



Mid and South Essex
Sustainability and Transformation Partnership (STP)

***Your care in the best place
at home, in your community and in our hospitals***

Consultation 30 November 2017 – 9 March 2018

Summary sheet on financial benefits of proposed system changes over the next five years

Are we cutting services to save money?

- Our aim is to secure a better NHS to meet the increasing needs of our ageing population.
- We are not proposing to cut services; but to improve the way we use the resources available. We spend around £1.95 billion for health services in mid and south Essex, and a total of around £2.5 billion on health and social care combined. We can be more effective, meet increasing needs, and keep people well for longer.
- There are three important parts to achieving this aim:
 - The first is to take every opportunity to **improve our quality of care** and outcomes for patients – by different services working together across the whole health and care spectrum
 - The second is to **develop our workforce**, so that each individual is able to work to their full potential and that we attract and keep the best talent in mid and south Essex
 - Thirdly, we need to **use our limited resources in the best way** by helping people to stay well, avoid serious illness and avoid unnecessarily costly stays in hospital.

This means shifting investment into the community and primary care to support people in a better way.

How much do we need to save to reduce the year on year increase in costs?

- Our current allocation for NHS services is around £1.85 billion per year. In 2016/17 we overspent by around £99 million.
- If we made no change at all over the next five years, the rising demand for health care could increase that overspend to over £500 million by the year 2021/22.

How are we going to avoid this £500 million overspend over the next five years?

- While increasing demands and sometimes new treatments drive up the costs of healthcare every year, there are also new ways to improve efficiency every year – through advancing technology and different ways of working.
- All health and care organisations are able to make efficiencies every year by doing this differently and more efficiently. Even before our proposed STP plan for the next five years, we have identified 7-8% efficiency savings across both CCGs and providers over the next five years, totaling around **£370 million**.
- A further **£78 million** is anticipated in additional funding in 2020/21 from the Government's Service Transformation Fund.
- The following shows how we are planning financial gains from working together over the next five years:
 - **£31 million** from efficiencies the hospitals can make from three hospitals working together e.g. by having a one leadership team and single corporate teams (such as finance, human resources) and by reducing spend on agency staff.
 - **£64 million** from a range of efficiencies across the whole health and care system from working together at scale.
 - **£5 million** from providing services in our local hospitals that mean that people no longer have to travel to these services in London and elsewhere.
 - **£26 million** from providing care in the right place that will help people to stay well and avoid serious illness. **This will require investment of around £30 million in community and primary care services and new technology.**

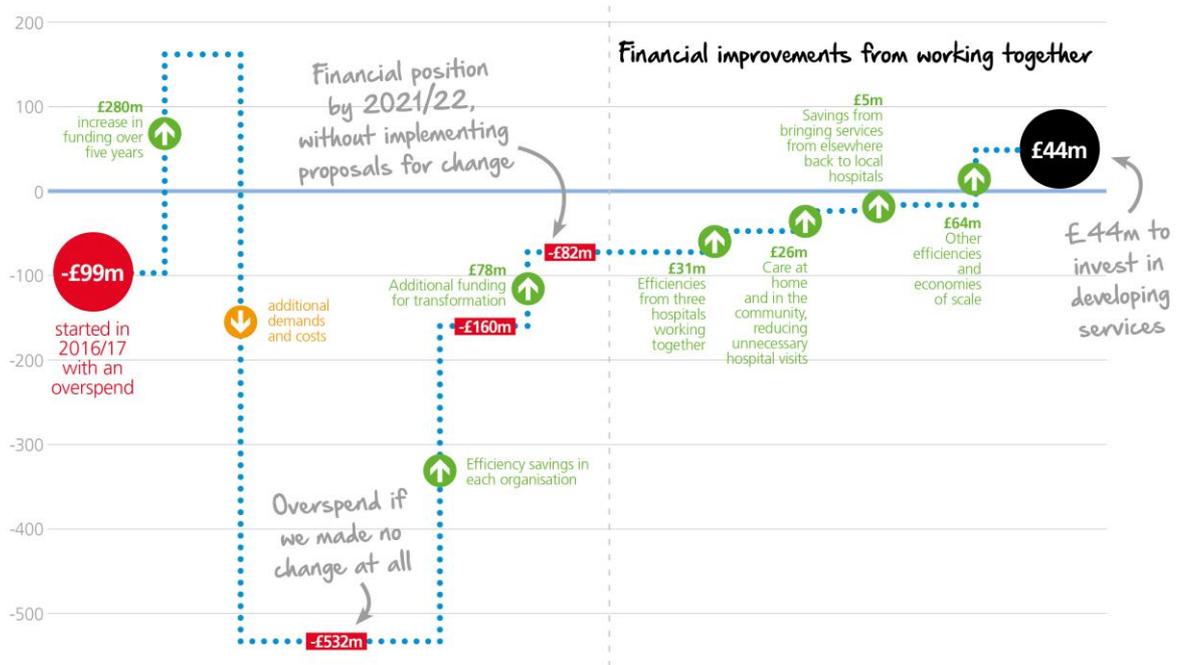
The current average hospital stay in an emergency costs £2,000.

If we invested half that amount in the community, we could provide better and more personalised support to help people avoid having to go into hospital.

Isn't the answer that the system needs more money?

- More money for mid and south Essex is always welcome and we will continue to take every opportunity to secure additional funding.
- We do expect an increase in funding over the next five years of around **£280 million**, plus an additional **£78 million** of system transformation funding as shown in the diagram on the next page.
- However, more money is not the only answer. We have a major workforce programme to attract and retain staff and improve training, skills development and career progression. In both community and hospital services, we are creating new roles that will enable talented people to reach their full potential and provide care in new and better ways.
- We know that by joining up health and care services and by taking advantage of innovation and technology, we can improve our services and the quality of life for the people of mid and south Essex.

The diagram on the next page shows the plan to bring the system into financial balance over the next five years:



Have your say

Please visit our website for full details on proposals for consultation, and the various ways to feedback, including a list of events where you can join the discussion.

For further information on all proposals for consultation, please visit our website at www.nhsmidandsouthessex.co.uk

For a summary of the STP financial plan, please visit: <http://www.nhsmidandsouthessex.co.uk/current-proposals/investment-and-finance/>

Our consultation feedback survey is online at www.surveymzmo.eu/s3/90059489/NHS-Mid-and-South-Essex-STP

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