

**Clinical Commissioning Group Governing Body
Paper Summary Sheet**

Date of Meeting: 25 June 2013

For: PUBLIC session PRIVATE Session

For: Decision Discussion Noting

Agenda Item and title:	GOV/13/06/12 Wiltshire CCG Annual Strategic Planning Cycle
Author:	David Noyes
Lead Director/GP from CCG:	David Noyes, Director of Planning, Performance and Corporate Affairs.
Executive summary:	This paper sets out both a conceptual approach and a process overview to support our Annual Planning cycle, guided by the principles that change will be coherent with Strategic Aims/Priorities, amelioration of key risks or addressing performance shortfalls.
Evidence in support of arguments:	The instigation of an output based performance management regime should aid the CCG in delivering our ambitious objectives.
Who has been involved/contributed:	All CCG Directors, the Clinical Executive and CSU colleagues.
Cross Reference to Strategic Objectives:	This process aims to facilitate the achievement of all our Strategic Objectives.
Engagement and Involvement:	Public engagement is built into the process elucidated.
Communications Issues:	None
Financial Implications:	None
Review arrangements:	Annual
Risk Management:	N/A
National Policy/ Legislation:	N/A

Equality & Diversity:	The equality and diversity requirements are factored into the planning process to ensure that no group can be over looked.
Other External Assessment:	Nil
Next steps:	Implementation via existing governance regime

Annual Planning Cycle for Wiltshire CCG

Issue

1. Within Wiltshire CCG our aspiration is to utilise a corporate approach to our Annual Planning Cycle¹, with a decision cycle which is clinically led, and with our GPs providing direction and guidance at every stage.
2. Strategic plans provide essential direction, and define what an organisation wants to achieve within the planning horizon, articulating how the organisation will achieve it from its current position. They enable organisations to progress, by taking stock, looking ahead and aligning internal resources in a way that ensures the organisation develops and adapts to meet aims and objectives.

Aim

3. This paper outlines the process and timetable for the production of our FY14/15 Annual Plan, and provides the link between our corporate objectives and the budget setting framework.

Timing

4. Routine.

Recommendation

5. It is recommended that:
 - The Governing Body agrees the implementation of the process outlined in this paper, and the timetable for achievement.
 - Notes that the delivery of the Strategic Planning process will be achieved by a partnership between CSU and Attain, under direction from the CCG.

Background

Context

6. The national context sees a comprehensive spending review settlement which delivers lower levels of funding growth for the NHS, which will require greater levels of efficiency and savings in the future.
7. Locally, our aspirations set out in the Clear and Credible plan remain. In particular, the delivery of the Community Transformation project remains at the centre of our vision, while at the same time we will deliver our obligations set out in

¹ The process by which the CCG determines commissioning priorities and allocates budget in order to deliver our outputs

the NHS Constitution and shape local services in partnership with colleagues in Wiltshire Council².

8. This process and approach has been discussed and endorsed by the Wiltshire Clinical Executive.

Responsibility

9. The Director of Planning, Performance and Corporate Services will work closely with Director colleagues to develop the planning cycle, and has responsibility for the development of the plan. At every stage he will be fully supported by the CSU and Attain (an external Company who specialise in support of this nature who we have engaged for this planning round), both in terms of research and administrative support.

Outline

10. The planning process is to:

- be clear, transparent and as simple as possible;
- agree on our activity over the next 12 months
- result in well co-ordinated and structured plans for development
- identify key strategic and operational risks and mitigations
- reduce unplanned developments
- deliver the planned level of performance against targets including QIPP
- take advantage of opportunities to work with partners on common plans;
- achieve agreed objectives, which are translated into specific and measurable actions/outcomes which are easily understood and delegated appropriately.
- address issues derived from the complaints process/patient feedback (and themes from stakeholder events)
- take account of input from the multi-professional voice of our providers.

Assumptions

11. The planning process will be based on two fundamental assumptions:

- a. A broadly steady state of output, adjusted for demographic and known trends; in particular accommodating the changes in activity delivered by the community transformation programme.
- b. There is no new money available to fund adjustments without a compensating reduction being identified elsewhere.

12. These assumptions reinforce the need for a corporate approach since self-evidently an increased demand in one area will inevitably result in an equal and opposite reduction in another area of the budget. Accordingly, we need our processes to allow for proper consultation and engagement; a timetable is set out at Annex A.

² Guided by the decisions of the Health and Wellbeing Board and supported by the analysis within the Joint Strategic Needs Assessment.

Coherence of Approach

13. Fundamental to our process will be the evolution of an output based performance management regime and a robust system for managing our risks; a clear process and timetable will ensure the effective management and development of our business. This should prove a powerful combination to support us as we drive forwards to achieving our aims and priorities while maintaining a balanced, coherent and affordable programme. We will also seek to take advantage of opportunities to work with partners on joint plans or joint commissioning opportunities whenever possible. Sustainability and financial resilience are essential to enable us to focus upon delivering the best possible health outcomes for the people of Wiltshire, accommodating predicted changes in the needs of the populations (ie demographic change).

14. In a nutshell, we will only adjust our devolved budgets in response to proposals which directly address:

- a. Our stated aims and priorities set out in the Clear and Credible Plan, or
- b. A recognised performance shortfall, or
- c. A clearly defined risk.
- d. Issues derived from learning from complaints/patient feedback.
- e. nationally mandated requirements from NHS England arising in year

15. Naturally we want to ensure that every penny counts; we will also take full account of equality and diversity in all that we do. Therefore, it is imperative that all our people strive hard to identify potential savings and output efficiencies, as well as driving down cost growth, in order to free up resources for better healthcare, and eradicate unnecessary expenditure. We need to ensure that the QIPP agenda is delivered allowing us to improve the quality of services and release resources to enable us to achieve excellence in healthcare for the residents of Wiltshire. There is also the possibility that we will find it necessary to make adjustments to the programmes in order to accommodate emerging pressures, in particular relating to safety and legislative requirements.

Role of the CSU & Attain

16. The CSU and Attain will support the Strategic planning cycle at every stage, both horizon scanning and at an administrative level. They will assist the executive by identifying and analysing research opportunities, benchmarking, ideas and concepts for innovation, and accepted best practice. They will also capture and identify key lessons throughout the process in order to allow us to refine the process for future years. They will also complete the document drafting and completion for the Plan.

Cascading Objectives within the Appraisal System

17. The achievement of our corporate objectives will be enhanced by a process of cascading objectives (embedded within our appraisal system). This will actively involve, educate and empower all our staff as well as raising awareness of our

objectives and risks; ultimately every one of us has a responsibility for the delivery of the plan.

The Process

18. In order to provide a baseline from which to work, the finance team will produce indicative budgets for FY14/15 (essentially replicating this years allocations uplifted for demographics and inflation, known pressures and agreed developments) which will form the baseline on which to plan against on 26 June 13. Although there is no requirement to completely re-cost the programme, Directors should revalidate the baseline costing of their areas to confirm current anticipated costs and gaps between the current level of performance and targets should be analysed.

19. Each area will then be required to formulate any change proposals, supported by compensating reductions from within their own area should they involve additional cost. Proposals should be recorded in the Business Case format replicated at Annex B and input to our Strategic Planning lead in the CSU, Belinda Alexander belinda.alexander@nhs.net by 11 Oct 13, who will work closely with Attain. Proposals must reflect a realistic and robust costing profile (supported by the finance and information team as required); these will be brigaded into a single consolidate list of proposals by 16 Oct 13.

20. It is key that any consideration for a resource change is guided by the following principles:

- a. Does the change support one of our key aims/priorities, address a recognised performance shortfall or mitigate a key risk?
- b. What can we stop doing, or do differently, in order to fund this and what would be the impact of that?
- c. What are the consequences if we are unable to meet the requested change?

21. Should it be apparent that a compensating reduction cannot be identified for an essential enhancement, then the merits of the issue will need to compete amongst other priorities as the proposals are considered. Funding such a measure will require a compensating reduction elsewhere, and hence this will be a corporate decision.

Governance of the Process

22. Initially the putative plan (essentially a consolidated spreadsheet) will be compiled by the CSU & Attain and then reviewed by the Executive Team on 21 Oct 13. Thereafter, the emerging plan will be re-considered by the Executive team, and then the Clinical Executive on 12 Nov 13 (verbal), 10 Dec 13 and 21 Jan 14, the final proposals will be presented to the Governing Body for approval on 28 Jan 14, with the CSU providing administrative support at every stage. This will provide sufficient time for the finance team to adjust and issue devolved budgets accordingly. At each stage, there will be the ability to “basket weave” measures in order to prioritise the outcome and build a balanced plan. Ultimately, the paper proposing adjustments submitted to the Clinical Executive and Governing Body will include a forecast of the

likely effect on the achievement of our priorities, our business performance and our risks.

Summary

23. The success of this process hinges on the contributions of the whole. Without considered and credible inputs, we will be unable to derive a viable, balanced, resourced and affordable plan. The key milestones will need to be achieved on time, and close engagement with the process is the responsibility of all.

**Annex A to
Annual Planning
Cycle for Wiltshire
CCG**

Timetable

25 June 13 - Annual Planning Cycle Paper to Gov Body for approval

26 June 13 - Illustrative budgets for 14/15 issued

1 July – 10 Oct 13 - Groups/Directorates consider adjustments required within Groups and identify intentions in relation to programmes/priorities

31 July – CSU & Attain to provide national and local benchmarking information, and early readout from the nascent JSNA work

- Report on service redesign and opportunities to inform planning & priorities, to include QIPP
- Report on opportunities for High Impact Innovations

30 September – Commissioning Intentions

10 Oct 13 - Groups/Directorates agree consolidated proposals (opportunity to shape further within groups)

On completion – Attain and CSU produce single consolidated list of proposals

17 Oct 13 – First draft of plan produced

21 Oct 13 - Exec Group consider draft Plan and shape/re-direct

On completion, and throughout as opportunities present, consultation with B&NES, other CCGs, Area Team and Wiltshire Council as required to ensure coherence.

Public/Patient consultation on emergent plans via Area Boards.

4 Nov 13 - Exec Group consider Plan and further shaping, re-direction and development of Commissioning Intentions

By November, CSU to provide a summary of a review and interpretation of latest national policy and the implications for local plans, linked to 2014/15 Operating Framework and associated national planning guidance.

12 Nov 13 - Verbal report on progress to Clinical Exec/Governing Body

2 Dec 13 - Exec Group final consideration

10 Dec 13 - Clinical Exec shape and re-direct

21 Jan 14 - Clinical Exec

28 Jan 14 - Final Governing Body – approve

1 Feb 14 - Plans (and budgets) for FY13/14 agreed and issued for action

Title of Business Case

Version:	XX
Date	XX
Author:	XX
Sponsoring Director	XX
Sponsoring GPs	XX

Document History

Template Version Number	Date
V2.2	4 June 2013

Document Location

This document is only valid on the day it was distributed. The source of this document can be found in

Revision History

Revision Date	Document version	Summary of Changes	Changes Marked

Approvals

This document requires the following approvals

Name	Signature	Job Title	Date of Issue	Version

Distribution

This document has been distributed to:

Name	Title	Date of Issue	Version

Purpose of Scheme – High Level Overview

Timing

Urgent, Priority or Routine

Legal or national requirement

Recommendation

Background

Options

Identification of Options:

Option number	Option name	Proposed start and end dates
One	Do Nothing	N/A
Two		
Three		
Four		

Option	Impact area	Description of impact (state positive AND negative)
One	Benefit to Commissioner	•
	Benefit to Provider	•
	Impact on patient (inc experience, quality, safety)	•
	Impact on other providers and pathways	•
Two	Benefit to Commissioner	•
	Benefit to Provider	•
	Impact on patient (inc experience, quality, safety)	•
	Impact on other providers and pathways	•
Three	Benefit to Commissioner	•
	Benefit to Provider	•
	Impact on patient (inc experience, quality, safety)	•
	Impact on other providers and	•

	pathways	
Four	Benefit to Commissioner	•
	Benefit to Provider	•
	Impact on patient (inc experience, quality, safety)	•
	Impact on other providers and pathways	•

Project Milestones as Appropriate for Each Option

Option	Description of milestone/deliverable	Date
One	N/A as Do nothing	
Two		
Three		
Four		

Key performance indications

Summary of key metrics to be used

Non-Financial Benefits Expected

Financial Evaluation and Investment Appraisal

The template below is a guide to level of numerical information required – additional supporting information to be included as appendices

Savings profile (all in £'000s)	2013/14			2014/15			2015/16		
	Rec	NR	Total	Rec	NR	Total	Rec	NR	Total
			0			0			0
			0			0			0
			0			0			0
			0			0			0
	0	0	0	0	0	0	0	0	

Investment profile (all in £'000s) - to be requested from headroom on NR basis	Funded from headroom?	2013/14			2014/15			2015/16		
		Rec	NR	Total	Rec	NR	Total	Rec	NR	Total
				0			0			0
				0			0			0
				0			0			0
				0			0			0
		0	0	0	0	0	0	0		

Summary position (£'000)	2013/14			2014/15			2015/16		
	Rec	NR	Total	Rec	NR	Total	Rec	NR	Total
	0	0	0	0	0	0	0	0	0

All years summary position (£'000)	All years		
	Rec	NR	Total
	0	0	0
	0	0	0

Where NR headroom is being sought to cover recurrent investment have the commissioner agreed to fund this in future years?	
--	--

Risks

Option One

No.	Description	Existing Controls	L	C	Tot	Actions to mitigate

Option Two

No.	Description	Existing Controls	L	C	Tot	Actions to mitigate

Option Three

No.	Description	Existing Controls	L	C	Tot	Actions to mitigate

Option Four

No.	Description	Existing Controls	L	C	Tot	Actions to mitigate

Dependencies

Option	Description of dependencies	Date
One	N/A as Do nothing	
Two		

Three		
Four		

Date raised	Risk description including the effect of the risk	Which organisational objective is threatened by this risk	Existing controls	Likelihood	Consequence	Score	Actions required to mitigate risk
08/11/12	Wiltshire CCG (and previously PCT) has some joint commissioning arrangements with Wiltshire Council and money transfers to the Council as a result. There will be a requirement for these arrangements to continue in order that commissioning responsibilities are fulfilled. Previously there has been an absence of clarity on the arrangements for joint commissioning to take place and as part of PCT closedown work was started to produce a Joint Business Agreement (JBA) as an umbrella document describing governance arrangements, beneath which are individual schedules for services with financial values. Without the clarity that the JBA gives the CCG is faced with risks associated with finance, governance and ineffective inter-organisational operation which deliver below par services for patients.	E: Responsive and clinically led collaborative organisation.	A draft Joint Business Agreement (JBA) has been produced and has been reviewed by Beechrofts solicitors and this requires agreement from all parties. Recommendations that effective governance arrangements were implemented were made. Draft schedules have been produced. The CCG leadership team have been involved with Wiltshire Council Colleagues in workshops to develop the Joint Commissioning Board. 2.3. The JCB will provide collective governance in relation to the commissioning of health and social care for adults in Wiltshire and to be accountable to the Health and Wellbeing Board for the delivery of joint commissioning arrangements and will oversee the management of joint investments and initiatives. Executive groups will sit beneath the JCB and run the day to day business of each of 3 priority areas for joint commissioning: learning disabilities; mental health; community transformation programme	3	4	12	The JBA needs to be reviewed, finalised and signed off by the Governing Body and Wiltshire Council. The list of schedules describing the services and financial values require review and adjustment for accuracy and completeness. Each needs to be allocated a lead in the CCG. Begin schedule of meetings of JCB with correct membership and start to enact business against agreed TORs. Define Executive groups and ensure that leads are clear on outputs required. Clarify arrangements for financial transfers to Wiltshire Council and finance teams are connected to Executive Groups for priority areas.

Equality Impact Assessment

Presentational/Handling Issues