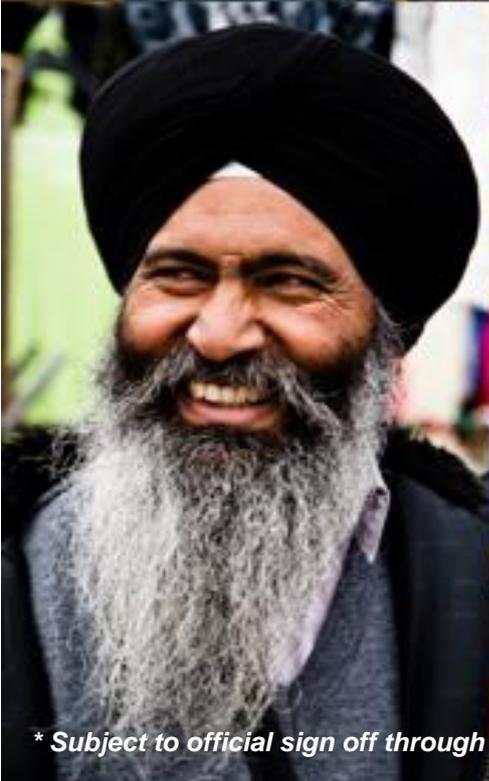




Barking and Dagenham, Havering and Redbridge Strategic Outline Case For an Accountable Care Organisation*

June 2016



** Subject to official sign off through democratic processes and local scrutiny*



The Barking, Havering and Redbridge health and wellbeing economy faces an unprecedented set of challenges between now and 2021.

Without a new service model, demand for services will increase, we won't see sustained improvements in people's health and wellbeing, and service user experience will deteriorate. Outcomes will be poor, our providers will struggle to recruit and retain good staff and may fail to meet core standards. The situation may get worse if local authorities are forced to make substantial cuts to services as their government grant falls.

If we deliver services in the same way that we do today, without achieving any efficiencies, expenditure is forecast to exceed income by £614 million. One simple fact remains, even including all of our current efficiency plans, there is no sight of bridging either the historic or forecast future financial gap without very radical transformation. This transformation is essential to set in motion the sustainable health and wellbeing improvements that our communities badly need.

Doing nothing is simply not an option. Given the scale of these challenges, our only credible plan is to pursue full integration through an ACO.

This plan has been developed by the following organisations:





Developing an Accountable Care Organisation across BHR: The story so far

Developing a high quality, sustainable system of care in Barking and Dagenham, Havering and Redbridge

December 2011

Integrated Care Coalition
Better care, better lives, together

The Integrated Care Coalition was established in December 2011 to develop a joint approach to integrated care with the aim of building a sustainable health and social care system. Partners include: Barking & Dagenham CCG, London Borough of Barking & Dagenham, Havering CCG, London Borough of Havering, Redbridge CCG, London Borough of Redbridge, Together First, Havering Health, HealthBridge Direct, Barking, Havering and Redbridge University Hospitals Trust and North East London Foundation Trust.

December 2015

Successfully implemented a number of change initiatives which delivered improved system resilience

Where we are now

We have achieved a lot, but recognised that more needed to be done

Major challenges; 'DO NOTHING' IS NOT AN OPTION given the scale of the challenges

Development of ACO business case

Programme includes:

- Engagement programme identifying some clear areas of focus to address issues across the system and engaging stakeholders in development of the proposals including the voluntary sector
- Development of new models of care with stakeholders and clinicians

Key interventions:

- Investment in prevention
- Integrated, high quality care pathways
- Better access to the right information, first time
- Improved access to services

Delivered through

Pilot and deliver Locality delivery model of care where care will be delivered closer to people's homes within 'localities'

Key enablers

- Flexible workforce
- Estates strategy
- Collaborative productivity
- Single patient record
- Online information
- Transactional commissioning

How the system will feel different for those living and working in BHR

Health and Care Professionals

"The 'system' is simple and joined up meaning that I am easily able to get people the help and support that they need. The system is responsive and I do not have to spend a long time chasing up referrals etc. which means that I am able to spend more time with my patients. I feel that Barking and Dagenham, Havering and Redbridge is an excellent place to work and I am supported to learn and develop. I want to continue working in the area and my experience and expertise contribute to the delivery of a high quality service for everyone. I rarely have to take sick leave as my employers support me to live a happy, healthy life. Barking and Dagenham, Havering and Redbridge is an exciting place to work and offers me lots of opportunity to progress in my career."

Public, patients and service users

"My care and treatment feels seamless and most of my needs are met near to my home. Accessing care is simple and I feel like the local health and care system is responsive to my needs as an individual. When I need support or treatment, I am quickly able to find out which services are most appropriate for me and am able to access them quickly. Information around leading a healthier lifestyle is easy to access and I feel confident and motivated to follow this advice. I am consistently supported by those who I come into contact with to live a healthier, happier life."

What we are moving towards

- Healthier people supported to make positive lifestyle changes and self care
- Stronger communities
- Financial sustainability
- Streamlined system making better use of community facilities
- System wide clinical and political leadership; combined accountability and objectives
- Devolved powers

This will contribute to a more stable and sustainable health and care system at a north east London level with the changes contributing to the BHR element of the NEL Sustainability and Transformation plan



Over the past six months, nine organisations across Barking & Dagenham, Havering and Redbridge (BHR) have worked together to develop a strategic outline case for the development of an Accountable Care Organisation (ACO). Each organisation faces common challenges including a growing population, a rapid increase in demand for services and scarce resources. With this in mind, our system leaders have joined forces to create a single integrated response (through the Integrated Care Coalition). Every organisation is committed to doing its part to deliver sustainability for the whole of BHR's health and wellbeing economy. In our business case, we set out exactly what we have agreed to do together, what support we need from external parties and why this is a once in a lifetime opportunity to radically improve the life outcomes for every single person in BHR.

We have significant challenges to tackle including; health and wellbeing, care and quality and financial sustainability. We have a diverse, highly mobile and in some cases very deprived population – all with unique health and wellbeing needs. Healthy life expectancy in Redbridge (63.0 years for women, 62.7 years for men) and Barking & Dagenham (55.5 years for women, 61.1 years for men) is far below comparable figures in London (63.8 years for women, 63.4 years for men) and nationally. Patients have often found it challenging to access the right service, in the right place, at the right time. Our acute trust - Barking, Havering and Redbridge University Hospitals Trust (BHRUT) - was placed in special measures in 2014 and is two years into a transformational improvement programme. It has seen significant improvement in emergency flow, staff engagement and financial performance, however, broader system wide partnership is needed to address longstanding access issues including increasing A&E attendances, admissions and reducing waiting times for elective care. Primary care also faces significant challenges with a large proportion of GPs nearing retirement, difficulty in attracting new talent and a number of practices across BHR operating in siloes. All of this together has added to an already significant financial challenge - in order to continue providing services consistently and if the system were to deliver care in the same way that it does today without achieving any efficiencies, expenditure in 2020/21 is forecast to exceed income by £614 million.

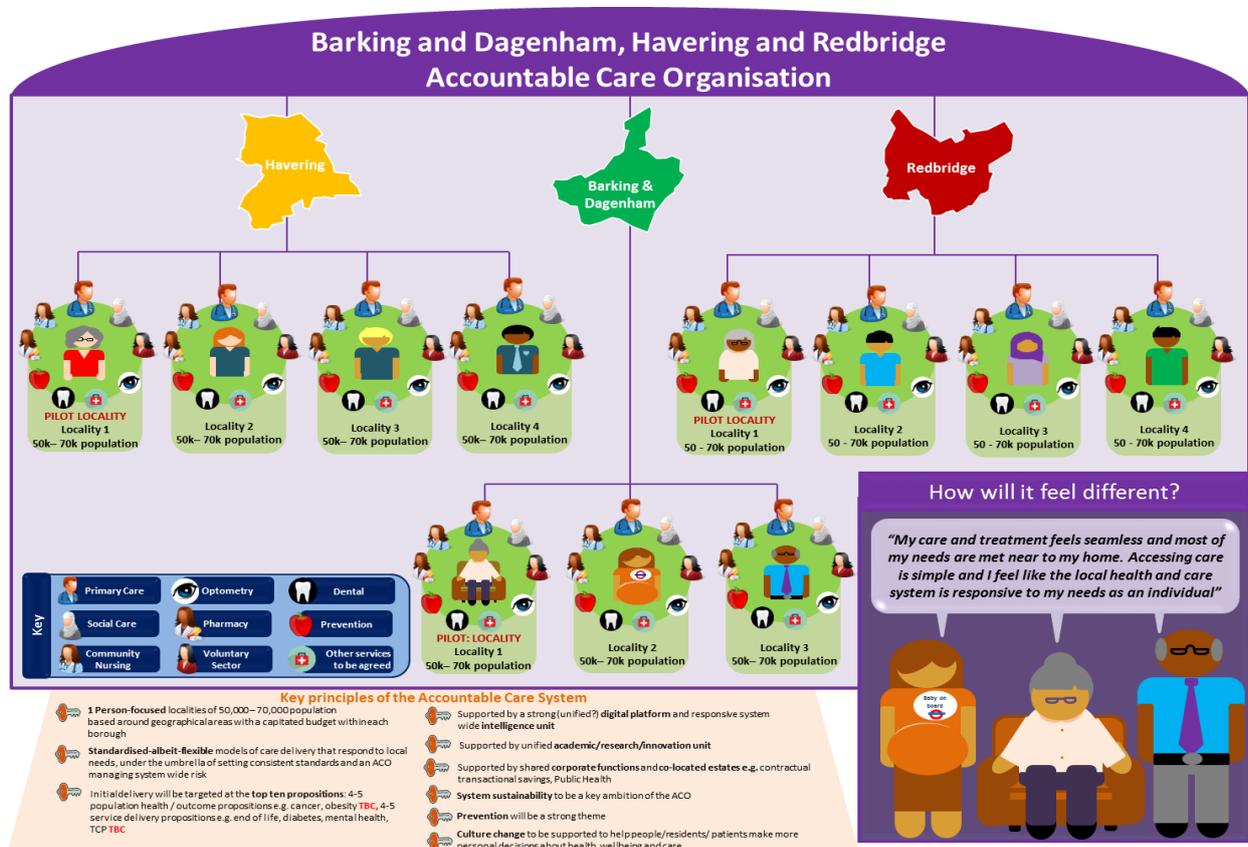
We know our communities and our staff want to see health and wellbeing improve; In a survey of over 3000 residents it was clear that there is confusion

in our communities about where to access services at present and the confusion rises the more people are actually in need of assistance. In a survey of 750 of our health and social care staff, 87% identified barriers to working that prevented them for assisting their people as they would want to.

Our first priority is to develop a new integrated health and wellbeing service model for our population; based on the principles of place-based care, we are going to implement a locality delivery model, complemented by a range of targeted best practice interventions (for example changes to the diabetes and gastroenterology pathways). This will ensure BHR is delivering the best health and care services available anywhere in the country; it builds on our local experiences with Health 1000, national experiences with the Vanguard programme and international experience with examples such as the Alzira model. Collectively, these changes will strengthen the primary, secondary and social care offer in BHR while simultaneously focusing on the importance of prevention and self-care. Multidisciplinary teams involving clinicians and professionals from every part of the system will deliver treatment in homes, care homes, GP surgeries and elsewhere. Carers and the people they care for will find this model easier to navigate, accessible and responsive to their needs. Above all, this model will promote personal autonomy, helping our population to access high quality services in the right setting every time.

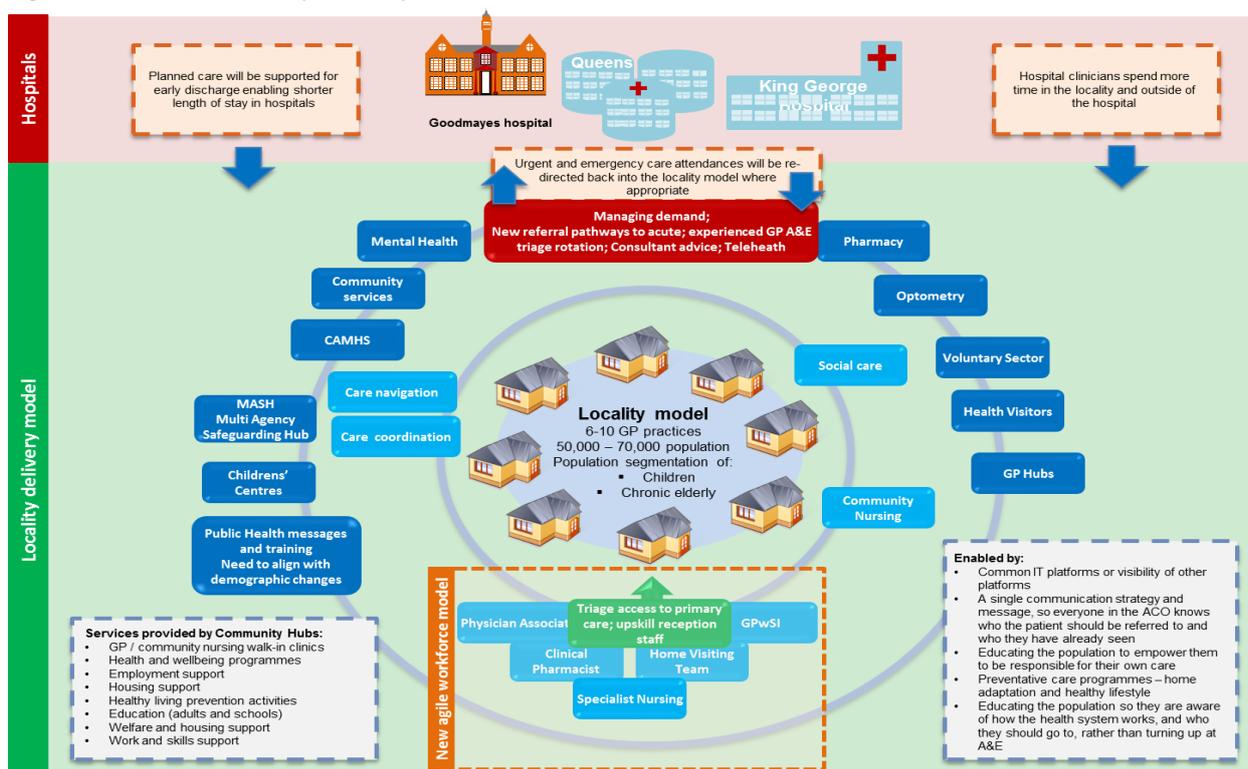
Our service model is designed to promote wellbeing services which will tackle the root causes of poor physical and mental health; we recognise that we need to promote healthy living and therefore prevention is critical to helping us manage demand over the next five years and beyond. Our three local authorities have worked hard to embed their services into the locality delivery model design. As part of the locality delivery model, community hubs will be set up to support people and families with their employment, education, housing and health needs. These hubs will make the best use of existing community facilities across BHR. The hubs will take integration to the next level, joining up the full spectrum of public services available, including primary care, whether you are a pregnant mother, a frail individual or an active teenager there will be services provided while help you to live a healthier and happier life.

Figure 1: Transforming the BHR service model



N.B. The locality delivery model will need to be able to flex to respond to our growing population, e.g. B&D will require an additional locality, in the future, to provide for the Barking Riverside development.'

Figure 2: The BHR locality delivery model





Changing our service model alone is not enough – to achieve the full potential we need to change our business model and organisational form; We can demonstrate how further integration will help us to achieve efficiencies beyond identified opportunities and anticipated Cost Improvement Programmes (CIPs) and Quality Innovation Productivity and Prevention (QIPPs) by individual organisations. Collaborative productivity, new transactional commissioning arrangements, and rationalisation of our estate footprint all represent opportunities to go beyond our current ambition.

As part of this journey, we have identified workforce, technology and estates as the key enablers which will require investment and development; without these, we will not succeed in implementing the scale of change required. We don't yet have all of the answers but we have made good progress – for example forming an initial single estates plan across BHR and the development of a digital roadmap. We are committed to working with organisations from across north east London (NEL) to identify next steps.

Wider engagement with academia and innovation are important elements that enable us to achieve our goals; Academic Medical Centres have traditionally built alignment of strategic focus, resources, and critical mass of expertise across NHS and university partners. Going forward, we will continue to work together with our research partners and create new opportunities for research in our communities to spur innovation. A good example of our commitment to research and innovation is the NHS Innovation Test Bed, led by Care City and supported by our academia partners, which provides a unique opportunity to access cost-effective new technologies.

The financial pressures facing BHR over the next 5 years are substantial:

- There is an existing challenge: At the end of 2015/16, the health and wellbeing organisations within Barking & Dagenham, Havering and Redbridge had a combined financial challenge of £44m;
- Demand for services is increasing: This is a result of a growing, aging population, meaning that health and care needs are becoming more complex;
- Costs of provision of health and care services are rising more rapidly than general inflation; and;
- While NHS allocations are expected to increase over the 5-year period, they will still be £6m short

of NHS England's needs-based target by 2020/21. In addition, there are planned reductions in social care and public health allocations for the three local authorities in line with their overall reduced spending power, and these will impact NHS local demand if the reductions result in savings being made to preventative and integrated services.

Combining these together, Barking, Havering and Redbridge are left with an overall affordability challenge of £614 million by 2020/21. Current plans already assume £198m of efficiency savings. These efficiencies would therefore further reduce the challenge to £275m, as existing savings plans would also reduce the non-recurrent element of the original £614m gap. Therefore, if current savings plans are achieved, there is a reduced gap of £275m, of which £124m is non recurrent associated with the accounting impact of future projected Clinical Commissioning Group deficits, and £151m recurrent.

If all existing organisational efficiency plans within the system are achieved they will close the gap by £198 million. They are already very stretching plans, but they leave £151 million to be found through further transformation. £48m of this challenge is assumed to be delivered through stretching STP provider efficiency plans. A further £45m savings are attributable to the Accountable Care Organisation. This would leave a challenge of £57m still to be addressed.

Some of this will be closed through Sustainability and Transformation Funding, which is currently expected to be £134m across NEL. Taking an indicative proportion of this funding, would leave a residual challenge for Barking, Havering and Redbridge of £22m.

The size of the numbers and the sheer scale of change and transformation required is daunting, but we have committed as a system to deliver. From our work to date, we cannot as yet see a firm plan to bridge the residual £22m gap. However, we are clear that our best chance is through a radical redesign of the organisational arrangements that oversee health and social care services in BHR, and this is what we are working to deliver. Our plans involve taking BHR to best in class in terms of services, integration and prevention so we believe we will be absolutely maximising the funding we receive as a system. By the end of 2020/21, NHS funding will still not be at target and that may influence how much of the residual gap we can bridge.



The non-recurrent gap results from the application of our best estimate of how long it will take us to deliver out all of these substantial transformational savings.

This needs to be seen in the context of the system remaining below target allocation during this period. If we can move forward some of our plans more rapidly we can eat into this non recurrent deficit. As we move into delivery phase we will attempt to do so, but the scale of change will make it very challenging. We are determined to work with NHS regional and national colleagues to find ways of resolving this as we move forward.

Our ACO programme will support the NEL Sustainability and Transformation Plan; the STP process has helped to bring together commissioners and providers to set realistic plans for their health challenges over the next five years. As part of our ACO programme, we have had greater involvement from local authorities above what the STP process requires. This has helped us to create a fully integrated solution to address our challenges. It is clear that some enabling imperatives are best resolved across NEL. In particular, the scale of the challenges facing the acute sector across NEL, including BHRUT and Barts Health, means that it will need to work collaboratively on productivity matters with other acute trusts. However, we ask that the enabling plans for NEL are moved forward in recognition of the need to foster powerful transformation delivery partnerships such as the BHR ACO partnership. Delivering large transformational projects only happens when real partnership and political leadership is in place and fully engaged locally.

To achieve our ambition, we have made a series of commitments as a system. To support this, we have also identified a series of “asks” for NHS England and others; all of these “asks” are designed to give BHR a foundation on which it has the opportunity to succeed. We have aligned them closely to our wider asks as a NEL footprint as part of the STP process. We have agreed to form a single system-wide leadership group, with a common set of objectives through the establishment of a Memorandum of Understanding. Our direction of travel is to build delivery functions over time that align to organisational form underpinned by a combined system budget. We want this group to work with national and regional bodies to agree what standards it should be held accountable to – doing all of this will help to drive the cultural change that is essential from day one. Greater freedom and flexibility to innovate is critical; without it we will not be able to drive the pace of change required across the BHR system.

The ACO implementation journey in BHR has already started; we are working with primary care clinicians and others to implement the first wave of locality models in each of our three boroughs (building on the lessons learned from work already implemented in all our boroughs, particularly Redbridge with the Health and Adult Social Services integration). Simultaneously, we are formalising our leadership and governance structure, developing our preferred option for the ACO commissioning and provision model and exploring how to implement capitated budgets to commission for population health outcomes.

Democratic leadership sitting alongside NHS leaders and clinicians is a key strength of this partnership; we recognise the transformation journey ahead is very challenging and that it can only be delivered through democratic leadership working to support and champion what needs to be done. We don’t want to play politics in BHR; we are serious about working together to develop a system wide solution which draws together a committed and accountable leadership team to drive this programme forward for the benefit of our population.

To achieve success, all of our transformation work will need to fuse into a single programme designed to tackle the system wide challenges; we have set out a clear roadmap for the BHR health economy over the forthcoming months. Importantly, this recognises that business as usual activities (such as tackling the RTT challenges) and the ACO development work can no longer be thought of as two separate programmes - they must be brought into one system wide programme with a universal set of objectives. Demonstrating that our work can make immediate impact on the system in years one and two will be crucial for maintaining the support of outside observers, system leaders and our whole population.

The ACO and the locality delivery model will transform lives and strengthen communities across BHR; this case demonstrates that an ACO has the potential to have a positive impact on all three of our challenges. This is a one off opportunity to make a lasting system wide change to our service and delivery model. Our local leaders have recognised this and reaffirmed their commitment at the end of June 2016 to pursuing the development of an ACO at pace. While this journey is just beginning, together we are clear that we are going to use this opportunity to improve the lives of local people and build strong resilient communities across BHR.