

Plymouth Community Healthcare CIC

Service Challenges 2013-14

Introduction

This paper has been produced in response to the invitation to present our main developments and challenges facing Plymouth Community Healthcare CIC during 2013/14, to the Overview and Scrutiny Management Board of Plymouth City Council.

Context Setting

Plymouth Community Healthcare is one of the largest Right to Request Social Enterprise organisation in the UK. We employ just over 2200 staff, with an annual turnover in the region of £90m.

The general direction of recent NHS changes has been to place more emphasis on the delivery of services away from hospital settings, reducing lengths of stay and ensuring that quality remains the focus on service delivery. As the main provider of Mental Health Services and General Community services for Plymouth, there is a very clear requirement for our services to work closely with those procured and operated by the City Council and with colleagues at Plymouth Hospitals NHS Trust.

Provision of comprehensive services over 24 hours, 7 days a week is a clear direction of travel, whilst we have a sound base from which to build, there are further developments to achieve this across every service.

Financial Delivery

There is an ongoing requirement for all NHS funded services to achieve an annual efficiency requirement of at least 4%. Although this is anticipated to be offset by an inflationary allowance there will still be a net reduction in income.

PCH are also required to fund any unavoidable inflationary pressures and achieve any non recurrent savings on a recurrent basis. The proposed split of the CRES (Cash Releasing Efficiency Savings) programme is based upon past experience and future opportunities. As can be seen the programme for the 2013/14 financial year is higher than that required to deliver a £0.9 million surplus. This is because some elements of the plan is of a higher risk than in subsequent years.

Planned Service Changes

There are number of programmes which are anticipated to be delivered during 2013/14. Some of the larger schemes already have financial plans in place, with income assumptions and agreements in place. These include:

- Reduction in Inpatient Mental Health Recovery beds, as reported in the recent consultation. This will see an increase in community staff to support people in their own homes and in supported accommodation
- Refurbishment of Glenbourne Unit, with a small reduction in beds
- Provision of a Place of Safety at Glenbourne for people detained under section 136 of Mental Health Act
- Provision of Liaison Psychiatry for Plymouth Hospitals NHS Trust

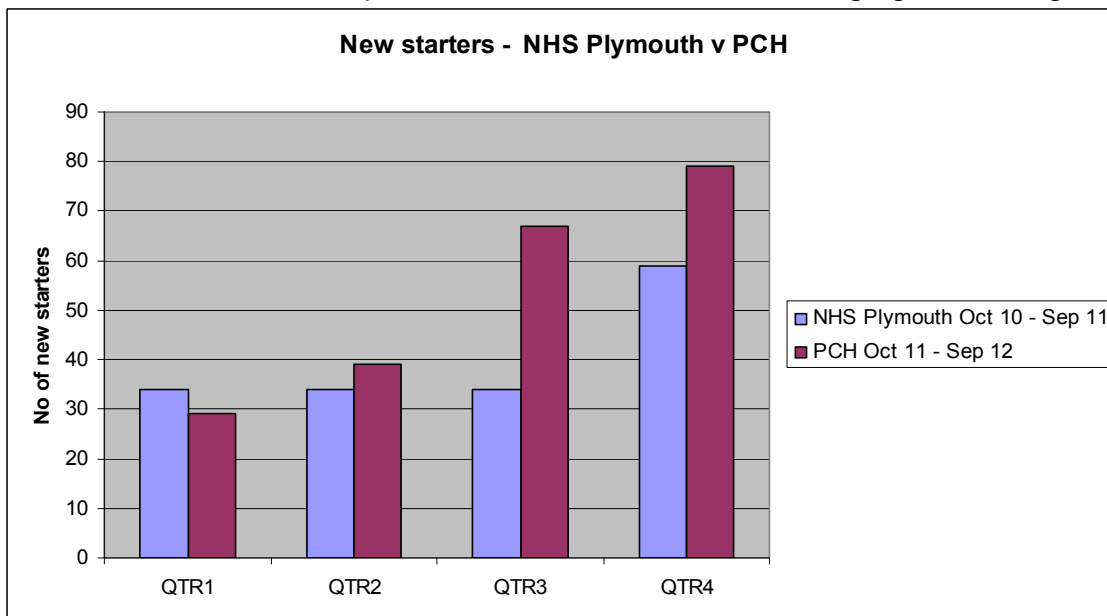
PCH anticipates that it will be required to demonstrate over £4m of QIPP (Quality, Innovation, Productivity and Prevention) efficiencies during 2013/14. Whilst the majority of these savings will be targeted for reinvestment into its own services i.e. the reduction of inpatient beds being facilitated by an investment in community based services, the scale of the overall change is still significant.

Other changes include:

- Changes to be implemented as a result of consultation on redesign of Childrens Mental Health Services
- Implementation of City-wide Rapid Access to Reablement and Crisis Support – ICE Support of access to 24hour domiciliary care support is integral to this scheme which will facilitate people staying in their own homes instead of entering into care homes and also facilitate early discharge from hospital care. **This area is critical to the smooth operation of Health – acute and community and social care**
- Extension of community delivered intravenous medication administration
- Implementation of additional Primary Care provision within Devonport
- Increase in Health Visitor numbers as part of the national plan

Contribution to City as a Major Employer

Recruitment and retention, plus our ability to offer a range of roles, from apprenticeships to qualified healthcare staff is critical to our service delivery and to the economy as a whole. Our track record over the past 12 months has been encouraging – see diagram below:



However, the ability to recruit highly experienced staff will be enhanced through the development of an Academic Health Partnership with the University of Plymouth, enabling us to offer potential portfolio careers in areas such as Primary Care, therapy and Nursing.

Equally, we are rolling forward the work established within the Options team to help facilitate return to employment by working with the Job Centres in the City.

We will expand our opportunities to provide career advice within schools and academies to help students make informed decisions regarding careers, this will include additional work experience opportunities.

Internal work streams

The following areas relate to some of the key challenges being addressed within PCH.

Workforce Planning

As the majority of the organisations costs and inflationary pressures relate to our employees, it can be expected that the CRES programme would focus the most significant element of its financial savings in this area. Conversely, it is also the most difficult area to deliver recurrent savings from in a manner that doesn't impact on the quality of patient care. There will be a clear requirement for all future plans to have this element as a core part of the future workforce design. Each Locality/Directorate manager will be provided with a customised spend profile for their area and a proposed CRES plan for the delivery of workforce savings. A high level analysis of this is includes:

- Implementing further skill mix reviews, recruitment to 80 Assistant Practitioner roles, replacing other roles within existing structures, through natural turnover etc
- Increase in efficiency within community teams through mobile technology, etc
- Constant review of management overhead costs

Reduction in Sickness Levels

Plymouth Community Healthcare currently set a target of allowable sickness level of 3.5%. Unfortunately, the current level of achievement is significantly in excess of this and has not changed since the inception of the organisation.

This CRES programme is therefore focused on the improvement in the level of sickness within the organisation, down to the required 3.5% over the next 3 years. Again, this will be a significant challenge for the organisation as it has not managed sickness to this level previously. This will include ensuring access to Occupational Health is appropriate, ensuring that all policies are reviewed and that additional training and support is given to managers in the appropriate management of sickness.

Review of Temporary Staffing

The use of temporary staffing (whether through NHS Professionals or other Staffing Agencies) will always be a requirement in order to allow for unplanned staff absences and to provide short term cover for specific service issues. As part of skill mix reviews and in reviewing contracts for temporary staffing, we aim to reverse the current trend in increased costs.

Reduction in Corporate Costs

There is an ongoing commitment by PCH that it will continue to reduce its corporate costs as part of its focus on the delivery of high quality clinical services. This will mean that these areas are expected to deliver a significantly higher proportion of savings compared to their actual turnover.

The Finance function of PCH has already delivered in excess of £1m of savings through the redesign of the Facilities, Estates and Business Development functions. Therefore the

future plans require a commensurate reduction in the Workforce Development and Governance directorates.

Rationalisation of Estates

The rationalisation of PCH's estate has been identified as a priority. This savings programme is based upon the proposed changes with the assumption that any revisions will provide savings. PCH already shares properties with other agencies and further opportunities to share facilities with other agencies are being explored. The proposed changes will require both a review of the way services are provided within the community and the more intensive use of the remaining estate.

Procurement Review

This scheme has been carried forward from the previous financial year as its implementation was delayed due to a lack of support from PCH's external procurement specialists. An independent consultant has now been appointed to work with the Prosthetics and Orthotics in order to reduce the overall amount of money spent in purchasing these items.

Reduction in Pharmacy Expenditure

Plymouth Community Healthcare currently spends over £1.5m on the supply of drugs to patients as part of its provision of healthcare. This programme will be required to focus on the level of spend on this area and reduce it overall through the improved management of drugs spend based upon an approved formulary basis.

Capital Programme and Leases

Plymouth Community Healthcare currently undertakes a capital programme on behalf of its primary commissioners, NHS Plymouth. The PCT owns all of the assets used by PCH and the capital programme therefore supports the maintenance and improvement of its Buildings, Land and Equipment.

The Department of Health have now established a new private property company to own and manage all of the estate currently on the PCT's balance sheet. It is anticipated that these assets will transfer to the new company 'PropCo' on the 1st April 2013 and this will therefore change the current relationship with regards to the management of both leases and the capital programme. Arrangements have yet to be fully clarified in respect of the operational aspects of this change.

Summary

In the delivery of our own service changes, there have been a number of assumptions, based upon discussions with senior managers from a number of agencies. These include:

- Continued support in the delivery of the ICE model of reablement and crisis support, including access to appropriate domiciliary care
- A requirement to ensure that service shifts from acute care are appropriately resourced
- Continued reinvestment of Mental Health resources into the delivery of the revised Recovery Model, revised acute care pathway and POS arrangements.

Stephen Waite
Chief Executive
December 2012