

**GOVERNING BODY MEETING**  
**Wednesday 25 September 2013**

**Agenda Item 2.1**

<b>Name of Paper / Report</b>		<b>Caring Together Strategic Outline Case</b>				
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<b>Supporting healthy lifestyles and reducing health inequalities</b> <input checked="" type="checkbox"/>	<b>Reducing premature mortality</b> <input checked="" type="checkbox"/>	<b>Focussing on local needs</b> <input checked="" type="checkbox"/>	<b>Managing our resources</b> <input checked="" type="checkbox"/>	<b>Corporate development</b> <input checked="" type="checkbox"/>		
<b>Purpose of Paper / Report</b>		For ratification <input checked="" type="checkbox"/>				
<b>Exec Summary</b>		<p>A key early decision taken by the Caring Together Board was the need to establish a <b>Strategic Outline Case</b> which would provide a robust statement setting out:</p> <ul style="list-style-type: none"> <li>the clinical and financial case for change in Eastern Cheshire</li> <li>how care needs to change to improve outcomes and experience for the residents of Eastern Cheshire</li> <li>the financial implications of these changes for commissioners and providers.</li> </ul> <p>The full Strategic Outline case was presented and approved by the Caring Together Executive Board on the 18<sup>th</sup> September 2013.</p> <p>In accordance with its terms of reference and the statutory role of the Governing Body of NHS Eastern Cheshire Clinical Commissioning Group; this paper provides a summary of the findings and recommendations of the Strategic Outline Case for endorsement.</p>				
<b>Recommendations</b>		<p><b>The Governing Body is requested to:</b></p> <ul style="list-style-type: none"> <li>acknowledge the baseline position and accept the case for change as set out in the Strategic Outline</li> </ul>				

	<p>Case</p> <ul style="list-style-type: none"><li>• agree that the Caring Together Programme will include joined up care, acute redesign and productivity and efficiency initiatives as approaches to respond to the case for change</li><li>• note that the Strategic Outline Case is the first stage in the development of a full business case as summarised in the section on next steps</li><li>• agree in principle to continuing to work, in partnership, with McKinsey &amp; Company and Carnall Farrar LLP to progress this work to develop a business case for the Caring Together Executive Board to review on 15<sup>th</sup> December 2013</li></ul>
<b>Next steps</b>	

# Caring Together Strategic Outline Case

## 1. Introduction

- 1.1 The full Strategic Outline case was presented and approved by the Caring Together Executive Board on the 18<sup>th</sup> September 2013. In accordance with its terms of reference and the statutory role of the Governing Body of NHS eastern Cheshire Clinical Commissioning Group (CCG); this paper provides a summary of the findings and recommendations of the Strategic Outline Case for endorsement, including:
- executive findings
  - key recommendations
  - an outline of the proposed new health and social care system
  - next steps
  - summary of the journey to date made by the health and social care economy in developing Caring Together

## 2. Context

- 2.1 There is a lot to be proud of in terms of the health and social care we provide in Eastern Cheshire. There is a strong track record of working together as professionals. Our services are well regarded locally and compare well to the best nationally. In addition, living standards and life expectancy is amongst the best in the country.
- 2.2 However, the Eastern Cheshire health and social care system has been under increasing pressure for a number of years to maintain sustainable, affordable, high quality care services. The situation is set to become increasingly unsustainable over the next five years as health and social care organisations in Eastern Cheshire have to respond to escalating demand, new standards of clinical care (Keogh Review<sup>1</sup>, Winterbourne<sup>2</sup>, Francis<sup>3</sup>) and the continued financial constraint articulated in the Comprehensive Spending Review.<sup>4</sup>
- 2.3 If these current and future pressures are not planned for and managed strategically the risk is that services will be cut to keep organisations safe and in financial balance, reducing the overall availability of care and risking a reduction in quality.
- 2.4 In recent years both East Cheshire NHS Trust and the former Central and Eastern Cheshire Primary Care Trust have had to seek one-off financial support payments to manage financial pressures. If partners are unable to manage future finances within the legal requirements to break even there is a

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<sup>1</sup> <http://www.nhs.uk/NHSEngland/bruce-keogh-review/Documents/outcomes/keogh-review-final-report.pdf>

<sup>2</sup> <https://www.gov.uk/government/publications/winterbourne-view-hospital-department-of-health-review-and-response>

<sup>3</sup> <http://www.midstaffpublicinquiry.com/report>

<sup>4</sup> <https://www.gov.uk/government/topical-events/spending-round-2013>

risk of national intervention and a loss of local autonomy regarding the future of service provision.

### 3. Caring Together Programme

- 3.1 It is against this context that the ambitious **Caring Together programme** has emerged from key strategic leaders, clinicians, staff and from members of the public working together to agree their vision for a radical and innovative health and social care system that is able to provide excellent, safe care to the residents of Eastern Cheshire. Additional background information about the Caring Together programme can be found in Appendix A.
- 3.2 Using international evidence of best practice the Caring Together Programme aims to deliver benefits across the following four strategic outcomes that have been collectively agreed:
- better patient experience and care outcomes
  - clinical sustainability and better staff experience
  - improved service utilisation
  - delivery within given financial resources
- 3.3 In addition the Caring Together Programme will drive our approach to joined up (integrated) commissioning in Eastern Cheshire as a foundation block of the recent Cheshire Partnership Pioneer bid, and maintain a collective commitment towards delivering the Cheshire East Health and Wellbeing Board's Strategy Plan.<sup>5</sup>

### 4. Strategic Outline Case

- 4.1 A key early decision taken by the Caring Together Board was the need to establish a **Strategic Outline Case** which would provide a robust statement setting out:
- the clinical and financial case for change in Eastern Cheshire
  - how care needs to change to improve outcomes and experience for the residents of Eastern Cheshire
  - the financial implications of these changes for commissioners (those who buy) and providers (those who deliver) of health and social care services
- 4.2 The Strategic Outline Case has been produced by the main partner organisations working across the Eastern Cheshire health and social care economy, working in partnership with McKinsey & Company<sup>6</sup> and Carnall Farrar LLP<sup>7</sup> and forms a significant milestone in the journey towards integration and the delivery of the Caring Together Programme.

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<sup>5</sup> [http://www.cheshireeast.gov.uk/council\\_and\\_democracy/your\\_council/health\\_and\\_wellbeing\\_board.aspx](http://www.cheshireeast.gov.uk/council_and_democracy/your_council/health_and_wellbeing_board.aspx)

<sup>6</sup> <http://www.mckinsey.com/>

<sup>7</sup> <http://carnallfarrar.com/>

## 5. Strategic Outline Case - An Executive Summary

- 5.1 This section provides the Governing Body with an executive summary of the findings and recommendations of the Strategic Outline Case, together with a resume of the process used to develop the Caring Together Strategic Plan. This section is intended to inform the Governing Body of the main outcomes of the Strategic Outline Case.
- 5.2 The full Strategic Outline Case document runs to 70 slides and it has been agreed that at this stage these will not be used in public until the content has been signed off by each partner organisation's own board, governing body or cabinet.
- 5.3 The Strategic Outline Case crystallises the scale of the challenge faced by commissioners and providers across Eastern Cheshire and has significantly extended the original vision to join up care. The financial baseline has inevitably skewed the tone of the case towards the health system (particularly acute and community services), but the impact on social care, public health and primary health care is implicit.

## 6. Executive Findings

- 6.1 The key findings of the Strategic Outline Case can be summarised as;
- the current health and social care system is not sustainable with an underlying financial challenge – or gap - that is set to rise to £66 million over the next three years
  - the baseline work undertaken as part of the Strategic Outline Case provides a strong case for a radical change to how care is delivered to our 200,000+ residents in Eastern Cheshire. Failure to act will result in declining care quality, poorer access to services, growing dissatisfaction with the system and rising financial deficits across commissioners and providers of health and social care services
  - the Caring Together programme is the ambitious solution required to address these challenges. The new care model based on four pillars of care will need to dramatically shift the current system from reactive acute care to proactive care closer to home, improve the experience and outcomes experienced by our citizens, and achieve better staff experience
  - the evidence indicates that a model (design/structure) of care in Eastern Cheshire which is able to meet future needs, national quality standards, improved patient and staff experience, and which presents the best opportunity to be sustainable financially, is only likely to be achieved by successfully delivering in parallel three interlinked and inseparable programmes of work:
    - joining up health and social care to take out duplication and bringing more care into the community where it is appropriate to do so
    - a review of acute services to ensure their design and delivery enables people to get high quality local and regional specialist care in the right

place at the right time. This is also to be achieved through collaboration with a similar programme of work known as the Greater Manchester Healthier Together programme<sup>8</sup> which will impact on services provided for the people of Eastern Cheshire

- increasing efficiency and productivity across the health and social care system to ensure financial stability through more effective use of facilities, staff skills and available funding
- achieving sustainability will require all three strategies to be implemented in parallel – none will be sufficient alone
- that the early ambition in respect of joined up care must now be rapidly scaled up to include the transformational change of primary care, acute hospital, residential and mental health care and the integration of health and social care services across all provider organisations
- based on international evidence of what has helped to make changes of this size a reality a number of areas will need to be invested in which will help the Caring Together programme partners deliver a new care model through the three interlinked programmes of work, namely:
  - strong leadership and cultural transformation
  - consistent and transparent public, patient, carer and staff engagement and communication
  - much better information sharing
  - new contracting, payment mechanisms and commissioning approaches
  - the development of a flexible, responsive and multi-skilled workforce
- in order to fully achieve the Caring Together Programme outcomes and objectives and to deliver the anticipated benefits it is necessary to adequately scope and plan the investments and take into account the associated risks. Therefore further work to develop a business case is required.
- the business case will be the planning and management tool to enable all stakeholders to ascertain that the Caring Together Programme:
  - is supported by a robust case for change that provides strategic synergy
  - optimises value for money
  - plans are viable and achievable
  - ensures financial affordable services

## 7. An Outline of a Proposed New Health and Social Care System

7.1 The Strategic Outline Case reaffirms the agreed ambition to shift care from reactive acute (hospital, social care, mental health) setting to a care system underpinned by the four pillars of care that the Caring Together Programme has already established.

7.2 At the centre of the new care system is driving delivery of the highest intensity

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<sup>8</sup> <https://healthiertogethergm.nhs.uk/>

of care in the lowest intensity setting; supporting individuals to take responsibility for their own care through prevention, wellbeing education and lifestyle choices, maximising community assets and improving access to them.

- 7.3 Of equal importance will be the development of full community provided care, close to people's homes and epitomised by fully integrated multi-professional care teams working to common outcomes focused on the citizen.
- 7.4 Achievement of this ambition will require an innovative and radical redesign of care services, driving up standards of care 24 hours, 7 days per week and new roles and responsibilities for General Practice as they become an integral part of the new care system.
- 7.5 The Strategic Outline Case does not yet fully describe the new system, but it does begin to outline the scale of the changes required as demonstrated in visual schematic of the four pillars below:



Caring Together shifts care from a reactive acute setting to a proactive community based setting

- 7.6 The four pillars can be explained further as:
- **Pillar one – the empowered person:** interlinked resources based in the community that provides support to enable individuals to take responsibility in managing their own health and wellbeing and care needs
  - **Pillar two – community provided care:** these services will be designed around the needs of the 20% of the population who currently use up 70% of the health and care resources. This will necessitate health and social care professionals working together as a multi-professional care team, person centred with a single line of accountability and a set of common outcome standards, bringing joined up, high quality, equitable care to the whole population
  - **Pillar three – local specialist care:** this is about specialists working as part of these multidisciplinary teams, and will mean that the local hospital will potentially look very different, with services being delivered in line with the population's needs and closer to or within their own homes
  - **Pillar four – regional specialised care:** already a number of services that are provided locally are hosted by larger organisations that are able to provide care that consists of complex procedures or requires access to

advanced technologies and skills, for instance local chemotherapy services. It is also expected that Eastern Cheshire will respond more effectively to wider plans to develop specialist trauma and surgical units through the Caring Together Programme.

- 7.7 The health and social care system has already committed to responding to the case for change through the Caring Together Programme. It has always been the intention to radically reshape how care would be delivered to the citizens of Eastern Cheshire so as to provide better, more joined-up and efficient care which meets their needs and keeps them independent.

## 8. Next Steps

- 8.1 A more detailed planning framework was presented to the Caring Together Executive Board on the 18<sup>th</sup> September 2013 and will be signed off by the Caring Together Executive Board on the 16<sup>th</sup> October 2013

## 9. Recommendation

It is recommended that Governing Body:

- acknowledge the baseline position and accept the case for change as set out in the Strategic Outline Case
- agree that the Caring Together Programme will include joined up care, acute redesign and productivity and efficiency initiatives as approaches to respond to the case for change
- note that the Strategic Outline Case is the first stage in the development of a new integrated model of care supported by a full business case
- agree to continuing to work in partnership with McKinsey and Company and Carnall Farrar LLP to progress this work

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## Appendix A

### Background Information of the Development of Caring Together

Over the last 18 months health and social care commissioners and provider organisations have been working collaboratively to develop plans to commission and deliver radically different services to meet local care needs, while ensuring that they remain safe, high quality and financially affordable.

This has been built upon the mature partnership working, relationships of the leaders within the health and social care system and a great deal of work to engage are staff and citizens of Eastern Cheshire in the co-design of the proposals has been undertaken. This resulted in agreement across partner organisations of a vision, a set of values, principles and behaviours, which were captured in a Memorandum of Understanding (MOU) signed by the accountable leaders of the respective organisations (April 2013), these being:

- Cheshire East Council
- NHS Eastern Cheshire Clinical Commissioning Group
- East Cheshire NHS Trust
- Cheshire and Wirral Partnership NHS Foundation Trust
- Vernova Community Interest Company
- Crescent Community Interest Company

The MOU forms the foundation of an innovative and radical programme of work to deliver care to meet the needs of the Eastern Cheshire population now and in the future. This programme of work has been branded as 'Caring together'.

There has also been the generation of a number of ideas and proposed changes and a number of these have been tested and have included:

- risk profiling tool
- multidisciplinary team meetings
- a co-located and integrated neighbourhood team
- 3 Million Lives Pilot of assistive technologies (a national scheme and Eastern Cheshire is a fast follower site)
- use of social media and a web based engagement hub to capture information on services and staff and patient experiences of care
- CQUIN Schemes across primary and secondary care to incentivise locality plans for and delivery of more joined up care
- establishment of an ambulatory care centre at East Cheshire Trust
- a number of workforce related schemes – induction video, training prospectus, leadership programme for team managers, apprenticeship project, action learning set, wellbeing community support roles, shared equality and diversity training

### Building a strategic case for change

As Caring Together emerged other organisations became involved, including NHS England, Cheshire, Warrington and Wirral Area Team, who also provided further external challenge to the proposed plans for integrated care in light of other drivers for change in the system, including East Cheshire NHS Trust's application to become a foundation trust.

It became clear that to continue to develop radical innovative plans for services at scale and pace to respond to all the drivers for change across the entire health and social care system a strategic partner who could provide some capacity, skills and experience to supplement and complement those already engaged on the Caring Together Programme was needed.

NHS England was able to provide some financial investment which enabled the partner organisations to compile a specification (known as the problem statement) setting out the requirements for an external company to develop in the first phase, of a two phased approach, a Strategic Outline Case.

This Strategic Outline Case was expected to ensure the consolidation of existing information within the local health and social care economy to build upon an earlier document known as the 'framework document'. Following a short procurement exercise, McKinsey & Company in partnership with Carnall Farrar LLP, began to work with the health and social care partners in Eastern Cheshire on a six week contract to deliver the outputs as set out in the problem statement. These were:

- Establish a baseline case i.e. current service provision model and associated activity and costs:
- The use of current Cost Improvement Programme (CIP) and service improvement initiatives. The use of financial data from both Commissioners and Providers. The outputs from current and recent successful projects and metrics demonstrating current levels of efficiencies. Other locally and nationally generated data to enable clinical and financial modelling.
- The use of external benchmarking data in public / private sector organisations and examples of to provide external perspectives and order of magnitude for cost savings.
- Service model development - process to test existing proposed model for its impact on the baseline; and to set out other alternative possible integrated service model options based on national and international evidence and best practice standards. Including public health/needs assessment analysis, strategic modelling of activity and financial and human resource, utilisation of co-production methodology and testing through facilitated workshops
- Co-produce the benefits realisation plan
- Develop further the strategic outcomes including the financial viability of the different organisations and establish appropriate measurements
- Establish potential levels of transitional resource required, including the required dual running costs and outline realistic timescale for the milestone plan

It was expected that by the end of July 2013 the Caring Together Executive Board would be able to sign off a credible Strategic Outline Case for the partner organisations in Eastern Cheshire, National Trust Development Authority and NHS England. That Strategic Outline Case would;

- include the case for change, progress to date, successful programmes completed;
- describe the strategic focus on integration across the health and social care system, the methodology for development and implementation with early case studies illustrating the approach,

- and a robust project plan to develop the detail for implementation. This plan was to include foundation principles, and modelling of the options. The modelling would consider financial impact, patient flow impact and workforce impact.

## **The Process - work with McKinsey & Company and Carnall Farrar LLP**

The McKinsey Team commenced on site just two weeks after the interviews, at the beginning of July and the Strategic Outline Case was presented to the Executive Board on 7<sup>th</sup> August 2013. A stocktake period commenced from the 7<sup>th</sup> August 2013, which was completed on 21<sup>st</sup> August 2013. The stocktake gave all partners the opportunity to review the document and to make further comment and amendments.

The process to develop the Strategic Outline Case included:

- Data requests to all the organisations for submission of the required data to provide the analysis in respect of the requirements set out in the problem statement
- Fortnightly directors of finance meeting that was focussed on establishing the baseline financial case
- the McKinsey Team also interviewed a number of key stakeholders, leaders and decision makers from the organisations involved in Caring Together
- Fortnightly there was a clinical leaders meeting
- As well as a weekly programme update meeting to ensure there were close links between the partner organisations and McKinsey & Company and Carnall Farrar LLP
- A review of international/national evidence best practice that was used to test the current proposals for integrated care and to test against the case for change for their level of impact
- In reviewing the progress to developing an innovative service model for integrated care there were three clinical champions' meetings and two wider public, professional and clinical engagement events

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