

HEALTH AND WELLBEING BOARD - 28 JANUARY 2015

Title of paper:	South Nottinghamshire Transformation Partnership Compact		
Director(s)/ Corporate Director(s):	Colin Monkton, Director of Commissioning Policy and Insight	Wards affected:	N/A
	Hugh Porter, Clinical Lead, Nottingham City CCG		
Report author(s) and contact details:	Rebecca Larder, Director of Transformation, South Nottinghamshire 0115 883 7848/ 07710 387429 R.larder@nhs.net		
Other colleagues who have provided input:			
Date of consultation with Portfolio Holder(s) (if relevant)			
Relevant Council Plan Strategic Priority:			
Cutting unemployment by a quarter			<input type="checkbox"/>
Cut crime and anti-social behaviour			<input type="checkbox"/>
Ensure more school leavers get a job, training or further education than any other City			<input type="checkbox"/>
Your neighbourhood as clean as the City Centre			<input type="checkbox"/>
Help keep your energy bills down			<input type="checkbox"/>
Good access to public transport			<input type="checkbox"/>
Nottingham has a good mix of housing			<input type="checkbox"/>
Nottingham is a good place to do business, invest and create jobs			<input type="checkbox"/>
Nottingham offers a wide range of leisure activities, parks and sporting events			<input type="checkbox"/>
Support early intervention activities			<input type="checkbox"/>
Deliver effective, value for money services to our citizens			x
Relevant Health and Wellbeing Strategy Priority:			
Healthy Nottingham: Preventing alcohol misuse			<input type="checkbox"/>
Integrated care: Supporting older people			<input type="checkbox"/>
Early Intervention: Improving Mental Health			<input type="checkbox"/>
Changing culture and systems: Priority Families			<input type="checkbox"/>
Summary of issues (including benefits to citizens/service users and contribution to improving health & wellbeing and reducing inequalities):			
<p>Partners from twelve statutory health and social care organisations across South Nottinghamshire, including Nottingham City Council, have agreed to establish a 'Compact' that sets out their commitment to partnership working to deliver improved health and wellbeing for the citizens they serve through the reshaping of the health and social care system.</p> <p>During November and December 2014, the Compact was presented to partner organisation boards or equivalent for organisational endorsement, including the Nottingham City Health and Wellbeing Board Commissioning Executive Group (CEG) on 2nd December 2014.</p> <p>The CEG gave overall endorsement to the Compact but outlined two concerns which are set out below with a response to them:</p>			

1. There is no reference to parity of esteem in the Compact

Response: Although this is not referenced specifically in the Compact, parity of esteem is a standing agenda item on all South Nottinghamshire Transformation Board meetings.

2. There is no democratic representation on the South Nottinghamshire Transformation Board

Response: This is being progressed via discussions with Councillor Norris.

All comments from the Health and Wellbeing Boards, CCG Governing Bodies and organisational Boards will be discussed at the February meeting of the South Nottinghamshire Transformation Board.

Recommendation(s):

1	The Health and Wellbeing Board is asked to endorse the Compact which sets out the ambition to create a sustainable and high quality health and social care system for the population of South Nottinghamshire.
----------	--

How will these recommendations champion mental health and wellbeing in line with the Health and Wellbeing Board aspiration to give equal value to mental health and physical health ('parity of esteem'):

Parity of esteem is a standing agenda item on all South Nottinghamshire Transformation Board meetings to ensure that we give equal value to mental and physical health.

1. REASONS FOR RECOMMENDATIONS

The Health and Wellbeing Board is asked to endorse the South Nottinghamshire Transformation Compact on the understanding that the South Nottinghamshire Transformation Partnership is a non-statutory body developing robust recommendations and ensuring that they align with decision making at statutory body level including Local Authority political approval processes.

In endorsing the Compact, the Health and Wellbeing Board will be confirming support for the South Nottinghamshire Transformation Partnership to develop a shared single report of high level system measures that are reported to the partner public Boards or equivalent on a quarterly basis, with these measures forming the basis of a public commitment to action.

2. BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

Overall, the citizens of South Nottinghamshire receive effective health and social care however services are not consistently coming together to provide joined up, quality and sustainable systems of service provision for the population served. Going forward it is increasingly unlikely that single organisations will be able to achieve sustainable services whilst working within their own boundaries.

Twelve partner organisations (commissioners and providers from health and social care) in South Nottinghamshire have come together developing a Compact which outlines a commitment to work in collaboration for the successful achievement of a sustainable and high quality health and social care system that supports improved health and wellbeing for the population served.

The Compact outlines the context for change, the principles of working together, and responsibilities of the South Nottinghamshire Transformation Partnership which is the vehicle through which the partners are coming together to take forward the whole system change needed.

The Compact then goes beyond the principles and responsibilities in outlining the initial joint programme of work focusing on:

- i. Developing effective collaborative working arrangements.
- ii. Developing a new system based on an accountable care philosophy;
- iii. Optimising and improving the current system.

The Compact confirms the intention to develop shared system wide measures of success and outlines the means of keeping the Compact alive together with the process of signing up which is based on:

- Support for the overall strategic direction;
- Agreement to the principles;
- Agreement to the shared work programme, including commitment to provide leadership and participation to secure success;
- Agreement to employ high level system measures and to report them quarterly to public Boards or equivalent using a shared single report. These measures will form the basis of a public commitment to action.

The Compact includes the Terms of Reference for the South Nottinghamshire Transformation Board which is the overarching, strategic governing group for the South Nottinghamshire Transformation Partnership. As a non-statutory body the Partnership operates on the basis of developing robust recommendations and ensuring that they align with decision making at statutory body level including Local Authority political approval processes.

3. OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

N/A

4. FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)

There are no financial implications of signing up to and endorsing the Compact. Any financial implications arising from the partners' joint programme of work will be outlined in recommendations for decision-making at statutory body level including Local Authority political approval processes.

5. RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)

There are no risk implications of signing up to and endorsing the Compact. Any risk management issues arising from the partners' joint programme of work will be included in recommendations for decision-making at statutory body level including Local Authority political approval processes.

6. EQUALITY IMPACT ASSESSMENT

Has the equality impact been assessed?

Not needed (report does not contain proposals or financial decisions) x

Equality impact assessments are planned to be undertaken on the joint transformation projects and programmes of work where service change proposals might have an impact on equality. These assessments will be outlined in recommendations for decision-making at statutory body level including Local Authority political approval processes.

No

Yes – Equality Impact Assessment attached

Due regard should be given to the equality implications identified in the EIA.

7. **LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION**

None

8. **PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT**

None

**THE SOUTH NOTTINGHAMSHIRE TRANSFORMATION PROGRAMME
PARTNERSHIP COMPACT**

PARTNERS TO AGREEMENT

South Nottinghamshire Transformation Board Membership	
Clinical Commissioning Groups	
NHS Nottingham City	
NHS Nottingham North and East	
NHS Nottingham West	
NHS Rushcliffe	
NHS England	
NHS England Nottinghamshire and Derbyshire Area Team	
Local Authorities	
Nottingham City Council	
Nottinghamshire County Council	
Providers	
Circle Partners	
East Midlands Ambulance NHS Trust	
Nottingham CityCare Partners	
Nottinghamshire Healthcare NHS Trust	
Nottingham University Hospitals NHS Trust	

1. INTRODUCTION

Partners, from twelve statutory health and social care organisations across South Nottinghamshire have agreed to establish a 'Compact' that sets out their commitment to partnership working to deliver improved health and wellbeing for the citizens they serve.

This Compact sets out some principles and ways of working which all organisations have agreed to sign up to. It then goes beyond principles to establishing a shared programme of work that is dependent on the practical application of these principles. The Compact is about action and living the principles rather than simply espousing them.

Whilst to an important extent the improvement of all health services and social care depends on partnerships, the Compact is deliberately focussed on an agreed Programme of Transformation where all organisations involved are agreed that without partnership working we will fall drastically short of our objectives and in so doing undermine the continuation of sustainable health and social care services into the future.

The Compact has been developed at a time when there are major constraints on the availability of public funding and where the NHS is being asked to manage all improvements in quality and capacity within existing resources and local government is being asked to manage with significantly reduced funding. We are agreed that this can only be managed if all parties work in collaboration to find better ways of using the resources that are entrusted to us in combination.

2. THE STRATEGIC CONTEXT

We will create a sustainable, high quality health and social care system for everyone through new ways of working together, improving communication and using our resources better

Overall, the citizens of South Nottinghamshire receive effective health and social care however services are not consistently coming together to provide joined up, quality and sustainable¹ systems of service provision for the population served. By 2018/2019 a £100-140 million financial gap is forecast based on current models of health and social care service provision.

At the instigation of the four South Nottinghamshire Clinical Commissioning Groups², partners from twelve statutory organisations have responded to a 'Call to Action'³ working in collaboration with citizens to develop a five year strategy aimed at reshaping the health and social care system towards the ambition of a desired future state focused on:

- Care organised around individuals, not institutions;
- The removal of organisational barriers enabling teams to work together;
- Resources shifted to preventive, proactive and care based closer to people's homes;

¹Sustainable is taken to mean clinically, operationally and financially maintainable.

²The four Clinical Commissioning Groups are NHS Nottingham City, NHS Nottingham North and East, NHS Nottingham West and NHS Rushcliffe which have united in a 'Unit of Planning.'

³In 2013, NHS England launched a 'Call to Action' requiring CCGs to come together in Units of Planning working with partners (including Social Care) on the development of 5 year strategies for quality and sustainability

- Hospitals, residential and nursing homes only for people who need to be in these care settings;
- High quality, accessible, sustainable services based on real needs of the population.

We have a shared understanding of the ways in which this strategic vision and desired future state is intended to change the landscape in health and social care in South Nottinghamshire.

We have committed to the establishment of a South Nottinghamshire Transformation Programme with the purpose of: bringing together partners across South Nottinghamshire, with citizen involvement, to deliver a programme of transformational change to achieve the future desired state outlined in the five year strategy.

The South Nottinghamshire Transformation Programme aims to achieve the ambition through the optimisation of the current system and a programme of large scale strategic change aimed at fundamentally reshaping the health and social care system.

In moving to the future state, both approaches will be enabled by a new 'accountable care philosophy' centred on:

- Increased accountability to service users and the citizens of South Nottinghamshire;
- Improved user and citizen experience;
- Maintenance and improvement of population health and outcomes;
- Increased value (defined as health and social care outcomes achieved over the cost of achieving those outcomes);
- Integrated systems of care;
- Sustainability of service provision.

3. PRINCIPLES OF WORKING AND ORGANISATIONAL CULTURE

The operating principles **WE WILL** espouse:

- a. Engage and consult carers, patients, citizens and staff in setting and refreshing our vision and strategy;
- b. Act as one community promoting the health and wellbeing of the citizens of South Nottinghamshire;
- c. Achieve mutual respect and understanding through building a culture of trust at all levels of our community;
- d. Be open and transparent with each other;
- e. Tackle obstacles to promoting the health and wellbeing of our citizens overcoming current climate and constraints within which the individual organisations function;
- f. Be ambitious and courageous, accepting and managing risk together;
- g. Be honest about success and failure, learning together;
- h. Commit the necessary effort to deliver the changes needed and agreed;
- i. Avoid duplication and waste by improving connections between our services;
- j. Use common information and reporting.

WE WILL promote a culture of:

- Full citizen involvement in all aspects and activities of the Transformation Programme.
- Shared purpose, sovereignty, narrative (including common language) and information;
- System leadership, ensuring people are empowered to make decisions on behalf of the collective South Nottinghamshire;
- 'Holding to account' both on an individual and collective basis for delivery of the five year strategy and agreed measures of system success;
- Achieving better ways of using the resources entrusted to partners in combination;
- Promoting collective pride in moving the overall system in South Nottinghamshire towards the agreed vision for the local population.

4. THE RESPONSIBILITIES OF THE TRANSFORMATION PROGRAMME

We have agreed the South Nottinghamshire Transformation Programme will:

- a) Develop, and refresh as needed, a five year strategy leading to a quality and sustainable system of care in South Nottinghamshire;
- b) Develop and deliver a whole-system programme of large scale strategic change in support of the achievement of the five year strategy;
- c) Ensure the five year strategy, and supporting programme of transformational change, is coherent with Joint Strategic Needs Assessments, Health and Wellbeing Strategies and aligned with Better Care Funds.
- d) Ensure effective communication about the initiatives that are local to individual organisations, but make a contribution to the delivery of the five year strategy; and based on evidence, agree the initiatives arising from individual organisations that need rolling out across the system at scale and pace;
- e) Ensure mechanisms are in place to assure delivery of the strategy both the whole-system programme of change and improvements/transformations local to individual organisations;
- f) Put frameworks in place to share the benefits and risks (including finances) of initiating agreed system-wide strategic changes;
- g) Implement systematic risk management processes to identify, assess and manage risks associated with the delivery of the five year strategy;
- h) Ensure a co-ordinated approach to citizen, staff, organisation, and wider stakeholder engagement in the delivery of the five year strategy;
- i) Ensure transparency by publishing the outputs and outcomes of the Transformation Programme's activities;
- j) Meet all best practice and statutory requirements in progressing service and system change e.g. undertaking equality and health impact assessments.

5. GOVERNANCE ARRANGEMENTS

We have committed to the establishment and maintenance of robust accountability and governance arrangements for our Transformation Programme. This includes our coming together as a 'network of leaders' in a South Nottinghamshire Transformation Board (SNTB), which will be the overarching strategic governing group for our Programme (SNTB Terms of Reference outlined in Appendix 1).

We will lead the Programme through a 'network of leaders' with each partner organisation confirming their representatives (named leads and deputies), for the South Nottinghamshire Transformation Board and, over time, the underpinning governance structure. Partner representatives will be of sufficient seniority to fully engage in developing robust recommendations and ensuring that they align with decision making at statutory body level including Local Authority political approval processes.

6. THE PROGRAMME OF JOINT WORK

Shared leadership: we have brought together the leaders – clinical and managerial – from commissioners and providers across the health and social care system to make bold decisions about driving through new models of commissioning and service provision at scale and pace.

We will establish a rolling programme of work that we believe requires collaborative working to achieve the big outcomes that we all agree that shared commitment is necessary for that work to succeed. Clearly how the work programme develops over time will depend on our experience of how successful we are in being partners.

The initial work programme, which will be added to over time, by agreement, to embrace other top priorities:

- i. Developing effective collaborative working arrangements.
- ii. Developing a new system based on the accountable care philosophy;
- iii. Optimising and improving the current system;

7. THE MEASURES OF SUCCESS

We have agreed that as part of furthering our commitment to joint working on transformation of South Nottinghamshire health and social care system (underpinned by this "Compact") that we should identify the measures that we can use to track our joint success. These measures must track quality and resource and be meaningful across all partners in the health and social care system. We intend these to form the basis of a public commitment to action and also be the basis for regular reports to each constituent board or equivalent – with a common report being used by us all to do that.

The idea isn't to create comprehensive balanced scorecards for the economy or to use the full range of measures and dimensions that are available. Instead we are looking at a few high level measures which are most impacted on by the interactions within a whole system (i.e. where we can only succeed together) and which have good proxy power (i.e. doing well on this implies doing well on a range of other things that are dependent on partnership working).

8. KEEPING THE COMPACT ALIVE

For the Partnership Compact to be a living force we need to be prepared to hold ourselves and each other to account for abiding by the principles and specific commitments to the work programmes set out. We agree that where any party to the South Nottinghamshire health and social care system believes that elements of this compact are not being honoured then in the first instance, the relevant accountable officers should attempt to resolve the issue bilaterally, if necessary with the mediation of:

- The Lay Chair of the South Nottinghamshire Transformation Board;
- The South Nottinghamshire Transformation Programme Critical Friend; and/or
- The Chairs of the Nottingham City and / or Nottinghamshire County Health and Wellbeing Boards.

In circumstances where agreement cannot be reached a Board to Board meeting will be held to seek resolution with an agreed independent chair.

The Partnership Compact will be governed by the South Nottinghamshire Transformation Board. We all commit to maintain the Transformation Board, over the course of the five year strategy, through any changes to organisational structures and jointly agree whatever organising and leadership arrangements as appropriate for this.

Finally, we will commit to the continuation of a programme of development activities including the regular sharing and testing of the strategies and plans of individual constituent organisations. We will respect the right and need for individual organisations to pursue their own objectives along-side our whole-system objectives. Working within relevant national frameworks, we respect the need for constructive competition in service provision to allow citizen choice or to achieve best value and, at times, this might mean that some information has to be retained for the sole use of one organisation. However all efforts will be made to minimise the risks from this of major negative unintended consequences for other partners across the system and to avoid any major “surprises.”

9. SIGNING UP

All parties have agreed a process whereby the Compact is signed up to by Boards or equivalent.

Signing the Compact is agreed to signify the following:

- Support for the overall strategic direction as set out in section 2, recognition of the consequences and acceptance that they will be incorporated in plans;
- Agreement to the principles by which we work together and the culture that we will promote across the South Nottinghamshire health and social care system;
- Agreement to the shared work programme and a commitment to provide the agreed leadership and participation from each organisation necessary to secure success;
- Agreement to employ a set of high level system measures and to report them quarterly to public Boards or equivalent using a shared single report.

APPENDIX 1
South Nottinghamshire Transformation Board
TERMS OF REFERENCE

1. Purpose

The South Nottinghamshire Transformation Board will be the overarching, strategic governing group for the South Nottinghamshire Transformation Programme. It is recognised that such a Programme of change may not always favour all partner organisations and that, at times, members of the Board will need to ensure some sacrifice in the common good.

2. Objectives of the Board

- Act as a network of leaders ensuring the citizen is at the heart of all activities of the Transformation Programme;
- Oversee the ongoing development of the South Notts 5 year strategy, Transformation Programme and associated collective work-plan;
- Provide collective leadership to maintain focus on the South Notts 5 year strategy, Transformation Programme and collective work-plan;
- Oversee the operational delivery of the Transformation Programme agreed work-plan and achievement of benefits realisation;
- Oversee the establishment and implementation of robust accountability and governance arrangements, testing and challenging timely delivery where required;
- Receive project documentation and respond to actions requested by the work-streams / sub-groups of the Transformation Board;
- Approve key documentation for the Transformation Programme;
- Ensure the critical dependences of the Programme are effectively managed;
- Ensure a co-ordinated approach to citizen, staff, organisation, and wider stakeholder engagement in the delivery of the five year strategy;
- Lead productive relationships and dialogue between senior leaders in the health and social care system. This will include working closely with:
 - Elected Councillors ensuring decisions are taken through Local Authority due processes;
 - Local MPs to ensure they are well-briefed and understand and support, wherever possible, the need for major service and system change, together with the consequences of these for the residents they serve;
- Ensure partner organisation plans are aligned to the South Notts 5 year strategy and Transformation Programme, recognising the right of individual partners to pursue their own objectives whilst making efforts to minimise the risks of major unintended consequences for other partners across the system and to avoid any major 'surprises';
- Ensure risks associated with the Transformation Programme are identified, assessed and managed;
- Act as ambassadors for the Transformation Programme taking collective pride in disseminating information to key stakeholders.

3. Responsibilities

It will be for the South Nottinghamshire Clinical Commissioning Group named leads or deputies to approve:

- The South Notts 5 year strategy;
- The allocation of Programme resource.

4. Membership

ORGANISATION	NAMED LEAD	NAMED DEPUTY
Chair	Sheila Hyde	Mike Wilkins
Citizen Representation	Mike Wilkins	Trish Cargill
South Notts Transformation Programme	Rebecca Larder	Jane Laughton
NHS Nottingham City CCG	Dawn Smith	Hugh Porter
NHS Nottingham North and East CCG	Sam Walters	Paul Oliver
NHS Nottingham West CCG	Guy Mansford	Oli Newbould
NHS Rushcliffe CCG	Stephen Shortt	Vicky Bailey
NHS England	Dawn Atkinson	Rhiannon Pepper
Circle Partners	Nicola Parry	Helen Tait
East Midlands Ambulance NHS Trust	Tim Loveridge	
Nottinghamshire Healthcare NHS Trust	Angela Potter	
Nottingham University Hospitals NHS Trust	Peter Homa	Rupert Egginton
Nottingham CityCare Partnership	Lyn Bacon	Karen Franklin
Nottingham City Council	Colin Monckton	
Nottinghamshire County Council	Caroline Baria	
Primary Care	Tbc	
IN ATTENDANCE		
Administration support to the Board	Carly Ball	
Communications	Sarah Hewitt	
Erewash CCG	Lyn Wilmott-Shepherd	
HealthWatch	Claire Grainger	

Cumulative attendance of each partner will be reported in the minutes.

5. Accountability

Clinical Commissioning Group named leads and deputies will be of sufficient seniority to have authority to approve the 5 year strategy Programme resources to ensure delivery in a timely manner.

All named leads and deputies will be of sufficient seniority to fully engage in developing robust recommendations and ensuring that they align with decision making at statutory body level including Local Authority political approval processes.

6. Quorum

The meeting will be quorate when 70% of members are present.

7. Frequency of meetings

The Board will meet formally on a monthly basis to conduct its business. In addition a programme of Board development sessions for named leads and agreed deputies will be progressed.

8. Meeting preparation

- All partners will contribute items for the agenda, to be sent to the Director of Transformation, with the relevant paperwork, up to 10 working days before each meeting;
- The Chair and Director of Transformation will discuss the items for consideration, agreeing the final agenda;
- Papers will be circulated 5 working days before each meeting;
- Additional items for the agenda will be taken by exception with the knowledge and agreement of the Chair in advance of the meeting commencing;
- The draft minutes of each meeting will be circulated within 10 working days of the meeting being held and will be approved at the following meeting.

9. Declarations of interest

At the commencement of each meeting, the Chair will ask all members to declare interests. Where an interest is declared, the Chair will determine how this is to be managed including for example excluding the partner from the meeting for the relevant agenda item.

10. Communications

A common report of the Transformation Programme and the Board's activities will form the basis of regular communication to partner Board's or equivalent and the Health and Wellbeing Boards.

11. Review

These Terms of Reference will be reviewed on annual basis to ensure fitness for purpose.

September 2014

APPENDIX 2 - JOINT PROGRAMME OF WORK

Developing effective collaborative working arrangements

Overall, the citizens of South Nottinghamshire receive effective health and social care however services are not consistently coming together to provide joined up, quality and sustainable systems of service provision for the population served. It is increasingly unlikely that single health and social care organisations will be able to deliver quality and sustainable services whilst working within its own boundaries going forward. The evidence has identified six core aspects to successful collaborative working:

Establishment of core shared purpose: including addressing different organisational objectives and vague interpretations	Understanding of where services should compete or are planned locally: making application of national policy clear locally
Shared mechanisms for managing financial risk and benefit: payment mechanisms that are fit for purpose – ‘my apple falls in your orchard.’ Fixed points in system	Shared agreement of ultimate arbitration: when you can’t agree, whom arbitrates?
Shared agreement of care / clinical basis for transformation: anything you do is based on evidence, owned locally. What this means for estates, workforce etc.	Strong interpersonal relationships: Fault lines will appear, e.g. a call from SofS. Are the relationships strong enough to weather them?

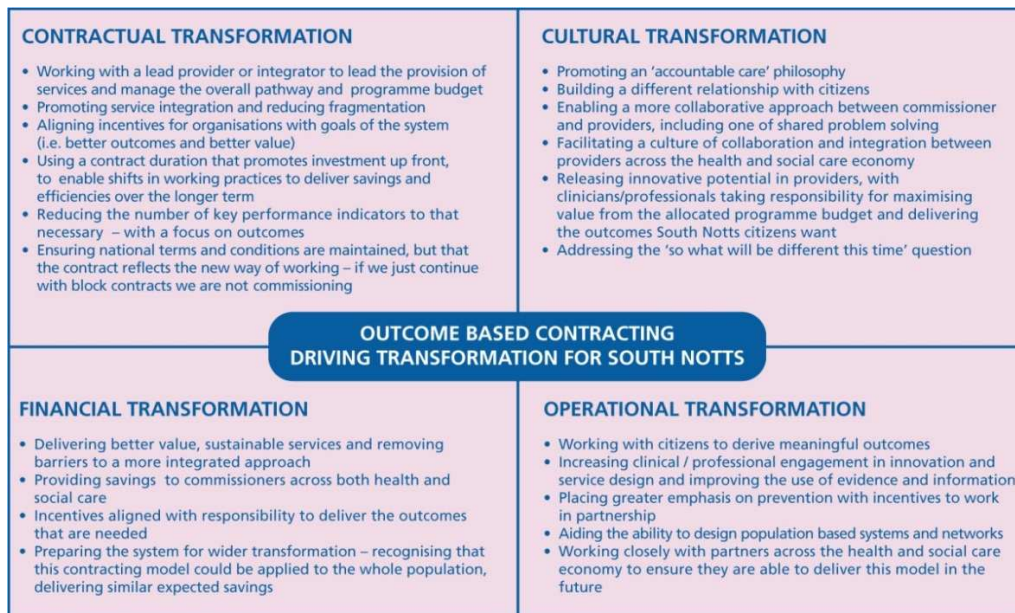
We - the named leads and our deputies - of the South Nottinghamshire Transformation Board will come together, building on initial work supported by a Critical Friend, actively engaging in a programme of successful collaborative working based on the above model, having responsibility for ensuring a culture of collaboration pervades throughout the system for the achievement of quality and sustainable care. This will include providing leadership to specific projects including work on the values, attitudes and behaviours required of all our South Nottinghamshire health and social care staff for a quality and sustainable urgent care system.

Developing a new system based on the accountable care philosophy

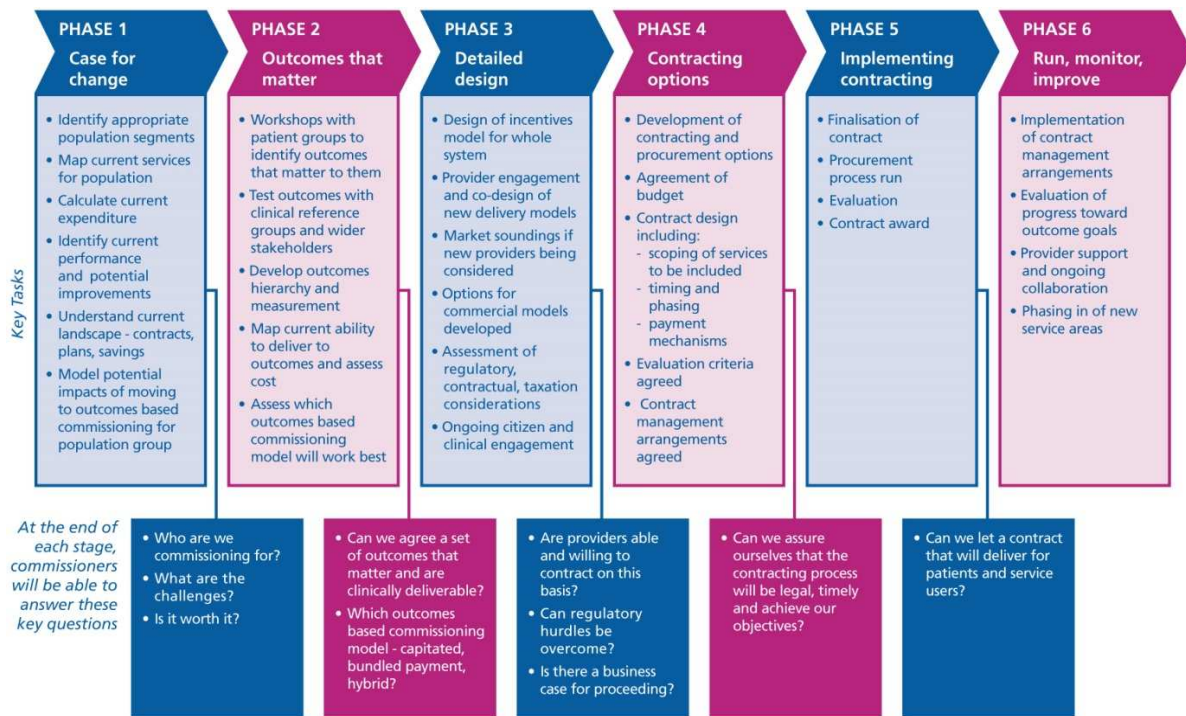
Clinicians / professionals need to be increasingly engaged and empowered to work together across organisational boundaries removing the divisions of responsibility; supporting greater communication and sharing of information; increasing the collective ability to solve problems and adapt or change services; agreeing and implementing new improved pathways focusing as much on wellness as on responding to illness; collaborating on care and the outcomes that matter to citizens but also holding themselves responsible for the total cost of service provision; supported not constrained by payment mechanisms and contracts.

The programme of transformation will be based on the accountable care philosophy and potentially enabled by new mechanisms aimed at liberating the scale of change required, including outcomes based contracting. Outcomes based contracting allows commissioners to come together to contract with a system of providers (for example through a prime contractor or system integrator model) agreeing a long-term financial envelope that creates the circumstances and incentives that enable the provider system to innovate and profit from success provided they manage the outcomes that matter to citizens and the associated

costs. National and international studies demonstrate the benefits of this contracting approach as being: improved outcomes, significantly reduced acute activity, reduced rates of institutionalism and improved citizen experience. Studies that also evidenced overall financial impacts have reported between 5-29% savings.



The case for change, in moving to outcomes based contracting, for the adult population will be determined between October and December 2014; and for children and young people between April and June 2015. Our approach to outcomes based contracting – if progressed - will be based on the process below, which we will adapt to our local circumstance developing both the commissioner and provider system, with the latter based on learning from a review of the characteristics of leading edge international health and social care systems that show evidence of effectiveness and efficiency.



Optimising and improving the current system

If we adopt an outcome based contracting approach, overtime responsibility and accountability for service transformation will sit with the provider system, making delivery a reality for the population / population group(s) covered by the contract.

Over the coming months, as we develop the new commissioning and provider system, we will come together agreeing and implementing a programme of improvement interventions aimed at optimising and improving the current system, ensuring these interventions align without accountable care philosophy. These improvements will focus on service work-streams such as primary care, urgent care and elective care as well as enabling work-streams including information management and technology and workforce.

Improvement focus will be proportionate to the quality and sustainability challenge. Within the service work-stream, priority will be given to the development of a medium to longer-term service strategy for urgent care, which will be ready for implementation from April 2015. This strategy will build on the transformation activities being delivered through the resilience plan.

We will ensure citizens are engaged in and influencing all aspects of the Transformation Programme, enabling decisions to be made as close as possible to the people they affect, with the local population having as much say in decisions as possible. We will also invest in wider workforce and stakeholder engagement as a priority for success in achieving a quality and sustainable health and social care system for everyone.