

CCG COMMUNITY SERVICES REVIEW UPDATE AND DELIVERY OF CCG FINANCIAL PLAN

To: **Health Committee**

Meeting Date: **19 September 2019**

From: **Cambridgeshire and Peterborough Clinical Commissioning Group (CCG)**

Purpose: **This paper provides an update on the Clinical Commissioning Group's community services review and delivery of the CCG financial plan**

Recommendation: **The Committee is asked to note the contents of this report**

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1. BACKGROUND

- 1.1 The CCG's 2019/20 Financial Plan is a deficit of -£75m, as agreed with its regulators. To deliver this the CCG needs to make £32.7m of savings on out of hospital services.
- 1.2 This is part of a plan to deliver a system deficit of -£192.5m across the Cambridgeshire and Peterborough Sustainability and Transformation Partnership (STP). In order to meet the system control total, all system partners need to meet their savings targets with a system focus on demand management and activity growth. Because the CCG has taken on a significant part of the deficit, this reduces the interest payments that the Trusts need to make on debt repayments. If the system succeeds in meeting the deficit target of -£192m the Trusts will receive additional investment from NHS England of £80 million.
- 1.3 On 2 July 2019 the CCG presented a paper to its Governing Body outlining proposals for reviewing the first cohort of community services contracts. After publishing its review of services, the CCG received a large number of submissions from a number of organisations and so the CCG Governing Body took a 2 week pause in decision making to consider the new information. The CCG refined its proposals further and the Governing Body met again on 16 July to review revised recommendations which were approved. The Governing Body met with the Health Committee beforehand to explain the next steps and the rationale around the process.

2. MAIN ISSUES

2.1 Community Services Review

- 2.1.1 For the contracts reviewed on 16 July 2019, impact assessments were completed and decisions were made in line with the CCG Decommissioning and Disinvestment Policy. The anticipated savings from this first cohort review is £172,000 in year and £480,000 in 2020/21.
- 2.1.2 Phase 2 of the CCG Community Services Review Decommissioning and Recommissioning programme is now taking place, with the CCG working with its providers to develop proposals. This includes clinically led "idea generation" for services that can be reduced, transformed or decommissioned to support the system deficit. Engagement with the public will be undertaken as plans develop, and where formal consultation is required, this will be commenced as soon as possible.
- 2.1.3 The high-level framework for the Phase 2 Decommissioning and Decommissioning Engagement Programme is set out below:

Week	Action
1	Meeting of the Chief Nurses and Medical Directors to set the scene of the financial challenge and seek their commitment to work as clinical leaders in the system to seek solutions.
2	Chief Nurse meeting to flesh out areas to be considered and approach to engage wider clinical workforce.
3	Idea Generating with Frontline Staff – facilitated working sessions for a range of provider staff groups to share their ideas and explore how to reductions.

4	Idea Public and Voluntary Sector with Frontline staff – facilitated working sessions for a range of provider staff groups to share their ideas and explore how to reductions.
5	Joint working sessions with Frontline Staff and Voluntary Sector agreement of recommendations.
6	Chief Nurse and Medical Director validation and agreement of the list to commence Impact Assessment process in collaboration with providers.
7	Impact Assessments drafted. Complementary support from Contracting and Finance Teams as required to inform detail.
8	Cambridgeshire and Peterborough Joint Clinical Group to sign off Impact Assessments. Outcomes will be subject to the CCG's Decommissioning and Disinvestment Policy.

2.1.4 The CCG anticipates that this process will be completed to allow the recommendations identified through this process to be agreed in September 2019.

2.2 CCG Financial Plan

2.2.1 The CCG is already under significant financial pressure at month 3. The year to date position is a £663k adverse variance at Month 3. Whilst the forecast is still to achieve the £75m deficit plan, the CCG's contingency fund has already had to be factored into the year-end position.

2.2.2 There are two issues driving the financial pressure:

- The outcome of the arbitration relating to the ambulance service contract was not in the CCG's favour which has resulted in a £2m full year cost pressure.
- The NHS Continuing Healthcare (CHC) budget is £1.6m overspent at month 3 and is forecasting a £5.0m overspend, this forecast assumes delivery of the QIPP programme. This is currently the biggest financial risk to the CCG and a deep dive into the increase in CHC costs has been completed. The actions from the deep dive are now being taken forward by the CCG's Chief Nurse who is the Senior Responsible Owner for this programme of work.

2.2.3 The CCG has weekly Financial Recovery Planning, Delivery and Monitoring meetings, which are continuing to identify options to increase the forecasts of existing schemes, alongside identifying and scoping new schemes that could provide additional savings in 2019/20.

2.2.4 The CCG is planning to launch its Big Conversation with the public in September. The Big Conversation will be an engagement exercise (rather than a formal consultation). It will be the start an open conversation with the public about commissioning priorities and about how NHS resources are used wisely in relation to self-care and lifestyle.