

2020/21 Sheffield CCG Commissioning Intentions

Governing Body meeting

6 February 2020

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Purpose of Paper	
<p>Since April 2019, Governing Body has received regular updates on the Commissioning Cycle process and the development of the 2020/21 Commissioning Intentions. This paper is the final paper within this process which outlines the 2020/21 Commissioning Intentions for Governing Body approval.</p> <p>Through this process, it has also been necessary to review the CCG's strategy. This has involved: a review of our vision; an understanding of the challenges that we need to address for the Sheffield population; our Commissioning Principles; our values and behaviours; and our Strategic Objectives. By undertaking this process we have aligned the 2020/21 Commissioning Intentions to the Strategic Plan of the CCG.</p>	
Key Issues	
<p>Whilst this paper focuses specifically on the CCG's vision, strategy and plans, this should not be interpreted as being undertaken in isolation from or to detract from its partnership responsibilities as part of the Joint Commissioning Committee (JCC), the Accountable Care Partnership (ACP) or the wider South Yorkshire & Bassetlaw Integrated Care System (ICS). All of these products will contribute to delivery of, and have been informed by, the ICS strategy and response to the Long Term Plan, the Joint Health & Wellbeing Strategy for Sheffield and Shaping Sheffield.</p> <p>At the time of writing, the operational planning guidance has yet to be published, it is expected that the guidance will focus on delivery of the commitments in the Long Term Plan in relation to 2020/21.</p>	
Is your report for Approval/Consideration/Noting	
Approval	
Recommendations/Action Required by Governing Body	
<p>The Governing Body is asked to:</p> <ul style="list-style-type: none"> Approve the proposed Strategic Objectives for Sheffield CCG pending testing with key stakeholders and remove the organisational goals. 	

- Note the draft financial plan, the level of unmitigated financial risks and the next steps to refine the financial assumptions
- Approve the proposed 2020/21 Commissioning Intention Themes and Programmes for Sheffield CCG.
- Note the next steps in the development of Sheffield CCG's organisational strategy.

What assurance does this report provide to the Governing Body in relation to Governing Body Assurance Framework (GBAF) objectives?

Which of the CCG's Objectives does this paper support?

This paper supports the achievement of all of the CCG's objectives.

Description of Assurances for Governing Body

This paper provides assurance to the Governing Body that there has been a thorough process for the CCG to review and confirm its vision and strategic objectives. There is also a business planning process in place to deliver against the agreed strategic objectives.

Are there any Resource Implications (including Financial, Staffing etc)?

Yes, a focus of clinical and managerial time to deliver the business planning objectives.

Have you carried out an Equality Impact Assessment and is it attached?

Not Required.

Have you involved patients, carers and the public in the preparation of the report?

Patients, carers and the public will be involved and engaged following the approval of the strategic objectives.

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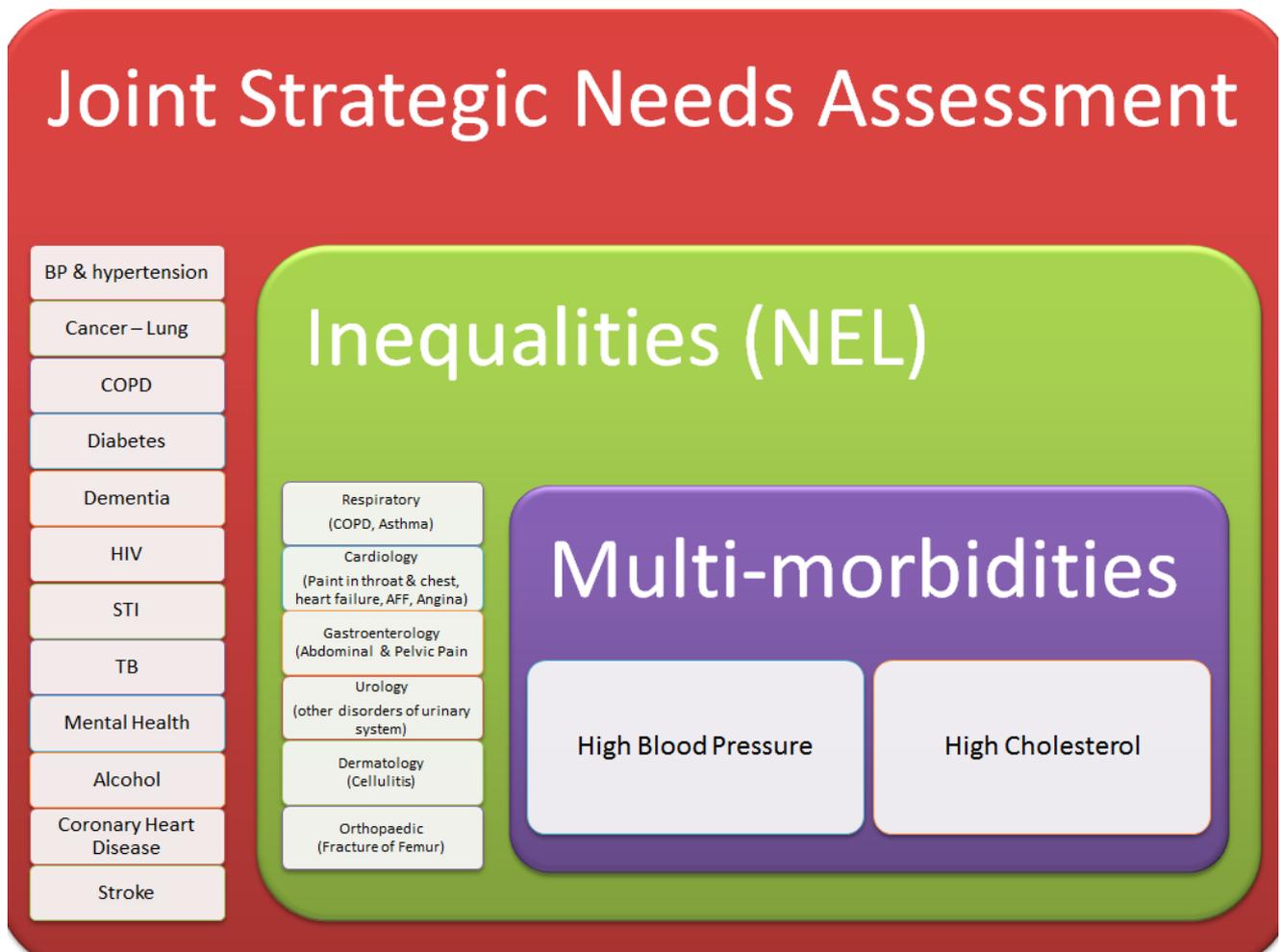
1. Introduction

- 1.1. Since April 2019, Governing Body has received regular updates on the Commissioning Cycle process and the development of the 2020/21 Commissioning Intentions. This paper is the final paper within this process which outlines the 2020/21 Commissioning Intentions for Governing Body approval.
- 1.2. It should be noted that whilst this paper focuses specifically on the CCG's vision, strategy and plans, this should not be interpreted as being undertaken in isolation from or to detract from its partnership responsibilities as part of the Joint Commissioning Committee (JCC), the Accountable Care Partnership (ACP) or the wider South Yorkshire & Bassetlaw Integrated Care System (ICS). All of these products will contribute to delivery of, and have been informed by, the ICS strategy and response to the Long Term Plan, the Joint Health & Wellbeing Strategy for Sheffield and Shaping Sheffield.

2. 2020/21 Business Planning

- 2.1. The 2020/21 business planning process commenced in April 2019 using the Commissioning Cycle as detailed in Appendix 1. The aim of this process was to look at how Sheffield CCG would achieve its objectives in the coming year. The Commissioning Cycle is used by Commissioners to identify what is needed and what is required to be achieved in order to ensure the right health and care is provided to a population.
- 2.2. The Joint Strategic Needs Assessment (JSNA) is a process by which local authorities and CCGs assess the current and future health, care and wellbeing needs of the local community to inform local decision making. The information provided from this assessment identifies the issues that are most prevalent for the Sheffield population and is crucial in informing our planning process. These are detailed in Table 1, alongside the main areas of inequalities across Sheffield and those most affecting multi-morbidity.
- 2.3. This information alongside other population health management data, local intelligence, feedback and analysis has informed the development of our four organisational challenges and commissioning intentions for 2020/21. Included in this are the requirements as detailed in The Long Term Plan, which highlights the requirement for all organisations to now work in an integrated and collaborative way. This ensures the best provision of services are achieved, inequalities are reduced whilst ensuring population needs are met.

Table 1: Sheffield Population Need



3. CCG Strategy

3.1. November's Governing Body agreed to revise the organisation's vision to:

“Working with you to make Sheffield healthier”

3.2. Governing Body has previously been presented with a timeline for Sheffield CCG's strategy to be developed and refreshed. It was agreed that the strategy would be launched in July 2020 and cover a three year period.

3.3. Appendix 2 details the current work that has been undertaken by the whole organisation in reviewing the CCG's vision and purpose, the challenges that we need to address as well as the newly developed strategic objectives.

3.4. During January 2020, a self-selecting group of Governing Body, Clinical and Deputy Directors and Staff Forum members reviewed the current strategic objectives and goals. These were presented alongside the updated vision and the recently developed challenges and commissioning principles to determine whether they continued to be fit for purpose.

3.5. The group confirmed that they were happy with the broad content of the strategic objectives. It felt however that they should all be simplified in order to clarify what

the organisation seeks to achieve and that two of the objectives could be amalgamated (quality and patient experience). The objectives that emerged from this work are listed below. It is proposed that these are adopted as the 2020/21 strategic objectives pending some further testing with key stakeholders over the next month.

- **Objective 1: Work with Sheffield City Council and partners to reduce the impact of health inequalities on peoples' health and wellbeing**
- **Objective 2: Lead the improvement of quality of care and standards**
- **Objective 3: Bring care closer to home**
- **Objective 4: Improve health care sustainability and affordability**
- **Objective 5: Be an excellent employer and maximise the potential of our people**

3.6. The group also proposed to remove the organisational goals. This was because they were felt to be unnecessary and confusing given the revised strategic objectives, challenges and their outcomes and commissioning principles. .

3.7. The next stage for the new organisational strategy will be to set out how the CCG plans to focus its energy and resources in the best places to deliver our vision and commissioning intentions.

3.8. We will engage with staff, our members, the public and our partners on the future commissioning form and how we should enable the organisation to deliver its priorities.

4. 2020/21 National Planning Guidance

4.1. Planning/Priorities. Whilst, at the time of writing, the operational planning guidance has yet to be published, it is expected that the guidance will focus on delivery of the commitments in the Long Term Plan in relation to 2020/21. It is expected to set out the specific requirements in terms of productivity (including outpatient transformation), performance (including targets in relation to emergency care bed occupancy, same day emergency care, waiting list reductions, cancer performance) and workforce (including retention, international recruitment and new roles).

4.2. Financial. A number of the requirements for the coming financial year have already been outlined. Financial Improvement Trajectories (FIT) have previously been issued by NHS Improvement/England, which includes the level of Financial Recovery Funding (FRF) available to organisations that submit plans in line with their individual FIT. Receipt of FRF is expected be dependent on the individual organisation and the system (ie the whole of the ICS) meeting the agreed financial position.

4.3. Timetable. Whilst the timetable for issuing guidance/submission of returns is still to be confirmed, indications of the likely key dates are summarised below:

	Expected timescales
2020/21 Operational Plan Guidance	Tbc
2020/21 National Tariff Payment System Consultation	Issued 19 December
Draft 2020/21 NHS Standard Contract guidance	Issued 19 December
CQUIN Guidance	Issued 21 January
Draft Operational Plans/System Narrative submission	5 March
Contract Alignment Exercise	5 March
Contract Signature Deadline	27 March
Final Plan submission	29 April

5. Sheffield CCG 2020/21 Financial Plan

5.1. Financial Improvement Trajectory

As noted above, NHS England/Improvement has issued Financial Improvement Trajectories for individual organisations. For NHS Sheffield CCG, the Financial Improvement Trajectory confirms the expectation that we will continue to deliver an in-year breakeven position over each of the five years, despite the fact that the cumulative surplus at the end of the planning period will be £8.5m higher than the business rule that CCGs should deliver a minimum of 1% cumulative surplus. The draft plan that we have submitted to the South Yorkshire & Bassetlaw ICS complies with the Financial Improvement Trajectory. However, we have submitted a joint proposition with the other SY&B CCG's to access our historic surplus via a non-recurrent drawdown allocation (in excess of 1%).

Table 2 below shows the value of the drawdown allocation requested in each financial year and the resulting surplus. Should the drawdown be approved the non-recurrent funding would be used to pump prime transformation programmes across the Sheffield place e.g. transformation of community services.

Table 2:

Year	Drawdown Requested £000	Surplus if drawdown agreed £000
2019/20	0	18,021
2020/21	2,000	16,021
2021/22	2,000	14,021
2022/23	2,200	11,821
2023/24	2,287	9,534 (1%)

5.2. Base Opening Budgets on an Assessment of 2019/20 Recurrent Spend

For each contract or service area the finance team have made an assessment of the recurrent expenditure using the latest intelligence on 2019/20 spend. This needs further testing with contracting and portfolio colleagues. Opening budgets therefore reflect the recurrent underlying cost in 2019/20, recognising that the 2019/20 financial position is likely to be delivered as a result of a number of areas of non-recurrent slippage. **This creates an opening £5.7m recurrent deficit based on the Month 8 forecast.**

5.3. National Tariff

The 20/21 consultation tariff has been published and closed on 22 January, it is expected that we should have the final confirmed tariff by early/mid February. There are a couple of significant changes proposed in the consultation including plans to move to a Blended arrangement for Outpatients from April 2020, and a Blended arrangement for Maternity Pathways from April 2021. The CCG has not fully explored the impact that this may make for us locally in light of QIPP and service change plans for Outpatients.

The nationally provided impact assessment suggests that Sheffield would have a pricing increase in excess of that currently assumed within the financial plan. However, the true impact will not be known until activity plans have been agreed and fully costed using the final published tariff. The financial plan has not been adjusted at this stage and this potential impact has been included in the overall financial plan risk assessment.

5.4. Running Costs Target

The confirmed Running Costs Allowance (RCA) for 2020/21 is £11.1m. This is a significant reduction (£1.5m) compared to the 2019/20 allocation (£12.6m).

The first draft of budgets for 2020/21 has been shared with the Senior Management Team based on the current approved staffing structure. This exercise indicates an over-commitment of £355k before any requests for additional capacity to deliver the commissioning intentions are considered. The senior management team are currently reviewing the current structure, opportunities to apply a vacancy factor to budgets, how to redeploy/maximise current capacity to deliver the agreed commissioning intentions in 2020/21, as well as opportunities to maximise income or share costs with other organisations.

The allocations for 2021/22 onwards have not yet been notified and the four year financial plan assumes that funding remains the same. However, in reality further reductions may become apparent in the future.

5.5. Primary Care Budget

PCCC has full responsibility for approving the use of the Primary Care Co-Commissioned budget delegated from NHSE; as well as responsibility for approving the use of other funding for primary care allocated from within the CCG's main programme allocation. A draft financial plan was presented to PCCC on 23rd January.

Within the plan initial estimates indicate that there is significant shortfall (**£1.1m**) in relation to available funding for Primary Care in 2020/21. Failure to address this issue will compromise the ability of the CCG to meet a number of its strategic objectives in 2020/21.

It is the responsibility of the CCG's Governing Body to approve the CCG's overall financial plan and individual budget for 2020/21 and this will happen in March 2020.

5.6. Investments

In line with the commissioning principles outlined in the paper, as well as the requirements on the NHS Long Term Plan, the draft plan makes provision for the following investments:

- Delivery of the Mental Health Investment Standard which requires CCG's to increase spend by at least their overall programme allocation growth plus an additional 1.7% to reflect the additional Mental Health funding included in CCG allocations in 2020/21 – 2023/23. This is the expectation, that spend on Mental Health will increase by the programme allocation growth as a minimum. Spend on Children's and Young People's (CYP) Mental Health must also increase as a percentage of each CCG's overall Mental Health spend.
- Delivery of the Primary and Community Investment Guarantee, investment in primary care should be consistent with the national GP contract framework as well as priorities in our Primary Care Strategy previously approved by Governing Body. A financial planning paper for primary care will be presented to a future PCCC for consideration of the investment priorities. Priorities for Investment in Community Services will be set out in our Commissioning Intentions.
- Other. Priorities for possible investments will be considered as part of development of our Commissioning Intentions. Funding is likely to be required to support the prevention agenda, as well as enabling projects such a digital transformation.

Table 3 shows the values that are currently within the financial plan to support the above requirements. However, this level of investment is predicated on delivery of the full £19.5m QIPP programme. Failure to identify and deliver the planned efficiency programme will limit the ability of the CCG to commit the investments identified below.

Table 3: Financial Plan - Investment

Area of Investment	Value £m
Mental Health (Mental Health Investment Standard)	4.7
Primary and Community Services	2.8
Investments to support commissioning intentions including prevention and enabling investments	2.0
TOTAL	9.5

5.7. QIPP

The financial plan has set a target of £19.5m for the QIPP plan in 2020/21. This is based on the assessment of recurrent expenditure commitments, expenditure forecasts on a 'do-nothing basis', the likely level of investment required to support delivery of the Long Term Plan Commitments as well as local priorities as assessed through the Commissioning Intentions process.

Whilst the level of QIPP is higher than that delivered in previous years, it is representative of increasing level of challenge in the context of reduced resources (in terms of the Running Cost Allowance) as well as increasing investment commitments arising from the Long Term Plan. The level of QIPP is comparable to that in surrounding CCGs as illustrated in the Table 4 below:

Table 4: QIPP values by CCG

	£m	%
Barnsley	13.2	2.86
Bassetlaw	4.6	2.38
Doncaster	10.7	1.96
Rotherham	11.6	2.62
Sheffield	19.5	2.09
Average QIPP %		2.38

An outline of the 2020/21 QIPP plan is shown in Table 5.

Table 5: 2020/21 QIPP Programme

Project	QIPP Value £
QUIT	2,400,000
COPD - self management, community support	300,000
Increase IAPT use for LTC pathways	300,000
Crisis response - ECPs, step-up services, YAS hear/treat, MH into 999	600,000
Diabetes prevention	300,000
Reduce outpatients - community clinics - other?	700,000
PCN Integration	300,000
Digital Solutions	300,000
Referral variation	650,000
Community IV	150,000
Community Services	500,000
CHC packages review	1,150,000
High Intensity User Service	100,000
Estates - void space	1,200,000
Review current community pharmacist hypertension management for CVD.	300,000
EOLC	300,000
Review existing service models /specs as part of a rolling programme of commissioning reviews to maximise opportunities to deliver more services in the community and support/enhance primary care provision and SEND	100,000
Integrated community services	150,000
Increase community support and social prescribing	300,000
Pathway review: Audit and evaluate uptake and effectiveness of pathways and services on a routine basis across urgent care services and agree a plan to address issues identified from above e.g. update DOS	100,000
Prevention of flu/pneumonia	100,000
Prescribing efficiencies	2,700,000

Project	QIPP Value £
Move to Avastin post NICE guidance	130,000
Commissioning for outcomes policy	200,000
Community equipment	400,000
Intermediate care for heart failure patients	100,000
Internal Efficiencies	1,000,000
Reduce Number of Excess Bed Days	500,000
Targeted medication reviews	150,000
Children's short breaks	50,000
Running costs	300,000
Additional pharmacist in care homes	200,000
Lower GI - reduction in oscopies FYE	125,000
Sheffield Outcomes Fund - alcohol project	200,000
NCA's	195,000
Children's services	250,000
Children's Continuing Care	200,000
<i>Unidentified</i>	<i>2,500,000</i>
TOTAL	19,500,000

5.8. Financial Risk Assessment

As noted above, there are a range of risks associated with the current draft financial plan. Our current assessment, based on the risk assessment of the QIPP plan plus potential additional pressures in terms of acute contracts, CHC, Primary Care and Running Costs, indicates that there could be additional financial risks in the order of £13.6m. Whilst there are mitigations that could be played in to limit this risk (including utilisation of contingency reserves, identification of additional income, deferral of planned investments), they are unlikely to be sufficient to fully offset the identified risks. The current assessment of net risks, after mitigations, is £6.8m.

Clearly this is not a sustainable position. Further work is required to test assumptions within the plan, to refine and further test the QIPP plan and in light of these actions confirm the affordable level of investment to support the delivery of the prioritised Commissioning Intentions.

A revised financial plan will be presented to March Governing Body to allow approval of the budgets for 2020/21 in advance of the start of the financial year.

6. Sheffield CCG 2020/21 Commissioning Intentions

6.1. Section 2 summarises the process that was undertaken to identify the four challenges that the organisation should spend most energy focussing on addressing (see the November 2019 Governing Body for further details). Following the November meeting, the wording of the four challenges was refined to ensure they are clear and these were approved by the private Governing Body meeting in January. They are:

- Challenge 1: The need to address current lifestyle factors/patterns of behaviour which are contributing to poor outcomes for the Sheffield population.

- Challenge 2: The need to increase the number of people who have their health and related needs identified and supported early enough.
- Challenge 3: The need to increase the number of people who are effectively supported to manage their health needs to optimal levels.
- Challenge 4: The need to improve the capacity and capability of Primary and Community services (including Voluntary sector).

6.2. Since the November meeting, work has been undertaken to develop and refine a set of outcomes that should be delivered if each challenge is addressed and these are included within Table 6 below. A range of possible commissioning responses have been considered and grouped under themes within each challenge – the themes are also included below. The list of individual commissioning responses/intentions has then been prioritised following the process outlined below.

6.3. The organisation adopted a values based prioritisation process which considered each intention against a set of weighted criteria. Governing Body, Clinical and Deputy Directors developed the process through a Governing Body development session and subsequent testing. These covered the following factors:

- the value each intention might generate for the Sheffield population
- the value generated for taxpayers
- the extent to which the intention supported strategic priorities
- the level of risk the intention exposed the organisation to

6.4. The resulting prioritisation scores were moderated across teams to ensure a consistency of approach across the organisation and were reviewed by Deputy and Clinical Directors.

6.5. The level of resource required to undertake each intention was noted and assessment of the capacity within each team to deliver the intentions in addition to business as usual activities was undertaken. The intentions requiring investment were identified and allocated to the appropriate funding 'pot'. An assessment of which intentions will generate QIPP and an estimate of the each value was also completed.

Table 6: Aligned Commissioning Intentions

Challenge	Outcome	Commissioning Intention themes
Address current lifestyle factors / patterns of behaviour which are contributing to poor outcomes for the Sheffield population.	People will be better informed and will choose/be supported to make healthier lifestyle choices for themselves and their families.	Engagement in prevention.

Challenge	Outcome	Commissioning Intention themes
Increase the number of people who have their health and related needs identified and supported early enough.	<p>Children have the best possible start in life and will grow into happy, healthy adults.</p> <p>Staff feel confident in knowing how and where to signpost patients to have their needs effectively met.</p> <p>Everybody will feel confident that they and their families' health and related needs will be identified, understood and addressed as early as possible.</p>	<p>Timely evidence based diagnosis.</p> <p>Supporting personalised care / self-care / management.</p>
Increase the number of people who are effectively supported to manage their health needs to optimal levels	<p>People feel supported and empowered to manage their health in the most appropriate setting/ community.</p>	<p>Prevention and optimal management approach.</p> <p>Integration of all age physical and mental, primary and community services.</p>
Improve the capacity and capability of Primary and Community services (including Voluntary sector)	<p>People feel confident they are able to access the right service first time.</p> <p>Staff will be confident that they are able to meet the needs of the patient population.</p>	<p>Primary Care and Community development and support.</p>

6.6. All three of these factors (each intention's moderated score, the workforce capacity required and available and investment/QIPP impact) were taken into account to produce an agreed set of intentions to progress in 2020/21. Further work is required to link each of the agreed intentions to the relevant strategic objective and to complete the testing of capacity and skills for the resulting programmes. The final set of programmes will therefore be presented at the meeting and subsequently uploaded to the website.

6.7. Work is also ongoing to align the CCG's 2020/21 commissioning intentions with Sheffield City Council 2020/21 plans. This will result in identification of which intentions align within the aims of Joint Commissioning Committee. The expectation is that this will result in a jointly owned commissioning plan for 2020/21.

6.8. The final set of programmes will be presented at the meeting and subsequently uploaded to the website.

7. Recommendations

7.1 The Governing Body is asked to:

- Approve the proposed Strategic Objectives for Sheffield CCG pending testing with key stakeholders and remove the organisational goals

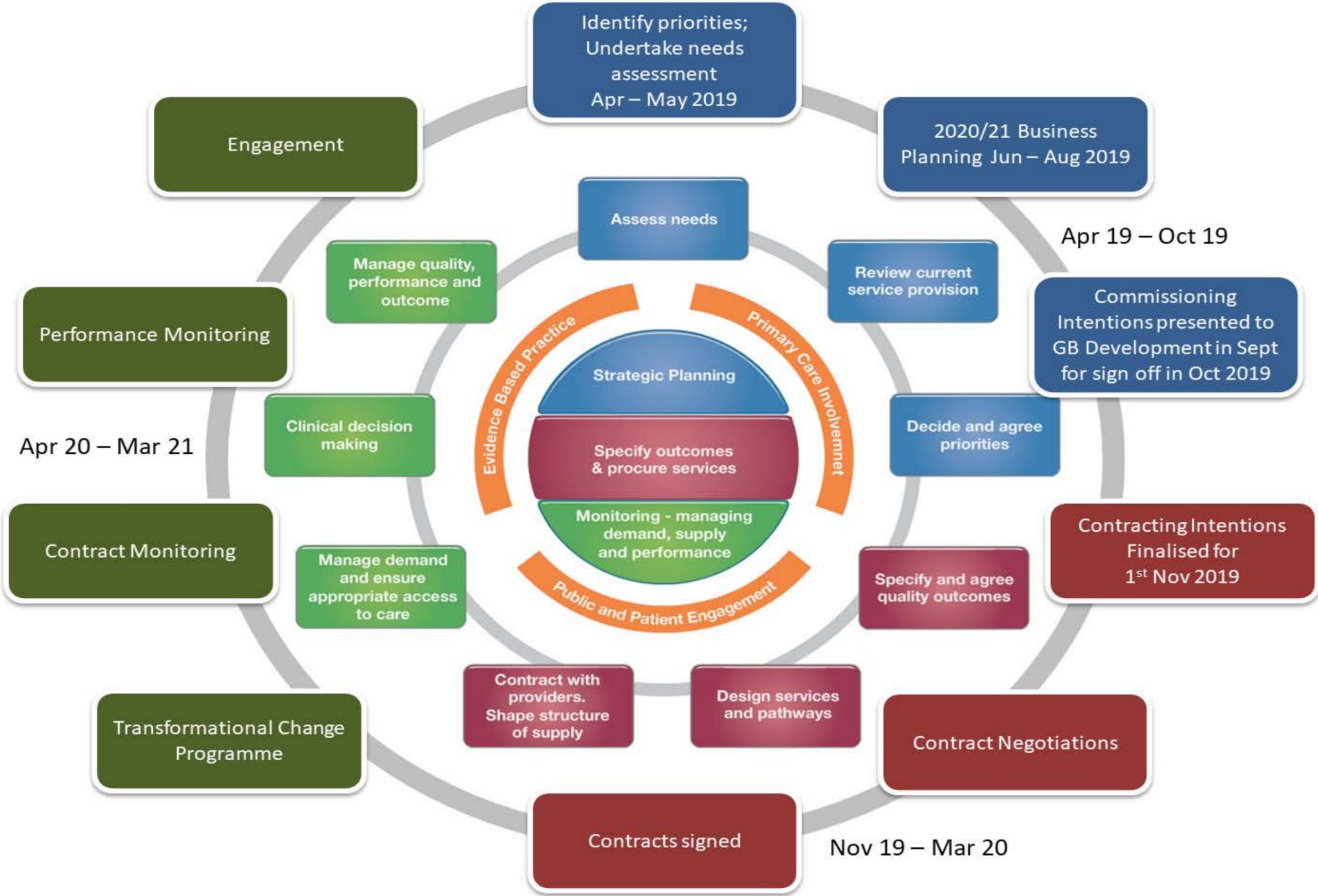
- Note the draft financial plan, the level of unmitigated financial risks and the next steps to refine the financial assumptions
- Approve the proposed 2020/21 Commissioning Intention Themes and Programmes for Sheffield CCG.
- Note the next steps in the development of Sheffield CCG's organisational strategy.

Paper prepared by: Kate Gleave, Deputy Director of Commissioning
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Chris Cotton, Deputy Director of Finance

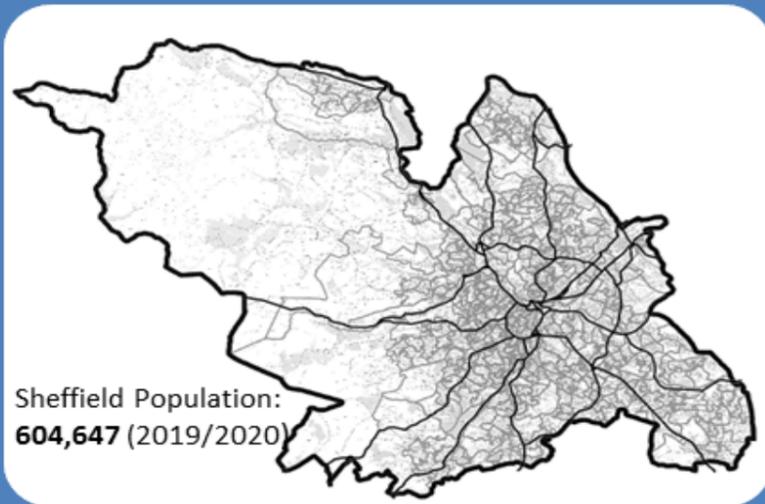
On behalf of: Brian Hughes, Director of Commissioning and Performance
Jackie Mills, Director of Finance

February 2020

Sheffield CCG Commissioning Cycle



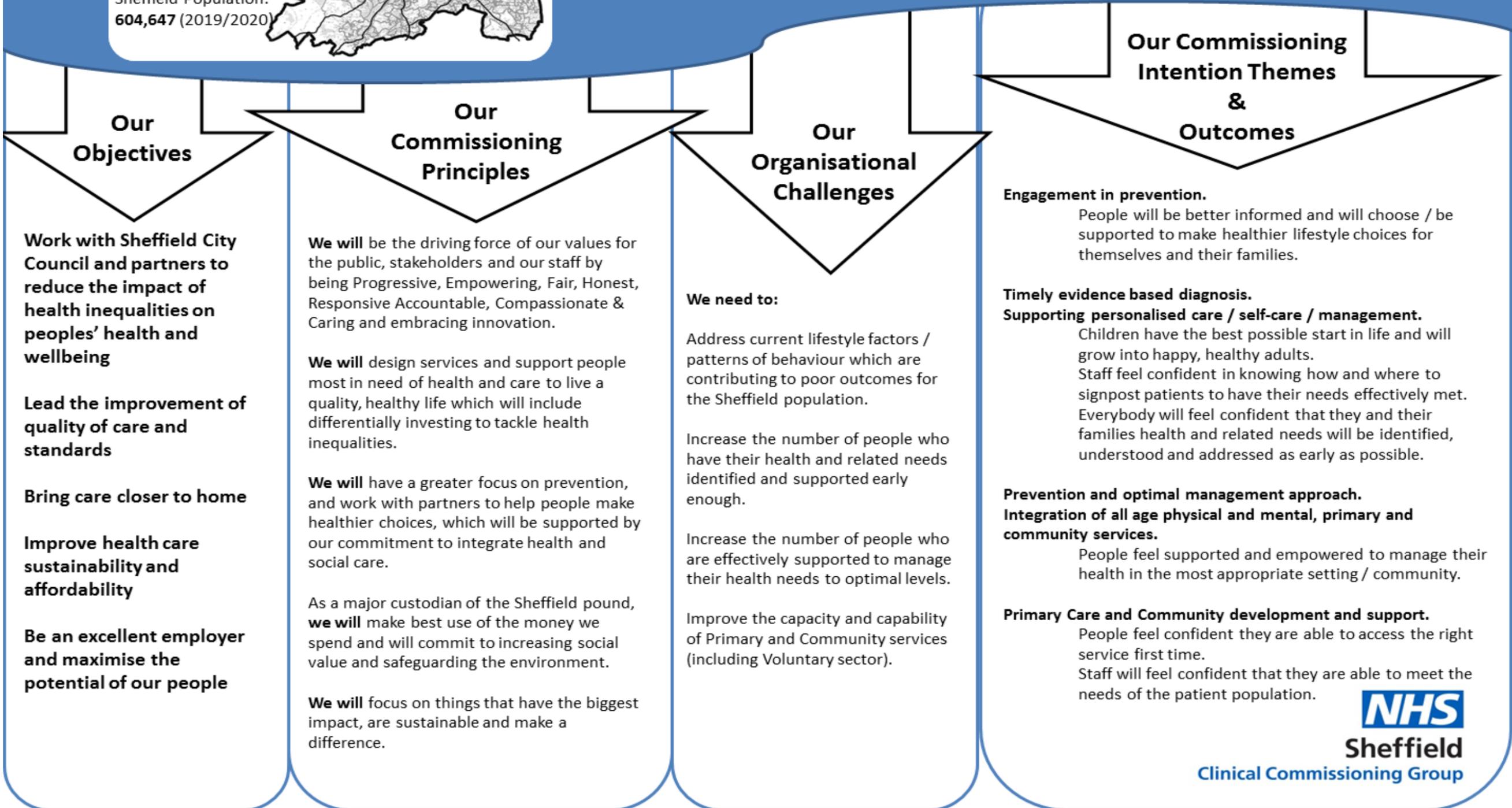
Plan on a Page



Our Vision:

Working with you to make Sheffield

H E A L T H I E R



Sheffield

Clinical Commissioning Group