East London NHS Foundation Trust

Strategic Plan Document for 2014-19

East London NHS Foundation Trust

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A. Introduction

National and local context

Rising health care demand, rising costs and flat real funding mean the NHS could face an estimated £30 billion financial shortfall by 2021. Forthcoming changes to pensions and the creation of the Better Care Fund (previously known as the Integrated Transformation Fund) are likely to bring the affordability challenge to an unprecedented peak in 2015/16. Following the publication of the Francis Inquiry there are increasing concerns, and increasing expectations, regarding the quality of services provided by the NHS, and increased regulatory activity by the Care Quality Commission and Monitor.

In addition, there are regular reports of the increasing financial pressures within the NHS, as well as the related social care sector. Monitor reports that 27% of NHS Foundation Trusts are currently in financial deficit, and 41% are predicted to be in financial deficit in 2015/16. There have been recent reports of a £2 billion funding shortfall in 2015/16.

Locally, the Trust operates in a challenged health economy, and in East London there is a predicted 6.9% population growth by 2018. Choice in Mental Health came into effect on 1 April 2014, and poses both potential risks and benefits to the Trust, and the Care Bill is predicted to have a major impact on social care services. There is also evidence of increased competition for services.

The Trust's 5 Year Strategy

This 5 Year strategy sets out how the Trust will meet this challenge by ensuring that it designs services in conjunction with commissioners to deliver the right care in the right setting, and develops new ways to deliver high quality care through the Trust's ambitious Quality Improvement Programme. As such, it allows the Board to make the declaration of sustainability set out below.

The 5 Year Strategy is consistent with the Trust's 2 Year Operational Plan, which was submitted to Monitor in April 2014. Monitor has positively reviewed the Trust's 2 Year Plan, and have confirmed that Trust's financial risk rating as 4, and governance risk rating as green. Much of the Trust's strategy statements were developed at an early stage, and incorporated into the 2 Year Plan. They are repeated here to provide the context of the strategic options and plans set out later in the document.

The North East London Sector was one of 11 "challenged health economies" identified by the national partners NHS England, NHS Trust Development Authority and Monitor. McKinseys (an external management consultancy) were appointed to provide additional support to the Local Health Economy partners. The Trust has actively participated in the programme, and this strategy incorporates relevant findings of the McKinseys work. The Trust's plans align well with local commissioner intentions.

The Trust's mission to provide the highest quality mental health and community care is central to all its plans, and the delivery of the Trust's ambitious quality improvement programme will also support the Trust's sustainability by identifying and eliminating inefficiencies.

As part of its commitment to the success of the Local Health Economy and the NHS as a whole, the Trust is eager to utilise its skills and expertise to provide solutions for commissioners seeking to improve the quality and value for money of services that they contract for, and to improve the experience of patients and carers who use them.

Over the course of the 5 year plan, the Trust Board will work closely with the Council of Governors in order to further develop and implement the proposals set out in this document, and the Council will hold the Board to account for progress towards the objective of providing high quality, sustainable services.

Local Health Economy engagement

The success of this plan and the sustainability of the Trust as a whole is dependent on effective partnership working between the Trust, Governors, commissioners, Local Health Economy Partners, the third sector, service users, carers and staff. The Trust is committed to working in partnership in order to deliver and monitor its strategic and operational objectives.

The Trust is working closely with the Clinical Commissioning Groups for the three East London Boroughs and the Corporation of London and continues to strengthen commissioning relationships with NHS England and East London local authorities. This includes working with local government partners on social care priorities to deliver integrated health and social care services.

The Trust remains a key partner of the Local Health Economy's Integrated Care Projects (Waltham Forest and East London Pioneer Project and City & Hackney Integrated Care Project), led by the local Clinical Commissioning Groups. This project covers mental health and community health services across East London and forms a major plank of the local commissioners' Quality, Innovation, Productively and Prevention and demand management strategy for acute services.

The Trust also works closely with commissioners and local stakeholders in the other areas that it provides services (i.e. Richmond, Barnet and Luton).

To develop more effective collaboration with the key East London acute trusts, we are building senior level strategic alliances with Barts Health NHS Trust and the Homerton NHS Foundation Trust.

To ensure our services remain at the cutting edge of research into practice the Trust is participating in the University College London Partners academic networks.

Commissioners and the Trust have set up a Joint Transformation Programme Board in order to ensure that transformation activities across multiple service settings are effectively developed, coordinated and monitored. The Transformation Board will be the key forum where the Trust further develops the strategic options and plans set out in this strategy.

B. Declaration of sustainability

"The board declares that, on the basis of the plans as set out in this document, the Trust will be financially, operationally and clinically sustainable according to current regulatory standards in one, three and five years' time"

Summary of key evidence base and critical schemes

The key evidence base to support this declaration is as follows:

1. The Trust's has had exceptional financial performance over a prolonged period. The Trust has a Monitor financial risk rating of 4, a strong cash position, and the Board have recently signed the going concern statement as part of the 2013/14 accounts. The Trust has a track record of delivering CRES plans, with £41m delivered over the past four years. The Trust has strong financial governance and controls, as evidenced by internal and external audit reviews.
2. The Trust is one of the highest performing Trusts in the country, with robust governance and performance arrangements. It has maintained a green Monitor governance rating and full Care Quality Commission compliance for a prolonged period. The Trust was the first mental health and community trust to reach Level 3 of the NHS Litigation Authority Risk Management Standards, and is one of the highest performing trusts in national patient and staff surveys. The Trust is ranked 5th in the country in relation to the standard of community mental health services provided, and is also ranked 5th by staff recommending the Trust as a place to work and receive treatment.
3. The Trust is a clinically led, management partnered organisation and as such, benefits from strong clinical leadership at all levels of the organisation. The Trust recruits high quality staff, and invests in their development. Board and management capacity and capability is also a key strength, and the Trust has significant experience of delivering service transformation and major transactions.
4. The Trust has built good relationships with local and regional commissioners and stakeholders, and works in partnership with service users, carers, staff and governors to design and deliver the highest quality services. The Trust has plans to further strengthen these partnerships to help meet the challenges ahead.
5. Local commissioners all identify mental health and community services as a priority, and commissioners in Tower Hamlets and Newham have set out their intentions to invest more in mental health services over the next five years.
6. The Trust has embarked on an ambitious quality improvement programme to support its mission to provide the highest quality mental health and community care in England
7. The Trust has consulted widely on its operational and strategic plans, and has received positive feedback from the Council of Governors and other stakeholders. The Trust Board have discussed the plans in detail at six Board meetings and two development sessions over the past six months.

In line with the evidence base set out above, the strategic options and plans set out in this 5 Year strategy are based on our experience of how to build and maintain a successful and sustainable NHS Foundation Trust. The development of plans has been led by the Trust's clinical leaders, and they are consistent with the commissioning intentions of local and regional commissioners.

Delivery of the plans will, however, be extremely challenging and all the strategic plans set out in this document are critical schemes to ensure the sustainability of the Trust.

Given the changing nature of the national and local context in the NHS, this declaration is made at the present time with the following key assumptions:

1. That there will not be further significant national savings requirements or other national changes which adversely impact the Trust

2. That there will not be significant commissioner QUIP plans that are inconsistent with the Trust's service line strategy and CRES plans
3. That increases in demand and activity due to demographic changes will be funded through increased commissioner investment, in line with their commissioning intentions
4. That the Trust receives commissioner and stakeholder support for the service transformation required to deliver its CRES plans
5. That challenges faced by local acute trusts, or the worsening national picture, do not adversely affect the Trust
6. That there are no significant changes in competition and tendering rules
7. That there are no other significant changes in the national and local context which adversely affect the Trust

C. Executive Summary

Background to the Trust and its Services

East London NHS Foundation Trust (formerly known as East London and The City University Mental Health NHS Trust) was formed in April 2000. It brought together mental health services from three community trusts in Tower Hamlets, Newham, The City and Hackney to become a large specialist mental health trust.

In April 2007, the Trust was awarded University status in recognition of its extensive research and education work. The Trust was granted Foundation Trust status on 1 November 2007.

In February 2011, the Trust integrated with community health services in Newham. We are now a trust which provides mental health and community health services. In June 2012, we joined with Richmond Borough Mind to provide The Richmond Wellbeing Service, and in 2013 the Trust won contracts to provide Improving Access to Psychological Therapy services in Luton, and speech and language therapy services in Barnet.

In addition, the Trust provides forensic services to the London Boroughs of Barking and Dagenham, Havering, Redbridge and Waltham Forest, and some specialist mental health services to North London, Hertfordshire and Essex.

The specialist Forensic Personality Disorder service serves North London and the specialist Chronic Fatigue Syndrome/ME adult outpatient service serves North London and the South of England. The Institute of Psychotrauma serves East London.

The Trust's specialist Mother and Baby Psychiatric Inpatient Unit receives referrals from London and the South East of England.

Summary of the Trust's performance

East London NHS Foundation Trust is a high performing organisation. The Trust operates in a financially challenged local health economy, but has increased its income base from £170m to £260m and met all of its demanding financial and performance targets over this time, including delivery of £41m Cash Releasing Efficiency Savings (CRES) plan since 2010. This includes delivery of a number of transformational schemes involving major service re-design. The CRES programmes over time are set out below:

Year:	**CRES plan**
2010/11	£9m
2011/12	£10.8m
2012/13	£12.1m
2013/14	£9.1m
Total	**£41m**

The Trust is currently compliant with all Care Quality Commission standards, is the first mental health and community trust to reach Level 3 of the NHS Litigation Authority Risk Management Standards, and is one of the highest performing trusts in national patient and staff surveys. The Trust is ranked 5th in the country in relation to the standard of community mental health services provided, and is also ranked 5th by staff recommending the Trust as a place to work and receive treatment. This is set out in the table overleaf, where the Trust's ranking in the Staff Friends and Family Test, and in the National Community Patient Survey, is compared to other London mental health trusts.

	Recommend the Trust as a place to work and receive treatment	Standard of Community Mental Health Services
	RANK (57 TRUSTS)	RANK (53 TRUSTS)
EAST LONDON	5	5
OXLEAS	2	13
CENTRAL & NORTH WEST LONDON	6	7
SLAM	13	13
WEST LONDON	39	17
CAMDEN & ISLINGTON	29	37
NORTH EAST LONDON	37	32
BARNET, ENFIELD & HARINGEY	45	39
SOUTH WEST LONDON & ST GEORGES	43	41

The Trust's success can be attributed to the work of its 3600 staff, and the involvement of the Council of Governors, service users, carers, commissioners and the local community in the planning, delivery and monitoring of services.

The Trust is very proud to have the responsibility to provide services to the most diverse population in the country, and to have a highly diverse staff group. The Trust is committed to ensuring equality and promoting diversity in every aspect of its work, and is refreshing its Equality & Diversity strategy to make further improvements in this area.

The Trust has a Business Strategy and has continued to pursue opportunities to provide new services in circumstances where the Trust can provide high quality care and value for money. The Trust was very pleased to have been awarded the following contracts in 2013/14:

- Newham Transitional Care (GP service)
- Barnet Speech and Language Therapy
- Newham Urgent Care Centre
- Luton Improving Access to Psychological Therapies
- Tower Hamlets Liaison and Diversion Scheme
- Newham Improving Access to Psychological Therapies for Medically Unexplained Symptoms
- HMP Swaleside (Personality Disorder service)
- Newham Influenza Immunisation Bid
- Winter Pressure Bids to prevent admission and A&E attendances

Overview of Monitor requirements

In order for Trusts to meet the significant challenges faced in the NHS, Monitor are seeking to improve the quality of strategic planning, and so have revised their requirements. The new requirements are summarised below. Similar requirements apply to NHS Trusts and Clinical Commissioning Groups, in order to ensure consistency of strategic planning across the Local Health Economy.

Phase:	Requirements:	Focus of Monitor assessment:	Deadline
Phase 1	A two-year operational plan	Monitor will focus on whether the Trust has in place financial plans to address the savings requirements for 2014/15 and 2015/16. Monitor will also seek to understand the degree to which Trusts have started to plan for transformational changes to services.	4 April 2014
Phase 2	A five-year strategic plan	Monitor will focus on the robustness of the Trust's strategies to deliver high quality patient care on a sustainable basis and the degree to which the Trust has developed realistic transformational schemes and aligned these plans with the Local Health Economy	30 June 2014

Process used to develop the plan

The process used to develop the Trust's 5 year plan is made up of three main components:

- Development of priorities and plans with staff and other internal stakeholders
- Joint work with commissioners and Local Health Economy Partners to ensure alignment of strategic intentions
- Consultation with the Council of Governors, service users, carers, staff and members and the local community

The Trust Board has discussed an update on the planning process every month since November 2013. The Board also discussed the initial financial planning update at the January 2014 meeting. Additionally, the strategic planning process has been the key agenda item for the Board Development event in January March and May 2014.

NHS England have asked for Clinical Commissioning Groups to form "units of planning" with local health economy partners for developing joint commissioner strategic plans. The Trust is part of two local units of planning, as follows:

- Tower Hamlets, Newham and Waltham Forest (led by Tower Hamlets Clinical Commissioning Group)
- City & Hackney (led by City & Hackney Clinical Commissioning Group)

The Trust has engaged with commissioners through regular Mental Health Consortium and other key meetings.

Financial Assumptions 2016/17 – 2018/19

The long term plan for the Trust has become increasingly challenging. The pressure is compounded by the year on year 4% savings, 80% of the cost base pay related and income linked to block contract whereby additional activity is not reimbursed as is the case under a tariff system. With this in mind, the plan set out here displays continued financial sustainability, but as already stated the challenge is increasingly difficult.

NHS England and Monitor are now responsible for the NHS payment systems. In the published 2014/15 National Tariff Payment System they indicated that the nominal price adjustment (deflator) for acute services will be 1.5% and for non-acute services, 1.8%. This means all providers are expected to provide the same level of services, unless otherwise commissioned, at a lower cost than in the previous year. A further 1.0% deflator is expected in 2016/17, 0.6% in 2017/18 and 2018/19. These assumptions have been factored in for the purposes of income modelling.

Provision has been made for the additional costs that will arise from pay awards, pay increments and non-pay inflation. The pay provision for 2014/15 and 2015/16 is based upon the recently announced two year pay award, whereby staff will either receive an annual increment or a 1% unconsolidated payment. Provision has been included for a further 3% pay award in 2016/17, and 3.4% in 2017/18 and 2018/19. Specific non pay provision has been made in respect of drugs at 5% and 3% other generic non-pay costs. In 2017/18 and 2018/19 the generic inflation assumption is lifted to 3.4%.

Whilst the 5 year plan is based on a 4% CRES requirement year on year, the deflationary effect on income, combined with the inflationary assumptions around costs, has resulted in a diminishing surplus. Although the plan risk rating maintains a Continuity of Service Risk Rating of "4", the planned surplus in 2018/19 is almost at break-even level.

Down side assumptions and mitigations

As the CRES planning process becomes more difficult due to the scale of the financial challenge the Trust strategy looks towards growth and system redesign and away from cost containment and efficiencies alone. To this end the nature of the savings plans have, for the first time, included the generation of material levels of income from new business.

Further bids for services with CCGs in Luton (Adult Mental Health and CAMHS) and Bedfordshire (Adult Mental Health and CAMHS) are at a very early stage so have not been factored into the base plan or formed part of the mitigation. However, should the Trust be successful with one or both of these bids it would be expected that a positive contribution from the service would assist in meeting the overall financial challenge.

The downside planning assumptions for years 3-5 take the approach that these schemes will not be successful. Alongside this the remainder of the CRES plan assumes only a 70% delivery.

At this stage it is difficult to plan for mitigating CRES plans to counter the downside assumptions described above. Through further work with commissioners and as the financial assumptions become clearer it will be possible to develop more robust plans to mitigate the downside scenario planning as assumed here.

The downside assumptions would take the Trust into deficit £1.5m in 2017/18 and £3.3m by 2018/19. The plan does not assume that there will be any increase in income from local commissioners although the Trust is aware that they have announced that that they plan to improve mental health investment to at least that of the national London average. These figures have yet to be discussed or agreed so have not been factored into any modelling at this stage. Should these investments materialise they may assist in going some way towards mitigating the risks identified.

Therefore the mitigating factors included within the plan are based on cost containment that could be mobilised at pace but would not be of the scale to fully mitigate the downside scenarios assumed. Clearly further work will continue in this area both internally and with commissioner collaboration.

Despite the scale of transformation required to meet the financial targets that Trust has a strong track record in delivering its plan on an annual basis. Therefore, even against the challenges described here, the Trust remains positive that it will be able to continue to be able to deliver a sustainable financial position.

D. Trust strategic context

Vision, mission and values and strategic priorities

The Trust's vision, mission, values and strategic priorities are based on the core values of the NHS as a whole. They have been developed through feedback from staff as part of the Appreciative Inquiry project, consultation with the Council of Governors and recent learning from the Francis Inquiry. The Trust's values are also consistent with the values of our commissioners and Local Authority partners.

Vision

To be making a positive difference to people's lives

Mission

To provide the highest quality mental health and community care

Values

Our three core values are:

- **We care**
  Everyone is entitled to the highest quality care
- **We respect**
  Everyone should be treated with kindness and respect
- **We are inclusive**
  Everyone should have access to our services when they need them, and we actively seek suggestions from all on how we can improve

And the following values support us in achieving them:

- **We work together**
  Together with our service users, carers and partners we work as a team to promote the health, wellbeing and independence of the people we serve
- **We strive for continuous improvement**
  Our mission to deliver the highest quality services is a continuous process
- **We discover and share our knowledge**
  We encourage research and innovation to find new and better ways of treating people and keeping them healthy and well. We then share what we learn

The Trust has three main strategic priorities as a framework for delivery of its strategic and operational plans:

- Improving service user satisfaction
- Improving staff satisfaction
- Maintaining financial viability

The Trust's quality, clinical and financial strategies are summarised in this operational plan. They provide the basis for delivering the three strategic priorities, as follows:

Improving service user satisfaction – delivered through implementation of the Quality Improvement Strategy, the overall Clinical Strategy and specific service line strategies

Improving staff satisfaction - delivered through implementation of the Quality Improvement Strategy, the Clinical Workforce Strategy, and the underpinning Workforce and Organisational Development Strategies

Maintaining financial viability – delivered through implementation of the Financial and Investment Strategy, and ensuring continuous improvement in productivity and efficiency

Integrated Business Strategy

The Trust's Integrated Business Strategy is designed to provide the Board and the Trust with a high level summary of the Trust's strategic objectives across its key functions (Quality Improvement, Business, Finance, Operations, Organisational Development and Workforce), and ensure that these functions are aligned and working together towards the vision and mission of the Trust.

The overall objectives of the strategy directly support the Trust's three strategic objectives of improving service user satisfaction, improving staff satisfaction and maintaining financial viability. A summary of the main objectives of the key functions are set out below.

Quality Improvement Strategy
The overarching aim of the Quality Improvement Strategy is to ensure the delivery of the highest quality care which is based on values and evidence, utilises expert clinical skills appropriately, and is both effective and efficient, and therefore provides the best possible outcomes. More detail is set out in section I below.

Business Strategy
The overarching aim of the Business Strategy is to ensure that the Trust builds on its strengths and achievements and actively considers opportunities to expand its services to areas in which it can provide high quality care to service users and carers.

The Trust actively considers opportunities to expand our Forensic, adolescent inpatient unit, Mother and Baby inpatient service and Improving Access to Psychological Therapy services and should consider any potential opportunities to provide aspects of its core business in other geographical areas.

Research Strategy

The Trust's Research Strategy should maintain, and if possible widen, its focus and excellence in clinically relevant research which is linked to service and business development. The Trust should maintain and strengthen its collaboration with academic partners and potentially invest in research units that support the competitive profile of the Trust.

Financial Strategy
The Trust's key financial objective is to maintain the long term viability of the Trust and generate sufficient surplus to reinvest in capital schemes to support the Trust objectives of improving service user and staff satisfaction. More detail is set out in sections K and L below.

Organisational Development Strategy
The overall objective of the Organisational Development strategy is to ensure that the Trust continues to be a "clinically led, management supported" organisation that is able to learn and adapt based on changes to the internal and external environment.

The Trust's leadership development programmes should continue to develop strategic, commercial, quality improvement and change management skills, and to ensure that talent development and succession plans are in place. The Trust's Organisational Development and Learning and Development programmes should focus on the development of all teams (clinical and non-clinical) within the Trust. Support functions (Finance, HR, IT, governance etc.) should be developed together with clinical services to ensure that they support front-line clinicians in an integrated, reliable, flexible and supportive manner. Specific initiatives

should be delivered in order to improve capability in relation to quality improvement and change management.

Workforce Strategy

The overall objective of the workforce strategy is to support the Trust's strategic objectives by recruiting and developing the right staff, optimising skill mix and productivity, improving working lives and therefore delivering an engaged workforce.

The Trust should recruit a workforce that is able to meet the diverse needs of service users and carers, is reflective of the communities in which it operates, and provides the highest standards of customer service. The optimal numbers and skill mix of staff should be in place in order to deliver high quality services in line with the strategic objectives of the Trust, and local and national commissioners. Sufficient clinical capacity must be available to ensure that expert clinical skills are close to the service user and provide effective support to primary care.

The Trust is committed to support training and teaching of health professionals in collaboration with local academic partners. This will develop future staff in the Trust and elsewhere in the NHS and improve the quality of existing staff in different professional groups.

The Learning and Development Strategy focuses on reducing the burden of statutory and mandatory training; increasing the availability of training in relation to clinical skills and the delivery of therapeutic interventions; and providing the opportunity for team based development across all teams in the Trust.

E. Market analysis and context

This section sets out a detailed analysis of the external and internal factors that are likely to impact on the Trust over the course of the 5 Year strategy. The section includes the following:

- Healthcare needs assessment
- Capacity analysis
- Competitor analysis
- SWOT (Strengths, Weaknesses, Opportunities, Threats) assessment

Healthcare needs assessment

Local health needs assessment of the population ELFT serves to indicates significant health inequalities between East London and the rest of the country. The table below summarises the key components of the needs assessment, which is then explored in more detail.

	City and Hackney CCG	**Newham CCG**	**Tower Hamlets CCG**
Population	Hackney c. 260,700 City c. 8,000. The local authorities are anticipating a 5.4% growth between now and 2018.	c.330,600. The borough currently has the highest birth rate in London and is anticipating a c.7% population growth in the period 2014-18	c.277,900. The borough's population is expected to grow rapidly, projecting growth in excess of 8% for the period 2014-18
Age profile	Hackney has one of the lowest % of over 65s in London. City has a particularly small proportion of children. Adults over 65 constitute 7% of Hackney's population.	The borough has a larger than average proportion of children aged 10 and under and of adults aged 20-39. Newham has a below average proportion of adults aged 40 or over. Adults aged 65 and over make up only 6.7% of the population.	The borough has a larger than average proportion of adults aged 20-39. Only 7.6% of Tower Hamlet's population is aged 65 or over, compared to an 11.1% average in London.
Gender profile	Male: 51% Female: 49%	Male: 52% Female: 48%	Male: 49.6% Female: 50.4%
Ethnicity profile	47.2% White 22% Black 7.4% South Asian 8.9% Other 14.5% Not stated	29.8% White 15.9% Black African 11.6% Indian 10.7% Pakistani 10.6% Bangladeshi 6.6% Black Caribbean 5.3% Other 4.8% Other Asian 3.1% Other Black 1.6% Chinese	50% White >33% identified as Bangladeshi 59% of residents in the 0-20 range are Bangladeshi. 7% are Black, 3% Chinese, 2% Indian, and 4% Other.

	City and Hackney CCG	Newham CCG	Tower Hamlets CCG
Life expectancy	Hackney Male: 77.7 Years Female: 82.8 Years City Male: 83.8 Years Female: 88.6 years The life expectancy gap for Hackney: Male gap: 8.9 years Female gap: 12.2 years	Male: 76.2 Years Female 81.1 Years The life expectancy gap (between the most and least deprived wards of the borough) is narrowing for women but noted to be increasing for men. Male gap: 10.2 years Female gap: 10.6 years	Male: 75.3 Years Female: 80.4 Years Life expectancy gap (between the most and least deprived wards of the borough): Male gap: 11.2 years Female gap: 6.5 years
Deprivation	Hackney is the 2nd most deprived borough in England. All but 1 ward are in the top 10% most deprived wards in the country, and 11 wards are in the top 5% most deprived. Hackney unemployment rate is 11.5%.	Newham is recognised to be the third most deprived local authority area in England. All 20 wards are ranked in the 20% most deprived wards in the country, with 8 wards being in the 5% most deprived. The borough unemployment rate is 14.4% which is the highest in London.	Tower Hamlets has high socio-economic deprivation- 33% of families live on a household income of £20k or less, and overcrowding of homes is common. 16 out of 17 wards are in the 20% most deprived in the country. The borough unemployment rate is 12%.
Health needs/challenges	• High DSR mortality including CVD, respiratory illnesses and cancer. • High childhood obesity rates • Significant decrease in teenage pregnancy rates since 2009 • Low levels of physical activity despite young population • High mental health need • Mental health problems in the City of London workforce	• High rate of mortality related to smoking, although the percentage of smokers in the borough is average. • Has the highest DSR mortality rate for males in London; second highest for females. • Largest causes of mortality are cardiovascular diseases, cancer, and respiratory diseases. • High diabetes prevalence. • High child poverty, high child obesity. • High rates of teenage pregnancy. • Low levels of physical activity. • Significant levels of serious mental illness, reflected in rates of homelessness and substance abuse.	• High proportion of low birth weight babies compared to other London boroughs. • 1 in 4 children reported to be obese. • Largest causes of mortality are circulatory diseases, cancer, and chronic lung disease. • High (and increasing) diabetes prevalence. • High numbers of admissions due to mental health related causes. • High levels of long-term illness/ disability. • High smoking prevalence and mortality from smoking related illness. • High levels of problem drinking and problem drug use. • Low levels of exercise and healthy eating.
Stated strategic priorities	• Reduce premature mortality • Reduce emergency admissions • Transform primary care services • Safe, high quality hospital services • Address mental health need	• Primary Care development • Prevention • Long term care • Virtual wards • Urgent care	• Integrated services around individual needs • High quality health and social care services • A vibrant and stable health and social care system

	City and Hackney CCG	Newham CCG	Tower Hamlets CCG
Outlier areas- quality/outcomes and spend	Areas where the CCG has outlying spend (higher than average/area for potential saving): • Circulation problems • Cancer and tumours • Endocrine and metabolic systems • Mental health Areas where the local authrority has outlying quality outcomes (worse than average/area for potential improvement): • Circulation problems • Cancer and tumours • Respiratory system	Areas where the borough has outlying spend (higher than average/ area for potential saving): • Endocrine and metabolic systems • Circulation problems • Genitourinary systems • Maternity • Infectious diseases Areas where the borough has outlying quality outcomes (worse than average/ area for potential improvement): • Endocrine and metabolic systems • Circulation problems • Musculoskeletal • Maternity • Infectious diseases • Cancers and tumours Mental health	Areas where the borough has outlying spend (higher than average/ area for potential saving): • Endocrine and metabolic systems • Cancers and tumours • Genitourinary systems • Maternity • Neonates Areas where the borough has outlying quality outcomes (worse than average/ area for potential improvement): • Endocrine and metabolic systems • Musculoskeletal • Respiratory systems • Cancers and tumours
Total budget	TOTAL: £341	TOTAL: £362.6m, inclusive of: Acute: £208.9m Community Health Services: £41.9m Mental Health: £44,1m Prescribing: £37.9m	TOTAL: £340m, inclusive of: Acute: £164m CHS: £51m Mental Health: £42m Prescribing: £30m.
Number of GP practices and registered population	44 GP Practices (43 Hackney; 1 City) Registered population: 263,613	62 GP Practices Registered population: 360,995	36 GP Practices Registered population: 278,982

Population: East London City and Hackney

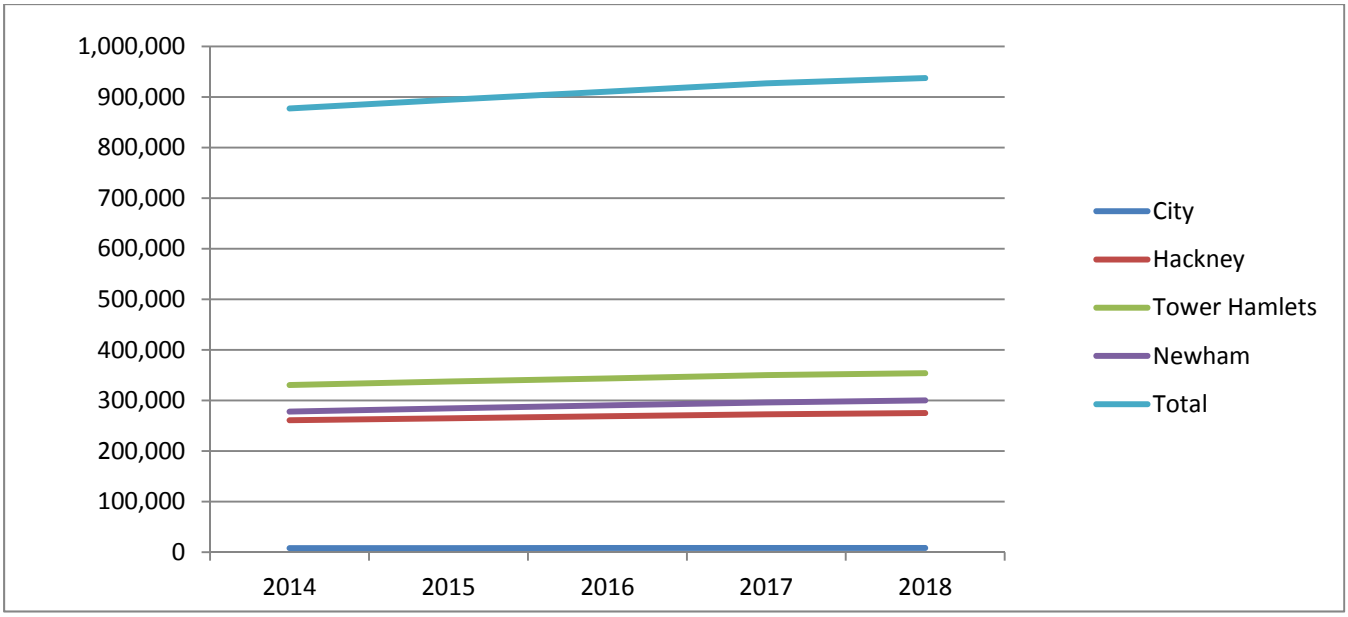
Table 1 summarises recent GLA estimates, the total resident population for East London and City in 2013 was 877, 200.

Table 1: Population

Borough	Estimates 2013
City	8,000
Tower Hamlets	277,900
Newham	330,600
Hackney	260,700
Total	**877, 200**

The population of all Boroughs is anticipated to grow considerably as highlighted in table below. All other factors remaining equal, this will increase demand for mental health and community services:

Table 2: GLA Population Projections 2013-18

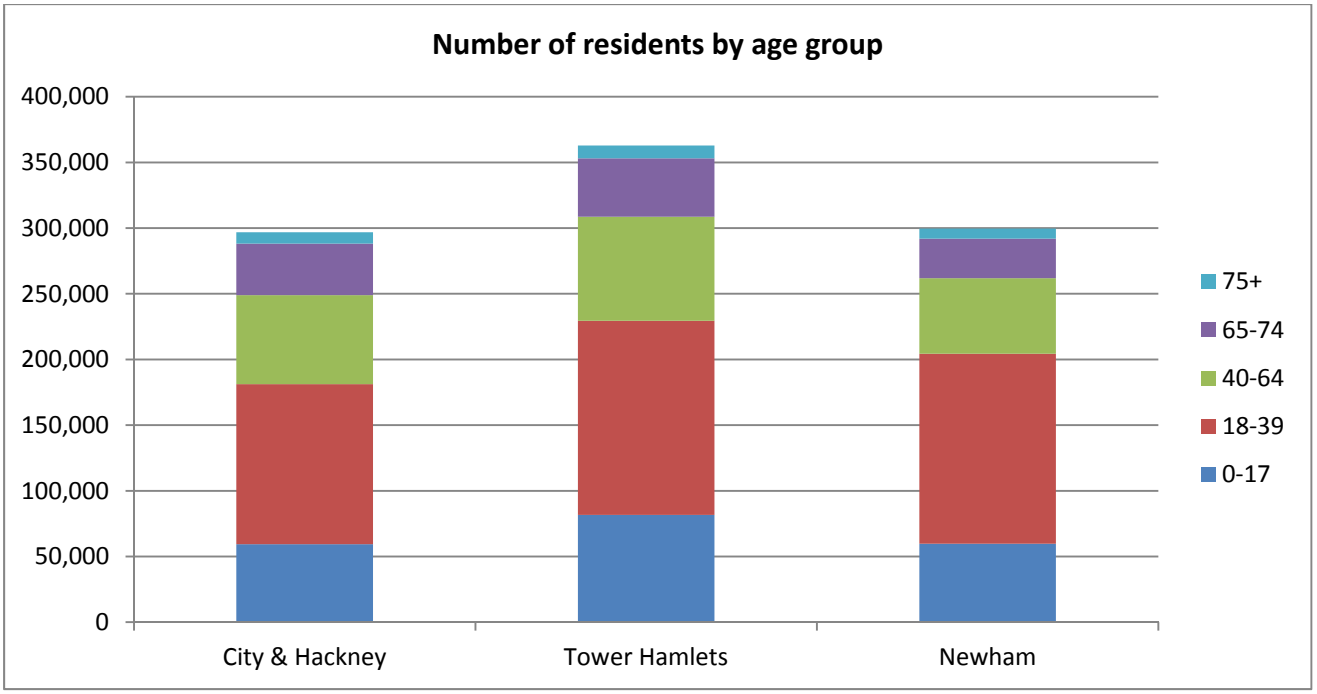


The overall population of East London and City is anticipated to grow from 877, 200 in 2013 to 937,300 by 2018 (an increase of 6.9%). The rate of estimated population growth varies across the Boroughs Based on the most recent GLA estimates, 8% growth is predicted between 2014 and 2018 in Tower Hamlets, 7% in Newham, 5% in City & Hackney.

- Most of this growth (and therefore demand for Trust services) will be in the 18-39 year and 40-64 year age groups
- Tower Hamlets and Newham will see the largest growth out of the three boroughs and therefore face the greatest increase in demand
- Tower Hamlets will become more ethnically diverse, with the white population predicted to reduce from 50% to 45%

Table 3 highlights that East London and City and Hackney has a very young population, particularly around 18-45. This has a number of implications for mental health services. Many of the severe mental illnesses such as schizophrenia and bipolar disorder first present in early adulthood. There will therefore be a disproportionately higher number of new diagnoses of these conditions, which will require significant service input to establish treatment. Although those over 65 are small in number in comparison to rest of London and England, their mental health needs are significant and potentially run the risk of being overlooked in the local health care provision.

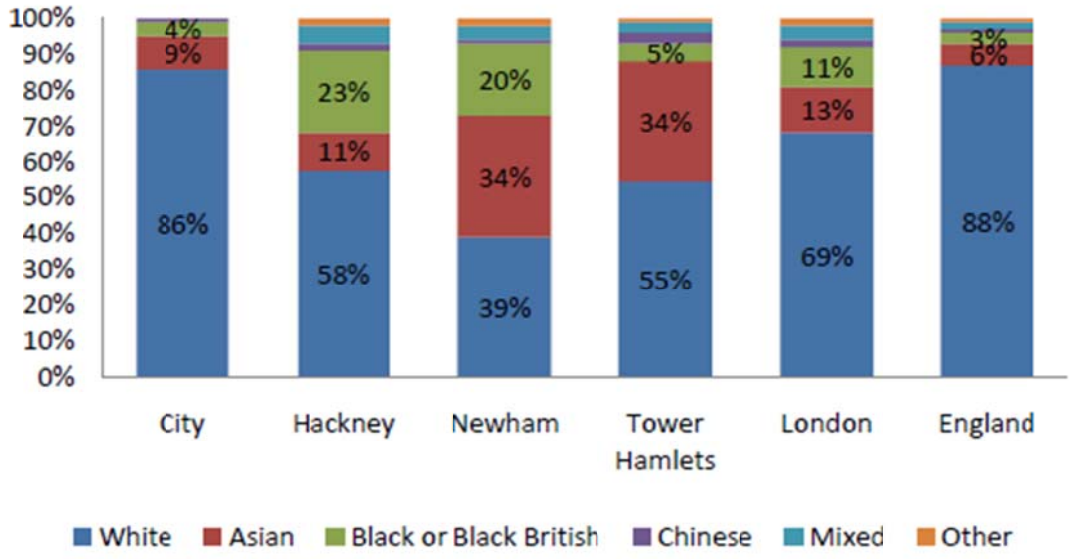
Table 3 : Source GLA 2013 Population Trends



The large working age population offer a substantial opportunity to improve mental health through the work-place, and similarly to prevent poor mental health that is triggered through workplace factors, such as stress. There may also be opportunities to develop services for the large commuter workforce in the City of London. However, amongst the working age population, levels of economic inactivity vary markedly across each Borough, with particularly high levels in Tower Hamlets. Consequently, there is a high proportion of children born into poverty. The region has some of the highest child poverty levels in the country and highest levels of deprivation in the country. The importance of early years in the development of ill health was illustrated in the recent Marmot Review. Its life course perspective demonstrated the cumulative effect of risk factors for poor health, including poor mental health, that are dominant at various points in the life course. Therefore health care commissioners and providers need to consider the holistic needs of service users in designing service models of care.

Table 4 below shows the ethnic breakdown of each local authority area and compares this to London and England. The City has a similar profile to England as a whole. The other boroughs are much more ethnically diverse, with BME communities making up 61% of the population of Newham. Hackney has a large Black population and Tower Hamlets and Newham have large Asian population (Bangladeshi, Pakistani and Indian). There is also high population churn and overall, people moving into Hackney, Newham and Tower Hamlets tend to be younger than people leaving. Hackney has a large migrant population. The needs of this population are diverse, reflecting not only the range of places and cultures that people come from but also their many different reasons for migration.

Table 4 : Source – Mental Health in East London & City- Sector Level Needs Assessment 2011



Mental Health Headlines

Headline health indicators indicate significant health inequalities between all local authorities, particularly in Newham, Hackney and Tower Hamlets and the rest of the country as well as substantial inequalities within the borough.

Suicide is a high level indicator of mental health need in a population. Suicides are rare among residents of the City of London. However, Tower Hamlets and Hackney have one of the highest in London. Newham has the 10th highest rate in London and recorded prevalence of serious mental illness in East London is higher than the national average reflecting factors such as homelessness and substance misuse.

Local CCG Clinical Effectiveness (CEG) data highlights that in 2012, Tower Hamlets had a significantly higher prevalence of serious mental illness, than Newham, and City and Hackney. People with SMI in the East London are at significantly higher risk of most cancers, heart disease, stroke, COPD and a range of other smoking-related conditions. By reducing smoking rates, these risks will decrease.

Research highlights that there are very high admission rates to secondary care services relative to other London boroughs. In addition there is variable provision of community mental health services compared to City and East London and other London boroughs [1]

Overall prevalence of dementia is lower than London due to the younger population in each borough. However, 7% of over 65s in Tower Hamlets and Newham are estimated to suffer from dementia and there is evidence of significant levels of underreporting or under-diagnosis in primary care.

High levels of deprivation are strongly linked to poor mental health. Tower hamlets, Newham and hackney are amongst the most deprived Boroughs in London.

Community Health Headlines

EFLTs Newham community health services also have significant health challenges:

• Newham has one of the highest rates of Type 2 Diabetes in England

• The overall rate of Sexually Transmitted Infection is above the average for London and more than twice the average for England.

[1] Cole,K (2011) Mental Health in East London and the City - A Sector-Level Health Needs Assessment#

• Newham has high HIV prevalence. There was a 3% increase in the number of Newham residents diagnosed with HIV between 2009 and 2010. The main group affected in Newham is black African heterosexuals. Heterosexual people are more often diagnosed late (43%) than men who have sex with men (15%)

• Newham has the highest Tuberculosis (TB) rate in England. There was a 25% increase in TB notifications in Newham in 2011 compared to 2010.

Measures of health needs

There have been several attempts to create a combined measure of mental health as highlighted in the table below. Two measures are specific to mental health needs: MINI and LIN. The table below presents data regarding the national rank (or total score against national average) of the four most commonly used indicators. A consistent message across all measures is that East London boroughs are amongst the most deprived in the UK.

Source Tulloch & Priebe, 2010[2]:

Ranked scores of needs and deprivation in the sector (1 being the most deprived)

	UPA	York Index	PNI	MINI	IMD	LIN
City	33	-3	2	21	253	*1
Hackney	2	-3	2	8	1	*1
Newham	4	-3	4	12	2	4
Tower Hamlets	1	-3	1	5	3	8

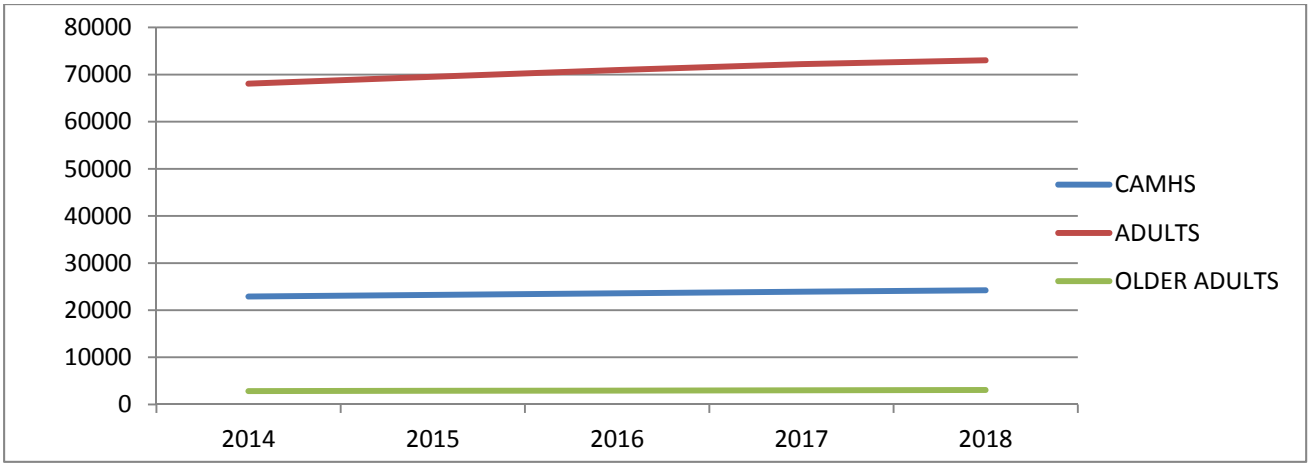
Mental Health Prevalence: Demand Projection 2014-18

Data regarding mental health prevalence rates have been derived from the British Psychiatric Morbidity Study (Singleton et al, 2007)[3]. There is significant research indicating levels of mental ill health in East London to be significantly higher than the national average. For example, the AESOP study (Kirkbride et al., World Psych, 2006) suggest that the rates of psychosis are twice as high in London as they are in other British cities (Nottingham and Bristol). This estimation would therefore double the projected numbers highlighted below in table 5. Full details of this demand projection using GLA population trends have also been provided in table 6.

Table 5: Mental health demand projection 2014-18

2. Tullock, S, Preibe, S (2010) '*Population-based indices for the funding of mental health care: a review and implications*', Journal of Public Mental Health vol 9, issue 2

3. Singleton et al,(2007), '*Adult psychiatric morbidity in England, 2007 - Results of a household survey*', The information Centre for health and social care



	CAMHS	ADULT	OLDER ADULT	TOTAL
2014	200,741	618,700	57,700	877,141
2018	212,305	663,900	62,200	938,405
Total increase in population	11,564	45,200	4,500	61,264
2014 (all disorders)	22,884	68,057	2,827	93,768
2018 (all disorders)	24,202	73,029	3,048	100,279
Total increase in Mental Illness	1318	4972	221	6,511

The majority of projected growth in SMI cases is across the 18-39 and 40-64 (working adult population) year categories due to the young population in East London and the City. The numbers of older people with SMI are expected to grow slowly and but their needs are complex and are likely to place significant burden on resources. There is the danger of this age group being overlooked if health services are orientated towards the majority younger population. There is also recognition that there is under-diagnosis of mental illness in East London, for example because there are barriers to access of healthcare, preventing patients being diagnosed and therefore mask the true potential demand on services in the future.

Community mental health services have an established role in the mental health service system. A lack of appropriate, timely or accessible community services could lead to a greater use of inpatient services or many service users not receiving the support they require. Research shows that there is a lower provision of community mental health services in City & Hackney and Newham compared to London and a higher provision in Tower Hamlets (Cole, 2011). Given the high levels of mental health problems described earlier, this demonstrates an opportunity to improve community services in City & Hackney and Newham to reduce inpatient admissions, which have also been shown to be amongst the highest in London through greater provision of integrated care and joint strategic working with other care providers.

Table 6: Mental health prevalence based demand projection

CAMHS

Borough	City					Hackney					Newham					Tower Hamlets				
Year	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
Total Population	8,000	8,100	8,200	8,200	8,200	260,700	264,700	268,600	272,400	275,100	330,600	337,400	343,300	350,200	354,000	277,900	284,300	290,400	296,100	300,000
CAMHS Population	741	782	823	864	905	58,600	59,100	59,700	60,300	60,800	81,700	82,800	83,900	85,100	86,100	59,700	60,900	62,200	63,400	64,500
Conduct Disorders	37	39	41	43	45	2930	2955	2985	3015	3040	4085	4140	4195	4255	4305	2985	3045	3110	3170	3225
			Increase of 8					Increase of 110					Increase of 220					Increase of 240		
Emotional Disorders	33	34	36	38	40	2578	2600	2627	2653	2675	3595	3643	3692	3744	3788	2627	2680	2737	2790	2838
			Increase of 7					Increase of 97					Increase of 193					Increase of 211		
Hyperkinetic Disorders	7	8	8	9	9	586	591	597	603	608	817	828	839	851	861	597	609	622	634	645
			Increase of 2					Increase of 22					Increase of 44					Increase of 48		
Less Common Disorders	7	8	8	9	9	586	591	597	603	608	817	828	839	851	861	597	609	622	634	645
			Increase of 2					Increase of 22					Increase of 44					Increase of 48		
Total Increase over 5 years			***19***					***251***					***501***					***547***		

Working Adult

Borough	City					Hackney					Newham					Tower Hamlets				
Year	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
Total Population	8,000	8,100	8,200	8,200	8,200	260,700	264,700	268,600	272,400	275,100	330,600	337,400	343,300	350,200	354,000	277,900	284,300	290,400	296,100	300,000
Adult Working Population	6100	6100	6200	6200	6200	183,500	186,500	189,600	192,400	194,200	226,900	232,200	237,200	241,700	244,900	202,200	207,300	211,900	216,100	218,600
Psychotic Disorders (0.5%)	31	31	31	31	31	918	933	948	962	971	1135	1161	1186	1209	1225	1011	1037	1060	1081	1093
								Increase of 53					Increase of 90					Increase of 82		
Personality Disorder	268	268	273	273	273	8074	8206	8342	8466	8545	9984	10217	10437	10635	10776	8897	9121	9324	9508	9618
			Increase of 5					Increase of 471					Increase of 792					Increase of 721		
Major Depression	128	128	130	130	130	3854	3917	3982	4040	4078	4765	4876	4981	5075	5143	4246	4353	4450	4538	4591
			Increase of 2					Increase of 224					Increase of 378					Increase of 345		
Drug Dependency	244	244	248	248	248	7340	7460	7584	7696	7768	9076	9288	9488	9663	9796	8088	8292	8476	8644	8744
			Increase of 4					Increase 428					Increase of 720					Increase of 656		
Total Increase over 5 years			***9***					***1,176***					***1,980***					***1804***		

Older Adult

Borough	City					Hackney					Newham					Tower Hamlets				
Year	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
Total Population	8,000	8,100	8,200	8,200	8,200	260,700	264,700	268,600	272,400	275,100	330,600	337,400	343,300	350,200	354,000	277,900	284,300	290,400	296,100	300,000
Older Adults Population	1,200	1,200	1,300	1,300	1,300	18,600	19,000	19,400	19,700	20,100	21,900	22,400	22,800	23,400	23,900	15,000	16,100	16,300	16,600	16,900
Psychotic Disorder	6	6	7	7	7	93	95	97	99	101	110	112	114	117	120	80	81	82	83	85
			Increase of 1					Increase of 8					Increase of 10					Increase of 5		
Dementia	53	53	57	57	57	818	836	854	867	884	964	986	1003	1030	1052	704	708	717	730	744
			Increase of 4					Increase of 66					Increase of 88					Increase of 40		
Total Increase over 5 years			***5***					***74***					***98***					***45***		

Activity Based Projections

The Trust has carried out a review of current activity and taken into account GLA population growth assumptions to make a crude forecast of future activity trends across all services including Community Health Services Newham. This highlighted in table 7 below.

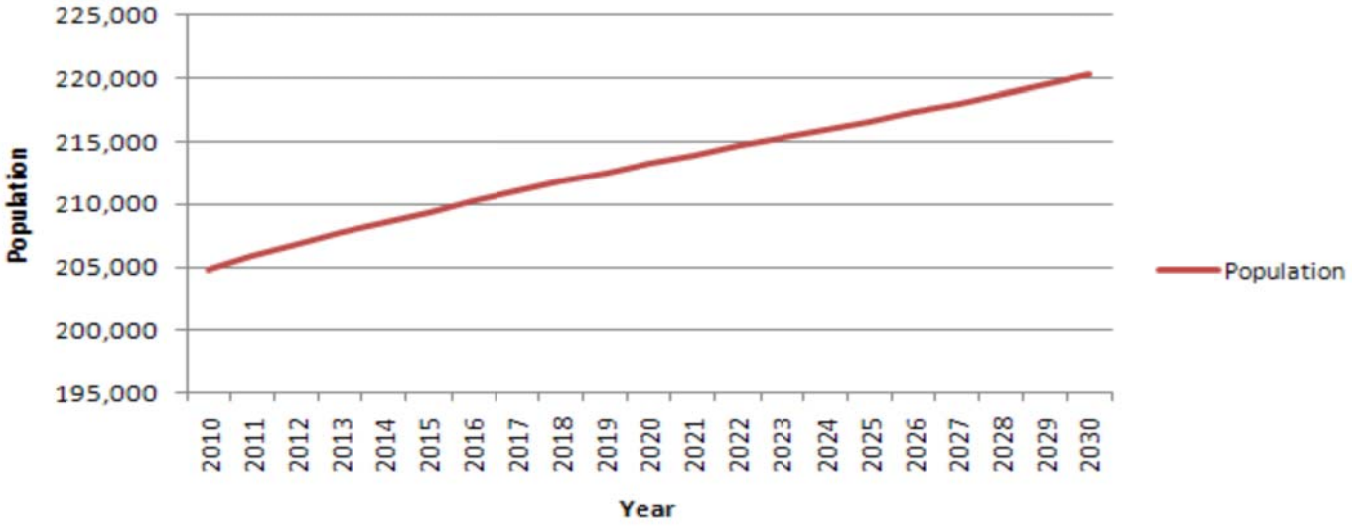
It is anticipated that if all variables remain equal, activity across all boroughs and services is likely to increase between 6-8% in the next 5 years as highlighted below.

Table 7: Activity based Demand projection

Distinct Face to Face RiO Contacts by Directorate and Year											
Row Labels	2010	2011	2012	2013	Grand Total		Population 2014	Expected Contacts Per 100,000	Population 2018	Expected Contacts Per 100,000	% change
CAMHS City and Hackney	5	155	1150	1265	2575		268,200	472	283300	498	6%
CAMHS New Newham	36	475	1805	1821	4137		330,600	551	354000	590	7%
CAMHS Tower Hamlets	65	388	1806	2036	4295		277,900	733	300000	791	8%
City and Hackney Adult Mental Health	6246	6303	6262	6489	25300		268,200	2419	283,300	2556	6%
Community Health Newham			37684	43038	80722		330,600	13018	350000	13782	6%
MHCOP CH	908	952	1105	1156	4121		268,200	431	283300	455	6%
MHCOP NH	1333	1423	1588	1816	6160		330,600	549	354000	588	7%
MH COP TH	981	1097	1351	1536	4965		277,900	553	300000	597	8%
Newham Adult Mental Health	5283	6016	6239	6159	23697		330,600	1863	354000	1995	7%
Tower Hamlets Adult Mental Health	6122	6289	6189	5943	24543		277,900	2139	300000	2309	8%
Grand Total	**21676**	**23644**	**65667**	**72077**	**183068**						
*Community Health Newham was not reliably recording on RiO prior to 2012.											
*Non RiO recording services not included											
*CAMHS did you use RiO as Primary System 2010/2011											
Mental Health Admissions											
Row Labels	**2010**	**2011**	**2012**	**2013**	**Grand Total**						
CAMHS	76	73	84	103	336		330,600	31	350000	33	6%
City and Hackney Adult Mental Health	1044	1141	1196	1028	4409		268,200	383	283300	405	6%
Forensic	57	63	70	70	260		330,602	21	350002	22	6%
MHCOP	286	282	282	274	1124		330,603	83	350003	88	6%
Newham Adult Mental Health	992	995	1070	1322	4379		330,600	400	354000	428	7%
Tower Hamlets Adult Mental Health	684	712	796	760	2952		277,900	273	300000	295	8%
Grand Total	**3139**	**3266**	**3498**	**3557**	**13460**		330,606	1076	350006	1139	6%
Community Health Admissions											
	2012	**2013**	**Grand Total**								
Community Health Newham	241	61	302				330,606	18	354000	20	7%
*Community Health Newham was not reliably recording on RiO prior to 2012.											

Luton

Table 9: Population (Source: Luton Borough Council)



Luton Borough population is estimated to be around 203,000. It has similar demographics to East London in that Luton has a younger population than that of England and the Eastern region. The 0-15 age group account for 22% of the Luton population compared with 19% regionally and nationally. The 16-64 age group account for 66% of the Luton population compared with 65% in the UK and 64% in the eastern region. The over 65 age group represents 12% of the Luton population compared with 19% nationally and 18% regionally. The school age and retired populations in Luton are both projected to increase substantially which will put pressure on the resources for these two groups.

- The population of Luton is projected to rise from 204,750 in 2010 to 220,350 in 2030, an increase of 8 per cent.
- The amount of 5-15 year olds is projected to rise from 31,700 in 2010 to 36,700 in 2020, an increase of 16 per cent in a decade.
- The amount of older people (65+) is projected to rise from 28,000 in 2010 to 35,550 in 2030, an increase of 27 per cent.
- The pre-school and working age populations will be more stable.
- The Pakistani and Bangladeshi populations are expected to increase.

The town is ethnically diverse, with approximately 35% of the population being of Black and Minority Ethnic (BME) origin, with significant numbers of Pakistani, Bangladeshi, Indian and African Caribbean communities. A recent pupil level school census showed that 51 per cent of children (aged 0-15) are of BME origin and 64 per cent of non-White British origin. In Luton, 38 per cent of secondary level pupils" first language is not English according to the school census data. This is substantially higher than the national and regional average and higher than Luton's comparator group. In recent years the diversity of the population has increased with a growth in foreign students coming to the University of Bedfordshire and arrivals from newly EU acceded A8 countries of Eastern Europe. Since May 2004, there have been new communities of Congolese, Somali, Ghanaians, Nigerians, Turkish and Zimbabweans in Luton.

Luton Heath Headlines

- The prevalence of mental health disorders in Luton's children and young people is estimated to be 25% higher than the national average.
- Over 50,000 people in Luton will suffer from a mental illness at some time in their lives
- There are estimated to be over 37,000 people currently living in Luton with some form of long term condition. This is almost a fifth of the population.
- Black and Minority Ethnic (BME) groups, representing 40.6% of Luton's population, are up to six times more likely to develop Type 2 diabetes than the White European population
- Income deprivation, unemployment, poor health and poor housing are all associated with increased risk of mental illness. Luton is ranked as the 69th most deprived of 326 local authority areas, just outside the bottom 20% in England
- Analysis of service use by ethnic group suggests that 'non-white' groups are accessing services in lower numbers than expected
- The number of older people (65+) in Luton is expected to rise from 28,000 in 2010 to 35,550 in 2030, an increase of 27%. The older people are, the more likely they are to have a long term condition.
- Approximately 1,700 patients are likely to have dementia in Luton, however only a third of these patients have been diagnosed.
- Black and Minority Ethnic (BME) groups, representing 40.6% of Luton"s population, are up to six times more likely to develop Type 2 diabetes than the White European population (having diabetes increases the risk of developing other cardiovascular disease).
- Due to high levels of ethnicity, the prevalence rates of heart disease, stroke and diabetes are higher than the national average
- The gap in life expectancy for males is mainly due to coronary heart disease (CHD) and stroke. For females the main diseases contributing to the gap are CHD, respiratory disease and cancer

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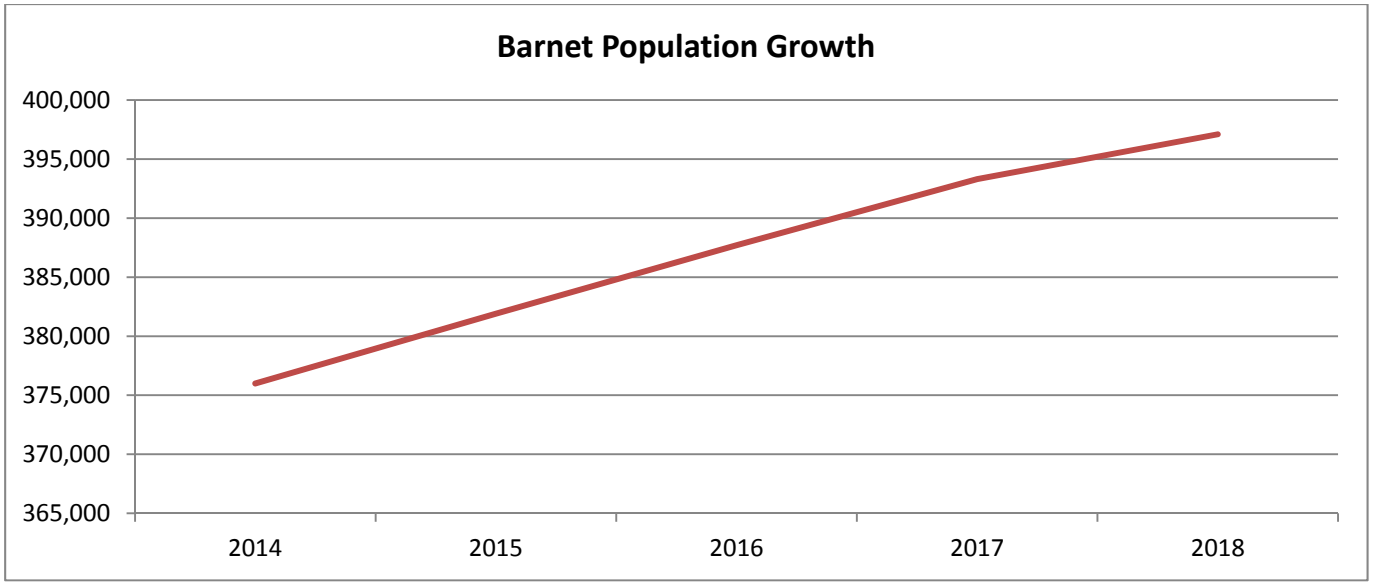
Barnet

Table 10: Population (Source: GLA 2013)



The London Borough of Barnet has a population of approximately 376, 000. The local population has been growing consistently over the last ten years and is expected to increase by a further 5.6% between 2014 and 2018.

Barnet, like the rest of London, has been experiencing a prolonged flow of in-migration, both from overseas and from other parts of the country – which is forecast to continue over the coming decade. Between 2011 and 2016, the age profile of Barnet is forecast to develop in the following ways:

- Significant increase in 5-14 year olds (+6,600). This includes 23 per cent more 5-9 year olds projected by 2016. This young cohort is the fastest growing group in the borough.
- General decline in 30-34 years olds (-1,000, 3 per cent) and slower growth in 25-29 year olds (600, 2 per cent).
- Sizeable growth in 40-59 year olds, especially 40-45 (+2,200, 8 per cent) and 50-54 (2,400, 11 per cent) cohorts.
- Sizeable growth in 65-69 year olds (+2,100, 18 per cent) and proportionally significant growth in 90 plus cohort (17 per cent).

Barnet's population is growing increasingly diverse, especially in the under 19 age group; the attitudes, ethnicity and culture of Barnet are now more reflective of London than previously. Over the next five years, the local non-White population is projected to increase from 33.1% to35.0% of the total populace.

- Barnet's fastest growing ethnic group is Other (a classification with includes Iranians, Afghans, and Arab peoples) with 19% growth (+4,400 people) over five years against an average growth rate of 5.5%.
- Although numerically smaller, the Black Other community is experiencing the second fastest proportional growth, with 15.1% (1,000) more Black Other Barnet residents expected by 2016.

- Barnet's largest ethnic group, the Indian community, will remain the most populous BME group over the coming half decade, but growth is slower than other groups at just 4.9% (1,600 people).

The rise in local diversity is being driven by births in BME community – almost half of all 0-4 year olds (49.7%) are BME. Amongst Barnet resident pupils whose first language is not English, the most common languages spoken are Gujarati, Persian-Farsi, Somali, Arabic and Polish.5

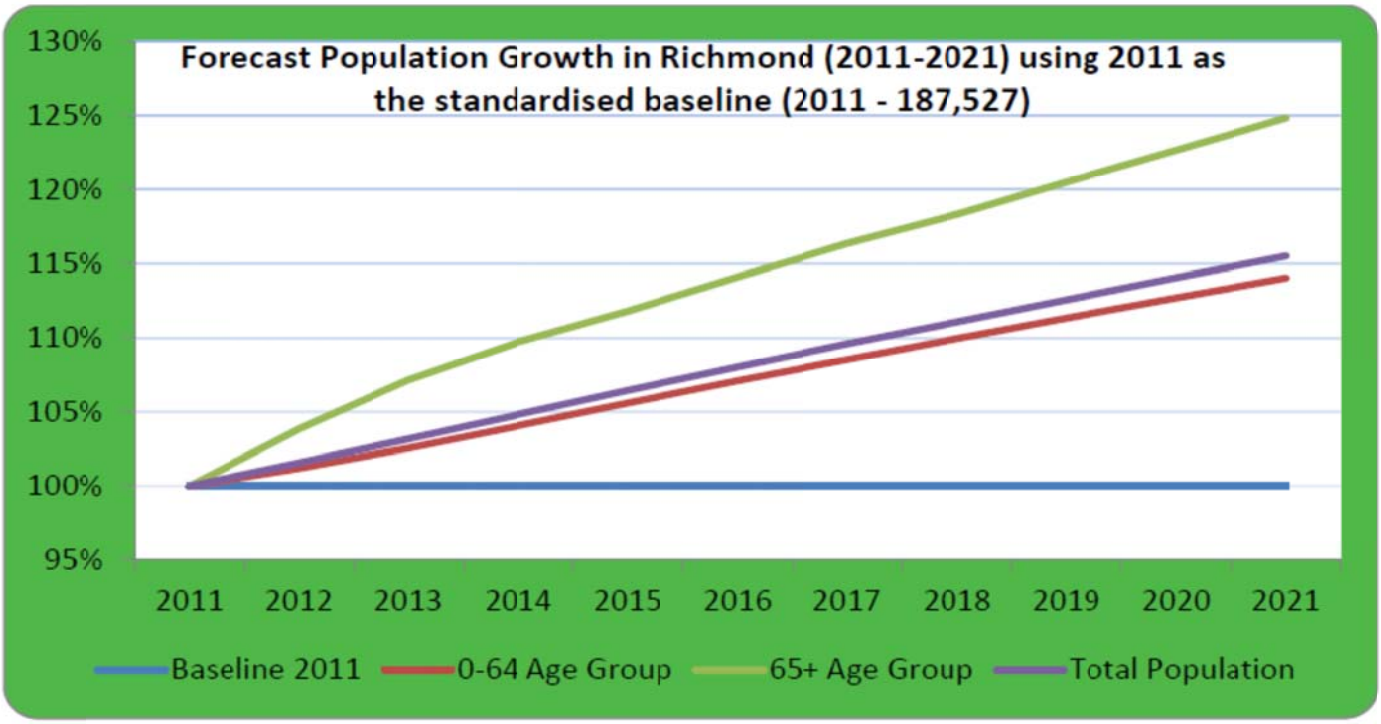
Barnet Health Headlines

The health of the people in Barnet is better compared with the England average. However it is mixed across the borough. Overall Barnet appears relatively low in terms of prevalence of severe mental illness. The MINI2K indicates a ten per cent lower need for inpatient services for schizophrenia in Barnet compared to the England average, and around a 60% lower need than across London. In addition, the age standardised admission rate for schizophrenia, schizotypal and delusional disorders is 32.3 per 100,000 in Barnet, compared to a rate of 80 per 100,000 for London. However, what these figures disguise is the variation in need and prevalence across the borough. Life expectancy is 7.1 years lower for men and 5 years lower for women in the most deprived areas of Barnet (Burnt Oak) than in the least deprived (Garden Suburb).

During 2009-10, there were almost 23,000 residents suffering from depression recorded on local GP lists. Even taking death from suicide into account, people suffering from poor mental health tend to have poor physical health and die young. Poor mental health is also associated with personal and social problems, such as someone's ability to go to work and stay in employment. In Barnet, almost half of all Incapacity Benefit claimants are receiving benefit due to mental health issues (4,040 people).

Richmond

Table 11: Population (source: Richmond Council)



The London Borough of Richmond has a population of approximately 189,145. The population in Richmond is forecasted to rise over the next 7 years, with the over 65s increasing at nearly double the rate of the rest of the population. This difference brings with it increasing challenges as it uses a disproportionate amount of resource to those aged 64 and under. The population is expected to grow by almost 15,000 (8%) between 2013 and 2018 with an increase of approximately 3,000 each year. The increase in those aged 0-4 is expected to be 480 (3%) and the increase in those aged 65+ is expected to be 2,800 (10%). The greatest increase in numbers is expected for those aged 70-74 years (2,200 [38%]), 5-14 years (3,600 [16%]), and 50-59 years (3,600 [15%]).

The number of live births was approximately 2,900 to 3,000 per year between 2007 and 2011 – a year on year increase of approximately 20 births. The Census based projections for 2013 to 2019 expect that births will remain static at approximately 3,000 per year, however, the Greater London Authority projections predict births will decrease by about 50 each year.

Richmond borough is one of the most affluent areas in the country. It is the least deprived borough within London. In 2010, 12.7% of the Richmond borough population was aged 65 years and above. This was the second highest older population (as a proportion of the total population) across the SW London boroughs. Richmond had the highest proportion of population 75 years and above (7%).

The Richmond borough black and ethnic minority population comprises 11.5% of the total population. This is similar to the national average but substantially lower than London (35%). People of Indian origin are the largest ethnic minority group (2.5%). A further 12% have a non-white British background.

Richmond Health Headlines

Relatively higher levels of affluence in Richmond, coupled with high levels of social cohesion, explain in part the positive ranking of Richmond against more deprived areas on a number of indicators of mental health. Nevertheless the absolute scale of mental health problems in Richmond is considerable and increasing. Furthermore there are marked variations within the borough of Richmond, with clear geographical pockets of deprivation, and groups that are at higher risk of experiencing poor mental health.

Common mental disorders (such as depression and anxiety) are the most prevalent mental health conditions. An estimated 20,000 people in Richmond have a common mental disorder. About 50% of those with common mental health problems may require some form of treatment. Primary care is the principal setting for the management of these conditions. Management should include access to psychological therapies.

Around 1,500 people are estimated to have some form of severe mental illness. Co-morbidity among psychiatric conditions is also high. Dual diagnosis of substance misuse and psychiatric illness is frequent. The number of older people with dementia in Richmond is projected to increase from around 2,000 individuals in 2012 to 2,300 in 2020 – an increase of 18%. Two thirds are likely to live in the community, and cared for by family and mainstream primary and social services. The remaining third are likely to be living in care homes (probably with more advanced illness). Levels of depression and dementia are the most significant mental health conditions among older people. An estimated 3,000 older people have some level of depression. This number is expected to increase significantly over the decade.

Capacity analysis

The Trust has invested in capital programmes over a number of years and has a relatively high quality estate. The Trust already has capacity in its Forensic Services to provide additional beds for commissioners.

The Trust has successfully managed bed occupancy levels in adult services for some time, and has a shorter average length of stay than peers. As such, the Trust is in a position to rationalise the inpatient ward estate over the course of this plan.

The Trust has one of the lowest staff vacancy rates in London (6.9%), and is successful in attracting high quality staff. The Trust has detailed plans to recruit health visitors in order to meet national targets.

Competitor analysis

Direct and Indirect Competitor Analysis

The Trust has identified a number of direct and indirect competitors in the market as highlighted in table 12. The table includes NHS organisations, social enterprises/third sector and private sector providers and summarises the scope of services offered by each provider.

Table 12: Direct and indirect competitors in the market

	Direct Competitors									Indirect Competitors														
	East London NHS FT	Barnet, Enfield & Haringey	North East London NHS FT	South West London & St Georges Mental Health NHS Trust	Central and North West London NHS FT	Odeas NHS FT	Camden & Islington NHS FT	West London Mental Health Trust	South London & Maudsley Mental Health Trust	Serco	Cygnet	Partnership in Care	Priory Group	Care UK	Huntercombe	Turning Point	Rethink	Mental Health Matters	St Andrews	Mind	Central London Community Health	Virgin	Optum (United Health UK)
Children Services/CAMHS	●	●	●	●	●	●		●	●		●		●	●					●			●	
AMH Inpatient	●	●	●	●	●	●	●	●	●		●	●	●	●					●				
AMH primary care	●	●	●	●	●	●	●	●	●		●		●	●		●	●	●	●	●	●		
Forensic	●	●	●	●	●	●	●	●	●	●	●	●	●	●		●			●			●	
LD	●	●	●	●	●	●	●	●	●			●	●	●		●			●		●		
Substance Misuse	●	●	●	●	●	●	●	●	●		●		●			●							
Older People	●	●	●	●	●	●	●	●	●		●		●	●					●				
Neuro, memory and related	●	●	●		●	●		●	●			●	●		●				●				
Community services	●	●	●		●	●																●	
Childrens Community/School Nursing	●	●	●		●	●															●	●	
Palliative Care	●	●	●		●	●															●	●	
Diabetes	●	●	●		●	●															●	●	
Continence	●	●			●	●															●		
Podiatry	●	●	●		●	●															●		
Dietetics	●	●	●		●	●															●		
Urgent Care	●	●				●															●		
Physiotherapy	●	●	●		●	●															●	●	
Speech and Language	●	●	●		●	●															●	●	
Coronary Heart Disease	●	●	●		●	●															●		
GP services/walkin in services	●		●			●																●	
IAPT services	●	●		●	●		●	●															
Mother and Baby Unit	●			●	●																		
Acute Services																							●

A review of the relative competitiveness of each provider has been carried out using a competitor assessment framework based on 5 key domains; CQC compliance, financial performance (where available), reputation (based on CQC patient surveys 2013 – where available), capability and resource (scope of expertise), and relationship with commissioners.

Table 13: Competitor Assessment Framework

The findings of the competitor assessment highlights seven 'highly' competitive organisations and six 'medium' competitive organisations. Five out of the seven highly competitive organisations are direct competitors of the Trust and will be analysed separately in more detail in the next section (South West London & St Georges Mental Health Trust, Central North West London, South London and Maudsley, West London Mental Health Trust). A brief review of the remaining 'high' and 'medium' indirect competitors is provided below.

High Competitors

Virgin Health Care Group – Virgin has been increasing its scope of services in the past of few years and now has services which include;

- Primary care
- urgent care
- outpatient services
- diagnostics and day case procedures outside of hospitals in a community setting
- CAMHS services in Dorset
- Community services in Sussex
- Prison Healthcare

In March 2012, Virgin successfully won a tender for Dorset CAMHS service. June 2012, Virgin Care was selected as preferred bidder by NHS Sussex for a contract to provide a new community musculoskeletal service in Hastings and Rother. In March 2012, Virgin Care signed a contract with NHS Surrey to deliver community services across much of the county from 2012 to 2017. The £500 million contract covers community health services in South West and North West Surrey, as well as some provided county-wide services such as prison healthcare and sexual health services.. Local intelligence suggests that Virgin is keen to grow its market share of mental health services in the next 5 years.

Central London Community Health **(CLCH)** – CLCH is one of the largest community Trust's in London and in 2011 signed a £25 million, three year contract to provide prison healthcare services to HMP Wormwood Scrubs, following a competitive tender process. The trust has been commissioned by Inner North West London PCTs to provide a full range of primary care services to the prison's 1,300 inmates. It has a strong partnership arrangement with CNWL who are providing secondary mental health and substance misuse services as part of the contract. Further strengthening of this partnership is a likely possibility. The Chief Executive, James Riley, announced in December 2014 that he will be a part of the London Health Commission - an independent inquiry set up to review healthcare in the capital. This presents the Trust with an opportunity to influence the future commissioning of healthcare in London and integration agenda of services in the capital.

Medium Competitors

Optum (United Health UK) - formerly UnitedHealth UK, has been working with Thames Valley and Wessex NHS Clinical Commissioning Groups (formerly South Central commissioners) since March 2009 to commission activity referred to 17 London healthcare Providers. The new contract, which covers approximately £50m per annum of acute activity, was gained through a formal tender process when the initial contract ended in 2014. Optum's plan for the next three years of service is to continue to identify and help address pressure points in commissioning, further redesigning pathways and bringing international best practice in technology, analytics and contracting to support the NHS. Optum business strategy is focused on winning business as "lead provider" and subcontracting activity to providers in a competitive manner. This strategically positions Optum to have significant

influence on the health market. Although they have been largely focused in the acute sector, lead contractor commissioning frameworks are becoming more popular with commissioners and there is the possibility that Optum will seek to exploit this and to grow its market to include being a lead contractor/commissioner for mental health services.

St Andrews - St Andrew's Healthcare is a charity with a strong reputation for quality of care built up over 175 years. It has teaching hospital across four sites in the UK, and its specialist services include mental health, learning disability, autism and brain injury. St Andrew's has tripled in size since the late 1990's, with £200m invested in new facilities. With over 1000 in-patient places, the charity has the UK's leading national secure facilities for adolescents and young adults, women, men and elders, in addition to community services. It has regional services in Northampton, Essex, Birmingham and Nottinghamshire, making St Andrew's by far the largest provider of NHS care in the charity sector. St Andrew's provides services to the wider community in a variety of ways; through its vocational services, in-reach in prisons and young offender institutes and its dedicated consultancy services and in the next few years it intends to grow in this business area. Currently its Essex services have been given a formal improvement notice by the CQC highlighting a lack of compliance with 4 out of 5 key standards.

Care UK - The organisation is one of the largest independent sector healthcare providers and works in close partnership with NHS organisations nationally to deliver more than 50 different services including:

- Treatment centres,
- Primary care services
- Diagnostic facilities
- Residential care
- Specialist care – complex care & recovery, low secure, self-harm and eating disorder services.

Cygnet - Cygnet Health Care provides integrated services to individuals suffering from a wide range of psychiatric illnesses and disabilities across primary and secondary care. Over the years they have developed a wide range of services to address the specific needs of service users creating pathways to allow individuals to move towards their recovery. Cygnet operates 17 centres with more than 730 beds. Services provided include secure services (Medium, Low), learning disabilities, autism, acute inpatient mental health services and adolescent mental health services.

On the 1st April 2014 Cygnet was granted a license with Monitor highlighting its strong track record in service delivery. In addition, Cygnet Hospital Bierley's female PICU service, has recently achieved success with gaining the Accreditation of Inpatient Mental Health Services (AIMS) - an initiative linked to the Royal College of Psychiatrists and the College Centre for Quality and Improvement. The provider is fully compliant with CQC regulations and is going from strength to strength in terms of reputation, quality and performance.

Priory Group - The Group currently treats more than 70 different conditions through a nationwide network of over 275 facilities that support service user's health, care, education and specialised needs and include:

- Complex care and neuro-rehabilitation facilities
- Mental healthcare hospitals and clinics
- Medium and low secure facilities
- Specialist schools and colleges

- Supported residential facilities and homes
- Care homes for older people

The Priory group have a good reputation and capability in providing mental health services. The Priory has been strategically partnering with key direct competitors of the Trust to increase market share of mental services in London. In 2013, it was shortlisted along with South London and Maudsley to provide secondary mental health services in Bristol. There is a clear appetite within the Group to expand its portfolio of mental health services nationally.

London Direct Competitor Analysis

In June 2013, East London Foundation Trust commissioned McKinseys to undertake a benchmarking exercise with comparable peers who are direct competitors. The Trust's performance was benchmarked with comparable peers based on publicly available datasets along 4 dimensions: quality, workforce, operation and finance as highlighted below.

Table 14: Benchmarking direct competitors in London

Trust Name	FT	MSU	CHS	Trust Income £m	Total Beds
East London NHS Foundation Trust	✓	✓	✓	**258**	**686**
Barnet, Enfield and Haringey Mental Health NHS Trust	×	✓	✓	191	555
Camden & Islington NHS Foundation Trust	✓	×	×	137	190
Central and North West London NHS Foundation Trust	✓	×	✓	376	903
North East London NHS Foundation Trust	✓	×	✓	309	427
Oxleas NHS Foundation Trust	✓	✓	✓	196	452
South London and Maudsley NHS Foundation Trust	✓	✓	×	365	964
South West London and St George's Mental Health NHS Trust	×	×	×	167	518
West London Mental Health NHS Trust	×	✓	×	245	605

Benchmarking findings highlight that the Trust is performing well when compared to London peers. Across the four domains the Trust is ranked one of the best in terms of financial, quality and operation metrics, and fourth on workforce metrics against other London peers. This is highlighted in the table below:

Table 15: Competitor Assessment Framework and Analysis

Competitior Analysis

DIMENSION SCORES ARE BASED ON NATIONAL PEERS

1st Quartile | 2nd Quartile | 3rd Quartile | 4th Quartile

Organisation Name	Finance	Quality	Operations	Workforce
East London NHS Foundation Trust	83%	61%	62%	62%
Barnet, Enfield and Haringey Mental Health NHS Trust	39%	46%	47%	61%
Camden & Islington NHS Foundation Trust	74%	54%	24%	35%
Central and North West London NHS Foundation Trust	69%	48%	35%	63%
North East London NHS Foundation Trust	62%	45%	45%	35%
Oxleas NHS Foundation Trust	67%	60%	31%	100%
South London and Maudsley NHS Foundation Trust	61%	33%	40%	72%
South West London and St George's Mental Health NHS Trust	76%	58%	31%	23%
West London Mental Health NHS Trust	84%	40%	3%	7%

Performance Summary

A summary of the key strengths and weakness of the competitor analysis across the four domains is highlighted below:

Finance:

- The Trust is in good financial standing and has a high income per secondary mental health user and WTE.
- The Trust's community health service costs have improved over the last two years. However, Trust's CMHT and outpatient services have higher reference costs.

Quality:

- The Trust's quality compares favourably against the other London Trusts, particularly on Process and Outcome metrics
- The Trust's overall patient experience score is at peer median for London Trusts.
- Reporting incidents can improve further, as indicated by the relatively long delay between an incident occurring and being reported to the NPSA. Also, the Trust is a comparatively low reporter of incidents

Workforce:

- The Trust had one of the lowest response rates for the CQC staff survey in 2012, but this was addressed in 2013. However, the respondents indicate a high level of overall satisfaction on key questions such as 'place of work', 'quality of job design' and 'support from managers'.
- Absenteeism and turnover compare favourably with other peers.

Operations:

- The Trust has a relatively high number of patients in secondary care per 1000 population, combined with a higher number of outpatients and community contacts for these patients. This could be indicative of higher morbidity, but also of established Trust practices in secondary care.
- Over the last four years, the Trust's overall number of users and outpatient/community contacts has shown a higher increase than both London and national peers. Whilst this is partly explained by better recording of MHMDS data, it could also be due to an increase in morbidity levels.
- The Trust's overall inpatient activity has shown an increase whilst that for London and national peers has decreased. At the same time, its overall occupied bed days has reduced in line with London averages. This suggests better improvements in ALOS in the Trust compared to its peers.
- However, the Trust's forensic inpatient activity shows a slightly larger decline (-10%) when compared to both London peers (-5%) and national peers (-7%). The Trust is lagging behind both the London and national growth in child and adolescent psychiatry inpatient activity.
- The Trust has high DNA rates for consultant outpatients, driven largely by general adult and old age psychiatry.
- Follow-up-to-new ratio for forensic psychiatry is relatively high.
- Based on 11/12 data, the Trust's ALoS for all specialties compares favourably against peers except for old age psychiatry.
- Trust's forensic ALoS compared to other 'forensic' peers is notably lower by up to a third of the medium.
- However, ALoS for general adult psychiatry has increased in 12/13 whilst old age psychiatry ALoS has decreased.
- Analyses of Trust's internal inpatient data highlighted significant variation in ALoS at consultant level for similar types of diagnostic category suggesting variation in practice.

Productivity analyses:

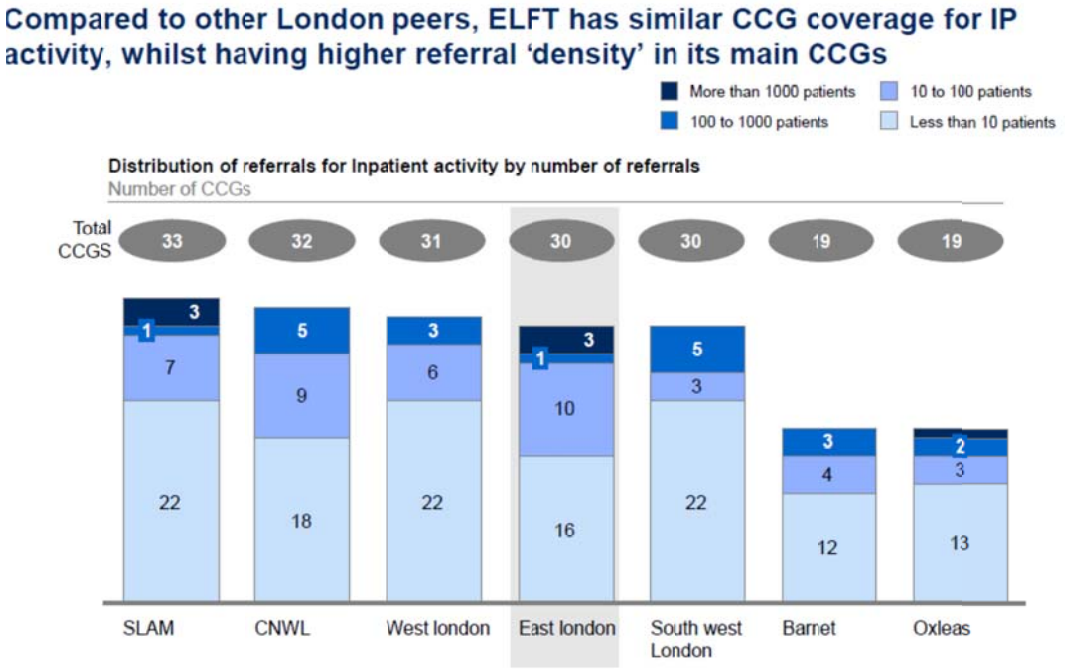
- The Trust has higher clinical income than peers and therefore overall productivity across all staff group compares well against peers. However, average pay for nursing, ST&T and non-clinical staff group is generally higher than peers.
- The Trust has a higher number of medics compared to total workforce. Whilst, this is in line with Trust's strategy for senior medical leadership to drive quality, in the benchmark it highlights areas of low medical productivity by number of users and by income.
- The Trust has a lower proportion of qualified nurses compared to peers, resulting in best-in-class nursing productivity.

Market analysis

The Trust has more than 90% market share in its three main CCGs: City & Hackney, Tower Hamlets and Newham and has a healthy 12% share in Waltham Forest, while its IP activity has remained stable in City & Hackney and Tower Hamlets there has seen a small decrease in Newham. The Trust also has an 11.5% market share in Richmond CCG and 4.5% share in Luton CCG and 5% market share of Barnet CCG. There is scope to grow these latter markets further in the future.

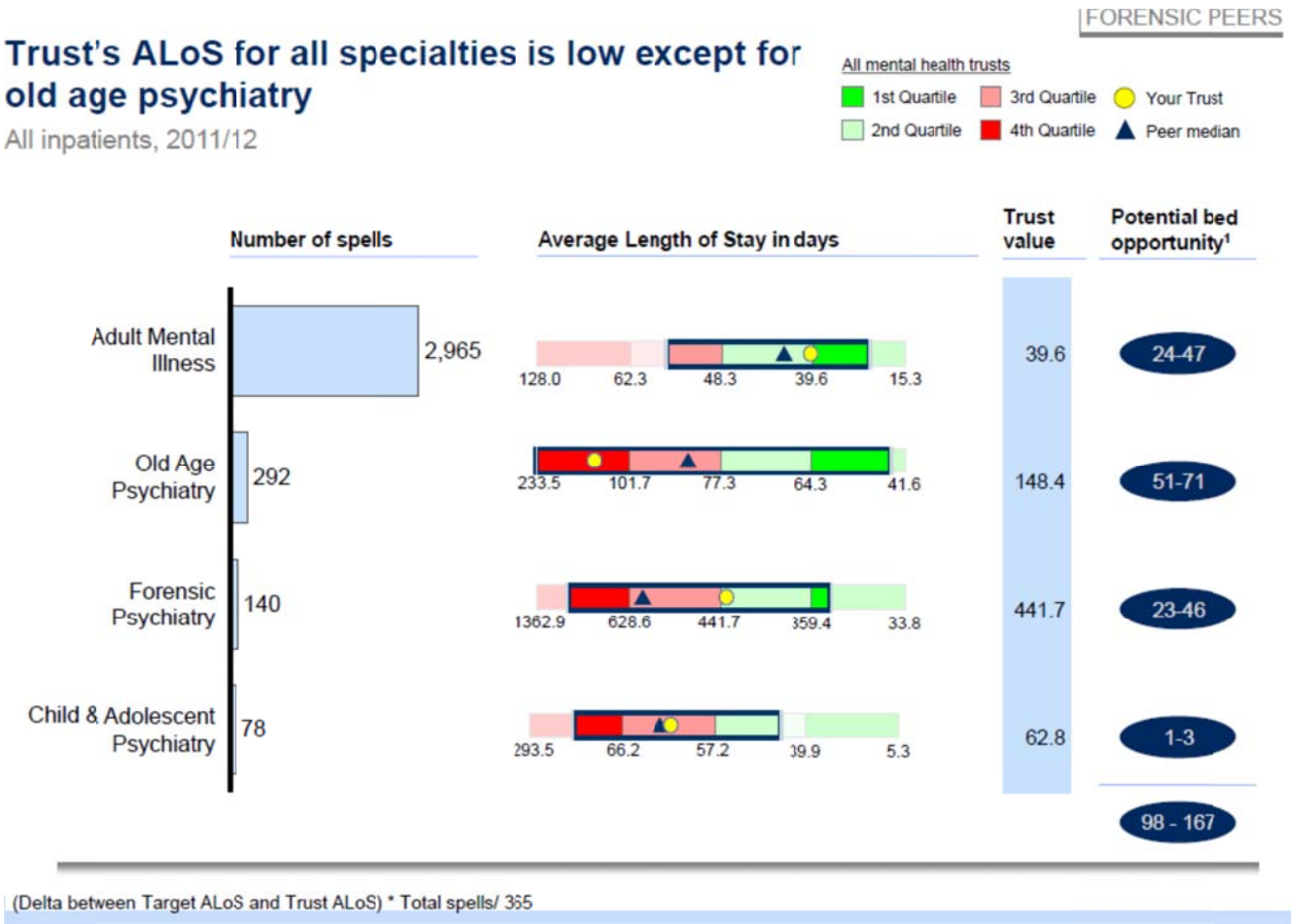
A review of market concentration in terms of inpatient referral activity has highlighted that the Trust has high referral 'density' and therefore has less geographical coverage in comparison to its peers in London. Table 16 below, demonstrates that the large majority of referrals concentrated around the Trusts 3 local CCGs. However, CNWL and South West London & St Georges have a greater concentration of referrals across a broader geographical area (5 CCGs). This may indicate that other Trusts are expanding faster than ELFT.

Table 16: Referral Activity by CCG



A review of the Trust's ALOS highlights that it is performing well, particularly in terms of mental illness and Forensic services compared to its peer group. In Forensic services whilst ALoS both locally and nationally has increased, it has reduced at ELFT. This provides an opportunity to explore opportunities for growth in these areas.

Table 17: Average Length of Stay (ALOS) benchmark performance



SWOT Analysis

We have analysed our Strengths, Weaknesses, Opportunities and Threats and these are summarised in the table below. The SWOT will be used to help develop our plans and provide a focus for future action.

Strengths	**Weakness**
• Strong clinical experience of the sector • Main specialist provider for a number of services in community and mental health • Growing reputation • University linkages and contribution to research • Strong analytical skills within many Directorate Divisions • Clinically led organisation • Strong communication function with key stakeholders • Positive brand identity established and recognised • Recently established Business Development and Marketing function • Well established FT with member involvement • Strong benchmarked performance against peers in respect to key national quality and financial indicators • Strong Trust Board and executive leadership • Strong Partnership working, especially with CCGs and independent sector colleagues • Trust has strong and improving results in patient and staff surveys • Strong volunteer and service user involvement • Well-developed governance mechanisms • Freedoms associated with Foundation Trust status • Strong track recorded of stakeholder engagement	• Effect on morale of restructuring and cost improvement programmes • The Trust has high DNA rates driven, largely by general adult and old age psychiatry • The Trust's forensic activity shows slightly larger when compared to London peers and national peers • Relatively new BDU team established in the Trust • Need for more streamlined operational systems and processes to be put in place to support integrated business plans and strategies across the Trust
Opportunities	**Threats**
• Further service modernisation and estate rationalisation • Development of new services to assist reduction in health inequalities • Development of integrated care projects to support CCG priorities • Potential for future mergers with other providers such as struggling FT's • Our Academic partners research provides further opportunities to meet user needs • Opportunities to establish more integrated	• Competition from other providers • 'Any Willing Provider' (AWP) commissioning model has increased competition in the market and facilitated new entrants to enter • There has been an increase in the number of independent sector challenges to CCP about commissioning decisions • Recent and future market entrants including Independent Treatment

processes to become more proactive in seizing opportunities • Build strategic partnerships with key providers to grow market share • Greater collaboration with provider partners in both primary and secondary care • To expand and build upon on our national reputation for delivering high-quality specialist services, for example, IAPT services, Mother Baby Unit and Forensic services. • Explore further market opportunities where Average Length Of Stay is more competitive than Peers • The Trust has high referral 'density' and therefore has less geographical coverage in comparison to its Peers in London. The Trust has the opportunity to build on this and grow further. • Choice agenda offers and opportunity to attract additional income	Sector targeting simple case mix, high profit sector • Rapid increase is expected for further escalation of independent sector repositioning and acquisitions to maximise policy trends • Future changes in funding such as shift from block contracts to Payment by Results • On-going staff engagement in delivering major service change and financial savings • Changing commissioning landscape • Maintaining existing market share whilst growing simultaneously • Desire from commissioners to reduce reliance on secondary care services and estate • Financial constraints in NHS and beyond leading to reduce activity, with associated income loss and reduced unit income associated with tariff deflation / restructuring • Choice agenda presents a possible threat as patients choose other providers

F. Challenged health economy programme

As stated above, the North East London Sector was one of 11 “challenged health economies” identified by the national partners NHS England, NHS Trust Development Authority and Monitor. McKinseys were appointed to provide additional support to the Local Health Economy partners. The Trust has actively participated in the programme, and this section incorporates relevant findings of the McKinseys work.

Introduction - current service provision

In the London Borough of Newham, the Trust is providing community and mental health services to children, adults and older people. This includes new contracts to provide the Newham Urgent Care Centre, Newham Transitional Care (GP service) and the Newham Improving Access to Psychological Therapies for Medically Unexplained Symptoms. Barts Health NHS Trust is the local provider of acute services. Barts is currently forecasting a deficit of between £40m and £50m. Its provision of specialist cancer services is currently under review by NHS England. A GP federation is in development.

In the London Borough of Tower Hamlets, the Trust is providing mental health services to children, adults and older people. Barts is the local provider of acute and community services. A new borough wide GP federation is being formed.

In the local authority areas of Hackney and the City of London, the Trust is providing mental health services to children, adults and older people. Homerton University Hospitals NHS Foundation Trust is the local provider of acute and community services in Hackney. The City of London is serviced by Barts Health NHS Trust and University College London Hospital. City & Hackney Urgent Healthcare Social Enterprise provide the Out of Hours GP Service.

A new group is working as a GP Federation. They are considered as integrated care providers in the One Hackney challenge fund.

Local health economy challenge

The challenge faced by the local health economy can be summarised as follows:

1. The local health economy has a growing population with significant health needs that need to be addressed by commissioners
2. Models of primary and community care need significant change to enable improved access to care, improve the health of the population and reduce demand for expensive, inappropriate acute care services
3. There needs to be more integrated models of care to provide better quality of care for specific groups of high risk/need populations
4. There is a long lived financial challenge at Barts Health which predates the merger

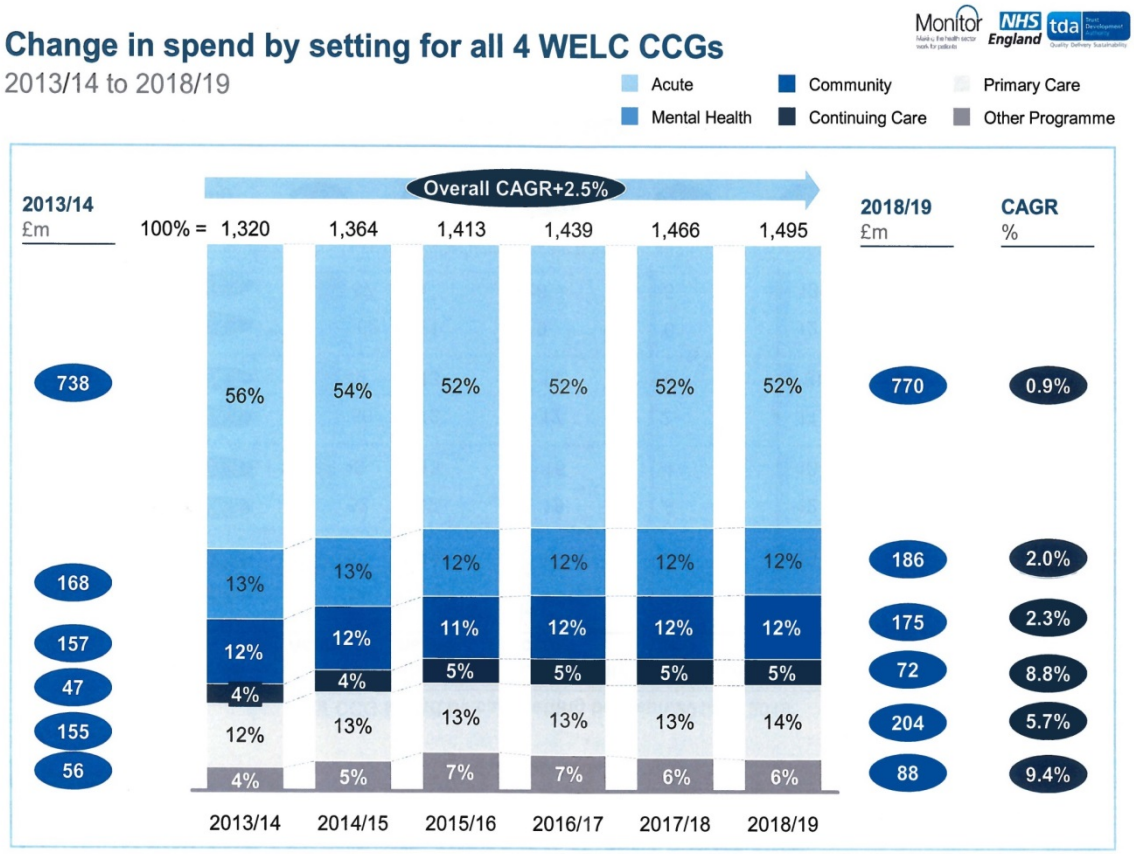
The challenge for ELFT will be to manage the knock-on effects of any failures by other local providers to address their financial challenges in a way that does not negatively affect the wider system. This will be particularly true of Barts Health, as their CRES targets are higher than savings achieved to date, and the scale of the challenge dwarfs the other, smaller providers.

Forecasted activity and revenue in a 'do nothing' scenario and resulting financial gap across the LHE

The system gap by 2018/19 is estimated to be £282m for commissioners (before tariff efficiencies and QUIP) and £434m for providers (Barts Health £324m; Homerton £54m; ELFT £56m). There is a projected gap for specialist commissioners of £66m.

Funding analysis

As shown below, commissioners intend to reduce the proportion of their spend on acute services, whilst maintaining the proportion of spend on mental health and community services.



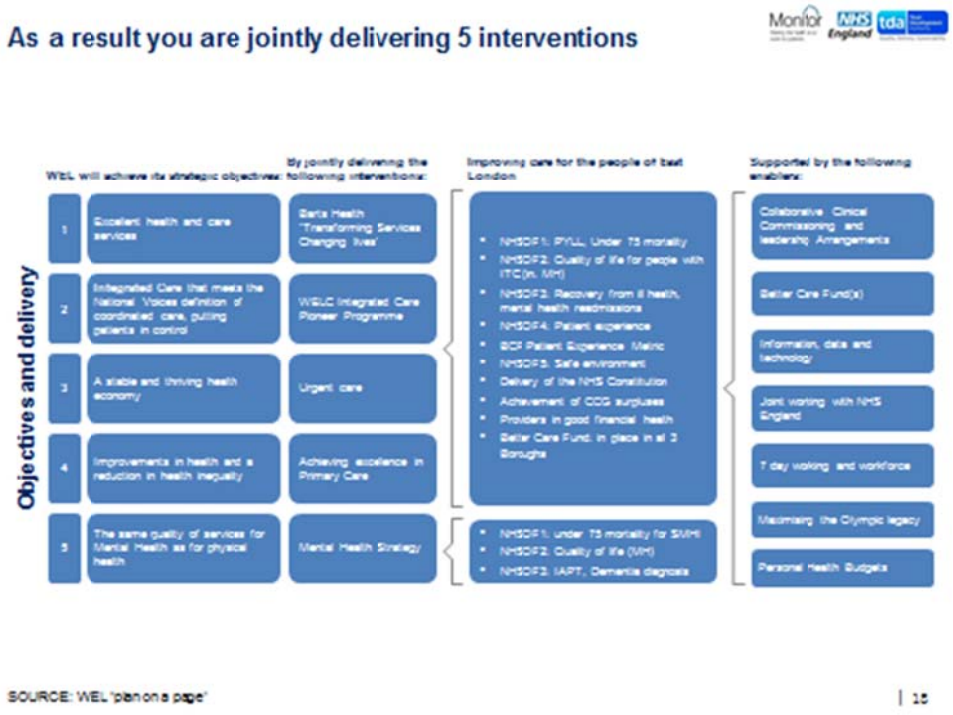
Tower Hamlets and Newham commissioners have stated their intention to identify opportunities to reinvest efficiency savings into the mental health programme, with the aspiration of increasing their proportionate spend on mental health over the five years of their strategy.

Local Health Economy strategic intentions

The strategic intentions of the Waltham Forest and East London local health economy have the most impact on the Trust, and these are outlined in the WELC Five Year Strategic Plan.

Each of the East London Clinical Commissioning Groups has included integration as a core strategic aim. There are several common themes across the Clinical Commissioning Groups, including a focus on patient engagement, a commitment to high quality services,

efforts to address health inequalities, efforts to ensure a financially stable health and social care system and efforts to improve health outcomes. This is set out below:



SOURCE: WEL 'plan on a page' | 15

The specific activities planned in relation to mental health services are as follows:

- Developing a new model for CAMHS services, using an outcome based approach, ensuring that Tier 2 services are delivered effectively within schools and other settings, and ensuring that access to Tier 3 services is quick and effective
- Delivering against parity of esteem commitments to ensure that people with mental health problems have prompt assessment and treatment for physical health problems, and people with long term conditions have support and treatment for mental health problems
- Developing mental health at the heart of our plans to develop an integrated care system; this will include better liaison services across the Bart's Health economy and a stronger focus on mental health within community services
- Developing primary care for people with mental health problems including primary care mental health services for adults and older people, ensuring that there is appropriate infrastructure within primary care and the voluntary sector to support people to be discharged from secondary care promptly into mainstream services
- Developing new models for adults and older adults community services, in the context of developments in primary care mental health services and CAMHS
- Developing improved crisis pathways for people with mental health problems and maintaining high quality inpatient services

- Using tariff development to promote improved access and more streamlined pathways and choice
- Improving quality, with a particular focus on developing a recovery culture within mental health services across the system, supporting more people with mental health issues into employment and appropriate accommodation

The City & Hackney CCG strategic priorities are as follows:

- Commissioning of the RAID service
- Investment in the primary care mental health service
- Investment in community provision for dementia sufferers and their carers
- Investing in a training programme for community staff to recognise the symptoms of psychosis in order to enable swifter referrals
- Ensuring that every patient with mental health problems has a recovery plan which has an introduction to benefits and employment support
- Commissioning shorter waiting times for psychological therapy assessment and treatment services and commissioning a extended range of interventions
- Improving early intervention and outcomes for CAMHS services

Local Health Economy strategic alignment

There is a strong strategic alignment between the Trust's vision and the visions of the local health economies in which we operate. The Trust is well positioned to respond to the Clinical Commissioning Groups' drive towards integrated care. This alignment is apparent through our role in each of our Clinical Commissioning Groups plans for the Better Care Fund.

The Trust has considered the commissioners' strategic intentions in developing its strategic options and plans, which are set out in the following sections. The further development of commissioner and Trust plans will be the subject of discussions at the Joint Transformation Board.

G. Risk to sustainability and strategic options

This section sets out the likely impact of the identified external challenges on each of its key service lines and the resulting sustainability risk. It also sets out the preferred strategic option, which have been informed by the Trust's performance to date and the Business Strategy. Likely impact on the service line and alignment issues across the LHE are also considered. Throughout all the service lines, the Trust's vision to provide the highest quality mental health and community care has informed the strategic options.

Adult Mental Health

Impact of external challenges	Sustainability risk	Preferred strategic option	Likely impact on service line and the LHE	LHE alignment and support required
5 year CRES requirement will be difficult to deliver and may impact on quality of care provided Increased competition for services may lead to loss of contracts Choice in mental health may lead to service users choosing other providers Projected increase in activity of 6-8%	Medium – the Trust has a strong track record of delivering CRES plan without compromising quality. The Trust is one of the highest performing Trusts in the country, and therefore able to ward off competition. The Choice agenda provides an opportunity for the Trust to attract additional income, Commissioners have indicated intentions to increase funding in Newham and Tower Hamlets. As such, the Trust is able to reject negative strategic options (shrink, merger), and plans to transform services to deliver the CRES	Service transformation of community mental health services in order to meet CRES requirements and improve quality of service provided by providing enhanced primary care liaison services Look for opportunities to attract additional income through the choice agenda, and obtain additional contracts through competitive tendering and contracts with other NHS providers	Major service transformation of community services required, which will need to compliment commissioner plans for integrated care and any other QUIP programmes	Alignment of Trust and Commissioner service transformation to be agreed via the Transformation Board. Increased commissioner funding required in order to address projected increases in demand/activity.

	requirement and grow the business where possible.			

Community Health Services

Impact of external challenges	Sustainability risk	Preferred strategic option	Likely impact on service line and the LHE	LHE alignment and support required
5 year CRES requirement will be difficult to deliver and may impact on quality of care provided Increased competition for services may lead to loss of the contract	Medium – the Trust has a strong track record of delivering CRES plan without compromising quality. The Trust's community health services perform well compared to peers, and staff survey results are well above the national average for similar services. As such, the Trust is able to reject negative strategic options (shrink, merger), and plans to transform services to deliver the CRES requirement and grow the business where possible.	Service transformation in order to meet CRES requirements and improve quality of service provided by integrating services with primary care, and supporting discharge from acute care Look for opportunities to attract additional contracts through competitive tendering, or through increased investment in integrated care services	Major service transformation community health services required, which will need to compliment commissioner plans for integrated care and any other QUIP programmes	Alignment of Trust and Commissioner service transformation to be agreed with Newham CCG. Increased commissioner funding required in order to address projected increases in demand/activity.

Older Adult Services

Impact of external challenges	Sustainability risk	Preferred strategic option	Likely impact on service line and the LHE	LHE alignment and support required
5 year CRES requirement will be difficult to deliver and may impact on quality of care provided Increased competition for services may lead to loss of contracts Choice in mental health may lead to service users choosing other providers	Medium – the Trust has a strong track record of delivering CRES plan without compromising quality. The Trust has already delivered service transformation in this area (i.e. centralised dementia assessment unit) and quality outcomes are good. The Choice agenda provides an opportunity for the Trust to attract additional income, Commissioners have indicated intentions to increase funding in Newham and Tower Hamlets. As such, the Trust is able to reject negative strategic options (shrink, merger), and plans to transform services to deliver the CRES requirement.	Service transformation in order to meet CRES requirements and improve quality of service provided by further centralisation of inpatient services and redesign of community services Look for opportunities to attract additional income through the choice agenda.	Major service transformation of older adults inpatient and community services required, which will need to compliment commissioner plans for integrated care. Capital programme required in order to enable CRES plans.	Alignment of Trust and Commissioner service transformation to be agreed via the Transformation Board. Increased commissioner funding required in order to address projected increases in demand/activity.

Forensic Mental Health

Impact of external challenges	Sustainability risk	Preferred strategic option	Likely impact on service line and the LHE	LHE alignment and support required
5 year CRES requirement will be difficult to deliver and may impact on quality of care provided Increased competition for services may lead to loss of contracts, but is more likely to create opportunities for the Trust in this service line NHS England commissioning intentions unclear, and commissioning structure may change	Low – the Trust has a strong track record of delivering CRES plan without compromising quality. The Trust performs well against peers, particularly in relation to average length of stay. The Trust has successfully expanded the forensic service in recent years, and is in a good position to obtain additional income in future years. As such, the Trust is able to reject negative strategic options (shrink, merger), and plans to transform services to deliver the CRES requirement and grow the business where possible.	Service transformation in order to meet CRES requirements and improve quality of service provided. Look for opportunities to attract additional income through competitive tendering and/or agreeing contracts with other NHS providers	Major service transformation of forensic services required.	Not applicable as services commissioned by NHS England

Child and Adolescent Mental Health Services

Impact of external challenges	Sustainability risk	Preferred strategic option	Likely impact on service line and the LHE	LHE alignment and support required
5 year CRES requirement will be difficult to deliver and may impact on quality of care provided Increased competition for services may lead to loss of contracts, but is more likely to create opportunities for the Trust in this service line Projected increase in activity of 6-8%	Low – the Trust has a strong track record of delivering CRES plans without compromising quality. The Trust has a specialist inpatient unit and quality outcomes are good. Tower Hamlets commissioners have indicated their intentions to invest in CAMHS services, which creates an opportunity for the Trust. As such, the Trust is able to reject negative strategic options (shrink, merger), and plans to transform services to deliver the CRES requirement and grow the business where possible.	Service transformation in order to meet CRES requirements and improve quality of service provided. Look for opportunities to attract additional income through expansion of current services, or obtaining increased funding from local commissioners	Major service transformation of CAMHS services required	Alignment of Trust and commissioner strategic intentions and service line strategy required in order to place the Trust in a position to attract additional income

Specialist Services

Impact of external challenges	Sustainability risk	Preferred strategic option	Likely impact on service line and the LHE	LHE alignment and support required
5 year CRES requirement will be difficult to deliver and may impact on quality of care provided Increased competition for services may lead to loss of contracts, particularly in substance misuse services	High – Substance Misuse services may not be competitive against third sector providers. Other small services may not be sustainable in the long-term. As such, the Trust needs to review its service model and consider collaboration with a partner.	Service transformation in order to meet CRES requirements and improve quality of service provided. Review clinical strategy for substance misuse services and consider partnering with a third sector provider	Major service transformation of services required	Need to align strategic intentions and clinical strategy in this area with Local Authority commissioners

H. Strategic plans

This section summarises the Trust's prioritised set of service line initiatives and outlines:

- Key milestones, resourcing requirements, dependencies and risk mitigations
- Communication plan for key stakeholders, including staff and the LHE
- The processes the Trust has in place to monitor performance against the strategic plan and how plans will be adapted and amended for unexpected future challenges

Clinical and service line strategy

The Trust's strategic options and plans have been informed by our clinical and service line strategy. The Trust's overall clinical strategy is to provide the right care in the right setting, focusing on the implementation of recovery orientated practice and interventions whilst providing integrated and holistic care to service users. This directly supports our mission to provide the highest quality mental health and community care, in order to make a positive difference to people's lives. This strategy will be supported by the following activities:

- Implementation of recovery oriented practice
- Provision of integrated care as part of commissioner led Integrated Care Project, including adult and older adult community services
- Further integration of community health services by integrating district nurses with primary care services, and supporting discharge from acute services
- Increased provision of mental health primary care liaison services in order to maintain patients in primary care, and provision of quick access to assessment and triage service, as well as provision of high quality and effective IAPT services.
- Improving access to, and transition arrangements of CAMHS services in order to ensure that young adults receive a high quality service appropriate to their needs
- Improving throughput of forensic services in order to improve patient outcomes and service capacity

The strategic plan is set out below for each main service line. Only major schemes are summarised in this section (>£1m CRES contribution over 3 years).

Adult Mental Health

Initiative	Key milestones	Resources, dependencies and risk	Communication Plan	Monitoring and updates
Remodel existing community mental health services in order to provide two dedicated functions: • Primary Care Liaison • Recovery and Assertive Outreach	October 2015 – service model and specifications developed March 2016 – remodeled service operational	Staffing resources currently available via existing teams Proposal dependent on alignment with commissioner integrated care and other QUIP plans, and Local Authority plans	Proposals to be discussed internally via staff engagement mechanisms Proposal to be developed via the Transformation Board and formal communications plan developed with commissioners	The Service Delivery Board will monitor progress against the plan on a quarterly basis, and report to the Trust Board and Council of Governors. The Transformation Board will monitor progress from a LHE perspective Any amendments to the plan will be discussed via the Transformation Board.
Ward rationalisation due to improved management of demand for inpatient services by community mental health services and efficient use of bed capacity	Ongoing management of inpatient bed occupancy and marketing of spare capacity	Proposal dependent on the continued management of capacity, particularly in light of projected increase in demand for services	As above	As above

Community Health Services

Initiative	Key milestones	Resources, dependencies and risk	Communication Plan	Monitoring and updates
Review of community nursing teams in order to provide better integration	October 2015 – service model and specifications developed	Staffing resources currently available via existing teams	Proposals to be discussed internally via staff engagement mechanisms	The Service Delivery Board will monitor progress against the plan on a quarterly basis,

with primary care and support discharge from acute services	March 2016 – remodeled service operational		Proposal to be discussed with Newham CCG	and report to the Trust Board and Council of Governors. Any amendments to the plan will be discussed at the Service Delivery Board and with commissioners
Review inpatient facilities in order to provide enhanced home-based rehabilitation services	March 2015 – service model and specifications developed March 2016 – remodeled service operational	Staffing resources currently available via existing teams Proposal likely to require public consultation	Proposals to be discussed internally via staff engagement mechanisms Proposal to be discussed with Newham CCG	The Service Delivery Board will monitor progress against the plan on a quarterly basis, and report to the Trust Board and Council of Governors. Any amendments to the plan will be discussed at the Service Delivery Board and with commissioners

Older Adult Services

Initiative	Key milestones	Resources, dependencies and risk	Communication Plan	Monitoring and updates
Redesign of inpatient services in order to provide: • Modernised continuing care services for City & Hackney and Tower Hamlets • Modernised functional mental illness services for City & Hackney,	March 2015 – service model and specifications developed October 2015 – estates works commences March 2016 – remodeled service operational	Staffing resources currently available via existing teams Proposal likely to require public consultation	Proposals to be discussed internally via staff engagement mechanisms Proposal to be developed via the Transformation Board and formal communications plan developed with commissioners	The Service Delivery Board will monitor progress against the plan on a quarterly basis, and report to the Trust Board and Council of Governors. The Transformation Board will monitor progress from a LHE perspective Any amendments to the plan

Tower Hamlets and Newham				will be discussed via the Transformation Board.

Forensic Mental Health

Initiative	Key milestones	Resources, dependencies and risk	Communication Plan	Monitoring and updates
Obtain additional income by securing contracts with NHS England specialist commissioning for 20 medium secure unit beds	Ongoing discussions with specialist commissioners. Contacts to be in place for 2016/17.	Proposal dependent on NHS England commission intentions for forensic services Programme in order to ensure high quality estate is available	Proposals to be discussed internally via staff engagement mechanisms	The Service Delivery Board will monitor progress against the plan on a quarterly basis, and report to the Trust Board and Council of Governors. Any amendments to the plan will be discussed at the Service Delivery Board and with commissioners
Decommissioning of the forensic community service via transfer of patients to community mental health and assertive outreach teams	March 2015 – service model and specifications developed March 2016 – remodeled service operational	Proposal dependent on alignment with redesign of community mental health services set out above	Proposals to be discussed internally via staff engagement mechanisms	The Service Delivery Board will monitor progress against the plan on a quarterly basis, and report to the Trust Board and Council of Governors. Any amendments to the plan will be discussed at the Service Delivery Board and with commissioners

Child and Adolescent Mental Health Services

Initiative	Key milestones	Resources, dependencies and risk	Communication Plan	Monitoring and updates
Expand the Trust's adolescent inpatient unit (Coborn Unit) to provide additional PICU capacity for marketing to regional commissioners	2014 – enabling estates works scoped and agreed October 2015 – marketing plan developed	Increased staffing required Proposal dependent regional commissioner intentions and level of competition	Proposals to be discussed internally via staff engagement mechanisms	The Service Delivery Board will monitor progress against the plan on a quarterly basis, and report to the Trust Board and Council of Governors. Any amendments to the plan will be discussed at the Service Delivery Board and with commissioners

Quality Improvement Programme

Initiative	Key milestones	Resources, dependencies and risk	Communication Plan	Monitoring and updates
Redesign clinical processes and pathways through quality improvement initiatives, which will lead to identification of efficiencies to be scaled up and spread across the organisation	June 2014 – strategic assessment by external partner (Institute of Health Improvement) 2014 – capability building of staff and recruitment to central QI team	Proposal dependent on capability of staff to implement QI methodology, and the Trust having an effective spread plan	Proposals to be discussed internally via staff engagement mechanisms	The Service Delivery Board will monitor progress against the plan on a quarterly basis, and report to the Trust Board and Council of Governors. Any amendments to the plan will be discussed at the Service Delivery Board

I. Conclusion

Monitoring performance against the plan

Monitoring of performance against the plan will take place under the same three main components used to develop the plan, as follows:

- The Trust's Quality Performance Framework will be used to monitor progress by each directorate and the Trust as a whole. Regular reports will be submitted to the Service Delivery Board and Trust Board.
- The Trust will submit regular reports on progress to the Council of Governors, who will hold the Board to account for delivery of the 2 year and 5 year plans.
- The Trust will be a member of a commissioner led Mental Health Transformation Board, which will oversee delivery of respective 2 year and 5 year plans across the Local Health Economy in order to ensure that relevant plans are implemented in an integrated manner, and that effective partnership working takes place.
- The Trust is also a member of the Integrated Care Boards which will monitor implementation and delivery of the Better Care Fund Initiatives.