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World Class Commissioning Panel Report

NHS Tameside and Glossop

April 2010

Overview

First, the Panel thanks **NHS Tameside and Glossop** for participating in this round of assessments for World Class Commissioning. The Panel was very well looked after on the day, for which it is most grateful.

The panel asks the PCT 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 assessment of the organisation's strengths and weaknesses based on the insight the PCT itself gave the panel into its commissioning approach.

During the evidence review and conversations with **NHS Tameside and Glossop**, the panel developed an overall impression of the organisation, which is that the PCT has ambitious aspirations for its populations future health and level of health inequality, and that the PCT is a systematic organisation that is now ready to leverage external relationships to meet its future challenges.

The Panel identified **five** main recommendations that the PCT will need to consider as the PCT positions itself to drive transformation of health and healthcare in **Tameside and Glossop**.

Commentary

The Panel identifies five major areas for consideration by the PCT at this stage on its journey

1. **Headline:** The Panel believes that the PCT is in an extremely challenging financial position
   Observation: The PCT has several characteristics which indicate that it is going to encounter major financial problems. The Panel is particularly worried about the absolute scale of the challenge, the level of unidentified savings at this stage of the financial year and the balance between recurrent and non-recurrent savings. The Panel believes these issues will require a major review to return the PCT to a sustainably secure financial position
   Recommendation: The Panel strongly recommends that the PCT rapidly ensures it works to understand its true financial position and engages external support to develop a fully credible turnaround plan

2. **Headline:** Partnership working with the local authorities is a real strength of the PCT although other relationships need to improve, especially with the FT
3. **Observation:** The PCT provided many examples of delivery in partnership with its local authorities and both LA Chief Executives were present and provided significant input throughout Panel day. The PCT and Board display a firm commitment to supporting the FT, however, there is limited understanding of the scale and impact of whole system change that will be required over the coming years
   Recommendation: The Panel would like to see the strong relationships with local authorities mirrored with all stakeholders, including the local Foundation Trust, other Greater Manchester PCTs and community service providers

4. **Headline:** The PCT was unable to articulate the impact of its commissioning decisions and overall strategy on providers
   Observation: The PCT currently has a limited understanding of provider economics, including forward modelling of activity
   Recommendation: The Panel recommends that the PCT should develop its understanding of provider economics to ensure a sustainable financial and service position by service line across all care settings

5. **Headline:** Clinical engagement has improved over the past year with strong leadership by GPs
   Observation: The PEC has a strong position within the PCT putting clinical leadership at the centre of the organisation. The constitution of the PEC is based on representation from primary and community care
   Recommendation: The composition of the PEC needs to be reconfigured to develop a leadership team reflecting clinicians from a variety of heath care settings to improve fitness for purpose for the developing agenda

6. **Headline:** The PCT has some good examples of work undertaken to improve quality, but the Panel did not feel that there is a systemised approach to quality improvement
   Observation: The Panel heard examples of initiatives to improvement quality but the PCT did not give evidence of a strong consistent model in place for improving quality across all commissioned activity which is understood by all staff. In particular, full quality information was not shared between the FT and PCT before Nov 2009
   Recommendation: The Panel recommends the that PCT should develop and embed a model for quality improvement which is well understood by all staff

Potential for Improvement Commentary

PCT trajectory

Commentary

- Performance has improved on seven competencies
- The PCT has several success stories over the past year, e.g.,
  - Low cost prescribing, where it moved from bottom to third in the region
  - Successful integrated care pilot
- The relationship with LAs has remained strong and continues to deliver measurable success
- The PCT put itself in turnaround in January 2009 reflecting a challenging financial position over the past year. £6m recurrent savings were achieved in 2009/10 from a £15m target with the balance covered by non-recurrent savings and a returned lodgement. This poor performance has now put the PCT at considerable financial risk going forward
- The PCT's main acute provider has suffered from significant quality issues which adversely impacted on the wider reputation of the NHS

Areas for development

- Given the fragile financial position and the significant level of unidentified savings required for the coming year the Panel believes that the PCT should increase its capacity to deliver efficiency programmes and urgently seek external support
- The PCT should work to maintain a fully sustainable local health economy by ensuring it fully understands how local providers will be affected by the increasingly severe financial environment and the impact of the PCT's own strategy
- The PCT should develop its relationship with the local Foundation Trust to secure and enhance the reputation of the local NHS

Organisational development

Commentary

- Capabilities have been assessed with gaps identified and an action plan developed to address gaps
- The PCT's greatest OD challenge over the coming year is to deliver its strategic priorities with reduced finances and workforce
- Vacancy control measures have been implemented across the organisation and internal recruitment is being used to redeploy the workforce to areas of greatest need

Areas for development

- The PCT should ensure that its staff and Board have the skills and capabilities required to address the urgent financial challenges ahead whilst ensuring local people have access to appropriate and sustainable services across all care settings
- The PCT should ensure its workforce strategy is integrated with the turnaround plan
- The PCT should ensure that redeployed staff have appropriate support and training to be successful in their new roles
- The composition of the PEC needs to be reconfigured to develop a leadership team reflecting clinicians from a variety of health care settings to be fit for purpose for the developing agenda

Panel scorecard

Governance – Panel assessment on Strategy

● Last year's rating ✓ Panel Assessment

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

Rationale for scoring

- The vision and strategic priorities reference the local and national context although the discussion on Panel day suggested that 'Healthier Horizons' is not embedded within the vision. The strategic initiatives are focussed with clear targets and timelines for delivery. These initiatives are drawn from an analysis of local health needs and cover most of the major areas. Most chosen outcomes are backward looking, e.g., CVD mortality, and it is unclear whether the PCT has a consistent approach for identifying proxy measures for tracking in-year progress. The line-of-sight from vision through strategic priorities to initiatives was clear in the strategic plan, although did not come across strongly during Panel day
- Each strategic priority has a work programme comprising a small and focussed set of initiatives developed through extensive engagement. Several of these initiatives are impressive and have delivered measurable improvements in outcomes, e.g., smoking cessation, however, in general it is unclear how individual initiatives will impact outcomes. Clear articulation of timeline for impact by priority, but milestones by initiative and consideration of bottlenecks missing. Furthermore, the Panel was not clear how initiatives would be re-phased under the different financial scenarios
- The process for prioritising initiatives considers the impact on health outcomes, inequalities and access. The financial plan shows a thorough breakdown of investment, by initiative by year and addresses multiple scenarios. However, there is insufficient information on how scenarios will impact delivery of initiatives in terms of timing and outcomes. The urgent requirement for disinvestment and cost improvement initiatives were discussed on Panel day but not fully in the strategic and financial plans: £5m recurrent in-year savings are forecast from QIPP level 1 including management, procurement and prescribing; £5m savings will come from pathway redesign. Of the remaining £15m savings requirement for 2010/11, the PCT stated £4m has been identified leaving an unidentified in-year savings requirement of £11m. The strategic plan neither discusses the details of these savings nor the criteria for disinvestment. In particular, the Panel was unclear how disinvestment and cost saving initiatives would impact outcomes and how existing investment initiatives would be impacted. The Panel felt that the high risk financial position of the PCT jeopardises the delivery of the strategy
- NEDs receive regular reports on progress and provided examples on Panel day of occasions where they have challenged programme leads and Directors on delivery and performance, e.g., ambulance response times. The NEDs are heavily involved throughout the organisation and the whole Board were involved in creating the strategic plan.
- The PCT has stories of success against some milestones articulated in the strategy plan and on the Panel day, e.g., 1 in 8 people accessing healthy weight service lost 10% body weight. Performance against targets is tracked through reporting scorecard derived from Performance Accelerator

Recommendations going forward

- The Panel commends the PCT on its ambitious strategy for improving the long-term health of its local population and recommends that a clear focus on the link from vision, through strategic aims to initiatives is maintained and tested against the current financial position
- The PCT should continue its work to identify proxy measures for tracking progress through in-year milestones and ensure these are regularly reported to the Board
- The PCT should ensure that it considers the potential impact on health outcomes when evaluating all disinvestment and cost saving proposals

Governance – Panel assessment on Finance

● Last year's rating ✓ Panel Assessment

Assessment: A

Measure	Red	Amber	Green
1. Historical financial management			● ✓
2. Robust financial management			✓
3. Robustness of planning assumptions		✓	●
4. Sustainable financial position as 'base case'	✓		●
5. Sustainable financial position under different financial scenarios	✓		

Rationale for scoring

- The PCT's surplus outturn in 2008/09 was £1.98m against a plan of £2m which was within the SHA's control total
- The PCT presents key metrics in its monthly finance report giving YTD, forecast and planned spend, balance sheet, cash flow, secondary care spend and activity. It also has begun to present a separate QIPP report to the Board indicating progress against its efficiency and productivity initiatives
- Inflation and activity assumptions are in line with SHA expectations and the PCT has modelled three financial scenarios, however:
  - The PCT did not achieve its recurrent CIP target of £15.1m for 2009/10, only able to deliver £6.6m of recurrent savings. It was subject to enhanced monitoring by the SHA in 2009/10 and placed themselves in turnaround. A 2010/11 financial gap of £24.9m has been identified and the PCT has not yet identified sufficient schemes to meet this target. So far only £10m of recurrent savings have been identified.
  - Although a £1m contingency has been included in the plan, this is not sufficient to cover the financial risk facing the PCT were it to fall short of its required savings target
- The PCT is projecting a surplus over each of the next five years that is in line with SHA expectations, however it lacks a credible turnaround plan due to a significant amount of unidentified savings in 2010/11. The total in-year savings requirement for 2010/11 is £25m under the base case of which £11m remains unidentified at the start of the financial year. The PCT does not have a clear understanding of the impact of its QIPP schemes and initiatives on its providers to ensure the sustainability of its local health economy
- Under a worst case scenario the in-year recurrent savings requirement for 2010/11 rises to £29m with further recurrent savings required in future years. The PCT has outlined a number of mitigations which it would be forced to undertake, including freezing posts, using its contingency and renegotiating its commitments to its joint and specialised commissioning contracts. However, on Panel day the PCT was unable to demonstrate a sufficiently detailed plan to deal with a deteriorating financial climate, including an understanding of the impact of any required disinvestments on its health and quality outcomes

Recommendations going forward

- The Panel believes that the PCT could encounter major financial problems over four year planning period as a result of a high level of unidentified savings and few mitigating contingencies. The Panel strongly recommends that the PCT rapidly ensures it works to understand its true financial position and engages external support to develop a fully credible turnaround plan
- The PCT should ensure that its workforce development plans link in to the financial strategy to ensure a managed turnaround process

Governance – Panel assessment on Board

● Last year's rating ✓ Panel Assessment

Assessment: A

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

Rationale for scoring

- Executive directors have clear areas of responsibility and NEDs are aligned with these. On Panel day the PCT described how NEDs and clinicians were embedded in structures all through the organisation. Capabilities have been assessed with gaps identified and an action plan developed to address gaps. The organisational requirements its strategy align with those in the OD plan and the values of the PCT are well embedded. On Panel day, the PCT suggested their greatest OD challenge was to deliver the strategic priorities with a reduced infrastructure in terms of both finance and workforce. Vacancy control measures have been implemented across the organisation and internal recruitment is being used to redeploy the workforce to areas of most need
- Board minutes show risks are not reviewed systematically at every Board meeting. Clinical engagement is strong and has improved over the past year although the constitution and effectiveness of the PEC is not regularly reviewed: the PEC constitution is based on representation from primary and community care
- Provider performance reports contain timely data on activity, spend and performance. Quality data is now included although was not provided by the FT until the end of 2009
- Provider performance reports are monitored at Corporate Performance Assessment Panel with exception reports to Board. All Board members have access to online system tracking provider performance with evidence of Board challenge provided on Panel day, e.g., around smoking quit rate and stroke rehabilitation. Following intervention from a NED, prescribing performance across the PCT improved from amongst the worst in the North West to the third best. However, it is unclear whether the NEDs remain suitably detached and objective to provide regular and systematic challenge
- The PCT has clear roles and accountabilities defined in arrangements for devolved commissioning, with clear strengths around the long standing strategic partnership in place with Tameside Metropolitan Borough and Derbyshire County Council. The Panel found some examples of Board challenge to key collaborative commissioned decisions although this is not systematic. A robust PBC governance and accountability framework is in place but specific points of scrutiny are not explicit
- The Board plays a clear role in shaping strategy although the Panel had concerns around the alignment of the Board around the difficult decisions concerning cost savings and disinvestment that will be required over the coming year

Recommendations going forward

- The Panel recommends that the Board checks its performance against the recommendations in "The Healthy Board" report
- The Board should develop processes to formally monitor and use performance reports from all providers on a monthly basis
- The Board should develop robust governance arrangements based on professional relationships both within the organisation and with partners
- The Board as a whole should get actively involved in making strategic decision around disinvestments and efficiency savings
- The Panel suggests that the role of non-executives is reviewed to ensure they remain objective and retain the ability to challenge
- The composition of the PEC should be reconfigured to develop a leadership team reflecting clinicians from a variety of heath care settings, e.g., secondary care, to improve fitness for purpose for the developing agenda

Outcomes

Legend: X (green) Top quartile rate of improvement; X (red) Bottom quartile rate of improvement; Upper Quartile; Lower Quartile; ★ Newly Selected; ● Previous; ● Current

NHS Tameside and Glossop health outcomes and quality

Outcomes Selection Date: 2009/10

	Strategic priority		PCT	National	ONS cluster	Top decile [2]	PCT aspiration (CAGR)
			3 year historic rate of improvement (CAGR, %) [1]				
National	1. Health inequalities (Males) & Health inequalities (Females)	M	0.0	0.8	-0.9	-3.9	-1.0
		F	6.0	1.2	3.5	-9.4	-1.0
	2. Life expectancy (Males) & Life expectancy (Females)	M	0.5	0.4	0.4	0.8	0.4
		F	0.1	0.3	0.4	0.6	0.3
Local	3. Infants breastfed		n/a	n/a	n/a	n/a	8.2
	4. Rate of hospital admissions per 100,000 for alcohol related harm		9.8	5.7	5.7	-0.9	3.7
	5. CVD mortality		-2.9	-7.1	-5.1	-9.9	-5.7
	6. n/a						
	7. n/a						
	8. n/a						
	9. n/a						
	10. n/a						

Changes in outcomes from last year

- Local mental health metric has been omitted this year following a PCT administrative error when submitting evidence to the SHA though submitted retrospectively; mental health continues to be a key outcome internally. The PCT tracks progress against a metric measuring the number of people entering IAPT

Performance over last year

- Good tracking of performance against trajectories
- In-year data for CVD mortality and health inequalities from the strategic plan show little improvement suggesting these aspirations may be challenging to achieve

Aspirations

- **The Panel has confidence in the level of aspiration for 5 outcomes:**
  - Rate of hospital admission per 100,000 for alcohol related harm
  - Life expectancy (male and female)
  - Infants breastfed
- **The Panel feels that aspirations for the following outcomes could be challenging to achieve:**
  - Health inequalities (male and female)
  - CVD mortality

Recommendations

- The PCT should ensure it has suitable proxy indicators which it can monitor in-year to track the progress of its initiatives and ensure that there is no adverse impact from its savings programmes
- The PCT should consider whether it wants to use additional WCC outcomes aligned to its strategic priorities and successful initiatives, e.g., smoking cessation

[1] 3 year period where available
[2] Top decile defined as the PCTs with the largest rate of improvement

SOURCE: Team analysis

Overview – Competencies

● Last year's rating

Level

Competency | 1 | 2 | 3 | 4

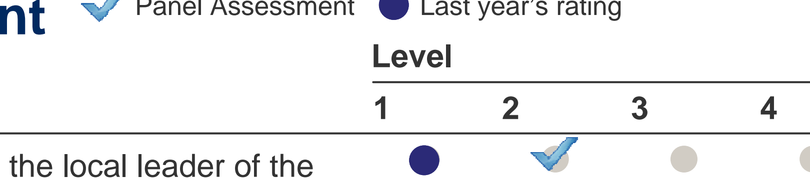
1. Locally lead the NHS
2. Work with community partners
3. Engage with public and patients
4. Collaborate with clinicians
5. Manage knowledge and assess needs
6. Prioritise investment
7. Stimulate market
8. Promote improvement and innovation
9. Secure procurement skills
10. Manage the local health system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

Topline introduction

- The PCT has improved from last year on seven competencies
- Performance against three competencies has deteriorated since the last Panel report:
  - Prioritise investment
  - Promote improvement and innovation
  - Manage the local health system

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

Competency 1 – Panel assessment



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

Rationale for scoring

1a: The PCT scored 4.85 in the stakeholder survey on being recognised as the local leader of the NHS against the SHA average of 5.08. The documentation shows some examples of local leadership, e.g., leading the multi-agency pandemic flu executive and the PCT hosted the Tameside and Glossop Health Economy Summit. Survey comments suggest good GP engagement and a patient experience lead has been appointed. According to the public perception survey, 77% of the public agree that the PCT is helping to improve health services against an SHA average of 82%. The PCT demonstrates an emerging understanding of patient experience and uses Patient Reported Outcome Measures (PROMs) data, although explained on Panel day that patient experience data from the local Foundation Trust was not shared before the end of 2009. The Panel did not have sufficient evidence that the PCT proactively manages the reputation of the local NHS
1b: The PCT led a review of the local economy's future financial outlook creating a cross agency leadership group to prioritise investments and disinvestments. On Panel day, the PCT described early-stage work to lead a Greater Manchester wide review into contract management, although could give no substantive examples of region-wide initiatives led by the PCT which have led to measurable improvements in quality, effectiveness or efficiency. In the stakeholder survey, the PCT scored 4.31 against the SHA average of 4.71 on the statement: 'PCT has a significant influence on our decisions and actions'
1c: The organisational development (OD) plan is ambitious, but achievements over the past year were unclear from the documentation. On Panel day, the PCT described good examples of training programmes, e.g., the "Organisational Development Leadership and Development Programme" which is run to develop leadership of the PCT. The Panel also heard how the PCT is planning to build provider management capabilities in the next phase of their OD plan. Commissioning staff reported that 83.5% have received relevant training in the last 12 months. Staff generally feel they have interesting jobs and these metrics are higher than the SHA average

Recommendations going forward

- The Panel urges the PCT to consider how it can work with local and regional stakeholders to improve the reputation of the wider NHS
- The PCT should seek opportunities to lead region-wide programmes of change and track the results to demonstrate measurable improvement in quality, effectiveness or efficiency
- The PCT should use patient experience data to inform and develop campaigns to deliver improvements across the whole NHS agenda and to systematically link patient experience with quality and outcomes within a quality model
- Although the PCT involve monitor and CQC – the reputation of the NHS involves all providers and the public need reassurance that the PCT is taking steps to achieve improvements in Tameside

Competency 2 – Panel assessment

✓ Panel Assessment ● Last year's rating

Competency	Measure	Level 1	Level 2	Level 3	Level 4
Work collaboratively with community partners to commission services that optimise health gains and reduce health inequalities and deliver increased productivity	• Creation of Local Area Agreement based on joint needs		●	✓	
	• Ability to conduct constructive partnerships		● ✓		
	• Reputation as an active and effective partner'	●		✓	

Rationale for scoring

2a: LAA targets are measured on a quarterly basis through performance reports and accountability has been developed against each LAA target. These LAA targets broadly align with JSNA priorities. On Panel day, the PCT described broad engagement with clinicians on LAA priorities, e.g., through clinical advisory group. In addition, the PEC has reassessed these priorities for both LA groups and other strategic partners are able to input through the LSP committee, chaired by the PCT chief executive

2b: The PCT scored 4.69 against an SHA average of 4.55 on proactive engagement in the stakeholder survey. The JSNA was reconfirmed for 2008-09, focussing on strategic priorities identified in the first JSNA. Shared partnership posts are in place with Tameside and Derbyshire and the chair of the PEC also chairs the Greater Manchester Commissioning Board . However, the Panel was not satisfied that the PCT as a whole takes ownership of the specialist commissioning agenda. The documentation includes examples of jointly commissioned services, e.g., health mentor and breast feeding peer mentor programmes

2c: The PCT scored 4.58 against an SHA average 4.98 on being an effective partner in the stakeholder survey. The PCT has redesigned the stroke pathway through the Greater Manchester collaboration and has established centres of excellence – this stroke pathway won SHA Award for Commissioning. The joint work between the LAA and the PCT demonstrates several success stories, e.g., dental outreach work to hard to reach groups, and provides clear evidence of setting milestones with partners. The Panel also heard about the 'Affordable Warmth' campaign to target elderly people in conjunction with the local authority

Recommendations going forward

- The Panel recommends that the PCT builds on the existing involvement in the specialist commissioning agenda, particularly through the experience of the PEC chair, to take ownership of this agenda throughout the organisation
- The PCT should build on the good work it has done with its local authorities to construct wider partnerships to effect delivery

Competency 3 – Panel assessment

✓ Panel Assessment ● Last year's rating

Competency	Measure	Level 1	Level 2	Level 3	Level 4
Proactively build continuous and meaningful engagement with the public and patients to shape services and improve health	• Influence on local health opinions and aspirations	●		✓	
	• Public and patient engagement		●	✓	
	• Improvement in patient experience	● ✓			

Rationale for scoring

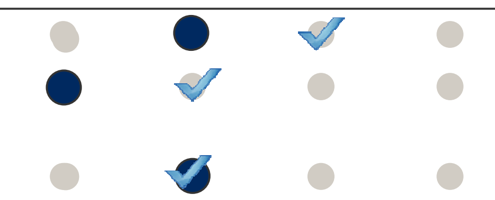
3a: Ongoing engagement with the local population is achieved through meetings with 1,300 residents. The documentation described several social marketing campaigns and further evidence of these was given on the Panel day, e.g., the PCT sent letters to patients after attending A&E to inform them of alternative care options. Several schemes target seldom heard groups, e.g., Bengali women, and the well-established 'Really Important Question' brand is used to engage with the elderly and the 'Single Equity Scheme' has a specific focus on involving seldom heard groups via the PCT's community development workers. The Panel heard clear success stories around smoking cessation where the PCT has moved to seventh in the country and pregnant women smoking referrals has increased by 400%. The PCT scored significantly below the SHA average of (3.67 vs. 4.53) on pro-actively shaping health opinions in the stakeholder survey although only thirteen responses received
3b: The PCT works closely with the local authority and have developed an engagement toolkit for routinely communicating with patients and the public. The partnership was awarded a Beacon for Transforming Services in Citizen Engagement in 2009. The PCT has set up a Glossop subgroup under LINks to ensure residents are included in commissioning decisions. The Panel heard of several initiatives following patient engagement, e.g., stroke rehabilitation in the community, and social marketing campaigns on Chlamydia and dental access have shown measurable success. The PCT have integrated their publicity and communications with the local authority's regular newsletter to all residents. PALs and complaints data has been used to pick up issues, e.g., in podiatry, but the PCT was unable to provide data conclusively showing that public and patients agree that the local NHS listens to their views and acts in their interests
3c: The Panel did not find sufficient evidence that the PCT review trends in patient feedback and uses these data to initiate improvements. A Ipsos MORI poll suggested that 77% of respondents think 'the local NHS helps improve the health and well-being of me and my family via the PCT". This was "well below average" according to the PCT's communications strategy.

Recommendations going forward

- The Panel recommends that the PCT may want to systematically and actively review trends in patient feedback from multiple sources as part of a coherent quality model and use this as the basis to develop and inform action plans to improve services

Competency 4 – Panel assessment

Competency	Measure
Lead continuous and meaningful engagement of a broad range of clinicians to inform strategy and drive quality, service design, and efficient and effective use of resources	• Clinical engagement • Dissemination of information to support clinical decision making • Reputation as leader of clinical engagement



Rationale for scoring

4a: The PCT received strong feedback from PBC practitioners, as noted in its strategic plan. Evidence of significant clinical involvement in pathway redesign was identified, e.g., CVD, dermatology, and maternity. On Panel day, the PCT confirmed how clinical working groups have ensured broad clinical ownership of initiatives. The PCT confirmed that all PEC members have automatic attendance and speaking rights at the Board with NEDs having speaking rights at the PEC. The PEC includes social services representation and seven clinical members including GPs and a pharmacist but not secondary care clinicians, although the PCT could give examples of several recent occasions where it has facilitated meetings between primary and secondary care. The PEC chair co-chairs the QIPP joint delivery board and ensures that productivity and efficiency programmes are chaired by clinicians and have clinical backing and all quality initiatives are developed and approved by the PEC
4b: On Panel day the PCT described how it uses Share Point to share quality reports with up-to-date information which can be accessed by clinicians. A PBC benchmarking dashboard is distributed to PBC practices on a monthly basis. Only 50% of respondents to PBC survey (14 respondents) suggested they were happy with the quality of information and support offered by the PCT, however, the response rate for the PCT was above average suggesting a higher level of engagement. The PCT confirmed at the Panel that the PBC benchmarking reports help it to reduce clinical variations although it was not clear how the PCT systematically reviews and reduces unacceptable clinical variations
4c: The PCT scored 4.38 against an SHA average of 4.68 on proactively engaging clinicians in the stakeholder survey. It worked with the Collaborative Leadership in Applied Health Research to make evidence-based changes to vascular care pathway and there was clinical involvement in the PCT's work to reduce prescribing cost increases. On Panel day the PCT confirmed that it has a robust process in place to review and respond to PBC business cases within eight weeks as required

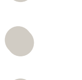
Recommendations going forward

- The Panel notes that the PEC has a primary care focus at this stage, and therefore would recommend that this is reconfigured in order to become fit for purpose for the future and include clinicians that reflect all sectors
- The Panel recommends that the PCT accelerates its process for identifying and reducing unacceptable clinical variations to ensure these are captured and actions plans formally reviewed
- The Panel recommends that the PCT should continue to widen and deepen clinical engagement in the commissioning agenda across all health care settings

Competency 5 – Panel assessment

✓ Panel Assessment ● Last year's rating

Competency	Measure	Level 1	Level 2	Level 3	Level 4
Manage knowledge and undertake robust and regular needs assessments that establish a full understanding of current and future local health needs and requirements	• Analytical skills and insights		●	✓	
	• Understanding of health needs trends		●	✓	
	• Use of health needs benchmarks		●✓		



Rationale for scoring

5a: Several examples of local needs assessments were provided in the PCT's pathway descriptions including CVD, dermatology, maternity care. The PCT has a consistent methodology for needs assessments and prioritises major health needs in its strategic plan based on the JSNA produced with the local Council. The JSNA segmented its population by health needs and contains a clear methodology for conducting ongoing local needs assessments. The understanding of local health needs was articulated well on Panel day and it is clear that vision and strategic goals are underpinned by some of this research into local health need. The Panel was impressed by the presentation of progress towards addressing health outcomes contained within the strategic plan

5b: The PCT has a view of unmet health needs for its local population and can disaggregate to ward level as shown in the strategic plan and JSNA. The life expectancy gap has been modelled by gender, age, locality and MOSAIC profile. The progress towards strategic goals is tracked with gaps identified and feasibility of delivery regularly assessed

5c: The JSNA shows significant benchmarking against national targets and peer PCTs. Whilst annual benchmarking reviews are described in the documentation, it was unclear from Panel day that this process is updated quarterly across all areas as required for level 3

Recommendations going forward

- The Panel commends the PCT on its good work in the area of knowledge management and suggests it may wish to develop this further to begin to target populations with focussed interventions at the earliest possible opportunity
- The PCT may wish to build on the benchmarking work it has begun in primary care and expand this to include regional and national quarterly benchmarking across the entire pathway

Competency 6 – Panel assessment

✓ Panel Assessment ● Last year's rating

Competency	Measure	Level 1	Level 2	Level 3	Level 4
Prioritise investment of all spend in line with different financial scenarios and according to local needs, service requirements and the values of the NHS	• Predictive modelling skills and insights to understand impact of changing needs on demand	●	✓		
	• Prioritisation of investment and disinvestment to improve population's health	✓	●		
	• Incorporation of priorities into strategic investment plan to reflect different financial scenarios	✓	●		

Rationale for scoring

6a: On Panel day the PCT was able to discuss modelling of disease prevalence against key priority outcome areas and identify some areas of future need. This analysis made use of current activity and ONS cluster data on populations, including some impact from the QIPP initiatives. The use of Better Care Better Value (BCBV) indicators ensured that a degree of quality information was built into this scenario modelling, however, the PCT did not explain how the model could use scenario analysis to identify need for specific groups or individual patients

6b: The PCT has clear prioritisation criteria reviewing quality, activity, impact on health outcomes and local needs, and confirmed on Panel day that NICE compliance was also used in its prioritisation process. The PCT confirmed that its initiatives had been through this tool and how it had engaged with the public again in 2009/10 to understand their views on its strategy and prioritisation method. The PCT was not able to articulate fully how its investment and disinvestment proposals contained clear predicted impacts on health outcomes or inequalities

6c: Investment initiatives are grouped under priority outcomes however the PCT's disinvestment strategy was not clear. The Panel saw insufficient evidence to demonstrate how investment / disinvestment decisions are reprioritised under the different financial scenarios

Recommendations going forward

- The Panel suggests that the PCT should identify further initiatives for disinvestment and ensure that it is able to forecast the impact of this on patient quality and its priority outcomes
- The PCT should work further to clarify how its strategy will respond to downside scenarios and develop well-articulated implementation plans

Competency 7 – Panel assessment

Competency	Measure	Level 1	Level 2	Level 3	Level 4
Effectively stimulate the market to meet demand and secure required clinical and health and wellbeing outcomes	• Knowledge of current and future provider capacity and capability	Last year's rating	Panel Assessment		
	• Alignment of provider capacity with health needs projections	Last year's rating; Panel Assessment			
	• Creation of effective choices for patients	Last year's rating	Panel Assessment		

Rationale for scoring

7a: A provider database has been developed by the PCT and a Health Market Analysis has been commissioned from CBS on behalf of 10 Greater Manchester PCTs. The work performed by CBS benchmarked the PCT's provider services giving information on which offer better value for money. On Panel day the PCT was able to describe how, through patient experience and involvement groups and additional mandatory data requirements in its contracts, it was able to assess patient feedback on each of its key providers

7b: Several pathway based analyses have been evidenced which show the PCT, alongside partners, identifying current gaps in the service against key pathways however the PCT has not been able to articulate how it fully aligns need with provider capacity and identifies risks to its supply structure

7c: On Panel day the PCT described how it has encouraged patient choice in a number of areas, particularly through opening three new equitable access practices, a new Walk In Centre, two new dental centres, and an Access Booking and Choice centre established to direct patients towards a plurality of providers. There is a dedicated practice business support team to improve choice and practice performance and a Heart Failure support service acts to support people with long-term conditions to make more choice available. Survey results suggest that 61% of patients were offered a choice of hospital for their first appointment (against an SHA average of 52% and a national average of 47%)

Recommendations going forward

- The Panel believes that the PCT should consider further developing its understanding of provider economics to ensure a sustainable position by service line across all care settings. The PCT discussed how it is further reviewing the sustainability of specific specialties at its acute providers and the Panel recommends that this work is accelerated to ensure that the PCT is aware of the full implications of its future demand management initiatives
- The Panel commends the PCT's decision to fund an Access Booking and Choice Centre on behalf of GP practices, but may wish to consider the sustainability of this centre in the light of an increasingly challenging financial scenario

Competency 8 – Panel assessment

✓ Panel Assessment ● Last year's rating

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

Rationale for scoring

8a: For priority pathway redesign, interventions are indentified at each stage of the pathway. Gaps and improvements required are identified and performance is benchmarked against national and ONS Cluster data. On Panel day, the PCT described how patients are heavily involved in pathway redesign, e.g., the integrated care pilot involved a large consultation exercise. The PCT and partners are undertaking some work to identify high risk users of all services, but this is at a very early stage. The PCT currently has no system to aggregate GP data and run patient risk analysis. In addition, the Panel did not see evidence that the PCT works with all its providers to review care pathways

8b: The PCT documentation and responses on Panel day provided numerous examples of demonstrable results following pathway redesign, e.g., single point of access for children with special needs has reduced waits from 52 weeks to eight weeks. Examples were also provided of individual initiatives to improve quality, e.g., £150k CQUIN payment in new acute contract to encourage referrals to smoking cessation service. However, the PCT does not have a systemised approach to quality improvement

8c: CQUINs are used to monitor primary and secondary care quality with the CQUIN scheme for FT contract tracking 17 measures, mostly monthly and chosen following Dignity in Care Review. Contracts also specify monthly provider performance review meetings. PROMS and HSMRs were being developed when the strategy plan was published, but responses on Panel day indicate these are now being used. At present, the PCT does not have real-time monitoring of data from primary or secondary care providers and does not systematically link quality and efficiency information

Recommendations going forward

- The PCT should develop a clear model of quality improvement and ensure that all staff understand and are capable of applying the approach
- The Panel suggests that the PCT may wish to develop the capability to aggregate GP level system data to allow patient level risk analyses and effectively target patients at an early stage
- The Panel believes that the PCT should aim to work with the Foundation Trust to collect data on a daily basis, e.g., on A&E attendances
- The PCT may wish to further its efforts to link quality and efficiency information to enable identification of savings opportunities informed by the likely impact on quality

Competency 9 – Panel assessment

✓ Panel Assessment ● Last year's rating

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

9a: On Panel day the PCT was not able to articulate a comprehensive understanding of the provider economics of its key providers though indicated that it has begun to review its main acute provider's Board minutes to gain an understanding of the costs of its key services. The PCT's Procurement and Contestability Strategy has been implemented which sets out how the PRCC will be complied with. In the documentation a provider performance report was submitted for some secondary providers, however, it did not give information on specific target monitoring (other than 18 weeks) and no overall financial information. There was some discussion on Panel day of the optimal workforce levels at the PCT's main acute provider although the PCT was able to demonstrate only limited understanding of skill mix requirements

9b: Patient Reported Outcome Measures (PROMs) and locally defined negotiation variables such as CQUINS, activity, and KPIs (for example catheter care and nutritional assessment) are included in contract with main acute provider. The PCT was able to articulate a high level negotiation strategy on Panel day

9c: PCT uses standard contracts for its key providers which include defined outcomes, quality and service metrics, cost and activity expectations and an arbitration process. On Panel day it confirmed that all significant contracts were signed in advance of activity commencing

Recommendations going forward

- The Panel believes that the PCT could further develop its understanding of provider economics to ensure a sustainable financial and service position across all care settings and by speciality. It recommends that the PCT works to understand its providers to be able to analyse how a service would respond to funding reductions and takes a formal view on the optimal service provision in each major care setting

Competency 10 – Panel assessment

✔ Panel Assessment ● Last year's rating

Competency	Measure	Level 1	Level 2	Level 3	Level 4
Effectively manage systems and work in partnership with 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

10a: The PCT monitors provider performance, although this has not been consistent across all dimensions for all providers. The PCT's provider arm produces a Performance Scorecard that incorporates local and national frameworks and monthly performance meetings are in place. The secondary care monthly performance report shows financial and operational performance of the FT although quality data was not shared in full until the end of 2009. Since then, the PCT described how it has provided the FT with a template to complete which allows quality data to be submitted through Performance Accelerator, although this was not demonstrated to the Panel. The PCT demonstrated some understanding of secondary care workforce data on Panel day, although it is unclear that this is systematically monitored and reviewed. At present, the PCT also has no means to obtain near-real-time performance data from its providers

10b: Performance reports are produced on a monthly basis monitoring primary and secondary providers. Performance meetings are scheduled monthly although it was unclear if and how the PCT has prioritised performance issues and actions to discuss more frequently. Risk ratings are given on secondary care performance reports to show areas of weakness around CQUIN and other KPIs although no evidence was provided of risk analysis around patient feedback. Some anecdotal evidence was provided on Panel day showing how the PCT has identified root causes of performance issues, e.g., around waits for CT scans, however it is not clear that the philosophy of working closely and systematically with providers to address issues through root cause analysis is embedded throughout the organisation

10c: The PCT described some good work around primary care contracts which include bands for minimum and unacceptable levels of performance including links to payment consequences. However, it was unclear to the Panel whether the PCT rigorously upholds standards of contract compliance with all its providers, e.g., around the 18 weeks target with the secondary care provider

Recommendations going forward

- The PCT may wish to explore all the means at its disposal, including use of the standard NHS contracts, to rigorously leverage for contract compliance with its providers on a monthly basis
- The Panel recommends that the PCT follows through with its proposals to use contract compliance management within the new primary care contracts
- The Panel suggests the PCT builds on the past experience of root cause analysis to ensure it regularly works with its providers to examine the day-to-day detail around performance issues and therefore addresses the root causes of problems to deliver sustainable improvements

Competency 11 – Panel assessment

✓ Panel Assessment ● Last year's rating

Competency	Measure	Level 1	Level 2	Level 3	Level 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

11a: Output and spend information is collected monthly for acute settings but it was unclear if the PCT systematically benchmarks efficiency and spend data against national best practice for its acute services and by care pathway. A CBS tool is used for programme budgeting, although the Panel was unclear where this has led to PCT disinvestment decisions. There is also insufficient evidence that the PCT fully understands the optimal economics of provision in major care settings

11b: Pathway reviews have begun to identify efficiencies – e.g., dermatology in primary care reduced secondary care referrals – and the PCT has conducted a lean review of the 0-4 year obesity pathway. The PCT has moved to third in the north of England for lowest overall cost of growth in prescribing. On Panel day, the PCT was able to give examples of how it was identifying capital efficiencies through its capital review and how it had benchmarked its HR service and identified savings of £0.2m as a consequence

11c: The PCT does not have a full set of initiatives to identify efficiency and effectiveness opportunities. The PCT has defined through its QIPP programme a set of productivity improvement initiatives which have been supported by clinicians. The PEC chair is also co-chair of the joint QIPP delivery board and a QIPP report is presented at the PCT Board each month. However, the PCT was unable to articulate on Panel day how its proposals for quality improvement would impact on providers and how mitigation plans had been put in place in the event of non-delivery

Recommendations going forward

- The Panel recommends that the PCT considers undertaking further work to understand the impact of its quality and efficiency initiatives on each of its providers
- The PCT should consider further advancing its benchmarking of provider efficiency data in order more clearly understand where to target future improvement initiatives