Response to Consultation Feedback

PLEASE NOTE: Whilst this document is largely complete, this version remains a working draft which is still being developed and written. There may be some gaps (identified with placeholders) and further editing to be undertaken. It is being shared at this stage to seek further comment and input.

Contents

Background

This report responds to the consultation held during May and June 2019 on future Commissioning arrangements across Nottingham and Nottinghamshire. In that consultation two options were proposed: 1) to merge the six CCG organisations and create a single, strategic commissioner; and 2) to make no change, i.e. for the six CCG organisations to stay as they are with no further structural change.

Led by the six CCGs across Nottingham and Nottinghamshire, the consultation attracted a total of 192 responses from stakeholders such as GP members, local authorities, Healthwatch, healthcare providers, local residents and patient groups. The responses to the consultation have been summarised by an independent external consultant and this document should be read alongside that report.

Summary of Consultation Responses

Overall, there was strong support for the proposal with 68% of respondents indicating that they were in favour of the merger to create a single strategic commissioner. In addition, only 16% of respondents were in favour of there being no change to the current commissioning arrangements. This is therefore a clear and strong indication of support for the proposal.

Reasons for Supporting the Proposal

Within the strong indication of support for the proposed merger to create a single strategic commissioner, a number of common themes underpinning that support emerged. The top five themes were;

1. Efficiency – respondents were attracted to the potential in the new organisation to reduce duplication and improve efficiencies with a more coordinated approach. The removal of the need to run six separate statutory organisations with associated administrative burden was also part of this strong positive feedback.
2. Financial – it was clear from many responses that interested parties saw the proposed merger and creation of a strategic commissioner as a way to unlock cost savings and other financial efficiencies.
3. Consistency – given the population size of the proposed single commissioning organisation, respondents felt that the proposed merged organisation was strongly positioned to standardise and ensure consistency of patient access across the whole of Nottingham and Nottinghamshire.
4. Collaboration – similarly, a single organisation was seen to be ideally positioned to act as a strong, collaborative partner with the Integrated Care System and other system partners. This feedback included the ability to more easily share clinical information where appropriate.
5. Front Line – finally in these top themes, respondents were attracted to the idea that a single merged organisation would be able to align clinical resources to the front line to more directly serve patients.

Supporting Actions

These strong indications of support from respondents to the consultation give confidence that the merger is the right approach to take. However in order to deliver on the underlying rationale that respondents used to indicate their support for the proposed merger, the following supporting actions are proposed to be put in place. It should be noted that these actions are already part of the merger programme plan and benefits realisation plan which can be viewed as part of the merger application process.

- Complete the CCG staff restructure to deliver an integrated and streamlined management approach to the work of the merged organisation and also unlock the savings represented by removing back-office duplication.
- Roll out a complete Organisational Design process including an enhanced employee benefit offer, a leadership development programme, refreshed vision and values – all to support the alignment of the single CCG's staff to a clear set of strategic priorities and operating model.
- Reap the benefits of the merged organisation by streamlining the financial reporting required and the controls in place – unlocking internal resource to focus on financial support to strategic commissioning and reducing external costs on (eg) Audit.
- Along with the considerable reduction in leadership and management time attending duplicated governance meetings, the creation of a single strategic commissioner will enable a stronger voice for commissioning in system level conversations with other ICS partners. This opportunity must be grasped.
- There is already a proposed approach to clinical involvement at all levels within the Nottingham and Nottinghamshire system – ensuring the voice of General Practice is heard through commissioning decisions. This proposal will need to be taken forward, including ensuring that the potential for reduction in the burden on clinical time is unlocked.

Concerns Expressed by Respondents

Whilst there was an overwhelming level of support for the merger, there were also, within the limited number of respondents not supportive of the proposal, a number of concerns that will need to be addressed. These concerns have been grouped into five themes;

1. Local Focus – risk of losing i) focus on specific needs of localities and populations ii) patient and clinical engagement iii) local expertise and knowledge of local population needs. The local voice of patients and groups could be marginalised and the ability to address health inequalities could be affected as a result.
2. Information – respondents said they needed more information before being able to give their opinions on a merger and/or noting the unknowns relating to emergent NHS arrangements, i.e. ICS, ICPs and PCNs. Some respondents asked for evidence to support proposals and/or clarity on how the 20% cost savings will be achieved.
3. Loss of Services – risk of potential loss of local services, particularly in rural areas, with funding diverted to support more deprived areas and other populations elsewhere.
4. Size – a single organisation could be too large and unwieldy, with less accountability to local populations. It could also be harder to engage with, including geographically.
5. Satisfied – respondents are happy with present arrangements and do not wish to see any change.

It should be noted that only concerns expressed by more than five (5) respondents are included in the above themes – so other concerns expressed had very limited currency amongst the respondents.

Mitigating Actions

Despite the overall strong level of support for the proposed merger, those views against the merger represent important feedback that needs to be considered carefully. The following mitigating actions are proposed against each of the five themes.

Local Focus

i. As a single commissioning organisation we would ensure that we are able to work more consistently and make our resources go further while delivering fair and equitable outcomes for patients, however this would not be at the cost of addressing local healthcare priorities. The new system architecture which incorporates Primary Care Networks at a locality level, and Integrated Care Providers at a Place levels, and our approach to clinical leadership and engagement being embedded at every footprint of the system architecture will ensure effective connection and balance in our approach to specific and local focus on needs, and active engagement in commissioning decisions. We would also look to ensure that some dedicated CCG roles are specifically allocated to work on certain geographic localities to ensure that local needs are well represented. In addition to this, the move to a strategic commissioner across the larger geography does not preclude the ability to prioritise investment in healthcare services according to local population needs in local areas.

ii. Ensuring ongoing clinical leadership and involvement in commissioning activities remains an absolute priority for us. Clinical time is valuable, and with a national shortage of clinicians to provide patient care it is essential that clinical resources are used wisely. Our proposals aim to free-up clinicians to support the development and delivery of care services, instead of being tied up in CCG administration or duplicated activity. The existing Clinical Chairs for the CCGs have worked together to agree a set of proposals for how clinicians will be at the heart of the future proposed arrangements. These include the following elements;

a. Clinicians will have key roles to play in Primary Care Networks and Integrated Care Providers. Working at neighbourhood and wider 'place' levels, these new networks and alliances will assume responsibility from the existing CCGs for the development of pathways and many other clinically-led initiatives. At a local level, clinicians will therefore be able to have the greatest impact on improving the quality of care and services for the populations they serve. Each Primary Care Network has an appointed Clinical Director to support this commitment.

b. Regardless of what our future organisational arrangements look like, we remain committed to engaging and involving our key stakeholders in our commissioning activities.

c. As happens now, the Governing Body of a single CCG would include patient representatives (lay members) and clinical leads including a GP Clinical Chair, other GPs, a nurse and a secondary care doctor. We would also continue to strengthen and build upon our arrangements for involving and engaging local people, clinicians, CCG staff, partners and others in our everyday activity, which include patient participation groups, patient and public engagement committees, lay member representation and other events and activities.

iii. Primary Care Networks will bring together local expertise from across the system and the community to work on understanding local population needs. PCNs will be fundamental in ensuring that individual places health care needs are understood and met through appropriate methods for that community. PCNs are under development and it is now a good time to get involved. To find out more about PCNs visit: https://www.england.nhs.uk/wp- content/uploads/2019/06/designing-integrated-care-systems-in-england.pdf

Information

i. It is right to observe that much of the work going on across England to create Integrated Care Systems (and Strategic Commissioning organisations as part of that) is being developed as it is being delivered. This ambiguity is one of the challenges that system leaders in Nottingham and Nottinghamshire have to deal with as one of the first wave 'accelerator' systems.

ii. Through national publications such as the NHS Long Term Plan (January 2019), the Implementation Framework for the Long Term Plan (June 2019) and the various supporting documents, including the document referenced in the above section, more and more clarity is emerging on the future commissioning arrangements for England. We will continue to ensure that patients and members of the public are keep informed about these changes, including through the new Patient and Public Engagement Committees that are included in the "merger-ready" governance structure already in place. Keeping the public informed about these national changes and ensuring that they are able to be involved in their development is a critical activity for the proposed merged organisation – details of this can be seen in the Communications and Engagement Strategy which will be available as part of the merger application process.

iii. Collectively, all six CCGs have developed plans to reduce expenditure in accordance with the nationally mandated 20% reduction in management costs by 2020/21. This is the CCG contribution to the overall £700m national administrative savings requirement for commissioners and providers by 2023/24. To ensure that full, recurrent savings can be made from the beginning of 2020/21, CCGs are asked to ensure that they are planning for and taking actions to achieve these reductions during 2019/20. One of the benefits of working on a larger scale is that we have more control over where the money goes. By taking away perverse incentives in healthcare we will save millions across Nottingham and Nottinghamshire. But at the same time we need to cut our CCG operating costs by 20%.

iv. The CCGs running costs allowance will reduce by £2.4m to £19.7m by 2021.The largest element of running costs is pay to staff, clinicians and independent lay members. This element accounts for 80% of the total running cost spend. The other 20% covers everything else and includes estate costs, IMT, corporate costs such as audit fees, legal and professional services, stationery and office costs.

v. Delivery against the running cost reduction requirement will be delivered through reduction of duplication, reduced workforce costs and driving efficiency through reduction of non-pay running costs. More detailed information will be available by October 2019 when the impacts of plans are known. This efficiency will not be delivered through reduction in clinical commissioning spend.

vi. How and on what the CCGs spend money on will continue to be subject to scrutiny from various parties. We will still be clinically led by our GPs and the new Governing Body and will continue to have Lay Members. Regulators will need to be assured that our plans continue to address the needs of all our patients, across the previous CCG areas. Our independent auditors scrutinise the CCG and give a public assessment as to the how we operate against "value for money" criteria.

Loss of Services

i. The new Primary Care Networks and Integrated Care Providers will take on our existing responsibility to develop personalised care services which meet the needs at neighbourhood level. The work of the PCNs will directly inform the commissioning plans and activities of the CCG.

ii. The new arrangements for one single CCG taking strategic decisions across the whole area and smaller PCNs at local level will directly lend themselves to having an even closer local focus, whilst at the same time enabling more effective commissioning of services across the entire geography.

iii. By supporting and working with these networks we have an opportunity to strengthen our existing approach to commissioning for specific populations and communities across Nottingham and Nottinghamshire.

iv. As a single clinical commissioning group our duty to promote the involvement of patients and carers in decisions which relate to their care or treatment would remain. As one CCG we would still be required to ensure that we work with our stakeholders and involve people in any service change. As we potentially move into one organisation we would retain the two locality based Patient and Public Engagement Committees.

v. Our commissioning plans are scrutinised by regulators and our partners in Health Scrutiny Committees at the local councils to ensure they are aligned to areas of priority and need.

vi. Each of the current CCGs have been given details of their financial allocation of resources for the next five years. The allocations process uses a statistical formula to make geographic distribution fair and objective, so that it more clearly reflects local healthcare need and helps to reduce health inequalities. Although the financial allocations would be combined for a single CCG the organisation will be able to make spending decisions in line with the needs of the local populations.

Size

i. There are pros and cons to whatever size organisation we choose. We believe the proposed merged CCG will provide the advantages of scale with a focus on local relationships working to population needs.

ii. We believe if we stay as we are, we would not be maximising our opportunity to commission healthcare services that ensure the best possible health and wellbeing for the population we serve within the available resources. We would be using public money to fund avoidable duplication of administrative services, tying up clinical time that could be freed up to focus on front-line services and healthcare improvements.

iii. At the same time as merging into one strategic commissioning organisation we are also breaking down the organisation into smaller neighbourhood units with the introduction of Primary Care Networks and ICPs. This will offer the best elements of both a strategic and local approach.

iv. As outlined in the Communications and Engagement Strategy for the proposed merged organisation, there will be a variety of ways for patients and the public to get involved in the shaping of health services – including both commissioning and system transformation activities – at all levels of the population from their local GP practice's Patient Participation Group up to the 1m+ Nottingham and Nottinghamshire level – and all stages in-between.

Satisfied

i. Whilst the current commissioning arrangements have served the people of Nottingham and Nottinghamshire well since 2013, the political and external context for the NHS in England has changed significantly since then. The NHS Long Term Plan sets clear expectations for the next generation of commissioning organisations. These include typically having a single commissioner within each healthcare system and one set of commissioning decisions. Staying as we are would not directly align with the national direction for the NHS.

ii. In order to maximise the voice of strategic commissioning within the Nottingham and Nottinghamshire ICS, there needs to be one single commissioning organisation operating on a system-wide basis, with more tactical commissioning activities taking place at the ICP (Place) and PCN (Neighbourhood) levels.

iii. Furthermore, whilst we have made some financial savings by implementing joint arrangements across our CCGs, given the reductions in management cost budget allocations, we need to find ways to unlock further savings. Each current CCG is a separate legal entity and it costs significantly more to service all six organisations than it would a single body. If we continue to run multiple CCGs the costs incurred on back-office activities will be much higher than having one streamlined organisation.

Summary

It is clear that the overwhelming majority of respondents to the stakeholder consultation are in favour of the proposed merger of the six CCGs in Nottingham and Nottinghamshire to create a single, strategic commissioner operating across the whole system.

However, this was not a unanimous position and so it is important that the minority views of respondents are carefully considered and taken into account going forward.

The five themes identified and the mitigating actions laid out above are important considerations as system leaders and the CCG's leadership team consider the next steps with the proposed merger. The actions described above will be monitored throughout the next stages of the merger application process, during mobilisation and when as part of the ongoing evaluation of benefit realisation of the creation of a new organisation.