asked systems across the country to describe, by November 2019, how they were going to respond.

The Hampshire and Isle of Wight Strategic Delivery Plan (summary document Appendix B) represents our response to the national ambition and describes how we will deliver care that is amongst the best in the world, enabling the people of Hampshire and the Isle of Wight to lead healthy and independent lives.

The plan includes commitments to change how our health and care organisations work together, improve the way we care for people, address our financial challenges and workforce gap, and deliver the commitments detailed in the Long Term Plan.

The Long Term Plan contained three critical messages in relation to finance and planning:

- Systems will receive a four year financial settlement enabling longer term planning;
- There would be greater clarity on control totals which would be aggregated to a single control total for Hampshire and the Isle of Wight;
- The LTP Implementation Framework would provide a set of trajectories aggregated across Hampshire and the Isle of Wight for the 36 KPIs listed below:
 - Digital
 - Proportion of the population registered to use the NHS App
 - Proportion of the population with access to online consultations
 - Cyber security measures in place
 - Learning disabilities and autism
 - Reliance on inpatient care for people with a learning disability or autism
 - Maternity
 - Stillbirth rate
 - Neonatal mortality rate
 - Percentage of women placed on a continuity of care pathway
 - Brain injury rates
 - Cancer
 - One year survival from cancer

- Proportion of cancers diagnosed at stage 1 or 2
- Mental health
 - Number of inappropriate out of area placement bed days
 - Number of people with severe mental illness receiving health checks
 - Perinatal mental health access rates
 - Mental health liaison services within general hospitals
 - Number of people accessing individual placement and support
 - Early intervention psychosis services achieving Level 3 NICE concordance
 - Number of people receiving care from new models of integrated care
 - Coverage of 24/7 crisis provision
 - Improved access to children and young people's mental health services
- Stroke
 - Proportion of patients directly admitted to a stroke unit within 4 hours of clock start
 - Percentage of applicable patients who are assessed at 6 months
- Urgent and emergency care
 - Ambulance conveyance to emergency departments
 - Delayed transfers of care
 - Length of stay for patients in hospital for over 21 days
- Prevention
 - Number of people supported through the NHS Diabetes Prevention Programme
- Personalised care
 - Personal health budgets
 - PCN network social prescribing link workers
 - CCG funded social prescribing link workers
 - Social prescribing referral rates
 - Personalised care and support planning services in place

NB: the list above does not detail all 36 KPIs as several are duplicated due to different funding sources or responsibility for delivery.

These finance, workforce and transformational trajectories will be reported publicly, at a frequency as yet to be determined, via the soon to be established Integrated Care System Board.