HILLINGDON CCG UPDATE

Relevant Board Member(s)	Dr Ian Goodman
Organisation	Hillingdon Clinical Commissioning Group
Report author	Caroline Morison, Joan Veysey; Jonathan Tymms; Sarah Walker
Papers with report	None.

1. HEADLINE INFORMATION

Summary	This paper provides an update to the Health and Wellbeing Board on key areas of CCG work. The paper encompasses: • Delegation of primary care commissioning • Primary care transformation • Accountable care partnership due diligence process • Financial position M9 • Update on QIPP 16/17 • 17/18 operational plan • Changes to the governing body
Contribution to plans and strategies	The items above relate to the HCCGs: • 5 year strategic plan • Out of hospital (local services) strategy • Financial strategy • Shaping a Healthier Future
Financial Cost	Not applicable to this paper.
Relevant Policy Overview & Scrutiny Committee	External Services Overview and Scrutiny Committee
Ward(s) affected	All

2. RECOMMENDATION

That the Health and Wellbeing Board notes this update.

3. INFORMATION

The following section summarises key areas of work the CCG wishes to bring to the attention of the Health and Wellbeing Board.

3.1 Delegation of primary care commissioning

Responsibility for commissioning primary care (general practice) currently sits with NHS England. As part of the changes set out in the NHS Five Year Forward View NHS England are encouraging CCGs to take on a greater role in the commissioning of primary care.

Hillingdon CCG currently commissions jointly with NHS England (known as 'level 2' delegated commissioning). However NWL CCGs have considered the option to apply for and take on 'level 3' delegated commissioning from April 2017, subject to a ballot of the relevant CCG membership (e.g. all general practices in the borough of Hillingdon). This would mean that commissioning decisions related to primary care would be solely determined at a CCG level.

The CCG has been working with practices to understand and, where possible, address queries and concerns relating to delegation. Main areas for clarification have included:

- The capacity of the CCG to effectively deliver the function
- Priority areas for investment
- Enhanced levels of dialogue and accountability between members and the Governing Body

The CCG has addressed these through:

- Approving investment in the primary care team as well as working with NHSE and the other NWL CCGs to define roles and responsibilities
- Defining areas of investment for 17-18 to include improved access, visiting services (with a focus on care homes), additional clinical pharmacist capacity and new models of care for long term conditions
- A commitment to re-shape and increase the opportunities for discussion and engagement between members and the Governing Body

In addition the CCG commissioned a due diligence report from a third party (RSM). RSM worked both with the current NHSE team and GP practices (through an online survey) to understand the current risks and issues with regards to primary care commissioning. The report was shared with practices in advance of the membership vote on 22nd February.

The outcome of the membership vote was that Hillingdon voted in favour of taking on level 3 delegated commissioning. This will mean that from 1 April 2017, Hillingdon CCG will take full responsibility for the management of their GP and primary care services. This will allow the CCG to tailor services more effectively to meet local patients' needs. This new way of working will also give patients more opportunity to input and influence how primary care services are developed. Following the result of the vote a new governing body committee will be established in order to carry out this new role.

3.2 Primary care transformation

The development of a single primary care federation for Hillingdon continues with the roll out of an extended hours service across the borough. The service went live during the Christmas period in the south of the borough and following an evaluation of utilisation and the enabling systems and processes, will be extended to an additional two locations over the coming months.

The service (currently based at the HESA centre) offers appointments to 8pm in the evenings on weekdays and between 8am and 8pm on Saturdays and Sundays.

NHS England and Hillingdon CCG have agreed to run the procurement process for the APMS primary care contract for the HESA centre outside of the NHS England Tranche 5 process. The decision was taken at the December primary care co-commissioning committee. The main factors for taking a local approach are:

- The level of local determination in the decision-making process
- The timeline required for the NHSE process which was not aligned with local transformation programmes

NHS Shared Business Services will support the process with further oversight and governance provided by the primary care co-commissioning committee.

3.3 Accountable Care Partnership – due diligence

The due diligence process for Hillingdon Health and Care Partners (HHCP) is now underway. The process is designed to assess the current stage of development of HHCP across seven domains: strategy and vision, leadership and governance, processes, technology, financial and risk management, people and culture and integration. Each domain has a number of criteria which the ACP will need to evidence its performance and capabilities against. Minimum thresholds have been set for year one, and higher thresholds for year two. Performance is assessed against four tiers: emerging, developing, established and leading.

The process includes self-assessment together with a challenge panel and board to board session. The entire process will take place over two years but a key gateway will be in April 17 that enables the ACP to progress to the 'testing year' of 17/18.

Challenge panels will include a wide range of stakeholders including lay representation, clinicians external to Hillingdon, local authority representation (including public health and social care) and CCG leads. The outcome of the first panel on 23rd February will form the basis of a board to board session on 9th March leading to an agreed development plan for 17-18.

3.4 Financial position M9

Overall, at month 9, the CCG is achieving its YTD planned surplus of £2.7m. The CCG is reporting to achieve its £3.6m planned surplus by Year End, although this is in part due to a number of non-recurrent benefits (see below).

Whilst the CCG continues to report achievement of its planned YTD and FOT financial targets, there remain a number of risks within the CCG's financial position which mainly relate to over-performance on the CCG's main Acute Contracts and also significant financial pressures in its Continuing Care budgets.

The over-performance on the contract with THH relates to higher than planned increases in Accident & Emergency activity and also OP referrals in a number of specialties. Emergency admissions have reduced from last year but costs have increased due to an increase in the length of stay and acuity of patients at THH.

There is also significant over performance at London North West Hospitals (mainly stroke related activity), Imperial (Non-Elective and Maternity) and the Royal Brompton.

Continuing Care costs are currently projected to increase by £3.2m (20%) compared to last year. Part of this increase in overall cost (c£900k) relates to the national increase in Funded Nursing Care reimbursement. In addition there have been significant increases in activity and placements relating to Palliative Care, Older people and also Section 117s.

Additional external resource has been identified within Continuing Care to review costs of high cost packages.

To achieve its forecast outturn plan, the CCG has now deployed most of its available reserves, in both programme and running costs, and has also factored in non-recurrent balance sheet gains from 15/16 (£2.5m) into the FOT.

Overall Position- Executive Summary Month 9 YTD and FOT

Table 1

EXECUTIVE SUMMARY		Year to Date Month 9			Forecast Outturn Position		
	Final Budgets (£000)	YTD Budget (£000)	YTD Actual (£000)	Variance Sur/(deficit) (£000)	FOT Actual (£000)	FOT Variance Sur/(deficit) (£000)	FOT QIPP Variance (£000)
Commissioning of Healthcare							
Acute Contracts	206,468	154,946	158,843	(3,896)	211,696	(5,228)	(1,359)
Acute Reserves	2,556	1,619	0	1,619	829	1,726	0
Other Acute Commissioning	13,209	9,160	8,838	322	12,840	369	276
Mental Health Commissioning	25,213	18,589	18,408	180	25,077	136	183
Continuing Care	16,045	11,905	14,523	(2,618)	19,294	(3,249)	(109)
Community	30,847	23,074	22,959	115	30,814	33	69
Prescribing	35,784	27,115	26,570	545	35,196	588	230
Primary Care	7,010	4,371	3,798	574	6,669	341	0
Sub-total	**337,132**	**250,779**	**253,938**	**(3,159)**	**342,416**	**(5,285)**	**(710)**
Corporate & Estates	4,573	3,400	3,429	(29)	4,565	8	0
TOTAL	**341,705**	**254,179**	**257,367**	**(3,187)**	**346,981**	**(5,276)**	**(710)**
Reserves & Contingency							
Contingency	2,134	1,600	0	1,600	0	2,134	0
Uncommitted Reserves	4,149	0	0	0	4,149	0	0
2015/16 Balance Sheet Gains	0	0	(1,542)	1,542	(2,552)	2,552	0
RESERVES Total:	**6,283**	**1,600**	**(1,542)**	**3,142**	**1,597**	**4,686**	**0**
Total 2016-17 Programme Budgets	**347,987**	**255,780**	**255,825**	**(45)**	**348,578**	**(591)**	**(710)**
Planned Surplus/(Deficit)	3,616	2,712	0	2,712	**0**	**3,616**	**0**
Total Programme	**351,603**	**258,492**	**255,825**	**2,667**	**348,578**	**3,025**	**(710)**
RUNNING COSTS							
Running Costs	**6,279**	**4,095**	**4,049**	**45**	**5,688**	**591**	**0**
CCG Total	**357,882**	**262,586**	**259,874**	**2,712**	**354,266**	**3,616**	**(710)**

Year To Date Position- Acute Contracts and Continuing Care

Table 2

ACUTE CONTRACTS		Year to Date Month 9		
	SLA Value (£000)	YTD Budget (£000)	YTD Actual (£000)	Variance Sur/(deficit) (£000)
Chelsea And Westminster Hospital NHS Foundation Trust	2,353	1,767	1,825	(58)
Imperial College Healthcare NHS Trust	12,066	9,058	9,355	(297)
London North West Hospitals	16,580	12,409	12,983	(574)
Royal Brompton And Harefield NHS Foundation Trust	6,442	4,831	6,079	(1,248)
The Hillingdon Hospitals NHS Foundation Trust	131,802	98,972	102,872	(3,900)
The Hillingdon Hospitals NHS Foundation Trust - Transitional Support	3,300	2,475	0	2,475
Sub-total - In Sector SLAs	**172,543**	**129,512**	**133,113**	**(3,602)**
Sub-total - Out of Sector SLAs	**31,984**	**23,978**	**24,294**	**(316)**
Sub-total - Non NHS SLAs	**1,942**	**1,456**	**1,435**	**21**
Total - Acute SLAs	**206,468**	**154,946**	**158,843**	**(3,896)**

CONTINUING CARE		Year to Date Month 9		
	Final Budgets (£000)	YTD Budget (£000)	YTD Actual (£000)	Variance Sur/(deficit) (£000)
Mental Health AMI (Under 65)	59	44	3	41
Mental Health EMI (Over 65) - Residential	2,865	2,149	2,384	(234)
Mental Health EMI (Over 65) - Domiciliary	277	208	201	7
Physical Disabilities (Under 65) - Residential	2,015	1,511	1,848	(337)
Physical Disabilities (Under 65) - Domiciliary	2,201	1,651	1,396	254
Elderly Frail (Over 65) - Residential	951	713	1,077	(363)
Elderly Frail (Over 65) - Domiciliary	92	69	153	(84)
Palliative Care - Residential	381	286	552	(266)
Palliative Care - Domiciliary	424	318	617	(299)
Sub-total - CHC Adult Fully Funded	**9,265**	**6,949**	**8,230**	**(1,281)**
Sub-total - Funded Nursing Care	**2,095**	**1,571**	**2,069**	**(498)**
Sub-total - CHC Children	**1,263**	**947**	**1,220**	**(273)**
Sub-total - CHC Other	**628**	**342**	**695**	**(353)**
Sub-total - CHC Adult Joint Funded	**2,794**	**2,095**	**2,309**	**(213)**
Total - Continuing Care	**16,045**	**11,905**	**14,523**	**(2,618)**

FOT Position- Acute Contracts and Continuing Care

Table 3

ACUTE CONTRACTS	Year to Date Month 9		Forecast Outturn Position	
	YTD Actual (£000)	Variance Sur/(deficit) (£000)	FOT Actual (£000)	FOT Variance Sur/(deficit) (£000)
Chelsea And Westminster Hospital NHS Foundation Trust	1,825	(58)	2,435	(82)
Imperial College Healthcare NHS Trust	9,355	(297)	12,562	(496)
London North West Hospitals	12,983	(574)	17,260	(679)
Royal Brompton And Harefield NHS Foundation Trust	6,079	(1,248)	8,105	(1,663)
The Hillingdon Hospitals NHS Foundation Trust	102,872	(3,900)	137,055	(5,253)
The Hillingdon Hospitals NHS Foundation Trust - Transitional Support	0	2,475	0	3,300
Sub-total - In Sector SLAs	**133,113**	**(3,602)**	**177,417**	**(4,874)**
Sub-total - Out of Sector SLAs	**24,294**	**(316)**	**32,386**	**(402)**
Sub-total - Non NHS SLAs	**1,435**	**21**	**1,893**	**48**
Total - Acute SLAs	**158,843**	**(3,896)**	**211,696**	**(5,228)**

CONTINUING CARE	Year to Date Month 9		Forecast Outturn Position	
	YTD Actual (£000)	Variance Sur/(deficit) (£000)	FOT Actual (£000)	FOT Variance Sur/(deficit) (£000)
Mental Health AMI (Under 65)	3	41	3	56
Mental Health EMI (Over 65) - Residential	2,384	(234)	3,142	(277)
Mental Health EMI (Over 65) - Domiciliary	201	7	248	29
Physical Disabilities (Under 65) - Residential	1,848	(337)	2,356	(341)
Physical Disabilities (Under 65) - Domiciliary	1,396	254	1,878	323
Elderly Frail (Over 65) - Residential	1,077	(363)	1,543	(592)
Elderly Frail (Over 65) - Domiciliary	153	(84)	211	(119)
Palliative Care - Residential	552	(266)	741	(360)
Palliative Care - Domiciliary	617	(299)	854	(430)
Sub-total - CHC Adult Fully Funded	**8,230**	**(1,281)**	**10,975**	**(1,710)**
Sub-total - Funded Nursing Care	**2,069**	**(498)**	**2,749**	**(654)**
Sub-total - CHC Children	**1,220**	**(273)**	**1,534**	**(271)**
Sub-total - CHC Other	**695**	**(353)**	**1,148**	**(521)**
Sub-total - CHC Adult Joint Funded	**2,309**	**(213)**	**2,888**	**(94)**
Total - Continuing Care	**14,523**	**(2,618)**	**19,294**	**(3,249)**

3.5 16/17 QIPP

The 16/17 Net QIPP Target is £8,645k. Current FOT as at M10 is (£683k), giving an FOT of £7,990 (or 92%) an improvement of £27k since M9.

16/17 QIPP Performance

Workstream	16/17 Net Target Savings £'000	FOT Variation from target M10 £'000	FOT Variation from target M9 £'000	Difference M9 v M10 £'000
Unplanned Care	1,805	401	309	92
Planned Care	2,734	(818)	(733)	(85)
Long Term Conditions	547	(222)	(235)	13
Older Peoples	1,107	(277)	(225)	(52)
Mental Health	746	89	89	-
Prescribing	1,573	253	194	59
Continuing Health Care	162	(109)	(109)	-
Total	8,645	(683)	(710)	27

Planned care

Planned care continues to deliver a shortfall with the main areas of slippage being:

Ophthalmology: Project impacted by late start date. An activity review is underway to review delivery against contracted activity and associated credits to CCG which will improve the end of year position.

MSK: Pain Management – An activity review is underway to review delivery against contracted activity and associated credits to CCG which will improve the end of year position.

Dermatology: An activity review is underway to review delivery against contracted activity and associated credits to CCG which will improve the end of year position. The contract ends December 2017, with contract options being assessed.

Long Term Conditions

The Long Term conditions position has improved marginally in M10. Overall there is a £222k FOT shortfall in M10 driven largely by the Expert Patient Programme (£54k), Pulmonary Rehab Tariff (£59k), and Stroke Early Supported Discharge (£38k).

Older People

Overall there is a £277 FOT shortfall in M10 due to delays in appointing to the Care of The Elderly consultant posts in A&E. One post continues to be vacant following unsuccessful recruitment processes. The CCG is likely to recover c£120k from the vacant post for 16/17.

There is also continuing decline in Rapid Access Clinics (£106k FOT shortfall). This project has had delayed service and process implementation. Full year benefits should occur in 17/18.

Continuing Health Care

There remains a £109k FOT shortfall in CHC. This needs to be seen in the context of the overall over performance in CHC activity for which a business plan is being developed for 17/18.

17/18 QIPP

The CCG has identified £12.6m gross QIPP (£9.6 net) to support delivery of a balanced financial position in 17/18.

The current focus of the planning work is on risk assuring delivery of the savings and finalising the relevant project and programme plans to ensure robust implementation.

3.6 Operating plan 17/18

Hillingdon CCG successfully agreed all key contracts for 17/18 and 18/19, by 23rd December, three months earlier than usual and covering two financial years.

Acute contracts across NWL have been agreed using a common approach and the contract agreements are based on activity growth assumptions aligned with the STP and QIPP assumptions that match the 'Shaping a Healthier Future: Strategic Outline Case' that has been submitted to NHSE.

The financial environment for 17/18 is challenging and the agreed contract values represent a significant financial challenge to both commissioner and provider to deliver their respective control totals. Further collaborative work will identify opportunities to reduce activity and cost. To manage risk in the NWL system, a marginal rate on over-performance above the baselines has been set at 70% and performance below the baseline will be payable at 30%. There is also a 50% risk-share on high cost drugs (HCD) above or below an agreed threshold.

The community contract with CNWL for 17/18 and 18/19 are years two and three of the three year contract agreed last year so change is minimal from previous planning assumptions. For the CNWL mental health contract, the CCG has increased its investment in mental health services in line with 'parity of esteem' assumptions but also built in the delivery of significant transformation in mental health services.

3.7 Changes to Governing Body

The CCG welcomes Dr Angela Joseph to the Governing Body as the new elected member for Hayes and Harlington. Dr Joseph is a partner at Kingsway Practice. We are pleased to confirm Dr Kuldhir Johal as the new CCG vice-chair following a nominations process that took place during January. We also welcome Diane Jones as our new Director of Quality. Diane joins us from Greenwich CCG where she has been in the role of Director of Integrated Governance.

4. FINANCIAL IMPLICATIONS

None in relation to this update paper.

5. LEGAL IMPLICATIONS

None in relation to this update paper.

6. BACKGROUND PAPERS

- North West London 5 Year Strategic Plan
- Hillingdon CCG Out of Hospital Strategy
- Hillingdon CCG Operating Plan 2015/16
- London Primary Care Strategic Commissioning Framework