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Mr J Mackey
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By email: Claire.Lloyd@Monitor.gov.uk

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Dear Jim,

Having read last week's NTDA/Monitor board paper and the subsequent article in the HSJ on the three area based success regimes, I wanted to share some feedback and examples from the frontline in Essex. This builds on our previous conversation, which I found most helpful, and should resonate with your views. I hope this is useful. I am happy for you to share these as you wish.

As you know, I took on the role of interim chair for the South and Mid Essex success regime in December, in addition to continuing as managing director of UCLPartners. We did this because of alignment with our organisation's mission to improve the health of local populations, the existing relationships UCLPartners has with many of the Essex organisations involved, and the opportunity to gain insights into how we can all accelerate new models of care into practice for the benefit of patients and populations.

The timeframe for the Essex plan (draft by 20 January, agreed by mid-February) provided an unparalleled impetus on top of the clinical and financial burning platforms.

As we have discussed previously, I have been impressed with the willingness and energy of many local clinical and non-clinical frontline staff to look at real transformation. Together, they are doing their best to set aside traditional institutional mind-sets and boundaries to get to a more place-based set of solutions that could address the longstanding area challenges. They understand the importance of changing the system in this way to help patient care and population health as well address their part of national £22bn funding gap. It is aligned with the need for more coordinated care across the health and social sectors and shift towards prevention and out of hospital care as set out by national leaders. Many behaviours are moving from institutional defensiveness to building a new future as a system working together. This has taken personal risk and commitment to going the extra mile – for example with more than 200 (mostly) productive meetings and conversations at multiple levels, given the breadth of stakeholders and administrative complexity within which we all work. It is credit to the determined, committed individuals involved that they have got this far in so short a time. This is all against a back drop that threatens to delay rather than accelerate progress. It's that parallel shift in the backdrop that I am sure both of us want to help enable – locally, regionally and nationally.

A key observation I can share from the Essex success regime is that the frontline staff, myself included, feel unsupported given the journey we have been asked to undertake. I can give many examples where there is a local drive to create a single collective approach to minimise costs and maximise outcomes, and to take responsibility for doing so, that meets lack of enabling, mixed messaging and resistance. This is more than communication but reflects the real challenge of institutional integrity and area sustainability, which you are all too familiar with.

After years of working as separate organisations, the change needed to shift the culture to one of working together requires ongoing confidence in the direction from the top, as well as appropriate levels of support and headroom to develop and deliver the programme commensurate with the scale of the (unprecedented) challenge of the success regime localities. We're working in fragile systems that need reassurance and prioritisation from both NHSE and regulators to turn progressive thinking and proposals into reality of implementation on the ground at pace.

At one level lack of support is interpreted through prioritisation - be that rearranging timelines, cancelling senior dialogue, reversing agreed positions, or not asking more proactively "how can we help you better?" – as well as the squeezing on the pressure to do more and go faster.

At another level people see mixed direction. For example in the focus on "create a system plan" in line with the success regime directive, and at the same time prioritise your individual control totals in line with existing competition, financial flows and accountabilities. Likewise in the perception of "create a realistic plan" given your starting point, and yet "plans have to meet targets" which you may not feel are achievable. In the absence of adequate support, headroom for local leaders and bridging resources this instils a fear of perceived failure to meet (unreasonable) expectations, or plans that are not fully owned, which will drive defensive behaviours more than delivery at pace.

Local staff also feel the consequences of the delay in resolving national issues. For example the three acute hospitals had made substantial progress in their thinking and commitment to a "group" model: with radical pace this would be from 1st April 2016. There is disappointment about the apparent national nervousness and uncertainty on group models, with the consequent need to seek external legal advice rather than more senior direct input from NHS Improvement at the pace of the success regime. Likewise, there is a perspective that in the Essex success regime, as an area solution, they want to move away from old style volume contracts to focus on population level funding and outcomes for patients, but the individual control totals and the new rules around the Sustainability and Transformation Fund are perceived in a way that "could make that quite difficult" at the pace required. Similarly, they want to explore using the 1% resilience reserve to give transitional flexibility, but the national rules on this are slower than the success regime pace required.

Taken together these three factors – support, direction and alignment with the pace of national changes, can be either brakes, as now, or accelerators if everyone role models the agreed vision of the five year forward view.

The story in Essex is not unusual. I have triangulated my own observations with Dame Ruth Carnall from the Devon success regime and she shares many of the broad perceptions: good people trying to shift out of the major longstanding area difficulties to support the local population but without the headroom, support or clarity of direction they will need to go at the required pace, and constrained by the slower transition to an appropriate contractual and regulatory framework. I can see these types of challenges across many of the new models of care being delivered within the other geographies supported by UCLPartners, and I am sure from conversations more broadly elsewhere. This is not to excuse slower progress, just to flag up how we could help the accelerator that will

be required to meet the political expectations of delivery, which should challenge every person at every level to say "how can I personally help to do that?"

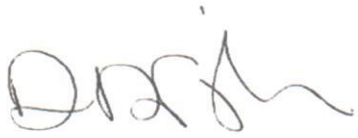
The learning is generic, and applies to any process to collaborate across the care pathway.
Much of this aligns with your board paper that indicates the success regime will mean "different ways of working for the national bodies and the local health economies in order to address long-standing issues". If the regulators rely on, or return to focus on the old-style approaches and plans for individual organisations that split partnership working, it goes against the challenging missions of the Five Year Forward View and the success regimes. Everyone has limited capacity, and as you know unaligned strategies will delay delivery, and the clinicians (and non-clinical staff) will disengage until the leaders and those in the tiers below give out a consistent direction. Conversely, if they see role modelling a shift in pace by the regulatory bodies to the timelines being required of themselves it will be a major accelerant.

I also realise this is a difficult time for the arm's length bodies. A focus on individual organisations is easier in driving through regulatory routes where fear of punishment is a strong tool. It's much harder to promote collaboration and partnership through regulation, and we currently don't have a positive framework to do so. Don Berwick has made this observation repeatedly on his visits to the UK.

From our conversations earlier this month I know you are supportive of the approach we are taking in the Essex success regime to align across the system, building a collaborative culture for change prepared to go at real pace, and that the local plans feed through to you through the tiers of the system. However, I wonder if it would be helpful for you to meet the team on the ground in Essex to give some more detail and local perspective. Likewise, I'm sure the staff would appreciate and value hearing your expectations, support and advice on how the regulators and others can help. I would be happy to help with arrangements if you would like to visit.

I have been very grateful to have the privilege of supporting the mid and south Essex staff and having the opportunities to experience their challenges, approaches and system interactions condensed into six weeks. I hope the learning will be useful across UCLPartners and more broadly.

Yours sincerely,



Professor Sir David Fish
Managing Director