



REPORT TO CABINET
24 January 2017

TITLE OF REPORT: NECA Commission Report 'Health and Wealth: closing the gap in the North East'

REPORT OF: Mike Barker, Acting Chief Executive

Purpose of the Report

1. To request Cabinet to endorse in principle the recommendations of the NECA Commission Report 'Health and Wealth: closing the gap in the North East', which was presented to the NECA Leadership Board on 11th October and to endorse the Council's response to the Commission's report.

Background

2. The joint NECA/NHS Commission for Health and Social Care Integration was established as an independent commission last year and was chaired by Duncan Selbie, Chief Executive of Public Health England.
3. The Commission examined how the NHS, councils and other public, private and VCS sector bodies can take a place based approach to further develop the work they do together to improve health and wellbeing and reduce health inequalities across the North East against a backdrop of significant financial pressures across the system.
4. The Commission's report is a 'call to action' for leaders across the health and care system in the NECA area to transform the health and wellbeing of North East residents and, in so doing, help to improve the performance of its economy and the prosperity of its people.
5. It was agreed by the NECA Leadership Board that each local authority and NHS organisation within the NECA area be invited to consider the contents of the report. The Commission is seeking an endorsement of its recommendations and a commitment to participate in their implementation.
6. The Health and Wellbeing Board considered the Commission's report at its meeting on 2nd December and endorsed its recommendations in principle. It was noted at the Board meeting that individual organisations, including the Council, would also be submitting a response to NECA regarding the report.

Starting Point & Key Assumptions

7. The report recognises the remarkable progress made in many aspects of health and care despite the challenges of widespread deprivation and a 'post-industrial' economy. It notes, in particular, the significant progress in tackling the burden of cardiovascular disease and reducing the prevalence of smoking.
8. It acknowledges, however, that although the NE has had the fastest increase in life expectancy of any region of the UK, the health and wellbeing gap with the rest of the UK and health inequalities within the region itself remain high. It states that closing this gap with the nation as a whole over the next decade would lead to 400,000 additional years of healthy life for people within the NECA area.
9. This translates to continuing, significant pressures on our health and care system - pressures that will increase further in the future due to such factors as a growing elderly population (many with multiple and complex long term needs).
10. Side by side with a health and care system that is not sustainable if 'business as usual' continues, the Commission rightly refers to a system over-focussed on the treatment of ill health at the expense of preventing it. The report states that 60% of expenditure on health and care is spent on tackling the consequences of ill health (hospital care, specialist care), compared to only the 3% devoted to public health and 17% to adult social care.
11. Over and above the implications this has for the health and wellbeing of local people (in particular, quality of life, healthy life expectancy, working days lost compared to the rest of the country), there are also knock-on implications for the north east's ability to increase economic growth, attract investors, increase productivity etc.
12. This leads to a 'vicious', self-perpetuating cycle where health inequality impacts upon peoples opportunities to secure 'good' quality work that can drive economic growth (and secure further 'good' employment for the region). This, in turn, impacts upon the opportunities available for future generations, not least our children who need the best start in life as advocated by the Marmot Review.
13. Going forward, the Commission is asking leaders across the health and care system to cut through this vicious cycle and puts forward a number of recommendations which it states can be implemented through existing structures.

How the Commission's Recommendations have been Shaped

14. The Commission's recommendations are set out at Appendix 2. They have been shaped by:
 - The need for a substantial shift in resource investment towards prevention. Some of this investment in prevention has the potential to yield benefits and release resources for further investment in prevention in the short to

- medium term (e.g. interventions to reduce the risk of mortality in people with established diseases such as heart disease, cancer, diabetes; lifestyle interventions around smoking, alcohol related harm etc.), whilst the benefits of other forms of investment may take longer to realise (e.g. to address worklessness, poverty, poor housing educational attainment etc.).
- The fact that social care plays a critical preventative function within the wider health and social care system, maintaining people's ability to live independently and ensuring that deterioration in people's health is picked up early.
- The need to value the 'assets' within communities and to increase peoples' control over their own health.
- The importance of economic growth and employment in improving the health and wellbeing of local people. Currently, this is hampered by the burden of ill-health which impacts upon productivity and constrains the ability of the economy to grow – in 2011/12, 1.6m working days were reportedly lost due to workplace injury and ill-health.
- The need to enable the VCS to fully realise its potential in helping to address the challenges we face.
- The Commission's remit to consider drivers of health and wellbeing beyond the health and care sector.

Core Themes

15. Three core themes have been identified:

- The need to shift resources towards **prevention**,
- How investment in prevention links with greater **productivity**, and
- The importance of **system leadership/governance** arrangements to make this happen across a NE footprint.

Action Required at Different Spatial Levels

16. The Commission concludes that concerted action is required at different spatial levels, that 'no one size fits all', including action:

- by individual local authorities and/or CCGs;
- at a local health economy level
- at NECA level or beyond

Proposal

17. It is proposed that Cabinet endorse the NECA Commission's recommendations in principle and the response set out at Appendix 3 of this report.

Recommendations

18. It is recommended that Cabinet:

- (i) endorse the recommendations of the NECA Commission in principle; and

- (ii) agrees the response set out in Appendix 3 of this report and to work with local partner organisations in taking this work forward.

For the following reasons:

- (i) Investment in prevention is central to addressing key health and wellbeing challenges and health inequalities within Gateshead.
- (ii) The recommended shift towards prevention and early intervention is consistent with the Council's own approach to improve the health and wellbeing of local people.
- (iii) The Commission identifies important links between people's health and wellbeing and the economic productivity and prosperity of local areas.

APPENDIX 1

Policy Context

1. The proposals in this report are consistent with the Council's vision and medium term objectives as set out in Vision 2030 and the Council Plan and, in particular, the key policy direction around promoting early help and prevention.

Background

2. The joint NECA/NHS Commission for Health and Social Care Integration was established last year. It has examined how the NHS, councils and other public, private and VCS sector bodies can take a place based approach to further develop the work they do together to improve health and wellbeing and reduce health inequalities across the North East. In producing its report and ten recommendations, the Commission has also had regard to the significant financial pressures across the system.
3. It was agreed by the NECA Leadership Board that each local authority and NHS organisation within the NECA area be invited to consider the contents of the report. The Commission is seeking an endorsement of its recommendations and a commitment to participate in their implementation.

Commission's Ten Recommendations

4. Ten recommendations have been put forward by the Commission (see Appendix 2) and can broadly be grouped together as follows:

Prevention – a radical shift in investment towards prevention across the health and care system (around £160m a year by 2020/21). This would see increased preventive spend assigned to a dedicated preventive investment fund managed on a cross-system basis. It would bring together contributions from all partners who stand to benefit from the expected savings, including central government.

Towards this end, the region should work with CIPFA to establish a baseline of current preventive spend and a means of tracking increases in spending over time. It is also recommended that the region should act as a pilot area to trial work being carried out by Public Health England and CIPFA to develop tools to assess the effectiveness of public health investment.

Whilst the Commission acknowledges that it will be for NECA partners to determine the exact allocation of increased preventive resources to meet the needs of the region, it states that the particular challenges faced by the NECA area suggest that increased resources could be divided roughly equally between early years support, the wider determinants of health, lifestyle-based secondary prevention and sustaining social care while improving integration with health services.

Among the forms of integration cited by the Commission that are likely to be most effective are:

- Arrangements in which a single lead professional has an oversight of all health and social care support provided to an individual, both in the community and, if possible, in hospital;
- Joint mechanisms across health and social care for giving people control over personal budgets/personal health budgets for their care and support;
- Shared system-wide approaches to working with carers as partners;
- Integrated approaches to rehabilitation and reablement;
- Working arrangements which ensure that staff at all levels in different services that support the same group of people are in frequent formal and informal contact – e.g. through joint appointments, co-location etc.

The Commission also recommends that public sector partners across the NECA area integrate preventive action and action to tackle inequalities in all decisions to ensure that health and wellbeing impacts are fully factored in e.g. decisions on public transport, leisure facilities, housing, planning and skills.

Workforce, Employers & Employment – a programme of primary care training to help people get the best support to enable them to get back to work as quickly as possible; creating a supportive environment that enables employees to be proactive in protecting their own mental health and wellbeing; promoting employer participation in the Better Health at Work Award; and addressing the importance of job quality and in-work progression.

Cultural Change – across organisations within the health and care system so that each £ is used most effectively to support the health and wellbeing of local people, irrespective of the source of the funding.

Governance Arrangements – at NECA level to drive forward the recommendations, through shared accountability and a focus on delivery.

System Incentives – the realignment of system incentives and payment systems to drive forward recommendations to break the existing vicious cycle and measurably improve the health and wellbeing of all local people and reduce health inequalities.

Proposed Response to the Commission's Report

5. It is proposed that the Council endorses the Commission's recommendations, in principle, and the proposed response set out at Appendix 3.

Consultation

6. The Cabinet Members for Health and Wellbeing have been consulted in preparing this report.

Alternative Options

7. An alternative option would be not to submit a response to the NECA Commission's report. However, as the Commission has highlighted the importance of investment in preventative approaches to address key health and wellbeing challenges and their wider implications for the prosperity of the region, this would represent an opportunity missed.

Implications of Recommended Option

8. **Resources:**
 - a) **Financial Implications** – The Strategic Director, Corporate Resources confirms that there are no financial implications arising directly from this report. However, the Commission calls for a shift in investment towards prevention which is to be welcomed.
 - b) **Human Resources Implications** – Nil
 - c) **Property Implications** – Nil
9. **Risk Management Implication** – Nil
10. **Equality and Diversity Implications** – Nil
11. **Crime and Disorder Implications** – Nil
12. **Health Implications** – The Commission examined how the NHS, councils and other public, private and VCS sector bodies can take a place based approach to further develop the work they do together to improve health and wellbeing and reduce health inequalities across the North East. The Commission's ten recommendations have been developed with these challenge in mind and emphasise the need to shift investment toward prevention and early intervention.
13. **Sustainability Implications** – The Commission identifies clear links between the health and wellbeing of local people and local economic prosperity – in particular, the capacity to increase economic growth, attract investors, increase productivity and secure 'good' jobs for local people.
14. **Human Rights Implications** – Nil
15. **Area and Ward Implications** – All Wards

Background Information

16. The NECA Commission Report 'Health and Wealth: closing the gap in the North East'.

NECA Commission's Report
Health and Wealth: closing the gap in the North East
The Commission's 10 Recommendations

Recommendation 1: NECA partners should set themselves an ambition to radically increase preventive spending across the health and care system and wider determinants of health and wellbeing.

Recommendation 2: Public sector partners across the NECA area should integrate preventive action and action to tackle inequalities in all decisions.

Recommendation 3: Increased preventive spend should be assigned to a dedicated preventive investment fund managed on a cross-system basis and bringing together contributions from all partners who stand to benefit from the expected savings, including central government.

Recommendation 4: NECA partners should develop a programme of primary care training to support primary care staff in helping people access the best support to enable them to get back to work as quickly as possible.

Recommendation 5: The Commission recommends addressing mental health at three levels:

- i. Improve the leadership and skills of managers at all levels within NHS and local authority organisations to create a supportive environment that enables employees to be proactive in protecting their own wellbeing.
- ii. Commissioners of IAPT services should work with their service providers to ensure employment support is included as part of the IAPT offer on a sustainable basis to support those individuals who require this service to avoid sickness absence or to return to work as quickly as possible.
- iii. NHS Commissioners and Providers should work with the NECA Employment, Skills and Inclusion workstreams to develop an integrated employment and health service.

Recommendation 6: The Better Health at Work Award (BHAWA) scheme should be the preferred approach for employers to adopt to improve workplace wellbeing. NECA partners should set a target for the proportion of the workforce working for employers involved in the award scheme, and monitor progress towards this target.

Recommendation 7: The refreshed Strategic Economic Plan and NECA's employment and skills programme should continue to address the importance of in-work progression and job quality.

Recommendation 8: Leaders within organisations will need to look beyond the interests of their own organisations to drive improvement in wellbeing outcomes across NECA, leading a cultural change to a care and health system in which each health and care £ is used most effectively to support wellbeing, independent of the source of the funding.

Recommendation 9: Governance should be established at NECA level to drive forward implementation of these recommendations, bringing together local authorities, CCGs, NHS FTs and the voluntary sector to progress the health and wellbeing agenda through shared accountability and focused on implementation and delivery.

Recommendation 10: The NECA area should align financial payment systems and incentives with the overall objectives of the health and care system to improve health and wellbeing and reduce health inequalities.

APPENDIX 3

Proposed Response to NECA Commission Report

It is proposed that the Council welcomes the NECA Commission report which has been published at an important time when areas across the north east have been developing Sustainability & Transformation Plans to address key health and wellbeing challenges within their communities.

As well as endorsing the key recommendations within the report in principle, it is suggested that the Council's response includes the following points on particular aspects of the Commission's report.

Recommended Shift Towards Prevention/Freeing up Resources

The Commission's acknowledgment of the need for a substantial shift in investment towards prevention is to be welcomed and, specifically, the important role played by public health and social care as part of a whole system approach.

This also needs to be considered in the context of UK spend on health relative to GDP. It is clear that many European countries, such as France and Germany, currently spend more on health as a percentage of GDP than the UK. Given the financial challenges facing the NHS as a whole, it would appear that these variances are only due to get worse.

Getting the right balance of different forms of preventative investment will be crucial if further resources are to be released upstream towards longer term preventative work. This challenge is all the greater at a time of significant financial constraint as there is no 'new money' within the system to pump prime initiatives and/or meet double running costs.

Investment in new approaches will need to be funded from within the local system in a way that is sustainable. The Commission recognises, for instance, that secondary prevention measures to address ill-health in its earliest stages can reduce the need for costly acute care within months and years (e.g. falls, CVD rehabilitation, depression, COPD), enabling savings to be reinvested in greater prevention but only if undertaken as part of a whole system approach and with whole system buy-in.

It is argued by the Commission that if more resources can be released in this way, there should be greater capacity to invest in primary prevention to prevent ill-health in the first place, including investment directed at the wider determinants of health – best start in life, a job, a home etc. However, given the scale of the challenges we are facing in the north east, the lack of resources to fund double running costs while preventative and early intervention initiatives yield fruit is a matter of real concern.

Whilst key themes running through the Commission's recommendations will no doubt be supported across the NECA patch, progress in taking forward the key transformation areas of the Northumberland, Tyne & Wear and North Durham Sustainability and Transformation Plan (STP) will determine in no small part system

success in securing the shift towards prevention that has been advocated by the Commission. The two are necessarily interlinked.

The NECA Commission sees STPs as offering an opportunity, through acute care collaboration/rationalisation, to free up resources to allow preventative investment to yield results, to improve and support community based care and social care. As much work remains to be done to map out how this can be achieved in practice, it is too early to judge how this will pan out locally, the potential for resource release to the system as a whole and the timescales associated with this. An initial Out of Hospital Care framework has been developed through the STP process for Northumberland, Tyne & Wear and north Durham to support this work.

Making Every Contact Count

As well as the Commission's recommended shift in investment towards prevention, there is the need for a culture shift in professional practice in health and social care so that greater emphasis is placed upon 'making every contact count' i.e. by encouraging changes in behaviour that have a positive effect on the health and wellbeing of individuals and communities.

To do this, organisations need to build a culture that supports continuous health improvement through the contacts it has with individuals. Doing this can help to improve health and wellbeing amongst service users, staff and the general public and reduce health inequalities.

Health, Wellbeing and Productivity

In acknowledging the strong links between health, wellbeing and productivity, the Commission identified the need to focus on the benefits of healthy workplaces and being sufficiently healthy for work. It also highlights the need to provide opportunities for those furthest away from the labour market, including the long term unemployed, people with disabilities and mental ill-health, and young people with low skills and lack of work experience. This is to be welcomed.

More broadly, there is a need to ensure that reducing economic and health inequalities are integral to local economic development strategies and their delivery.

Governance

Further clarification is needed on how the governance arrangements at a NECA level would interface with those for STPs in practice. National NHS guidance published in September confirmed that STPs will be there for the long haul so this is an important consideration.

NHS Planning guidance is also encouraging CCGs to work across larger footprints – further consideration needs to be given to what this could mean across a NE footprint, a local health economy footprint, and local authorities and partner organisations within that footprint.

There is a need to ensure that oversight and decision making relating to our health and care system, as well as workstreams established to take forward key transformation areas incorporate a local 'democratic dimension' that local authorities can provide both individually and collectively.

System Leadership

System leadership will be key to taking forward both the recommendations from the NECA Commission and the direction of travel set out in the STP. Linking to the point under the Governance section above regarding the need for a democratic mandate to facilitate service transformation, local authorities have a key role to play here.

Finally, the Commission could arguably have said more about the system leadership role and place shaping role of local authorities in addressing the wider determinants of health and driving economic growth within our region.