

## Accountable Officer Report

### 1. CCG Annual Report and Annual Public Meeting

At its 24 May 2018 meeting, in line with delegated responsibilities, the Audit and Governance Committee approved the CCG's Annual Report and Accounts for 2017/18. The full report can be found on the CCG's website: [http://www.nottinghamnortheastccg.nhs.uk/wp-content/uploads/2018/06/Annual\\_Report\\_2017-18\\_FINAL.pdf](http://www.nottinghamnortheastccg.nhs.uk/wp-content/uploads/2018/06/Annual_Report_2017-18_FINAL.pdf). The report includes a Performance Report, Accountability Report and Remuneration and Staff Report, along with the Annual Accounts and the Independent Auditors Report.

The CCG's Annual Public Meeting (APM) will be held during September 2018. Further information in relation to the event will be publicised and communicated to Governing Body members in due course.

### 2. 2017/18 CCG Annual Assessments

NHS England has a statutory duty to undertake an assessment of CCGs on an annual basis in line with its [Improvement and Assessment Framework](#) (IAF), with the overall assessment derived from CCGs' performance against the IAF indicators, including an assessment of CCG leadership and financial management. Each CCG receives an overall assessment that places their performance in one of four categories: outstanding, good, requires improvement, or inadequate.

The overall rating for 2017/18 for Nottingham North and East CCG is **Good**. A summary of the CCG's areas of strength and areas for improvement, as identified by NHS England's year-end review, is provided at **Appendix A**. Details of the methodology used to reach the overall assessment for 2017/18 can be found at **Appendix B**.

On 12 July 2018, NHS England published the assessment ratings for all CCGs. Of the 207 CCGs in England, 20 have been rated as 'Outstanding', 100 as 'Good', 69 as 'Requires Improvement' and 18 as 'Inadequate'. The full document can be accessed here: <https://www.england.nhs.uk/wp-content/uploads/2018/07/ccg-iaf-annual-assessment-report-17-18-v2.pdf>.

### 3. New Secretary of State for Health and Social Care

On 9 July 2018, The Rt Hon Matt Hancock MP was appointed Secretary of State for Health and Social Care. Prior to this, he was Secretary of State for Digital, Culture, Media and Sport from 8 January 2018 to 9 July 2018. He was previously Minister of State for Digital from July 2016 to January 2018.

Matt Hancock is the MP for West Suffolk, having been elected in the 2010 general election. From 2010, Matt served as a backbencher on the Public Accounts Committee and the Standards and Privileges Committee. Matt entered government in September 2012 and has served in a number of Ministerial Roles, including for skills and business, and as Paymaster General.

#### 4. Governing Body Committees

##### Information Governance, Management and Technology Committee

In May 2018, the Governing Body approved the terms of reference for a new Corporate Assurance Committee. A decision has been taken subsequently that this committee is no longer needed and its previously delegated duties have been allocated to other existing committees and forums.

One of the key drivers to this has been the decision to continue with the Information Governance, Management and Technology (IGMT) Committee as a joint committee across the six CCGs in Greater Nottingham and Mid-Nottinghamshire. The terms of reference for the IGMT Committee are currently under review with colleagues from the Mid-Nottinghamshire CCGs and the outcome of this work is due to be presented to the next meeting of the IGMT Committee on 20 July 2018 for consideration.

While the overall responsibilities of the IGMT Committee will remain largely unchanged, the following amendments are proposed:

- NHS Nottingham City CCG will now be included in the joint committee arrangement.
- An IGMT Operational Delivery Group will be established. This will enable a better distinction between formal governance arrangements and management/operational arrangements associated with the IGMT agenda.
- The Committee's membership will be revised to reflect both the new integrated staffing structure across the Greater Nottingham CCGs and the establishment of the operational delivery group. The lay membership of the Committee will also be increased and the Committee will move to being chaired by a lay member.
- The Committee will meet quarterly and the Operational Delivery Group will meet monthly.

In order to move forward with the above-detailed changes to the CCG's governance framework in a timely manner, it is proposed that the IGMT terms of reference, once finalised, be circulated to Governing Body members for virtual approval.

##### ***The Governing Body is requested to:***

- ***Approve the dis-establishment of the Corporate Assurance Committee; and***
- ***Endorse the outlined changes to the IGMT Committee's existing terms of reference and agree to receive the full terms of reference for virtual approval once finalised.***

##### Primary Care Commissioning Committee

The feasibility of the four Greater Nottingham CCGs' Primary Care Commissioning Committees meeting in common will be reviewed to weigh up the potential advantages and disadvantages of such an approach.

Mike Wilkins, NHS Nottingham North and East CCG's Lay Member for Primary Care, has agreed to lead these discussions and an initial planning meeting has been scheduled for 17 July, following which a steering group meeting will be set up that will enable a range of current committee members to be engaged in the process.

### Clinical Cabinet

The four different clinical forums across the Greater Nottingham CCGs will be reviewed to help to ensure that: the correct links are made between these forums and the Greater Nottingham Joint Commissioning Committee; and to enable development of appropriate governance arrangements in line with the move to an Integrated Care System.

An initial meeting has been arranged for the 30 July between the Chief Operating Officer and the Locality Directors to discuss an initial plan for taking this review forward.

### Patient and Public Involvement Committee

An evaluation of engagement arrangements across the Greater Nottingham CCGs is to be completed in line with the move to an Integrated Care System (ICS), including Integrated Care Partnerships (ICPs) and Local Integrated Care Partnerships (LICPs). This work will be delivered by M.E.L. Research (utilising previously committed funds).

A steering group is currently being established to oversee this work, both in terms of defining the scope of the evaluation and to support its completion. The steering group will be chaired by Beverley Brookes, NHS Nottingham West CCG's Lay Member for PPI and includes members of the four different patient forums. Recommendations from the evaluation will then be used to shape how these forums will operate moving forward.

## **5. Greater Nottingham Clinical Commissioning Partnership – Memorandum of Understanding**

Work is continuing to finalise a memorandum of understanding is between the four Greater Nottingham CCGs, which will describe how the CCGs work together, including staffing and data sharing arrangements.

## **6. Nottinghamshire Health and Wellbeing Board**

A report from the Nottinghamshire Health and Wellbeing Board meeting held on 6 June 2018 is attached at **Appendix C**.

**Samantha Walters**  
**Accountable Officer**  
**July 2018**

## **Appendix A – 2017/18 IAF Summary Assessment**

### **Key Areas of Strength / Areas of Good Practice**

- NHS England acknowledges the positive and joined up relationships between Nottingham North and East CCG and the other members of the health and social care community, and look forward to the next steps for Greater Nottingham and the wider STP.
- The CCG should be credited for its demonstrable management of demand across the system, with reductions in referrals compared to previous years, supported e-referral rates towards the top quartile in the country.
- The CCG has continued to deliver key access targets for elective care and diagnostics, and has made significant improvements across the 62 day cancer standard, for which you are to be congratulated.
- The CCG achieved its financial targets ending the year in surplus as required.

### **Key Areas of Challenge**

- Sustainable delivery of the A&E 4 hour targets and children waiting under 18 weeks for wheelchairs, have again not been possible. While progress has been made during the year, the CCG must work with the STP to ensure that these essential targets are delivered in line with required trajectories.
- Maintaining areas of performance such as the RTT and cancer should be a high priority. The CCG should work to ensure that the small number of 52 week breaches observed in 2017/18 is not repeated.
- Patients' access target for IAPT services has struggled to be sustained during the year, partially due to the revised prevalence calculations adopted by the CCG for 2017/18. The CCG must develop a robust plan to address the access performance decline across mental health services and deliver the increased access requirements for local patients.
- In 2017/18 the merger of CCG management arrangements has been a significant challenge. The CCG must ensure that this becomes embedded quickly, and not lose focus on delivery of service improvements for your patients.

### **Key Areas for Improvement**

- Delivery of the 4 hour A&E standard continues to present a significant challenge locally, with NUH failing to deliver above 90% against the 4 hour waiting time for another year. A clear system capacity plan must be developed and enacted swiftly to ensure service improvements and delivery during the winter ahead. The progress of this plan will continued to be monitored through the NHSE/I monthly escalation meetings.
- The CCG did not deliver its QIPP targets during 2017/18 of £12.36m. This resulted in a deficit underlying position at the end of 2017/18. NHSE has limited confidence that the organisation is capable of delivering the 2018/19 QIPP in full. The overall approach to

identification and delivery of recurrent efficiency opportunities must be strengthened, to ensure financial resilience into the year and years ahead, and must be addressed within the Nottinghamshire STP.

### **Development Needs and Agreed Actions**

- The CCG must maintain grip on the financial position during 2018/19 as it will continue to be another challenging period. The progress of a sustainable financial position and delivery of recurrent efficiency programmes is key to the resilience and delivery of the organisation.
- The health and care organisations within the STP footprint must work together to narrow the gaps in the quality of care, their populations health and wellbeing, and in NHS finances.
- The CCG must continue to manage and improve performance through-out 2018/19 with rigour and pace, providing senior leadership to the wider STP with a strategic view on how all constitutional standards can be achieved and sustained.

### **Summary**

Overall, we would like to congratulate you on the progress you have made over the last year, particularly in relation to your joint working with other members of the health and social care community.

The CCG must continue to work collaboratively with the broader health and social care community in order to support transformational change across the STP.

## Appendix B – Overall Assessment Methodology

1. The CCG IAF comprises 51 indicators selected to track and assess variation across policy areas covering performance, delivery, outcomes, finance and leadership. This year, assessments have been derived using an algorithmic approach informed by statistical best practice; NHS England's executives have applied operational judgement to determine the thresholds that place CCGs into one of four performance categories overall.

### Step 1: indicator selection

2. A number of the indicators were included in the 2017/18 IAF on the basis that they were of high policy importance, but with a recognition that further development of data flows and indicator methodologies may be required during the year. However, by the end of the year, there was just one indicator that was excluded as there is no data available for the measure: mental health crisis.

### Step 2: indicator banding

3. For each of the 207 CCGs, the remaining indicator values are calculated. For each indicator, the distance from a set point is calculated. This set point is either a national standard, where one exists for the indicator (for example in the NHS Constitution); or, where there is no standard, typically the CCG's value is compared to the national average value.
4. Indicator values are converted to standardised scores ('z-scores'), which allows us to assess each CCG's deviation from expected values on a common basis. CCGs with outlying values (good and bad) can then be identified in a consistent way. This method is widely accepted as best practice in the derivation of assessment ratings, and is adopted elsewhere in NHS England and by the CQC, among others.<sup>1</sup>
5. Each indicator value for each CCG is assigned to a band, typically three bands of 0 (worst), 2 (best) or 1 (in between).<sup>2</sup>

### Step 3: weighting

6. Application of weightings allows the relatively greater importance of certain components (i.e. indicators) of the IAF to be recognised and for them to be given greater prominence in the rating calculation.

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<sup>1</sup> Spiegelhalter et al. (2012) *Statistical Methods for healthcare regulation: rating, screening and surveillance*

<sup>2</sup> For a small number of indicators, more than 3 score levels are available, for example, the leadership indicator has four bands of assessment.

7. Weightings have been determined by NHS England, in consultation with operational and finance leads from across the organisation, and signal the significance we place on good leadership and financial management to the commissioner system:
  - Performance and outcomes measures: 50%;
  - Quality of leadership: 25%; and,
  - Finance management: 25%
8. These weightings are applied to the individual indicator bandings for each CCG to derive an overall weighted average score (out of 2).

**Figure 1: Worked example**

Anytown CCG has:

- Quality of leadership rating of “Green” (equivalent to a banded score of 1.33)
- Finance management rating of “Green” (equivalent to banded score of 2)
- For the remaining 48 indicators, the total score is 49.5.
- These scores are divided through by their denominator and weighted to produce an overall domain weighted score:

$$\left(\frac{1.33}{1}\right) \times 25\% + \left(\frac{2}{1}\right) \times 25\% + \left(\frac{49.5}{48}\right) \times 50\% = 1.35$$

**Step 4: setting of rating thresholds**

9. Each CCG’s weighted score out of 2 is plotted in ascending order to show the relative distribution across CCGs. Scoring thresholds can then be set in order to assign CCGs to one of the four overall assessment categories.
10. If a CCG is performing relatively well overall, their weighted score would be expected to be greater than 1. If every indicator value for every CCG were within a mid-range of values, not significantly different from its set reference point, each indicator for that CCG would be scored as 1, resulting in an average (mean) weighted score of 1. This therefore represents an intuitive point around which to draw the line between ‘good’ and ‘requires improvement’.
11. In examining the 2017/18 scoring distribution, there was a natural break at 1.45, and a perceptible change in the slope of the scores above this point. This therefore had face validity as a threshold and was selected as the break point between ‘good’ and ‘outstanding’.
12. NHS England’s executives have then applied operational judgement to determine the thresholds that place CCGs into the ‘inadequate’. A CCG is rated as ‘inadequate’ if it has been rated red in both quality of leadership and financial management.

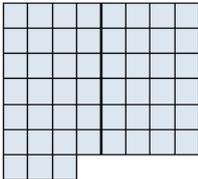
13. This model is also shown visually below:

### Deriving the CCG IAF assessment ratings

Step 1:

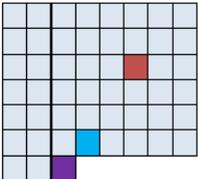
Indicators selected and calculated

There are 51 indicators in the 2017/18 CCG IAF...



...of which, 50 are included in the end of year rating

(1 indicator, **Mental health crisis team provision**, is excluded because data are not yet available)

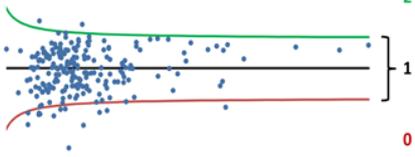


Values are derived for each CCG for each indicator. There is 1 indicator in the **Finance** domain and 1 for **Quality of leadership**.

Step 2:

Indicators banded

Measure of deviation ("z-score") calculated for each CCG value. Outlying CCGs assigned to bands with scores of 0 (worst) to 2 (best).



The process is repeated for all 50 available indicators (example scores shown for **Anytown CCG**).

1	1	1	1	0	1	0	2
1	1	2	1	1	1	0	1
1	1	1	2	1	1	1	1
1	1	1	2	1	2	1	1
0	1	1	1	1	2	1	1
1	1	1	2	0	2	0	1
2	0	1					

Step 3:

Weights applied, average score calculated

- Finance: 25%
- Leadership: 25%
- The rest: 50%

Bandings for each domain are summed and divided by the count of indicators in that domain, then multiplied by the relevant weighting.

**Worked example for Anytown CCG**

Overall score calculated for CCG as sum of:

- [Finance] 25% \* (2 / 1 indicator)
- + [Leadership] 25% \* (1.333 / 1 indicator)
- + [The rest] 50% \* (49.5 / 48 indicators)

= score of 1.35  
(out of a possible 2)

Step 4:

Scores plotted and rating thresholds set

The distribution of average scores (out of 2) is plotted for all 207 CCGs. The threshold between "Requires Improvement" and "Good" is then set at the mid-point of 1; for "Outstanding" it is set at a natural break at the upper end of the distribution and for "Inadequate" an auto-rule is applied to include all CCGs whose Finance and Leadership ratings are both Red. In the example shown, there is a step change at 1.45 which forms the lower threshold for "Outstanding".