

NW London commissioning reform: recommendations to September Governing Bodies

September 2019

1. Background

In response to the NHS long term plan, which suggested that the number of CCGs will be significantly reduced to align with the number of emerging integrated care system (ICSs), NW London CCGs launched a case for change for commissioning reform on 29 May 2019.

The case for change recognised that there were questions on how the CCGs respond to the configuration issues raised by the long term plan which required exploration and resolution. The key areas for exploration identified were:

- Whether this change to the number of CCGs happens by April 2020 or later, in April 2021
- What functions should be delivered at a NW London level and what should be organised more locally;
- How would the finances work; and
- How the changes to our CCGs relate to: changes at NW London with the development of an NW London integrated care system, the development of integrated care partnerships (ICP), based on boroughs, current CCG footprints, or groupings of boroughs, and the development of sub-borough structures such as primary care networks (PCNs).

2. Our stakeholders

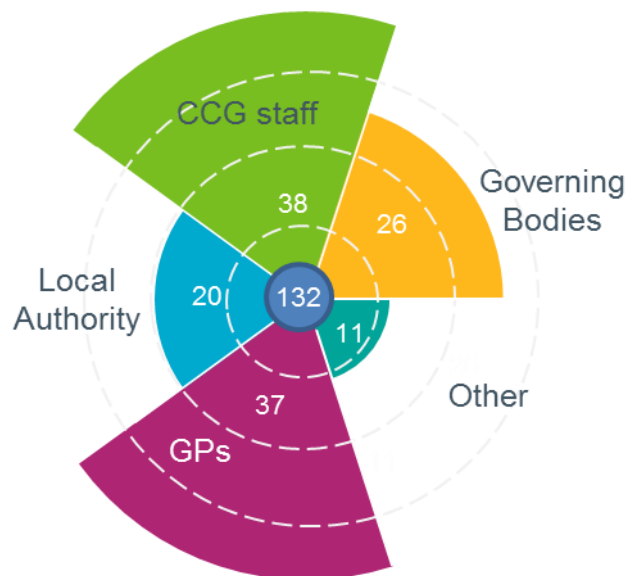
Our wide ranging stakeholders range from our staff across the NW London commissioning system, our providers of health and care, our voluntary sector, supporting bodies such as the Londonwide Local Medical Committees (LMC), Healthwatch, local government and our regulators.

3. Engagement

Our engagement period launched on the 29 May with the publication of the case for change. The engagement focused on the case for change and gave stakeholders the opportunity to input into the design of the future commissioning arrangements for NW London.

During the engagement phase, we carried out significant engagement with our range of stakeholders and subsequent information was disseminated, including FAQs and detail around the operating model and governance. We agreed to extend the engagement phase to 24 August, in order to give stakeholders further time to comment and input into proposals.

Collectively, we have now attended over 130 events, including 8 governing bodies in public and 18 governing body events. In addition to this we have met with all local authorities, GP members, primary care networks and GP Federations, patient groups, the LMC, Healthwatch and most importantly, our staff.



Context in which engagement was conducted:

- NW London is the largest and most complex STP area in the country with multiple providers and eight local authorities. Our plans and reform proposals have been arguably scrutinised more thoroughly and generated greater debate than in some other areas of London and the rest of England. We are grateful for the time and effort people took to input into our plans and the responses received.

- The NHS in NW London is one of the most financially challenged in the country, and the need to get back into financial balance is a major priority which will dominate our work for the period of the financial recovery plan.
- The changes to CCG configuration are being discussed at a time when significant other changes are being proposed to the health and care system. The health and care partnership is making good progress with integrated care at system (NW London), borough (ICP) and sub-borough level (PCN); however, in order to ensure success, the interplay between these emerging arrangements and the role of a single CCG needs to be explained with a well thought out division of responsibilities at place and system level.

4. Key issues raised

The key points that emerged through the engagement were:

- **Drivers for change:** Stakeholders generally understood the need to change our current commissioning arrangements, especially those that reduce costs from transactional activities, reduce health inequalities, support front-line delivery and are supportive of our move to integrated care. They would like to see us move away from systems that can incentivise the wrong patient pathways, such as payment by results, and focus our commissioning effort on the integration agenda.
- **Concern around timing:** Although most respondents accepted the need to reduce the number of CCGs to align with the STP there was concern about whether we would be ready by April 2020. With ICS, PCN and ICP development, and the perceived lack of clarity to the system architecture and function of ICPs in the future, GB members particularly felt that the merger would land better when ICPs and PCNs further developed in 2020/21. There is much energy and focus on our integration agenda and the characteristics of each component, we must continue to keep our efforts focused and take more time to develop the form and structures to support these developments.
- **Surplus/deficit position:** Some CCGs were concerned about what financial position the new CCG would inherit and whether historic surpluses and deficits would be netted off into the new arrangement or if the CCG was starting with a clean balance sheet. Definitive guidance on this is still awaited at the point at which these papers are published.

- **Operating model¹:** some stakeholders were unclear how the single CCG would function, how finance will flow and how responsibilities would be distributed between different levels. Some stakeholders suggested that a transition year will help us continue at pace, whilst we ensure risks are managed effectively.
- **Governance products:** some stakeholders expressed a desire to see and have time to effectively scrutinise the new CCG constitution, scheme of delegation and powers delegated to local committees before a decision is taken. There has been significant interest in our constitution, and we are now engaging more widely with the support of LMC colleagues. Maintaining clinical leadership and ensuring the empowerment of members was raised multiple times as a very important point to emphasise in the new governance products and new arrangements.
- **Patient involvement and democratic scrutiny:** concerns were expressed as to whether there would be a loss of democratic accountability to local authorities and local residents in each area.
- **Justification for one CCG rather than more:** some comments were received that we had not clearly justified the proposal for one CCG rather than two or more. During the engagement phase it was explained that a single CCG would achieve the NHS Long Term Plan aim of aligning the CCG boundary to the STP boundary and that if we were to deviate from that a justification was required. We made clear that we were willing to consider arguments for more than one CCG, but none were put forward.
- **Staff:** the key response from staff was about the implications for them and whether there would be job losses. Clearly the required reductions in management costs will have an implication for jobs but given the number of vacancies and interim posts we currently have, we would not anticipate significant numbers of compulsory redundancies.

5. CCG Chairs Review

The CCG Chairs, the AO, and STP SRO met to review the position and consider the results of the engagement period, and to agree the recommendation to take to governing bodies.

It was noted that:

¹ An operating model is the blueprint for how resources are organised and operated to deliver the strategy. All elements of the operating model—structure, accountabilities, governance, behaviours as well as the way people, processes and technology get integrated to deliver key capabilities—must be explicitly designed to support the strategy. <https://www.bain.com/insights/design-principles-for-a-robust-operating-model/>

- Financial recovery is the number one priority in NW London;
- There is a strong desire for the collaboration to move forward as a partnership of eight boroughs and to work with providers to develop alternative payment and contractual arrangements from 2020/21 to support our collective desire of ICP and ICS delivery;
- Due to the significant interest and complexity in the system, a number of products remain in development, such as the CCG constitution and scheme of delegation;
- We are yet to receive finalised advice from NHSE on the financial surplus/deficit position;
- There is not an aligned view amongst governing bodies, CCG members, and stakeholders to support the earlier date for CCG merger; and that
- Not supporting a merger in 2020 did not mean no change, indeed a number of changes will still be required as we transition to formal merger in 2021.

There are a number of changes we need to make in preparation for 2021:

1. CCG Governing Bodies are expected to agree to a commitment to merge in April 2021.
2. CCGs will move to a transition year, working under a single operating model for 2020/21.
3. As part of this transition year, each CCG will require a clear plan to demonstrate the delivery of the equivalent financial and efficiency benefits to that of a formal merger from April 2020. This will need to include plans for the following areas:
 - Delivery of cost savings and organisational efficiencies to meet the 20% management cost reduction.
 - Developing the NW London-wide collaborative governance arrangements and reducing CCG governing body committee and governance meetings.
 - Rationalisation of governing body membership, in line with the arrangements that we have already been making to share roles and standardise and review clinical lead arrangements in line with the new operating model.

- Developing a single operating model and new staffing structures to reduce duplication and support the development of integrated care arrangements at borough and ICS level.

The points above align with our regulators expectations of how a transition year would operate, and are consistent with other areas in London where merger is deferred until 2021.

6. Recommendation to the governing body

It is the CCG Chairs' and Accountable Officer's recommendation to the governing bodies is as follows:

The governing body is asked to agree with the following recommendation:

1. In view of the feedback from our stakeholders to move to a single CCG in 2021, the need to focus on financial recovery, and the commitment of all Chairs to remain aligned as an eight borough collaboration, we recommend to CCG governing bodies that the merger to a single CCG for NW London takes place on 1 April 2021.

The governing body is asked to note the following consequence of recommendation 1:

2. This transition year will enable us to work with each governing body to focus on:
 - a. System financial recovery
 - b. Development of integrated care at PCN, borough and ICS level
 - c. Building closer working relationships with our local authorities
 - d. The development of a single operating structure across the commissioning system, and meet the expectations of NHSE that we would operate in 2020/21 under a single operating framework, with the associated reduction in management costs and streamlined governance
 - e. To work with providers to develop alternative reimbursement structures from 2020/21 to support delivery of ICP/ICS.

7. Next Steps

If the recommendations are agreed we will:

- Review our structures and implement our single operating model, in-line with financial recovery;
- Continue our engagement on the future CCG constitution and related governance documentation;
- Work together during the transition year, making our meetings more efficient and effective, while maintaining strong public engagement and effective scrutiny; and
- Continue to work with members to demonstrate benefits of merging as we prepare to vote in 2020.

Mark Easton

Accountable Officer

Appendix 1: Engagement activities

| CCG/ NWL | Event | Date |
|--------------------------|---|-----------------------------|
| Brent CCG | Governing Body Meetings | 26/06/2019 |
| Brent CCG | Governing Body Seminar | 10/07/2019 |
| Brent CCG | Governing Body Seminar | 08/05/2019 |
| Central London CCG | Governing Body Meetings | 12/06/2019 |
| Central London CCG | Governing Body Seminars | 08/05/2019 |
| Central London CCG | Governing Body Seminars | 10/07/2019 |
| Ealing CCG | Governing Body Meetings | 19/06/2019 |
| Ealing CCG | Governing Body Seminar | 22/05/2019 |
| Ealing CCG | Governing Body Seminar | 24/07/2019 |
| Hammersmith & Fulham CCG | Governing Body Meetings | 11/06/2019 |
| Hammersmith & Fulham CCG | Governing Body Seminar | 07/05/2019 |
| Hammersmith & Fulham CCG | Governing Body Seminar | 16/07/2019 |
| Harrow CCG | Governing Body Meetings | 18/07/2019 |
| Harrow CCG | Governing Body Seminars | 21/05/2019 |
| Harrow CCG | Governing Body Seminars | 16/06/2019 |
| Hillingdon CCG | Governing Body Meetings | 05/06/2019 |
| Hillingdon CCG | Organisation Development Seminars (GB) | 08/05/2019 |
| Hillingdon CCG | Organisation Development Seminars (GB) | 24/07/2019 |
| Hounslow CCG | Governing Body Meetings | 11/06/2019 |
| Hounslow CCG | Governing Body Seminar | 14/05/2019 |
| Hounslow CCG | Governing Body Seminar | 09/07/2019 |
| West London CCG | Governing Body Development session | 07/05/2019 |
| West London CCG | Governing Body Development session | 04/06/2019 |
| West London CCG | Governing Body Development session | 02/07/2019 |
| West London CCG | Governing Body Development session | 06/07/2019 |
| West London CCG | Governing Body Meetings | 18/06/2019 |
| Brent CCG | locality meeting | 27/06/2019 |
| Brent CCG | locality meeting | 10/07/2019 |
| Brent CCG | locality meeting | 19/07/2019 |
| Brent CCG | GP Engagement | June 2019 - July 2019 |
| Central London CCG | Council members | 26/06/2019 |
| Central London CCG | Membership meetings (big conversation) | 26/06/2019 |
| Central London CCG | Practice visits | June 2019 onwards - Present |
| Central London CCG | Primary Care Network Boards | 06/08/2019 |
| Central London CCG | Primary Care Network Boards | 15/08/2019 |

| CCG/ NWL | Event | Date |
|--------------------------|-----------------------------------|--|
| Ealing CCG | Council of members | 15/05/2019 |
| Ealing CCG | Council of members | 24/07/2019 |
| Ealing CCG | GP Practice | 03/06/2019 (virtual engagement) |
| Hammersmith & Fulham CCG | local LMC | 13/06/2019 |
| Hammersmith & Fulham CCG | local LMC | 08/08/2019 |
| Hammersmith & Fulham CCG | Members meeting | 18/07/2019 |
| Hammersmith & Fulham CCG | Practice visits offered | June - present |
| Hammersmith & Fulham CCG | Primary Care Networks meetings | July - sept |
| Harrow CCG | GP forum | 19/06/2019 |
| Harrow CCG | LMC | 02/07/2019 |
| Harrow CCG | Practice visits | May 2019 onwards - present (<i>August</i>) |
| Harrow CCG | Primary Care Networks meetings | July onwards - September |
| Hillingdon CCG | AGM | 09/07/2019 |
| Hillingdon CCG | locality meeting | 05/07/2019 |
| Hillingdon CCG | locality meeting | 12/07/2019 |
| Hillingdon CCG | locality meeting | 27/07/2019 |
| Hounslow CCG | Council of members | 15/05/2019 |
| Hounslow CCG | Council of members | 17/07/2019 |
| NW London meetings | NWL wide LMC | 17/07/2019 |
| NW London meetings | NWL wide LMC | 30/07/2019 |
| West London CCG | AGM | 23/07/2019 |
| West London CCG | Council members - plenary meeting | 25/06/2019 |
| West London CCG | Council members - plenary meeting | 23/07/2019 |
| West London CCG | Network meetings | 11/07/2019 |
| West London CCG | Network meetings | 17/07/2019 |
| West London CCG | Network meetings | 18/07/2019 |
| West London CCG | Network meetings | 24/07/2019 |
| West London CCG | Network meetings | 25/07/2019 |
| Brent CCG | Health & Wellbeing Board | 23/04/2019 |
| Brent CCG | Health & Wellbeing Board | 15/07/2019 |
| Central London CCG | Health & Wellbeing Board | 03/07/2019 |
| Ealing CCG | Health & Wellbeing Board | 09/07/2019 |
| Ealing CCG | Overview & Scrutiny Committees | 20/06/2019 |
| Hammersmith & Fulham CCG | Health & Wellbeing Board | 25/06/2019 |
| Harrow CCG | Health & Wellbeing Board | 25/07/2019 |
| Harrow CCG | Health & Wellbeing Board | 04/06/2019 |

| CCG/ NWL | Event | Date |
|--------------------------|--|------------|
| Harrow CCG | Overview & Scrutiny Committees | 09/07/2019 |
| Hillingdon CCG | Health & Wellbeing Board | 25/06/2019 |
| Hillingdon CCG | Overview & Scrutiny Committees | 09/07/2019 |
| Hounslow CCG | Health & Wellbeing Board | 15/07/2019 |
| NW London meetings | Joint Health Overview & Scrutiny Committee | 21/06/2019 |
| NW London meetings | Joint Health Overview & Scrutiny Committee | 23/07/2019 |
| NW London meetings | Lay members meeting Accountable Officer | 28/05/2019 |
| NW London meetings | Local Authorities Meetings | 20/05/2019 |
| NW London meetings | Local Authorities workshop | 24/06/2019 |
| NW London meetings | Local Authorities Meetings | 09/07/2019 |
| West London CCG | Health & Wellbeing Board | 04/07/2019 |
| West London CCG | Overview & Scrutiny Committees | 02/07/2019 |
| Brent CCG | Brent CCG Patient Voice | 24/06/2019 |
| Hammersmith & Fulham CCG | H&F patient group | 16/07/2019 |
| Harrow CCG | Engagement and Equality Committee | 16/07/2019 |
| NW London meetings | Brent patient Voice | 24/07/2019 |
| NW London meetings | Ealing save our hospital | 03/07/2019 |
| NW London meetings | Lay partner meeting | 04/06/2019 |
| NW London meetings | NWL Clinical Quality Leadership Group | 27/06/2019 |
| NW London meetings | NWL Partnership board | 27/06/2019 |
| NW London meetings | NWL Partnership operations group | 13/06/2019 |
| West London CCG | Patient and public engagement committee | 13/08/2019 |
| West London CCG | Patient reference group | 09/07/2019 |
| Brent CCG | Staff meeting | 08/05/2019 |
| Brent CCG | Staff meeting | 18/06/2019 |
| Brent CCG | Staff meeting | 16/07/2019 |
| Brent CCG | Staff meeting | 20/08/2018 |
| Central London CCG | Staff meetings | 05/06/2019 |
| Central London CCG | Staff meetings | 09/07/2019 |
| Central London CCG | Staff meetings | 12/07/2019 |
| Ealing CCG | staff meeting | 04/06/2019 |
| Ealing CCG | staff meeting | 11/06/2019 |
| Ealing CCG | staff meeting | 18/06/2019 |
| Ealing CCG | staff meeting | 25/06/2019 |
| Hammersmith & Fulham CCG | Staff meeting | 30/07/2019 |
| Hammersmith & Fulham CCG | Staff meeting | 06/08/2019 |

| CCG/ NWL | Event | Date |
|--------------------|---|---|
| Harrow CCG | staff meeting | 19/06/2019 |
| Harrow CCG | staff meeting | 17/07/2019 |
| Harrow CCG | Staff meeting | 21/08/2019 |
| Hillingdon CCG | Staff meeting | 21/05/2019 |
| Hillingdon CCG | Staff meeting | 05/06/2019 |
| Hillingdon CCG | Staff meeting | 01/08/2019 |
| Hounslow CCG | Staff meeting | 15/05/2019 onwards (weekly) till present |
| Hounslow CCG | Staff meeting | 01/06/2019 |
| Hounslow CCG | Staff meeting | 03/08/2019 |
| Hounslow CCG | Staff meeting | 01/07/2019 |
| NW London meetings | NW London Live Staff Q&A | 18/07/2019 |
| NW London meetings | NW London Staff event | 12/06/2019 |
| NW London meetings | Informatics Staff meeting | 20/08/2019 |
| NW London meetings | Comms & Engagement staff meeting | 25/07/2019 |
| NW London meetings | Comms & Engagement staff meeting | 20/08/2019 |
| NW London meetings | Health and Care Partnership team meetings | 17/06/2019 |
| NW London meetings | Health and Care Partnership team meetings | 01/07/2019 |
| NW London meetings | Health and Care Partnership team meetings | 15/07/2019 |
| NW London meetings | Health and Care Partnership team meetings | 29/07/2019 |
| NW London meetings | Health and Care Partnership team meetings | 12/08/2019 |
| NW London meetings | Governance Staff meetings | 24/05/2019 |
| West London CCG | Staff meeting | 15/05/2019 |
| West London CCG | Staff meeting | 12/06/2019 |
| West London CCG | Staff meeting | 10/07/2019 |
| West London CCG | Staff meeting | 14/08/2019 |

Appendix 2: Formal feedback received

| Date received | Name | Organisation |
|---------------|--|--|
| 23/08/2019 | Cllr Heather Acton/ Cllr Sarah Addenbrooke/ Cllr Robert Freeman/Cllr Jonathan Glanz, | Westminster City Council & Royal Borough of Kensington & Chelsea |
| 23/08/2019 | Robin Sharp CB, Chair | Brent Patient Voice |
| 23/08/2019 | Primary Care leads | NWL CCGs |
| 21/08/2019 | Chris Corfield Head of Medicines Management | NWL CCGs |
| 21/08/2019 | Jenny Greenfield Director of Services, voluntary and community sector | Kensington & Chelsea Social Council |
| 21/08/2019 | Cllr Mel Collins | JHOSC |
| 20/08/2019 | Patient Reference Group Response | WLCCG |
| 05/08/2019 | Ealing Save Our NHS | Ealing Save Our NHS |
| 02/08/2019 | Hammersmith & Fulham Council | Hammersmith & Fulham Council |

| Date received | Name | Organisation |
|---------------|---|---|
| 29/07/2019 | PPIE committee | Hillingdon CCG |
| 12/06/2019 | Cllr Graham Henson, Chair of Health & Wellbeing Board | Harrow Council |
| 06/06/2019 | Lay Partners meeting | NWL CCGs |
| 20/06/2019 | Lesley Williams Assistant Director Primary Care Strategy | Londonwide LMCs and Londonwide Enterprise Ltd |
| 24/08/2019 | Elizabeth Gaynor Lloyd | Brent Patient Voice |
| 23/08/2019 | Carena Rogers | Central West London Healthwatch |