A5 Appendix 2

Kensington and Chelsea NHS
Primary Care Trust

Improving Health and Health Care in Kensington and Chelsea

Health Investment Strategy
2008 – 2013

Contents

1. Our Vision for the Future

Kensington and Chelsea Primary Care Trust will be an organisation:

- which is responsive to the needs of our diverse communities
- which will deliver excellent services which offer equitable access regardless of where people live in the borough
- which make best use of tax payers money
- which provides up to date, modern and clinically effective care
- which is delivered by a motivated, enthusiastic, trained workforce
- which is based in modern locally accessible premises in the community

2. Our Communities

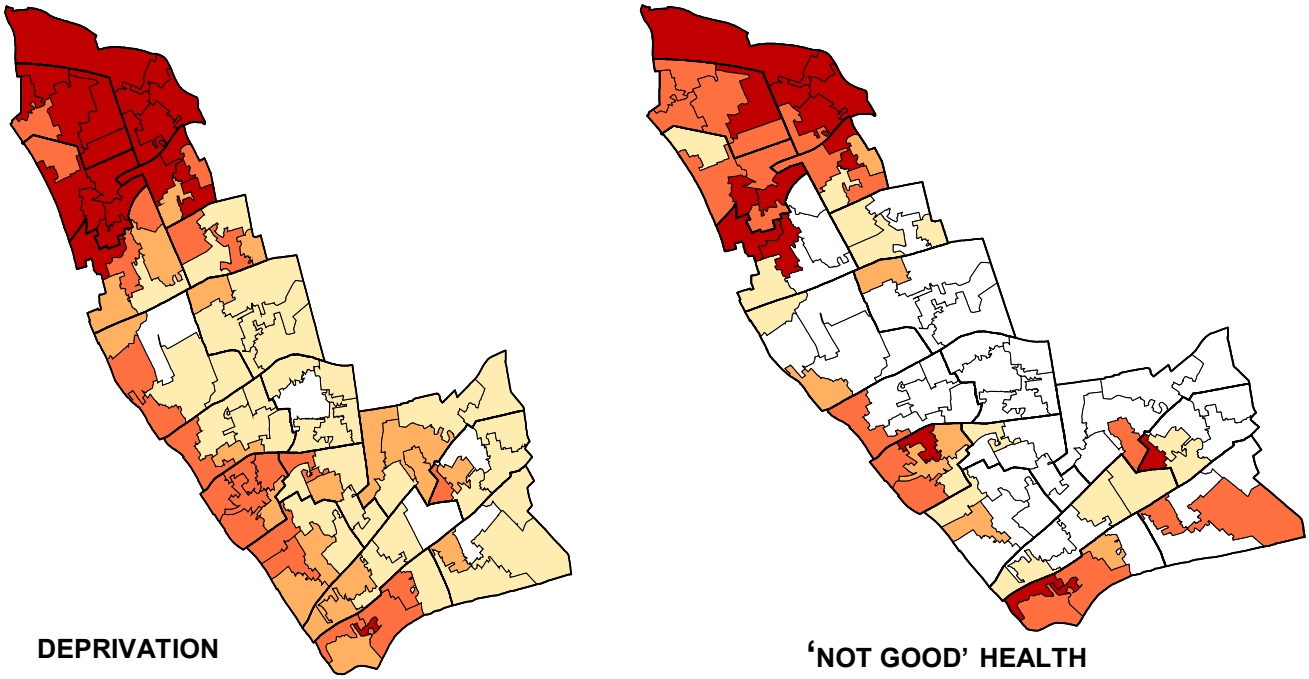
The Royal Borough of Kensington and Chelsea is one of the most desirable and expensive places to live in the country; it is also a world-class destination for entertainment and tourism.

The Borough is small but extremely densely populated and, like other inner London Boroughs, it is culturally, ethnically and socio-economically diverse. Population turnover is high with roughly one in five residents moving addresses in the previous year. Four out of 10 residents were born outside the UK; some come for short periods of time, others join established communities. The proportion from black and minority ethnic groups varies dramatically across the Borough: from nearly half the local population in the Golborne ward in North Kensington to just one in 10 in Stanley ward in the south.

Kensington and Chelsea is a demographically unusual borough. The unparalleled house prices means the average resident living in privately owned or rented accommodation is generally wealthier and healthier than most other London boroughs. Indeed, the Borough has the highest life expectancy in England and Wales for both men and women. Death rates among the population for the two big 'killers' - cancer and circulatory disease - are respectively the lowest and second lowest in England (although they still account for the majority of all deaths locally).

However, studying borough averages would only serve to ignore the vast disparities in population health found within the Borough's boundaries. There is a life expectancy gap of *10 years* between the most healthy and least healthy wards in Kensington and Chelsea. Much of the inequality occurs in areas of social housing (home to a quarter of the borough's residents), which is geographically concentrated in the north of the Borough. This is illustrated in figure 1 below which compares the actual level of deprivation in Kensington and Chelsea with the proportion of residents reporting their health as "not good". It can be seen that there is a very close correlation.

Figure 1



DEPRIVATION **'NOT GOOD' HEALTH**

Most of North Kensington falls into the least healthy 20% in London on a range of measures and this geographical divide is mirrored in area deprivation statistics.

3. Aim and Values

At Kensington and Chelsea PCT we are strongly committed to values that will achieve real improvements in health services, health care and health outcomes for our local communities.

The following values underpin both our long term strategic aims, as well as our core day to day business, and are intrinsic in our relationships with our key stakeholders.

1 **Improving Health** - we recognise the importance of the wider determinants of health in influencing and shaping the well being of local people. The PCT will tackle health inequalities by prioritising prevention of ill health and the promotion of healthier lifestyles to achieve better health.

2 **Value for Tax Payers Money** - we recognise how important it is to get the most out of taxpayers' money. The PCT will ensure that the organisation is cost effective relative to our peers.

3 **Respect and Dignity** - it is crucial that the PCT treats its staff, patients, partner organisations and all of our stakeholders with dignity and respect. Our work environment will encourage a diverse range of staff to work at the PCT. We will anticipate and respond to the law and develop policies which reflect national best practice. We will rigorously monitor the implementation of all policies.

4 **Driving up Standards** - we are determined to perform amongst the best in our peer group. We seek to be a high energy, fast moving, decisive organisation, with a strong propensity for action. We set challenging goals and strive to better them. We will ensure our staff have the capability and capacity to deliver our strategic goals. We hold each other and ourselves accountable for optimum results.

5 **Listening and Engaging** – we believe that involving our staff, clinicians, local communities and service users in setting our priorities, and in the design of health services, will improve utilisation of services and lead to better health outcomes for the people living in Kensington and Chelsea.

6 **Sustainability -** We will work towards increasing local ownership of health services. The PCT will be a responsible and efficient consumer of resources. We will also work closely with community partners to address the wider determinants of health in order to achieve long term solutions to better health and to strengthen our contribution to neighbourhood sustainability.

4 Our Financial Strategy for the next 5 years

Taking a longer term view of resources provides a financial framework within which to set our proposals for change. A longer term financial picture enables us to plan and prioritise key proposals for change to health and health care in Kensington and Chelsea over the next 5 years.

The key theme of the 5 year financial plan is about being realistic about the resources available to the PCT to invest in new services over the coming years. We need to be creative about how we deliver health care in order to use limited resources as efficiently and effectively as possible. Fundamental to this aim will be:

- Delivering more care closer to patients own homes in community settings whilst maintaining an appropriate level of investment in our local hospitals, primary care, mental health and other health services.

- Reducing the cost of current services delivered directly by the PCT, especially by reviewing our assets to ensure they are being put to optimum use, for example ensuring the new North Kensington Community Hospital is used effectively and to capacity.

What assumptions have we made?

The first three years of our financial strategy are based upon assumptions contained in our Financial Recovery Plan[1], and the remaining years are based on population trends and analysis of hospital and mental health activity, prescribing and referral patterns which allow us to plan how resources are directed in future.
It has been assumed that the PCT will receive a 2% real terms increase in income each year from 2008/09. The PCT will also benefit from £10 Million of recurrent growth funding which will be available from 2009/10, once the PCT has repaid its deficit. Therefore this strategy has been developed on the basis that a high proportion of any increase in funds allocated to the PCT will correspond with increased costs rather than providing additional funds for investing in new services.

The implications of this is that the PCT must change its spending patterns and review and prioritise the levels of investment across care groups and care settings.

Kensington and Chelsea PCT will not be in a position to make substantial new investments in health care provision until the current cumulative deficit is cleared in 2008/09.

However, by the end of the 5 year planning period a substantial shift in the PCTs expenditure is anticipated. This is summarised in Table 1. The table shows that over the 5 year period it is planned that the PCT will invest in primary and community care services, moving expenditure from the acute setting. The available new investment of £10Million is shown as invested in this group of services by 2012.

The movement in the use of resources is made possible by:

a. Delivering care closer to peoples own home as an alternative to acute hospital care.

[1] Kensington and Chelsea PCT Financial Recovery Plan ….

b. Savings from reducing the PCT's asset base.

c. Keeping any growth in expenditure in the acute setting at a lower overall rate than the growth in Kensington and Chelsea PCT's income.

d. Greater efficiency in the use of resources across all areas of commissioning.

Kensington and Chelsea PCT's Financial Recovery Plan has demonstrated our ability to make short term service changes in order to move the PCT into recurring financial balance. In order to make the shifts in expenditure anticipated in the strategy the PCT will need to change its planning horizon from the short to the medium and longer term.

Typically, the PCT will need to demonstrate excellence in designing and implementing changes to the provision of health care, through for example, new care pathways, improved care for older people and care packages for "high cost" patients with long term conditions.

Table 1 groups expenditure into three categories: commissioned acute services; traditional non-acute provision; and a block of expenditure covering primary care, prescribing and provider services. The funds released for new investment have been applied to this final grouping of expenditure.

Expenditure Year	**2007/8**	**2011/12**	**Change**	**Share of PCT spend 2007/8**	**Share of PCT spend 2011/12**	**Change**
	£000	**£000**	**%**	**%**	**%**	**%**
Acute commissioning	**104,291**	**108,526**	**4**	**39**	**36**	**-3**
HIV/GUM	17,305	18,008	4	6	6	0
Substance misuse	4,951	5,152	4	2	2	0
Mental Health	41,822	44,269	6	16	15	-1
Learning Disabilities	5,090	5,297	4	2	2	0
Older people	4,237	4,497	6	2	1	0
Other non acute	4,065	4,230	4	2	1	0
Subtotal non acute	**77,470**	**81,453**	**28**	**29**	**27**	**-2**
Primary care	33,234	38,551	16	12	13	1
Prescribing	17,832	20,861	17	7	7	0
Provider and corporate	34,608	39,429	14	13	13	1
Available new investment		10,000			3	3
Sub total - community care	**85,674**	**108,841**	**27**	**32**	**36**	**4**
Interest and contingency	1,700	2,500	47	1	1	0
Total	**269,135**	**301,320**	**12**	**100**	**100**	

The table shows that acute expenditure's share of the total budget reduces by 3% over the planning period. This increases the primary, community and provider share by 4%.

The Trust has worked hard to tackle its cumulative deficit and to ensure that we only spend the resources available to us. We will maintain this stronger financial position by ensuring:

- Good financial reporting and monitoring
- Rigorous financial management at a local level
- Ensuring accuracy of our basic budgets
- Delivery of our saving plans
- Integrated service improvement planning
- Leading strategic change in the delivery of health and health care in North West London

4.2 Priorities for Investment

Kensington and Chelsea PCT spend £270 million per year on improving health and health care. Like any organisation or business it is crucial that there is an effective linkage between our long term strategy and the resources and finances available.

We have seen from the 5 year financial plan that the PCT will only receive small increases in funding levels, and it is therefore imperative that we target resources on areas that have the greatest need, and where they can be most effective in making people healthy so that the whole of the population we serve reaches the very best levels of health and life expectancy. Clinicians from across Kensington and Chelsea meet together in an executive committee to help guide our clinical priorities. The clinical executive have considered and supported our priorities for investment.

The PCT has worked closely with our general practitioners (GPs) in developing our strategic priorities. Increasingly GPs across the whole of Kensington and Chelsea are taking a much more proactive role in helping the PCT secure services on behalf of local people – this scheme is called Practice Based Commissioning. The huge advantage of our approach is that it allows front line clinicians to guide where NHS resources are targeted in order to make the biggest impact for patients.

The PCT will need to ensure that priorities which are outside of those identified within this section are delivered by shifting investment already committed by the PCT or by encouraging greater service efficiency.

In this sense this document gives a clear strategic direction to the whole of the local health economy and to those providers from whom the PCT commissions services.

The PCT will also need to ensure that it identifies an appropriate pace of investment which is in line with the level of resources which are available to us.

Our strategy identifies three key priority areas which we believe will have the greatest impact upon improvements in health and health care for Kensington and Chelsea residents over the next five years. These are the areas into which the PCT will invest new developmental resources which are identified in our long term financial planning:

4.3 Care closer to home

We know from talking to Kensington and Chelsea residents that when they need health care it is important to them that it is delivered in the right way, in the right place and at the right time.

Historically in Kensington and Chelsea many services such as diabetes, dermatology, heart failure, asthma or anticoagulation services were once only accessed at an acute hospital. These services are now routinely available in the community and feedback from patients is very positive. Similarly if we look at the care of older people we have seen a significant move away from the use of hospital beds towards packages of care that allow people to stay independent and remain in their own homes for as long as possible.

Clinical evidence demonstrates that this change in approach provides not only a more local and accessible service but also one which is more effective.

If we looked at an analysis of Kensington and Chelsea PCT's spending patterns it shows that we still have many services which are based in hospital. Advances in medical technology and specialist training for community health professionals means much of this care can now be delivered in community and primary care (GP surgery and health centre) settings. This is not only seen as good clinical practice but frees up our hospitals to focus on the more specialist care which only they are able to deliver. In addition it reduces waiting times and means patients do not have to worry about commuting to hospital as services are delivered in their local community and near or in their own homes.

Accelerating the development of these primary and community based services is a key priority for the PCT which is strongly supported by our GPs and patients who want to see health services delivered closer to home.

There are a number of key areas for change in order to achieve this aim. In many parts of Kensington and Chelsea, there is a pressing need to modernise our primary care facilities to ensure they are accessible for all, Disability Discrimination Act[2] compliant and able to deliver the full range of services that patients now expect. The Patient and Public Involvement Forum have rightly raised their concerns about this issue and the PCT is committed to improving primary and community care facilities across Kensington and Chelsea over the next five years.

Inevitably this will mean a move towards fewer and larger general practices providing a variety of support services which will be delivered by nursing and therapy staff, as well as allowing the opportunity for hospital consultants to provide out-patient and other extended services on a more local basis.

A further priority for the PCT will be to deliver care for patients who have long term chronic illness such as asthma or diabetes closer to their own home. On a practical basis this will mean employing more specialist nurses in the community whilst ensuring that they continue to work effectively with our hospital colleagues to make sure that patients can access specialist care when they need to.

Kensington and Chelsea PCT's key priorities in bringing care closer to home will be to:

[2] Disability Discrimination Act

- Significantly improve the fabric of primary and community facilities across Kensington and Chelsea over the next five years focusing upon the development of larger community and general practices.
- Shifting the focus of care for people who have long term illness away from hospital towards primary and community care such that at the end of the 10 year planning period there has been a reduction of 5% in the resource allocated to expenditure on hospital based services.

4.4 Better Access to Care

Patients' greatest criticism of the NHS, both on a local and national basis, is that of waiting times. It is worth reflecting, however, that the NHS as a whole and Kensington and Chelsea in particular have made remarkable in-roads into reducing the length of time that patients wait for treatment. Urgent referrals for suspected cancer now take place within two weeks, almost all patients attending accident and emergency services are seen within four hours, and no one waits over six months for any in-patient hospital treatment.

Whilst this represents a major improvement in the delivery of health care, Kensington and Chelsea PCT recognises that it must do better. One of our key priorities will be to improve waiting times for treatment by delivering faster access to hospital services. Specifically we will aim to ensure that by December 2008 no patient will wait longer than 18 weeks from referral by a general practitioner to treatment. In order to realise this target diagnostic services (blood/lab testing, x-rays etc) will need to be efficient and responsive and the PCT will look at reconfiguring a range of diagnostic services to meet any subsequent increase in demand for these services. Delivery of this target will mean more local provision of diagnostic facilities and work toward this is already underway in conjunction with Chelsea and Westminster NHS Foundation Trust and others from the health community.

The PCT will ensure that all Kensington and Chelsea residents wait no longer than 18 weeks from referral to treatment by December 2008 and that this is maintained for all services over the strategic planning period.

A patient centred NHS is about ensuring our services are tailored to the needs of patients rather than what suits us as commissioners or providers. Local people have told us that they want services closer to home, to avoid hospital where possible, and most importantly, services that are more 'joined up' across the health and social care network.

Local people have repeatedly made the point that having to 'tell their story' over and over again to every different health and social care professional involved in their care is burdensome and time consuming.

People have told us they don't mind who provides their care so long as the services are seamless, coordinated and working in partnership to achieve the desired health and wellbeing outcomes for the individual concerned.

The PCT are committed to working closely with our community partners in social care and the voluntary sector to improve systems between services which will enable a more coordinated approach to care.

The work has already begun around the single assessment process for older people's services and it is our expectation that this will be rolled out across adult and children's services over the strategic timeframe.

The implementation of the electronic record across the NHS nationally will also facilitate more integrated and seamless working across health and social care services.

4.5 Primary Prevention of Ill Health

Many of the prevalent illnesses among our residents are preventable. The PCT's vision is to provide all people in Kensington and Chelsea with health care services that enable them to achieve a good standard of general health and wellbeing.

The PCT will target new resources to strengthen primary care services to serve the most deprived areas of Kensington and Chelsea. It is our aim that community based health professionals will identify people at risk of preventable, serious ill health and offer health checks, screening and advice.

Our focus will be heart disease and its risk factors, especially blood pressure, cholesterol, smoking, diet, exercise and diabetes. Treatments and referral to community and other NHS services will be offered, with regular monitoring and proactive follow up. Resources will be targeted where they are needed most – that is in areas where the risk of ill health is very high.

Working with partners the PCT will develop new approaches to target both individuals and groups whose health has the potential to be improved by taking a pro-active stance in respect of smoking cessation, obesity, diet and nutrition, exercise and physical activity, alcohol, and sexual and mental health.

The PCT will be at the forefront of good practice on other areas central to Government policy including drug misuse, the promotion of the health of children and young people and accidental injury. We need to actively engage people in discussions about their own health as well as act as work with our partners to improve the wider determinants of health which also contribute to developing a sustainable community such as improved air quality, housing, environment, social inclusion, and crime reduction etc.

5 Priorities for Change

The following sets out those areas where the PCT expects a sea change in the way in which health and health services are managed and delivered. The following priorities will require a significant focus in order improve the quality of services for Kensington and Chelsea residents but in to which no new investment resources will be targeted over the strategic planning period. The way this will be achieved is through ensuring that we become excellent commissioners

5.1 Developing a Commissioning Strategy

We will follow the guidance set out in 'A Case for Change' to further develop our approach to commissioning. We are undertaking a needs assessment including identifying where the greatest areas of health need are in the Borough and what our patients and local partners think is important. From that we will identify a clear direction of travel in terms of what services we need to commission to meet local needs. It will also outline the workforce we need to have in place to deliver against the strategy. We will also link back to our corporate values in terms of the principles we will commission against.

We will increase the range of providers that we commission services from including the voluntary sector and the independent sector.

Our commissioning strategy will feed into the North West London commissioning strategy.

5.2 Separating Responsibilities for Planning and Commissioning Services and Direct Provision

Our core function is to commission health care for our population. This is a major aim of government health reform.

We will begin to formally commission services from our provider arm. A key priority for Kensington and Chelsea PCT is to separate those services responsible for commissioning and those responsible for direct provision.

It will be important that both arms of the organisation have their own leadership, governance and financial support, and that each undertakes an assessment of their skills, capabilities and areas for development.

The PCT will aim to have a clear action plan to separate commissioning and provider functions by July 2007. Although the PCT will still have a responsibility for these services and the provider arm will develop a five year health care delivery strategy for its own services which reflect the core values of the PCT.

5.3 Improving Mental Health

The PCT will significantly strengthen its approach to commissioning mental health services for Kensington and Chelsea residents. This will focus not only upon statutory services but also upon those commissioned from both the independent and not for profit sectors. It is our intention to ensure that we are able to match investment with clear outcomes and that we are able to measure our services against those of similar organisations.

A number of studies have flagged up that service users sometimes prefer to access services from a non-statutory provider, particularly in the area of substance or alcohol misuse.

The pattern of care commissioned for Kensington and Chelsea residents at present very much reflects a traditional model of care where the vast majority of services are commissioned from the health service. The PCT, working closely with local residents and voluntary groups and our partners in mental health services will examine the feasibility of commissioning a more diverse range of providers in the provision of services such as alcohol and substance misuse. The key focus of commissioning new services will be to achieve a more responsive service whilst maintaining service quality at reduced cost.

Kensington and Chelsea PCT is committed to improving equality and efficiency of services available for our residents in respect of a range of mental health services.

5.4 Better Engagement

Engaging with our local community and service users is an essential function of the PCT in our new role as the local health leader, and a key challenge for us as a future commissioner.

Incorporating the knowledge and views of our local community into our planning cycle will help to ensure that we commission services that respond to the local needs.

The PCT will adopt the following principles to underpin community engagement:

- We will engage meaningfully with the right people at the right time
- We will be mindful of diversity and strive to engage the hard to hear groups in our community
- We will actively listen to what communities and service users have to say about their health and health services
- We will work collaboratively with our partners and the third sector

It is essential that people can and do feed back about their experiences of using the services we commission, as this will help to drive quality improvement and lead to better patient experiences of health services. We will ensure that the appropriate mechanisms exist to enable this feedback to take place.

5.5 Doing things differently

The PCT will develop a culture which is professional, responsive, innovative and performance driven which will ensure the organisation becomes fit for purpose as commissioning PCT. This new organisational culture will encourage better performance at all levels of the PCT. It will help to improve performance against national measures and targets and allow us to deliver the requirements of the National Health Service agenda such as those contained in National Service Frameworks.

6 Changing Workforce Needs

Health services in Kensington and Chelsea find themselves faced by increased demand with even greater expectations for service quality. The local health service is clearly expected to be results driven, focussed carefully on involving service users and also aware of a range of alternative providers available in the NHS marketplace.

In an effort to improve the performance of the PCT in both its commissioning and provision the Trust recognises that it is important to work with local schools, colleges and other local employers to develop a sustainable workforce.

To become a high performing organisation Kensington and Chelsea PCT requires an investment into the people working in the organisation and an understanding of the customer and stakeholder needs. We need to be an organisation which attracts highly skilled staff who can work flexibly, outside of normal roles, and take a lead role in projects/service redesign as directed by changing organisational priorities.
Demand for talent, particularly in terms of our front line staff, also continues to be high as NHS organisations in London compete for the limited pool of highly skilled professionals. We therefore need to think carefully about how we address issues such as workforce environmental concerns, the need to review functionality of jobs, workforce forecasting, career and occupation broadening and the need to better utilise existing recruitment and retention strategies.

Kensington and Chelsea's organisational success depends on having the right employees and the right competencies at the right time. Effective long term workforce planning therefore provides managers with a means of identifying the competencies needed in the workforce not only in the present but also in the future and then selecting and developing that workforce.

More than anything else effective workforce planning will allow the Trust to systematically address issues that are driving workforce change.

7 How well are we doing?

Performance Monitoring

We aim to ensure that Kensington and Chelsea residents receive high quality health care and recognise the importance of striving for continual improvement in the services that we commission and provide.

Our annual business plan will include specific objectives and clear lines of accountability. This will form part of the PCT's framework by which it, partners and the public judge our achievements.

Each of our priority areas will be broken down into short, medium and long term objectives and each priority will have a clearly identifiable and accountable officer.

Progress will be monitored on a regular basis by the Trust Board.

Our annual priorities will be risk assessed and included in our assurance framework which is reviewed by the Board on a quarterly basis. In order to do this we will use our risk strategy and assurance framework.

The Board will review the strategy formally every six months to ensure that decisions are being made in line with our core values.

8. Conclusions

The PCT is committed to implementing this strategy, monitoring its effectiveness and ensuring that all PCT staff are working towards ensuring its success. We will do this by achieving our seven priorities:

1. Care closer to home
2. Better access to care
3. Prevention of ill health
4. Separating responsibility for planning and commissioning services and direct services
5. Improving mental health
6. Better engagement with the public
7. Doing things differently

9 Listening to your views

The PCT values the thoughts and views of all our stakeholders and would welcome your comments on this strategy. If you would like to share these with us you can email chief.executive@kc-pct.nhs.uk or write to us at:

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