

Northern, Eastern and Western Devon Clinical Commissioning Group

NEW Devon CCG Commissioning Framework 2014 - 2016

Clinical Commissioning Groups (CCGs), along with other bodies, are responsible for commissioning healthcare from providers to meet the needs of the local population.

The Northern, Eastern & Western Devon Clinical Commissioning Group (NEW Devon CCG) covers a population of approximately 890,000 people and spends £1.1 billion to provide large elements of their care. We serve populations with similar but differing needs and our Commissioning Framework reflects our commitment to consistency across the CCG but is sensitive to our diverse communities. The Commissioning Framework will also reflect any additional requirements set out in national planning guidance, [Everyone Counts: planning for patients 2014/15 to 2018/19](#), which was published on 20th December 2013.

Clinical outcomes for our population are good but the cost of service provision in some cases is higher than in comparable areas which, combined with the economic outlook and shifts in demography, indicate a need for change. Our strategies aim to move resources towards prevention and self-care and better management of long term conditions and urgent care.

Financial sustainability for the health and care economy is critical. By working on a CCG-wide basis we will enable investment in services which provide the greatest impact, moving towards equal outcomes and reasonable access for our whole population. The focus of our five year strategy will be how we create a high quality, sustainable system placing individuals at the centre of our work.

Commissioning Strategy:

NEW Devon CCG has a clear **vision**: *Healthy People, Living Healthy Lives in Healthy Communities*

Our **Mission**: *that NEW Devon CCG will transform services with the aim of supporting all individuals to have access to high quality sustainable services, that promote their wellbeing and that care for them when they are unwell. We also want to design services that can, whenever possible, be delivered when, where and how people choose.*

We will focus on **three core strategies**:

1. *Ensure the clinical community and the public take joint ownership of the sustainability agenda*
2. *Ensure systems and processes are developed that make the best use of limited resources, every time*
3. *Move the focus of commissioning away from treatment and towards a prevention and maintenance approach*

Planned changes to services.

Our Intentions focus on priority issues:

- In the short-term, a 2014/15 shift of unscheduled contacts to urgent planned care where possible. This, alongside planning of the future landscape of Urgent and Emergency settings of care, will realise the vision of [The Keogh Review](#).
- Early exploitation of the [Better Care Fund](#) (formerly known as the *Integration Transformation Fund*) with a broad and ambitious scope across Advance Care Planning and frailty, unscheduled care, admissions avoidance, 7-day working, integrated discharge planning and onward provision across health & social care and provider boundaries. This alongside local development of the care market in partnership with Local Authorities.
- Rapid access to senior medical opinion in support of optimal diagnosis, treatment and demand management.
- Targeted follow-up care, seeing patients according to need rather than by default when they are well. Infrastructures to achieve this are well established in exemplar sites but underutilised in Devon.
- Major pathway and service improvement on the basis of outcomes, access, evidence, value for money and benchmarked opportunities. These will include Continuing Healthcare, frail elderly/complex adult pathways, orthopaedics, ophthalmology, dermatology, diabetes, respiratory medicine, psychiatric liaison, access to psychological therapies, eating disorders, personality disorders, autistic spectrum disorders and out-of-area placements.
- Prevention and Recovery, to include expansion of 'Enhanced Recovery' practice in surgery and medicine and recovery in mental health services.
- Direct access pathology services linking evidence to clinical pathways, rationalising this provision on a value basis to achieve the large gains envisaged in [Lord Carter's Review of NHS Pathology Services](#)
- Investment and disinvestment on the basis of treating equally the needs of our populations, with explicit consideration of clinical effectiveness and value for money. Transparent process to be established before the end of 2013/14.
- Together with South Devon & Torbay CCG and local authority partners will produce a coordinated suite of joint commissioning strategies including: Dementia, Learning Disability, Mental Health, Carers. These strategies will share common approaches that will guide joint commissioning plans aimed at improving outcomes and empowering individuals through coordinated commissioning across the health and care system.

We have published a detailed description of our top six commissioning priorities which are aligned to Health and wellbeing priorities. The next set of detailed plans will be published on 10th January 2014.

Financial context

In developing the financial plan the CCG has made reference to national guidance on planning assumptions.

The CCG and its predecessors have, over the last few years, made decisions to maximum upfront investment in services by committing 'headroom' into service contracts at the start of the year. However this approach left the CCG with no available resources to facilitate in-year change programmes or deal with un-planned costs.

This approach has not been as effective at creating the conditions for change as had been anticipated and has therefore caused financial pressures for both commissioners and providers.

In order to provide the best environment to allow the whole health and care community to move towards sustainability the CCG (plans to):

- Re-establish a compliant financial framework with headroom of 2% in 2014/15 & 3% in 2015/16; surplus of 1% ; contingency of 0.5%
- Provide for growth in services but at a low marginal cost
- Use headroom to achieve structural change and transformation
- Establish an agreed and all-encompassing approach to use of the Better Care Fund
- Develop further our transformation (QIPP/redesign) plans of 2% building on local commissioning intentions, existing local schemes, local benchmarking and efficiency analysis and NHS England value commissioning pack
- Ensure primary care and specialist commissioners plans and financial frameworks are aligned
- Ensure that the local plans and framework move the CCG towards its strategic intentions and in particular issues of financial and service equity

The table below shows current planning assumptions for the marginal change in resources for the CCG for the next two years.

NEW Devon Clinical Commissioning Group		
Medium Term Financial Plan	2014-15	2015-16
	£m	£m
Growth 2%/1.9%	22	22
Returned Surplus	0	11
Pace of Change to New Allocation Formula	0	(7)
Tariff Deflator	13	12
Total Sources	34	38
Activity and Drug Growth	11	25
Primary Care (Including Prescribing)	1	3
Complex Care	5	7
QIPP/Savings Requirement	(20)	(15)
Total Applications (Net of QIPP)	(3)	20
Position before Operating Plan Assumptions	37	18
Headroom/Contingency	26	18
Increase in Surplus (1%)	11	(0)
<i>Memorandum: Social Care Transfer/ITF</i>	2	34

Some of the key commissioning drivers and levers are set out below:

Tariff – changes to national tariff will result in a real reduction of 1.6%.

Growth – to reflect demographic change and expected increases in activity growth in anticipated spend has been planned at an overall level of 1%

Commissioning Intentions/QIPP

These have an overall target assessed at 2% which has been influenced by an assessment of what may be achievable in the first year of the 5 year plan. An assessment has been made on how these service changes impact on providers.

Levers for change / investing in quality improvement:

- **CQUIN** - This is the separate and specific payments made for delivering quality improvements in provided activities. NEW Devon CCG will use CQUIN to:
 - improve the quality and safety of care that patients experience;
 - maximise the gain in the quality of care for individuals for the investment we make;
 - improve the consistency of care that patients experience

- **Headroom**

This financial plan re-establishes headroom at 2%. We plan to spend this with providers to support delivery of the commissioning intentions and to support collaborative approaches. For example:

- As we move towards health promotion and early intervention and use the Better Care Fund as a key element of commissioning in 2014 - 2016, we will invest headroom where necessary to better target spend on planned care to ensure we have resources for urgent care growth
- Headroom will be directed at those providers with whom we have agreed transformation. It will be paid on the achievement of the required outcomes, rather than for a new service – and therefore will offset the risk of any failure of delivery
- It will be applied proportionate to the need for change and not apportioned across communities pro rata to contract values or populations
- We will publish details of our use of headroom for 2014 - 2016 periodically so that all stakeholders can review our investment

Partnership working in Plymouth and delivering the city priorities

NEW Devon CCG remains committed to delivering on the priorities for Plymouth, plays an active role in the Health and Wellbeing Board and has aligned commissioning intentions with Health and Wellbeing priorities.

Currently there are stronger working relationships than ever between the CCG and Plymouth City Council, with Plymouth City Council's Director of People a voting member of the Board in this (Western) Locality; teams now co-located in Windsor House; a Joint Commissioning Partnership in place; and good progress in working towards integrated care through the Better Care Fund and the Transforming Community Services programme.

The increasing financial challenges faced by all commissioners and providers of services could present a risk to partnership working if organisations chose to respond by 'protecting' resources but with our collective focus on doing the best we can for our citizens it could present an even greater imperative and opportunity for working together to provide really cost effective joined up services that add value for our service users.