

Sector Panel Report

Inner North East London Sector

23 March 2010



Overview

First, the panel thanks Inner North East London (INEL) sector for participating in this round of assessments for World Class Commissioning

The panel asks the sector to accept this report in the spirit in which it is intended: a support tool on the journey to world class commissioning and as a considered view of the organisation's strengths and weaknesses based on the insight the sector itself gave the panel into its commissioning approach

The sector is on a very positive trajectory. As it now moves from strategy to implementation it must maintain a clear focus on outcomes and ensure the correct approach is taken to enable successful implementation of its plans

The panel feels that the results from the competencies self-assessments largely match the panel's perceptions during the assurance test

The panel identified 3 main recommendations that the sector will need to consider as the sector positions itself to drive transformation of health and healthcare in Inner North East London

Commentary

The panel identifies 3 major areas for consideration by the Sector at this stage on its journey

1. **Headline: Sector is on a very positive trajectory**

Observation: The sector has a clear vision underpinned by a good understanding of the population it serves and real passion to improve health outcomes. It has a detailed awareness and honest understanding of the strategic and financial challenges it faces, and plans in motion to address them. Collaborative working across PCTs has been very effective in sharing best practice (e.g. balanced scorecard, diabetes network)

Recommendation: The sector should measure and track performance against initiatives and overall vision to enable it to demonstrate future successes

2. **Headline: Ensuring execution of strategic plans**

Observation: The sector has developed robust strategic plans through Health4NEL for transformation of the acute provider landscape alongside the development of polysystems. Whilst it has also developed a 2010/11 Operating Plan to move towards this, it is unclear if the sector is fully aware of the steps needed to move from its current position to its end-state vision, the timelines required to achieve this or the big actions needed to make it happen

Recommendation: Whilst the sector has been working very collaboratively thus far, it may wish to consider a 'disruptive innovation' approach to ensure speedier progress, as it moves from strategy to implementation and a focus on outcomes. In establishing its PMO infrastructure, the sector should ensure it has the correct focus on outcomes from the beginning

3. **Headline: Importance of primary care performance and public behaviour/choice**

Observation: High quality primary care, both community and general practice, are essential for the development and delivery of polysystems, and the transformation of secondary care

Recommendation: The sector must ensure that PCTs are enabled to prioritise this work and succeed in its implementation. They must also work to ensure that public behaviour is aligned with the new system and support patients in making effective choices

Potential for Improvement Commentary

Sector's trajectory

Commentary

- As already observed, the sector is on a positive trajectory and must maintain its momentum

Areas for development

- The sector must move from a process and strategy focus to outcome and execution focus

Organisational development

















Commentary

- The Board and its top team are ambitious, passionate and clearly co-ordinated and will need to retain these strengths in order to deliver against financial challenges

Areas for development

- The PMO needs to ensure a clear focus on outcomes
- The sector must aim to recruit and retain the best staff
- There needs to be consideration of risk in the widest sense and of incremental vs. disruptive change

Governance – Panel assessment on Strategy

Assessment	Measure	Red	Amber	Green
	1. Vision and goals			
	2. Initiatives to ensure delivery of strategic goals and their programme of change			
	3. Consistency of financial plan with the strategy			
	4. Sector Board challenge, ownership and monitoring of the strategic plan delivery			
	5. Achievement of milestones to date			














Rationale for scoring

1. The vision and sub-priorities make reference to local and national goals. Vision and outcomes are generally ambitious and realistic and backed up by milestones or timelines in the Operational Plan. There is a strong history of collaborative working in the sector, with a shared vision and aligned processes already in place eg., for End of Life care and mental health
2. The sector appears to have selected a sub-set of its strategic aims as its initiatives for 2010/11. The sector stated it has developed a Local Operating Plan, which highlights evidence of initiatives' impact on PCTs' outcomes, inequalities, quality, efficiency and effectiveness of services with clear timelines for impact. However, longer term execution of the sector's vision remains unclear
3. The sector has developed detailed financial plans, underpinned by strong modelling, and consistent with their strategy. This has been aided by a clear alignment of local aims and aspirations, which has fed the sector's approach. A pre-emptive set of 'rules of the game' has been agreed, should misalignment nonetheless occur, and risk-sharing is now being finalised
4. Organisation and delegated authority are explained clearly. The shift from acute to primary care settings is fundamental to sector's plans yet there is little evidence that performance data for primary care settings is presented to the board. There are regular reviews of risks and a clear sense that risks are owned at Board level. The NEDs are all aligned on priority initiatives
5. The sector appears to have made good progress in establishing the key vehicles required to support its strategic ambitions: SACU, HIU, integrated mental health commissioning. They have analysed current over-performance on acute contracts with processes for managing this issue being put in place via the SACU. They are making some progress towards closing the health inequality gap

Recommendations going forward

- Ensure that detailed milestones for goals remain timely and on-track
- Provide greater detail in the delivery plan to ensure execution and give consideration to 'disruptive innovation' as an alternative to slower, small-step collaborative approaches
- Ensure deliberate tracking of performance, with a clear articulation of the drivers of success
- Establish of a PMO with an awareness of, and focus on, outcomes in addition to process

Governance – Panel assessment on Finance

Assessment	Measure	Red	Amber	Green
	1. Robust financial management			
	2. Robust planning assumptions			
	3. Sustainable financial position under 'base case'			
	4. Sustainable financial position under different financial scenarios			



Rationale for scoring

1. Financial performance is reviewed during Joint Committee of PCT's meetings and includes a range of performance metrics. There is a series of monthly checks on provider activity, e.g., with regard to excess bed days. From June 2010, there will be a hosting position with central invoicing, checked by SACU, and a consistent approach to validation. There is an arrangement in place for reconciliation of sector and PCT financial positions, with a monthly financial report and a SACU finance team doing ongoing reconciliation
2. The sector has worked with revised GLS assumptions about population change and growth, and the projected changes have been factored into the demand and need modelling that underpins their financial planning. They have also, for instance, applied risk assessment tools in the antenatal care pathway to ensure each woman gets the most appropriate care for her situation. This yields a cost-saving (of about £2 million) as well as more personalised, better quality care. They are generating strategic priorities through a bottom-up process, thereby securing sector priorities within each PCT plan
3. INEL has a financial plan that delivers a surplus over the next 5 years under the 'base case', which the sector developed using downside scenarios specifics and providing robust actions for mitigation to ensure break-even and surplus delivery. There is a history of stable financial management and no indication that this will change into the future
4. The sector has plans but they are not detailed year-by-year. They have prudently planned for a down-side scenario, but it is not clear, should a more up-side scenario materialise, that they are ready to make an effective strategic investment with the surplus monies

Recommendations going forward

- The sector should complete the work it has begun with Barts and the London around aligning provider and commissioning projections and resolving issues (e.g. BLT project); further, they should adopt and adapt this approach for other providers
- The sector needs a 5 year-by-year delivery plan to match its 5 year strategic plan

Governance – Panel assessment on Board

Assessment	Measure	Red	Amber	Green
	1. Organisation			
	2. Risk			
	3. Information			
	4. Performance			
	5. Delegation			
	6. Board interaction			



Rationale for scoring












1. The Action Plan for 2010/11 includes a list of the organisational development priorities (including capability gaps) but this does not contain robust detail. Good progress has been made, but there is still work to do in organisational development as part of the strengthening commissioning process
2. High level risks (e.g., if the shifts of activity are not met) have been identified and represent a serious challenge to the delivery of the sector plan. The Board is keenly aware of, and has alignment on these risks. PECs and Clinical Reference Groups are involved in clinical assurance of risks, underpinned by the Board belief that clinical analysis of risks is an absolute requirement and ultimately what delivers improvements in services
3. It is not clear that the sector is maximising resources of HIU, with a question around the unit holding onto some local information, resulting in duplication with CSL's QO and the LHO. From 1 April 2010 there will be a risk register for the sector, with an assurance framework, thus ensuring that PCT Boards will receive regular performance and risk management reports from the sector
4. It not apparent that quality metrics are tracked or that primary care data is being shared. Escalation procedures including the Board are detailed in the operating handbook; the Board gave explicit evidence of action to address key disparities (e.g., BLT performance)
5. Some evidence but not clear articulation of how groups under JCPCT governing bodies interact (e.g. how staff work across PCTs). Whilst reporting measures to Board are cited, there are no examples of this in practice.
6. Health4NEL demonstrates alignment on the acute strategy, but there does not yet seem to be alignment on out of hospital strategy (plans for polysystems not yet finalised across all INEL PCTs). The constituent PCTs, the Board and staff seem aligned on key challenges and opportunities facing the sector, and there is constructive challenge in place between the Board and staff

Recommendations going forward

- The sector should ensure they implement their good plans on risk management, and embed this within the sector
- The sector should investigate possible duplication between CSL and HIU. With the need for reduction in management costs, is this an obvious area?
- Infrastructure should be put in place to ensure that quality is discussed at Board meetings and that a balanced scorecard approach is adopted for all providers across all care settings
- As the London-wide strengthening commission plan progresses, the sector should continue the journey of collective working

Overview – Competencies

 This year's self rating
 Panel Assessment













Competency	Level			
	1	2	3	4
1. Locally lead the NHS				
2. Work with community partners				
3. Engage with public and patients				
4. Collaborate with clinicians				
5. Manage knowledge and assess needs				
6. Prioritise investment				
7. Stimulate market				
8. Promote improvement and innovation				
9. Secure procurement skills				
10. Manage the local health system				
11. Ensuring efficiency and effectiveness of spend*				

Topline introduction

- INEL sector provided evidence to meet their self-assessment on competencies 8, 9 and 10
- INEL sector did not show evidence to meet their self-assessment on competencies 1, 4, 7 and 11

* Competency added this year, hence last year's rating not available

Competency 1 – Panel assessment

Competency	Measure	Level			
		1	2	3	4
Are recognised as a local leader for the commissioning of relevant services	• Reputation as the local leader of commissioning for relevant services				
	• Reputation as a change leader for local organisations				
	• Position as an employer of choice				













Rationale for scoring

- Joint board events and PCT director workshops have been held to establish sector leadership and agree commissioning priorities. The sector participates in the health agendas of the PCTs through 3 way Board meetings. Some citation of patient experience input, e.g., in need to improve maternity, and activities, but little evidence of how this is acted upon
- Joint Board meetings and workshops indicate that the PCTs work as a sector and not as individual PCTs. The JCPCT is responsible for leading and shaping the actions of the PCTs and ensuring that they work as a single sector
- Information presented indicates that the workforce plan is at an early stage, and there are few specifics about how staff satisfaction will be monitored and acted upon. Developing team and individual skills is mentioned but specific initiatives are not detailed. However, the sector undertook its own staff survey this year, and staff report they see the sector as attractive in part because it is a learning organisation; they are also motivated by the range of challenges in the East End and by the potential for regeneration. The sector is working closely with CSL to develop a bespoke sector development programme

Recommendations going forward

- As the alliance develops, the OD plan needs to give a high priority to the development of its staff

Competency 4 – Panel assessment

Competency	Measure	Level			
		1	2	3	4
Conduct continuous and meaningful engagement of all clinicians to inform strategy and drive quality, service design and efficient and effective use of resources in relevant services	• Clinical engagement for relevant services				
	• Dissemination of information to support clinical decision				
	• Reputation as leader of clinical engagement				













Rationale for scoring

- The development of reconfiguration proposals has been clinically led by two Joint Clinical Directors. Over 45 clinicians are actively and closely involved in the review of local health services and developing recommendations for the future. Clinicians have made a substantial contribution to the sector strategy and have identified three main themes to deliver better integrated primary and secondary care (efficiency in elective procedures, moving services to community, implementing integrated networks). The pathway work in stroke and trauma also demonstrates this. A further 200 clinicians involved, but there is little detail on the mechanisms for ongoing engagement beyond specific projects
- Health4NEL demonstrates how a) clinical info is collected and evaluated by the sector and b) shared with constituent PCTs and clinicians. The Health Intelligence Unit (HIU) supported a series of clinical workshops with a variety of clinicians. The sector has put in place six clinical working groups which have made recommendations for initiatives to reduce the variation of service and improve quality. There are a number of fora where clinicians meet and exchange health intelligence and they are also able to triangulate information from fora and networks. However, it is not clear how satisfied clinicians are with these systems. It is also not clear whether quality reports include recent clinical evidence and benchmarks, link quality and efficiency, and are reviewed by a broad range of clinicians
- There is evidence that the outputs of clinical working groups are being used by the sector. There are 4 clinical workstreams responsible for delivering required service changes; these operate underneath a Clinical Advisory Group, with clear lines of communication to the Sector Commissioning Group. Reconfiguration of the stroke and trauma pathways also provides evidence of a track record of success

Recommendations going forward

- The sector should embed the best practice of the primary care balanced scorecards into those for other providers (acute, mental health, community)
- The sector should seek feedback from clinicians on the usefulness of their reports and act on the feedback

Competency 7 – Panel assessment

Competency	Measure	Level			
		1	2	3	4
Effectively simulate the relevant markets to meet demand and secure required clinical and health outcomes	• Knowledge of current and future provider capacity and capability				
	• Alignment of provider capacity with health needs projections				
	• Creation of effective choices for patients for relevant services				













Rationale for scoring

- The sector, in designing service improvements, has involved constituent PCTs through the JCPCT, and consulted with other stakeholders through clinical leadership, the CRG, 6 CWGs, public and patient engagement and the OGC. The sector has prioritised acute and maternity services for analysis and improvement, and has indicated analysis and commensurate recommendations across a number of providers and services. The sector has identified potential costs and benefits from its reconfiguration of acute providers
- The sector uses a variety of assumptions around demand management, population growth, shifts in care to polysystems, productivity gains and others to predict activity volume and capacity required per provider. As part of the planned reconfiguration of acute services, the sector has identified some gaps in market supply, risks to supply structure and has addresses these in its plans. Market management demonstrated in the evidence includes the decommissioning of services and the transformation of estates into new types of services (e.g. King George to a polyclinic)
- The sector states that “patients will have greater choice through delivery of care closer to home” as a result of service reconfiguration in Health4NEL. However, whilst the development of polysystems will result in increased patient choice, there is a lack of evidence to suggest that the sector works with its constituent PCTs or patients to offer increased choice. The sector involves patients and constituent PCT in creating choice, but there is a lack of evidence that the sector supports its constituent PCTs in fulfilling legal responsibilities for choice of care

Recommendations going forward

- Developing choice strategies and enabling the public to make effective choices (e.g., better facilitation of choice)
- Support clinicians to ensure public are aware of choice and make effective choices
- Understanding the implications of choice for market management

Competency 8 – Panel assessment

Competency	Measure	Level			
		1	2	3	4
Promote and specify improvements in quality (e.g., CQUIN, IQI) and outcomes for relevant services through clinical and provider innovation	• Identification of improvement opportunities				
	• Implementation of improvement initiatives				
	• Collection of quality information				













Rationale for scoring

- The sector and its constituent PCTs have reviewed 6 clinical pathways and identified improvement opportunities which have been agreed by CWGs and CRG. The PCT states that these pathway improvements have been taken into account in Health4NEL reconfiguration plans. The sector has undertaken recent work in stroke and trauma. The sector states that a process is in place for analysing performance in care pathways and using process maps to identify what is needed to improve delivery; it specifies pathway interventions. Health4NEL provides evidence of patients being involved in pathway redesign. There is no evidence that the sector or its constituent PCTs aggregate GP system data to run patient risk analysis and target patients
- There is a lack of evidence that staff have a clear understanding of the sector model of quality improvement. The sector states that quality and clinical benefits have been utilised as criteria for service reconfiguration option selection with workforce and productivity being taken into account in service improvement plans. Whilst some risks associated with service reconfiguration are mentioned, it is unclear if the sector has worked with providers and partners to mitigate risks. As service reconfiguration is still at consultation phase, progress against objectives has not yet been measured
- The sector states that as part of 2009/10 contracts, the SACU regularly reviews performance with acute providers against the full set of CQUIN indicators. The Health Intelligence Unit (HIU) monitors information with each PCT. It is unclear whether quality metrics have been developed by multiple stakeholders (e.g. clinicians, patients, LAs). Monitoring and reporting of provider performance occurs once a month

Recommendations going forward

- Risk stratification should be done in all areas in addition to maternity
- The sector should ensure that changes to clinical pathways span relevant services and geographical networks and produce demonstrable, measurable improvements
- The sector has picked key metrics in some areas and needs to continue and roll-out this process

Competency 9 – Panel assessment

Competency	Measure	Level			
		1	2	3	4
Secure procurement skills that ensure robust and viable contracts	• Understanding of provider economics				
	• Negotiation of contracts around defined variables				
	• Creation of robust contracts based on outcomes				













Rationale for scoring

- Sector has clear understanding of existing providers but little evidence about potential providers (PCBC p.88). Sector is monitoring providers but little evidence of insights obtained (e.g., no description of specific reasons for performance at provider trust). Evidence of understanding of economic impact of volume shifts (PCBC section 5) and procurement approach
- Evidence of responsibility for contract negotiation (sector establishment agreement Appendix 2). Examples evidenced in self-assessment but it is not clear whether there are defined improvements specified in all provider negotiations. Not clear who carries the risk for over performance (e.g., sector, constituent PCTs, providers)
- The sector takes responsibility for contracts (establishment agreement, sector business case). There are no examples of how negotiation of contracts is in line with the CSP of each constituent PCT. Little evidence of procurement for improved patient experience. There is evidence that clinical leadership is involved in contracts. There is evidence that acute contracts have break clauses

Recommendations going forward

- The sector needs to develop further its economic understanding of potential providers, as well as enhancing its analyses on all key commissioned providers economics

Competency 10 – Panel assessment

Competency	Measure	Level			
		1	2	3	4
Effectively manage systems and work in partnership with relevant providers to ensure contract compliance and continuous improvement in quality and outcomes and value for money	• Use of performance information				
	• Implementation of regular provider performance discussions				
	• Resolution of ongoing contractual issues				













Rationale for scoring

- Performance data collected and discussed with providers monthly; unclear if data is no more than 6 weeks old (no dates provided); contract management strategy outlined. Performance information is presented to Board but not clear whether cascaded to stakeholders and relevant partners. Not clear if real time information is collected and utilised
- The sector and SACU have responsibility for provider performance and meet monthly to review performance (self-assessment). The sector generate reports on key targets (e.g. 18 weeks, wait times). Not clear how the sector is working with providers to enable sustainable improvements. There is a risk register that lists key risks, but no evidence that workforce planning issues are reviewed as part of this
- Issues of over performance at Barts and the London have not yet been resolved, but are improving. The CSP describes issues and evidence of resolution (e.g. improved outcomes in stroke, cancer, renal). There a risk and issues register that tracks contract performance. There is evidence of contract compliance management (BLT)

Recommendations going forward

- The Sector should strengthen its performance monitoring, ensuring that real time information is collated and utilised
- The Sector should build upon its work with providers to date, to incorporate workforce issues as part of performance discussions and risk planning

Competency 11 – Panel assessment

Competency	Measure	Level			
		1	2	3	4
Ensuring efficiency and effectiveness of spend	• Measuring and understanding efficiency and effectiveness of spend				
	• Identifying opportunities to maximise efficiency and effectiveness of spend				
	• Delivering sustainable efficiency and effectiveness of spend				

Rationale for scoring

- Evidence provided did not demonstrate how the sector collected and analysed information related to its priority outcomes beyond Health4NEL work. There was little evidence of national benchmarking of output efficiency was provided. Commentary provided mentioned that benchmarking for acute care was the responsibility of the providers. The sector has not articulated its understanding of the optimal economics of service provision in acute via the Health4NEL work
- The sector has identified a range of opportunities to deliver efficiencies, with detail provided at individual Trust level. The sector has also identified potential efficiencies and improvements in effectiveness within the HIU business case at sector level. The sector has identified efficiencies that could be achieved by adopting different geographical and functional options that are available during the set up of the SACU
- Efficiency and effectiveness opportunities have been identified by the PCT and within Trusts. Health4NEL provides evidence of how the sector works with PCTs to ensure delivery of plans. Clinicians were engaged throughout and the business case includes tracking of achievement of milestones to date

Recommendations going forward

- Sector needs to develop its system to understand the effectiveness of every detail of its spend – it needs to develop a more detailed ROI procedure