



South West London
Merton Clinical Commissioning Group

Report to the Merton Clinical Commissioning Group Governing Body

Date of Meeting: Thursday 24th January 2013

Agenda No: 7.3

ATTACHMENT 08

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| Title of Document: Draft Merton CCG Operating Plan 2013-14 | Purpose of Report: For Note |
| Report Author: Mary Palmer, Operating Plan Project Lead | Lead Director: Sarah Ives, Acting Director of Commissioning |
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| <p>Executive Summary: NHS CB has published its planning guidance for 2013/14. CCGs are required to submit to NHS CB London Area Team the first draft of the following Operating Plan documents by 25th January with final plans due by 5th April:</p> <ul style="list-style-type: none"> • Plan On A Page • Operating Plan narrative • Unify2 self certification statements and trajectories • Finance Plan <p>The draft Plan on a Page is attached for information. The draft narrative and Unify2 template are available on request. The Finance Plan is included as a separate item on the Governing Board agenda.</p> <p>The Operating Plan sets out Year 2 of the CCG's Integrated Strategy and Operating Plan – 2012/13– 2014/15 which was developed utilising the Merton Joint Strategic Needs Assessment and engagement with a wide range of stakeholders. This included CCG members and the Merton Health and Wellbeing Board. Further engagement is planned for the development of the Operating Plan and will include patient and public representatives, and providers including the voluntary sector.</p> | |
| <p>Key sections for particular note (paragraph/page), areas of concern etc: The key issues and risks are set out in Section 2</p> | |
| <p>Recommendation(s): The Clinical Commissioning Group Governing Body is requested to:</p> <ol style="list-style-type: none"> 1. Note the NHS CB key requirements and milestones for the 13/14 planning round (PTO) | |

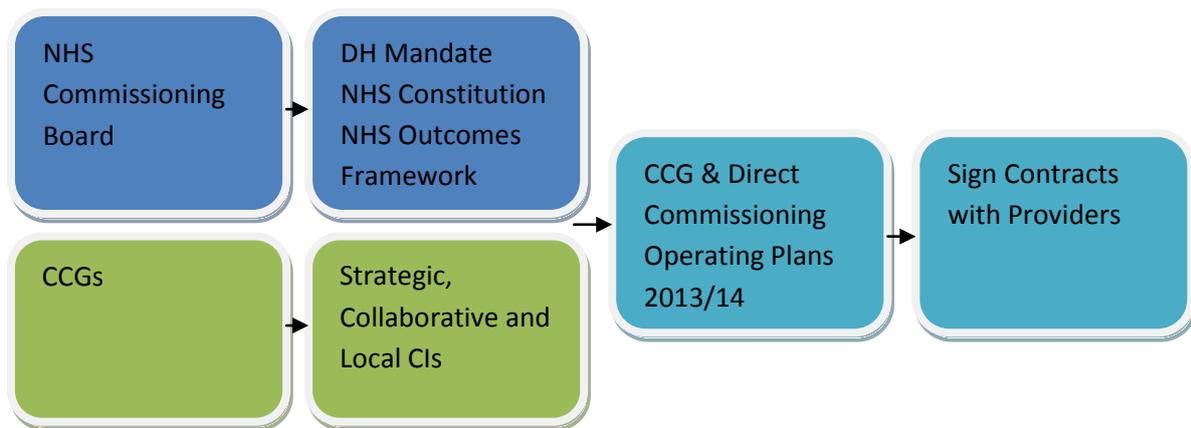
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| <p>2. Note the key issues and risks highlighted</p> <p>3. Delegate to the Executive Team approval of the first submission of early draft planning documents to NHS CB London Area Team on 25th January.</p> <p>4. Agree to discuss in detail the Operating Plan 13/14 and associated documents at the Governing Board seminar on 21st February</p> <p>5. Agree to receive for approval the final Operating Plan documents on 21 March prior to their being submitted to London by 5th April.</p> |
| <p>Committees which have previously discussed/agreed the report: MCCG Executive Team</p> |
| <p>Financial Implications: The Operating Plan sets out how the CCG will commission services for its population in 13/14</p> |
| <p>Implications for the Sutton and Merton Board or Joint PCT Boards: N/A</p> |
| <p>Other Implications: (including patient and public involvement/Legal/Governance/Risk/ Diversity/ Staffing)</p> <p>The Operating Plan is being developed through engagement with patients and the public, the Health and Wellbeing Board, CCG Membership and providers.</p> |
| <p>Equality Analysis: The Operating Plan confirms Merton CCG's commitment to the Public Sector Equality Duty</p> |
| <p>Information Privacy Issues: Merton CCG is required to publish its Prospectus by 31st May</p> |
| <p>Communication Plan: (including any implications under the Freedom of Information Act or NHS Constitution)</p> <p>The Operating Plan sets out Merton CCG's commitment to the NHS Constitution.</p> |

Merton CCG Operating Plan 2013/14

1. Overview

The NHS Planning Cycle for 13/14 is already underway. Commissioning Intentions have been drafted and discussions with providers are ongoing to agree contracts by 28 February and sign contracts by 31 March.

The process for moving to contract signing is set out below:



In November and December 2012 the NHS CB published a number of documents to support the development of CCG Operating Plans for 13/14. The documents are shown in Section 3.

The Operating Plan must deliver a number of key outcomes:

- Demonstrate that commissioning is based on local need
- Show clear alignment with national requirements
- Provide evidence that major strategic change programmes will be delivered

The Operating Plan is underpinned by the CCG financial plans based on national allocations and provides a clear framework for the negotiation of all provider contracts.

The first draft of the Operating Plan has to be shared with the NHS CB London Area Team by 25 January and the final plan by 5 April. The NHS CB CCG planning timetable is shown in Section 4.

The set of Operating Plan documents that need to be completed are:

- A Plan on a Page which should clearly show the CCG's transformational change programme, risks and commitment to national requirements (attached at Appendix A)
- Finance Template which includes QIPP and other financial management information similar to Financial Information Management System (FIMS) workforce and payroll details submitted in previous years

- An upload to the Unify2 system which is an NHS CB web based portal for uploading a number of mandatory self certification statements and target trajectories and our three locally determined targets (see Section 4 for more details).

NHS London has also issued the Operating Planning toolkit which is a template for the main narrative which is comprised of sections very similar to the 12/13 version. Submission of the toolkit to NHS CB London is optional however Merton CCG Executive Team agreed on 9 January that the toolkit should be completed and submitted with the documents described above. The toolkit provides a useful framework for discussions with NHS CB as the plans are developed and agreed between now and April.

2. Key Issues and Risks

- The NHS CB planning period particularly from January – April comes at a time when other critical pieces of work are also taking place including:
 - PCT Handover and Closedown which includes preparing for the transfer of all PCT functions and all PCT assets and liabilities (including contracts and staff) to their respective receiving organisations
 - Submitting evidence for authorisation to remove any final unmet criteria to achieve authorisation without conditions
- The NHS CB assurance role will include an assessment of the level of local engagement in the planning round including:
 - Membership
 - Patients and Public
 - Local Authority (Health and Wellbeing Board)
- The final submission of the operating plan must have been through appropriate governance process within the local CCG and with stakeholders
- Agreement of the delivery of opportunities against the NHS Outcomes framework must have local ownership and clinical leadership to ensure delivery.
- Merton CCG has a number of financial risks which need to be managed and addressed in the plans including:
 - Worsening 2012/13 position in recurrent acute over performance, therefore reducing the surplus to carry forward
 - Further slippage against 12/13 recurrent QIPP programme
 - Clarity regarding NHS Property services (funding flows and issue of void space)
 - Sutton & Merton split of budgets
- SWL Cluster performance team have at the time of writing been unable to split performance activity between Sutton and Merton. This is impacting our ability to determine performance trajectories which in turn means we are unable to fully complete the Unify2 template. The issue has been escalated to NHS CB London
- The NHS CB authorisation Draft Site Visit Report and subsequent Moderated Final Evidence Report assessed Merton CCG as having the following three unmet authorisation criteria:
 - The need to provide an up to date SLA for Looked After Children
 - The need to have a specific plan in place to address the requirement to commission and procure support services post 2013 and

- The need to undertake a skills audit for all members of the Governing Body.

However the reports also noted a number of future areas for development which are relevant to the development of the Operating Plan including:

- Work will need to continue with the membership to ensure that they are signed up to the strategy and work of the CCG moving forward
- Ongoing work review of the CCG's plans is required
- The CCG should continue to develop systems in place to convert feedback collected from patients into decision-making at population level
- The CCG financial plans need to clearly signpost QIPP schemes impact by care groups/provider
- There should be a read across between the QIPP plans and the overall financial position
- The QIPP needs to be developed over the full five years of the planning horizon.

Section 4 sets out the planning timetable including key NHS CB planning milestones and MCCG engagement events.

3. NHS CB Publications to Support Planning

In November and December 2012 the NHS CB published a number of documents to support the development of CCG Operating Plans for 13/14 including:

- David Nicholson's letter (18/12/12): *Planning, funding and supporting a modern, patient-centred NHS in 2013/14* which sets the scene for this planning round
- Paul Baumann's letter (18/12/12) announcing publication of *CCG allocations for 13/14*. CCH allocations have been increased by 2.3% on 12/13 baseline estimates. Merton CCG 13/14 opening allocation is £208,304 (000's) which is in addition to the Running Cost Allowance and allocation to local authorities to fund services that benefit both health and social care. Key financial planning assumptions are:
 - Tariff reduction assumed of -1.3%
 - CQUIN unchanged at 2.5%
 - 2% non recurrent resource open to CCG bids
 - 1% surplus and 0.5% mandatory contingency
 - Demographic and inflationary increases in line with sector assumptions
 - Retention of 70% non elective threshold adjustment, uplifted to 2012/13 forecast
- *Everyone Counts: Planning for Patients 2013/14*: which sets out the key objectives and outcomes for 13/14. No specific targets are being set except for c-diff infections (which will be linked to CCG Quality Premium). Subject to Regulations, a Quality Premium will be paid in 2014/15 to CCGs that in 2013/14 improve or achieve high standards of quality in the following four measures from the NHS Outcomes Framework (see below for more details). The four measures are:
 - potential years of life lost from causes considered amenable to healthcare
 - avoidable emergency admissions
 - the Friends and Family Test

- incidence of healthcare associated infections (MRSA and Clostridium difficile).

Payment of the Quality Premium will also be dependent upon achieving NHS Constitution rights and pledges (in particular in relation to waiting times).

A significant quality failure in-year will automatically debar a CCG from receiving a Quality Premium. In addition a CCG will not receive any Quality Premium reward if it has overspent its approved Resource Limit in 2013/14.

- *CCG Outcome Indicator Set (OIS) At A Glance* and *OIS Factsheet*. The OIS is made up of indicators that can be measured across all CCGs reflecting each of the five domains of the NHS Outcomes Framework (see below) but which relate to outcomes from commissioned services. The OIS aims to support CCGs and H&WBs identify priorities for improvement.
- Each CCG has also been provided with an *Outcomes Benchmarking Support Pack* to help CCGs identify where there are opportunities to make improvements in relation to the OIS. The support pack provides comparative information at CCG and local authority level including comparison against CCGs in the same ONS cluster and England median. Merton's benchmarking support provides us with information to support us in deciding where we might make improvements.
- *Commissioning Outcomes Framework* (which sets out outcomes from commissioning which are unchanged from last year) against which commissioners will be expected to prioritise and make improvements:
 - Preventing people from dying prematurely
 - Enhancing quality of life for people with LTC
 - Helping people to recover from episodes of ill health or injury
 - Ensuring that people have a positive experience of care
 - Treating and caring for people in a safe environment and protecting them from avoidable harm
- The *draft NHS Standard Contract 13/14* has also been published which sets out a requirement for providers to provide high quality data to commissioners. CQUIN will be set at 2.5% as stated above. The final NHS Standard Contract is expected to be available by 1 February.
- *Supporting Planning 2013/14 for CCGs* which focusses on the assurance of CCG plans. Part A sets out the formal requirements for all CCGs; Part B describes the greater scrutiny that will be applied to CCGs where there are conditions of authorisation on planning and/or finances (we do not anticipate that Part b will apply to Merton).

As discussed above NHS CB London has also issued the *Operating Planning Toolkit* which provides a template for CCGs to set out their Operating Plan for 13/14 (a revised version is expected to be issued shortly). The main sections are:

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| ○ Engagement | ○ Public Sector Equality Duty |
| ○ Strategic Overview | ○ Integrated care |
| ○ Commissioning development | ○ Roll out of 111 |
| ○ Cancer services | ○ Dementia and care of older people |
| ○ Innovation | |

- Improving primary medical services
- Mental health
- Patient experience
- Safeguarding
- Patient safety
- Carers
- Emergency preparedness
- Informatics
- QIPP and finance plans

4. Timeline

The first drafts of the Operating Plan documents have to be submitted to NHS CB London Area Team by 25 January with a further final version due by 5 April. The draft submission will include the 'Plan on a Page', Finance template, and target trajectories submitted on Unify2 and a draft Operating Plan Toolkit.

It is anticipated that there will be several iterations of the documents between the first and final submissions informed by discussions between the NHS CB London Area Team, the CCG governing body membership and local stakeholders.

The following table sets out the NHS CB planning milestones and MCCG planning and engagement activities.

Table 1: Planning Timetable and Engagement Events

| Month | NHS CB Planning Timetable | MCCG Planning Activities and Engagement Events |
|----------|---|--|
| December | <ul style="list-style-type: none"> ● Planning Guidance published ● Supporting information published and draft Standard NHS Contract | <ul style="list-style-type: none"> ● Commissioning Intentions drafted ● Provider discussions commenced |
| January | 25/1 CCG shares first draft of plans with Area Team Director to include: <ul style="list-style-type: none"> ● Plan on a Page ● trajectories on relevant measures in plus three local priorities ● activity plans – summary at commissioner level; ● financial information | 9/1 MCCG Executive Team considers planning timetable and approach 16/1 MCCG Executive Team (incl. Locality clinical leads) reviews early draft of Operating Plan documents 23/1 MCCG Executive Team approves first draft Operating Plan documents for first submission to NHS CB London Area team 23/2 Clinical Reference Group 24/1 CCG Governing Body receives Operating Plan briefing |
| February | 8/2 Area Team provides feedback to CCG | 12-14 February Practice locality leads meetings 15/2 LINK Steering group 19/2 One Merton group (OMG) 21/2 CCG Governing Body (seminar) considers operating plan priorities 27/2 Clinical Reference Group |
| March | Discussions between CCG and NHS CB Area team | 5/3 Health and Wellbeing Board 6/3 Practice leads Forum 21/3 CCG Members Meeting 21/3 CCG Governing Body approves Operating Plan for final submission |

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| | | 31/3 Contracts signed |
| April | 5/4 Final CCG plans shared with Area Team Director | |
| May | 10/5 NHS CB confirms plans | 31/5 CCG publishes Prospectus for population (further details and guidance are expected from NHS CB) |

5. Next steps

- Submit draft documents to NHS CB London Area Team on 25th January
- Further develop Operating Plan documents following:
 - receipt of feedback from NHS CB London (expected by 8th February)
 - feedback from engagement events with members, LINK and OMG
 - discussion at CCG Governing Body seminar on 21st February – to include clinical leads
- Make further submissions to NHS CB London as set out in the timetable above.

Appendix A: Draft Plan on a Page

Merton CCG – Plan on A Page

Vision

MCCG will improve the health outcomes for the population of Merton by commissioning services tailored to the needs of individual patients whilst addressing the diverse health needs of the population the population.

Organisational Development

Develop a clinically-led and managerially efficient membership organisation.

Implement vision for patient-centred care by making 'Better Healthcare Closer to Home' real for local population outcomes

Understand patient needs and their experiences to shape services and drive performance improvement.

Deliver an integrated system of care through sustainable partnerships (primary, secondary, community, mental health/ social care

Transformational Change

Ensure people in Merton are able to access the care they need from the right care professionals in the right setting, at the right time

Strategic Initiatives

LTC: Risk stratification, Co-ordinate My Care, MDT case review meetings

Urgent care: Integration of UCCs at St George's & St Helier Hospitals, implementation of new 111 services and Out-of-Hours service.

MH & LD: accessible early intervention and prevention services; all services will treat people with dignity and respect

Planned care: closer to home, review of referral pathways, Patient Navigation Project

Children & Young People: Strong focus on safeguarding,

Staying healthy & prevention: Giving every child a healthy start

Maternity & Newborn: focus on maintaining quality and efficiency

EOLC: increase uptake of Co-ordinate My Care

Risks

- Achieving financial balance
- Acute over performance
- Delivery of QIPP
- Split of Sutton & Merton CCG budgets

Commitments

NHS Constitution & Mandate

National Outcomes Framework

National targets
C-Diff
Dementia diagnosis
Psychological therapies

Local targets
Emergency admissions
TBC