



Special Adults, Wellbeing and Health Overview and Scrutiny Committee

Date **Tuesday 30 July 2019**
Time **12.00 pm**
Venue **Committee Room 2 - County Hall, Durham**

Business

Part A

**Items during which the Press and Public are welcome to attend.
Members of the Public can ask questions with the Chairman's
agreement.**

1. Apologies
2. Substitute Members
3. Declarations of Interest, if any
4. Any Items from Co-opted Members or Interested Parties
5. Clinical Commissioning Group merger proposal - Report and presentation by Stewart Findlay, Chief Officer, North Durham and Durham Dales, Easington and Sedgefield Clinical Commissioning Groups (Pages 3 - 30)
6. Such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration

Helen Lynch
Head of Legal and Democratic Services

County Hall
Durham
22 July 2019

To: **The Members of the Adults, Wellbeing and Health Overview and Scrutiny Committee**

Councillor J Robinson (Chair)
Councillor J Chaplow (Vice-Chair)

Councillors A Batey, R Bell, L Brown, P Crathorne, R Crute, J Grant, T Henderson, E Huntington, P Jopling, C Kay, K Liddell, S Quinn, A Reed, A Savory, M Simmons, H Smith, J Stephenson, O Temple and C Wilson

Co-opted Members: Mrs R Hassoon

Co-opted Employees/Officers: Mr C Cunnington-Shore

Contact: Jackie Graham Tel: 03000 269704

**Adults, Wellbeing and Health Overview
and Scrutiny Committee**

30 July 2019

**Clinical Commissioning Group (CCG)
merger proposal**



**Report of Dr Stewart Findley, Chief Officer, Clinical Commissioning
Groups**

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 The purpose of the report is to notify members of the Adults, Wellbeing and Health Overview and Scrutiny Committee of the proposed Clinical Commissioning Group (CCG) merger.

Executive summary

- 2 Dr Stewart Findley will outline the proposal to form new CCGs to replace the five CCGs in Teesside, Darlington and Durham.
- 3 It is anticipated that the new CCGs would come into effect from 1 April 2020.

Recommendation(s)

- 4 Members of the Adults, Wellbeing and Health Overview and Scrutiny Committee are recommended to receive the report and provide comment at the meeting.

Background

- 5 In 2018, NHS England and NHS Improvement advised CCGs that they would be reducing their administration costs by 20% by 31 March 2020.
- 6 In turn, they asked all CCGs to reduce their own running costs by 20% in the same timescale. Whilst the reduction does not apply to the health services commissioned by CCGs, and therefore will not affect frontline patient services, it does apply to CCG staffing arrangements.

- 7 If the CCGs remain as five separate groups, and reduce their budget it may not be possible to fulfil all of their responsibilities with significantly less staff.
- 8 Merging the CCGs is a logical next step following closer working over the last few years. CCGs will be able to take a more streamlined approach to commissioning and simplify governance arrangements. The new organisation/s will be more efficient, saving money from management to direct towards patient care, and will be able to support health and care partners in improving local people's health and the services they use, as well as implementing priorities in the NHS Long Term Plan.
- 9 The CCGs would keep current local arrangements for engaging with people and health professionals in the places where they live and work and look for opportunities to improve that engagement, so that they stay in touch with, and take account of their needs.
- 10 If supported by the CCG Governing Bodies and by NHS England, the new CCG/s would be created on 1 April 2020, following the dissolution of the existing CCGs.

Consultation

- 11 The CCGs are talking to local Healthwatch organisations to understand their views on the proposals and to make sure that a wide range of local people's views are taken into account. Through their ongoing outreach activity and events they will be helping communities to receive and understand information about this proposal and gathering people's views.

Conclusion

- 12 Members of the Adults, Wellbeing and Health Overview and Scrutiny Committee will have an understanding of the proposals, and will be able to share their thoughts on the proposed merger.

Background papers

- Proposals for new clinical commissioning groups for Tees Valley and Durham CCGs (Attached as Appendix 2).
- Presentation (Attached as Appendix 3)

Other useful documents

- None

Contact: Sarah Burns

Tel: 0191 371 3217

Appendix 1: Implications

Legal Implications

CCGs are a statutory requirement under the Health and Social Care Act

Finance

CCGs must reduce their own running costs by 20% by 31 March 2020

Consultation

Consultation will be undertaken by Healthwatch.

Equality and Diversity / Public Sector Equality Duty

None

Human Rights

None

Crime and Disorder

None

Staffing

CCG staffing arrangements will be impacted by the financial requirements for CCGs to reduce their own running costs by 20% by 31 March 2020

Accommodation

None

Risk

Not merging will impact on the ability to make the financial reductions

Procurement

None

Proposals for new clinical commissioning groups for Tees Valley and Durham CCGs

This document describes a proposal to form new CCGs with effect from 1 April 2020 to replace the five clinical commissioning groups in Teesside, Darlington and Durham.

June 2019



Darlington Clinical Commissioning Group
Durham Dales, Easington and Sedgfield Clinical Commissioning Group
Hartlepool and Stockton-on-Tees Clinical Commissioning Group
North Durham Clinical Commissioning Group
South Tees Clinical Commissioning Group

What are we asking for your views about?

We are asking what you think about proposals to create new clinical commissioning group/s to replace the five clinical commissioning groups in Teesside, Darlington and Durham.

Our Governing Bodies have asked that we consider whether CCG mergers might offer further benefits to our current way of working and if so what might be the best CCG arrangements to achieve this. The options for consideration are:

1. A single CCG across the Integrated Care System¹ i.e. Cumbria and the North East,
2. A single CCG across the 5 CCGs currently working together in our collaborative i.e. NHS Darlington CCG, NHS Durham Dales, Easington and Sedgefield CCG, NHS Hartlepool and Stockton-on-Tees CCG, NHS North Durham CCG and NHS South Tees CCG
3. A single CCG across each Integrated Care Partnership² i.e. the Southern ICP and the central ICP, or;
4. A single Tees Valley CCG and a single Durham CCG with a continued shared management structure.

What is not included?

This proposal is not about any other NHS organisations – like hospitals and mental health, community or family doctor (GP) services - or any health or care services provided by the NHS or local councils. It does not affect any services we buy from voluntary and community sector (VCS) or any other organisations.

What are clinical commissioning groups?

CCGs took over responsibility for planning, buying and monitoring (commissioning) local health services in April 2013. They work to improve population health, by tackling health inequalities, to improve life expectancy and the quality of life and to ensure local people can get the services they need when they are unwell.

They are membership organisations, with local family doctors (GP practices) as their members.

¹ The Integrated Care System will coordinate the work of the 4 ICP areas (see below) in Cumbria and the North East including financial and staffing resources, and 'at scale' shared clinical service improvements to ensure improved outcomes for the population of Cumbria and the North East.

² The Integrated Care Partnerships (ICP) have been set up to focus on 'place' and ensure the sustainability of services for the local population that meet quality and clinical standards as well as addressing workforce challenges, core performance and financial standards. They include NHS Foundation Trusts, CCGs and other key stakeholders. There are 4 ICPs across Cumbria and the North East.

Responsible for commissioning most hospital and healthcare services in the local area, CCGs are regulated by NHS England and are accountable to the Secretary of State for Health and Social Care. The types of services commissioned by CCGs include:

- planned hospital care
- rehabilitative care
- urgent and emergency care (including out-of-hours and NHS 111)
- most community health services
- mental health services
- learning disability and/or autism services

Our proposals will not affect any of these services or your ability to use them.

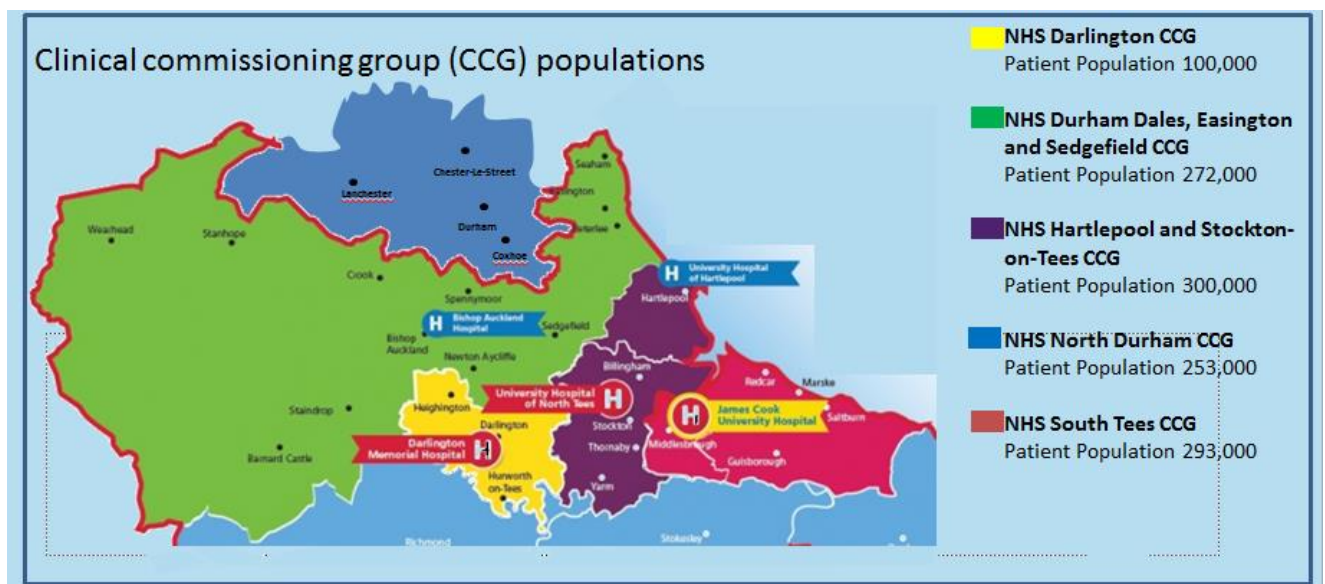
What are the current arrangements?

There are five CCGs covering Teesside, Darlington and Durham:

- NHS Darlington CCG
- NHS Durham Dales, Easington and Sedgefield CCG
- NHS Hartlepool and Stockton-on-Tees CCG
- NHS North Durham CCG
- NHS South Tees CCG

Between them, they commission NHS services for a population of over 1.2 million people.

They cover the following areas:



The 5 CCGs across Durham and the Tees Valley have been working together under a joint leadership and management team with a single Accountable Officer (Dr Neil O'Brien) and two Chief Officers (Dr Stewart Findlay and Mrs Nicola Bailey) since October last year.

Whilst changes have been implemented to help joint working we have maintained a strong focus on local communities and the delivery of the new NHS Long Term Plan priorities locally, such as Primary Care Networks (PCN)³ and we would ensure this continued.

There is a move nationally however, to reduce the total number of CCGs and create more 'strategic' commissioning organisations, the NHS plan states this would *'typically involve a single CCG for each Integrated Care System area'*, which in our case would be for Cumbria and the North East. Whilst this is intended to support greater efficiency, and improve population health by supporting providers to work with local government, we believe that we can achieve more for our local people if we keep a greater level of local focus.

Our CCG collaborative work and the management changes we have already made, mean that our CCGs are already in a good position to demonstrate the benefits of working across a larger population base with a shared management resource. Given national expectations and the desire to ensure as much resource as possible is freed up for investment into front line health services, we believe that we should give this serious consideration.

In each CCG, member GP practices come together in a "council" that directs the work of the organisation. CCGs also have a governing body made up of elected GPs and other clinicians, including a nurse, a hospital consultant, and lay people. The governing body ensures that the CCG follows the direction set by the members and makes decisions that will provide the best outcomes for patients.

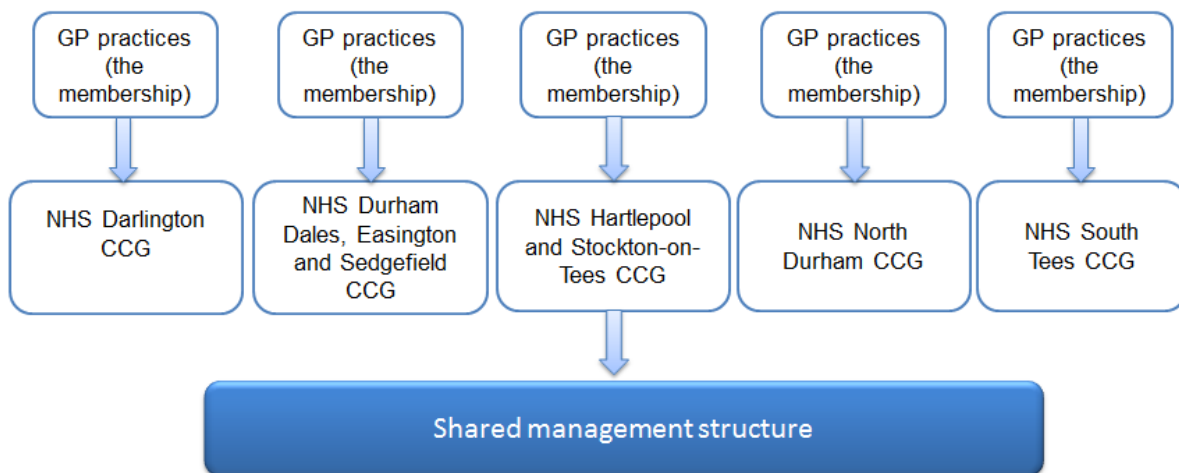
Although each CCGs appoints its own members to a governing body and other committees, since 2018/19 these have been operating as committees in common in Tees Valley and in Durham (that is, one meeting at which members take decisions together or separately, as appropriate). The CCGs' clinical leaders are central to making these decisions.

All five CCGs commission primary care (services provided by, and in, general practice) and have a Primary Care Commissioning Committee.

Based on the health needs of local people, and to help reduce health inequalities, NHS England gives money to CCGs to pay for local NHS services. Money allocated to our CCGs is spent within each of the CCG local areas. Within the CCGs' annual budget, there is a separate allocation for administration (or "running") costs, which helps to determine their total staffing.

³ All General Practices are now part of a Primary Care network. Primary care networks build on the core of current primary care services and enable greater provision of proactive, personalised, coordinated and more integrated health and social care by working closely with partners in health and social care.

Since October 2018, all five CCGs have implemented a shared management structure to try and avoid duplication and to cut down on management costs.



Why are we making changes?

In 2018, NHS England and NHS Improvement told us that they would be reducing their administration costs by 20% by 31 March 2020.

In turn, they asked all CCGs to reduce their own running costs by 20% in the same timescale. Whilst the reduction does not apply to the health services that we commission (and therefore will not affect frontline patient services), it does apply to CCG staffing arrangements.

If we remain as five separate CCGs, and reduce our budget it may not be possible to fulfil all our responsibilities with significantly less staff.

Merging the CCGs is a logical next step following our closer working over the last few years. We will be able to take a more streamlined approach to commissioning and simplify our governance arrangements. The new organisation/s will be more efficient, saving money from management to direct towards patient care, and be able to support our health and care partners in improving local people's health and the services they use, as well as implementing the priorities in the NHS Long Term Plan.

We will keep our current local arrangements for engaging with people and health professionals in the places where they live and work and look for opportunities to improve that engagement, so that we stay in touch with, and take account of, their needs.

If supported by our Governing Bodies and by NHS England, the new CCG/s would be created on 1 April 2020, following the dissolution of the existing ones.

What is the best way to reduce our costs whilst retaining a strong connection with our local people and partners?

We think the best way we could balance reducing costs with keeping a local focus would be through creating two single CCGs instead of the five that we have now.

We would make the savings in ways such as reducing some costs that all 5 CCGs have to pay such as audit costs and by appointing members to two governing bodies (rather than a combination of the membership of five governing bodies) and through shared clinical leadership across the Durham and Tees Valley.

We are looking to achieve the rest of the savings required in two ways. For some time, we have appointed staff to vacant posts only if their role is essential, looking to share staff with our partners where this is sensible. We are also reducing our buildings where these are not being or will not be fully used. Ultimately, if we do not achieve our savings target, we run the risk of further staff cutbacks and impacting on the services we commission.

How will fewer CCGs impact on our members and partners?

By moving to two CCGs, we know that there may be concerns about the dilution of the voice of five smaller CCGs. However, we are already working with groups of GP practices and others at a local level across Durham and Tees Valley that focus on people's health and wellbeing in local communities. We will be strengthening the clinical leadership within the new CCGs.

How will having one CCG impact on patients and their carers?

Two single CCGs would ensure consistency and help make our resources go further, delivering fair outcomes for patients no matter where they live. It would not affect frontline patient services. Our financial resources are directly linked to supporting these communities in improving health outcomes and reducing inequality.

As many of our existing teams already work across Durham and Tees Valley there are good relationships and engagement networks in all areas that put local people's views and experiences at the heart of our decision-making. We will continue to build on these relationships and strengthen joint working with partners.

So that people's voices are heard no matter where they live in Durham and Tees Valley, we will continue to meet our statutory duties to provide information about, and opportunities to influence, our plans, priorities and any future plans to change services.

What would you like my views about?

We would like to know what is important to you, as an individual (or organisation), so that we can reflect upon this in the process to create a new CCG.

At the end of this document you will find a small number of questions that we would like to ask you about our proposals.

How will my views be used?

All of the views that we receive will be summarised and presented to the CCG Governing Bodies to help them decide on a proposal to create a new CCG/s.

Who will make the final decision?

The Governing Bodies of each CCG will make the decision about whether to apply to NHS England to merge the CCGs once they have the views of GP 'members', staff, partners and the public.

The results of this engagement will be discussed when the Governing Bodies consider the merger proposal at their meetings in August 2019 in Tees Valley and in Durham.

NHS England will then review our plans and let us know whether we can proceed by November 2019.

Working with Healthwatch

We are talking to local Healthwatch organisations to understand their views on our proposals and to make sure that a wide range of local people's views are taken into account. Through their ongoing outreach activity and events they will be helping communities to receive and understand information about this proposal and gathering people's views.

You can contact your local Healthwatch for more information:



Freephone contact number: 0800 3047039

By Post: Healthwatch County Durham, Whitfield House, St Johns Road, Meadowfield Industrial Estate, Durham DH7 8XL

By Phone:

0191 3781037 (Office Landline)

07756 654218 (Text)

By E-mail: healthwatchcountydurham@pcp.uk.net



By Post: Healthwatch Darlington, Jubilee House, 1 Chancery Lane, Darlington, DL1 5QP

By Phone: 01325 380145 (Landline)

07525 237723 (Text)

By E-mail: info@healthwatchdarlington.co.uk



Call: 01429 288 146

<http://www.healthwatchhartlepool.co.uk>



Email: general@healthwatchsouthtees.org.uk

General telephone: 01642 955605

Post: Healthwatch Redcar & Cleveland, MVDA, St Mary's **Centre**, 82-90 Corporation Road, Middlesbrough TS1 2RW



Email: healthwatchstockton@pcp.uk.net

General telephone: 01642 688312

Post: Healthwatch Stockton-on-Tees, Catalyst House, 27 Yarm Road, Stockton-on-Tees, TS18 3NJ



Call: 01642 955 605 between the hours of 09:00 – 17:00 Monday to Friday.

Post: Healthwatch Middlesbrough, Middlesbrough Voluntary Development Agency, St. Mary's Centre, 82-90 Corporation Road, Middlesbrough, TS1 2RW

Email: general@healthwatchsouthtees.org.uk

How do I tell you my views?

Please complete the form on page nine and return it by one of the following methods:

Email:

Post:

Online: <https://www.surveymonkey.co.uk/r/V5XMG6N>

by no later than 31st July 2019

Proposal to create two new CCGs in Durham and Tees Valley

Your views

Please use a separate sheet of paper if you need more space to respond.

**1 Are you responding as an individual or on behalf of an organisation?
(Please tick which one applies):**

- As an individual**
- On behalf of an organisation** *(please state which below)*

.....
.....
.....

2 Please indicate which Clinical Commissioning Group area you live in?

- NHS Darlington Clinical Commissioning Group**
- NHS Durham Dales, Easington and Sedgefield Clinical Commissioning Group**
- NHS Hartlepool and Stockton-on- Tees Clinical Commissioning Group**
- NHS North Durham Clinical Commissioning Group**
- NHS South Tees Clinical Commissioning Group**
- Don't know**

3 What benefits could you see from CCGs merging?

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.....
.....

4 What concerns do you have about a CCG merging?

.....

.....

.....

5 Is there anything else you'd like to tell us, or any questions which have not been answered?

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.....

.....

The feedback from this engagement will be available on CCGs and Healthwatch websites

Proposals for new clinical commissioning groups for Tees Valley and Durham CCGs

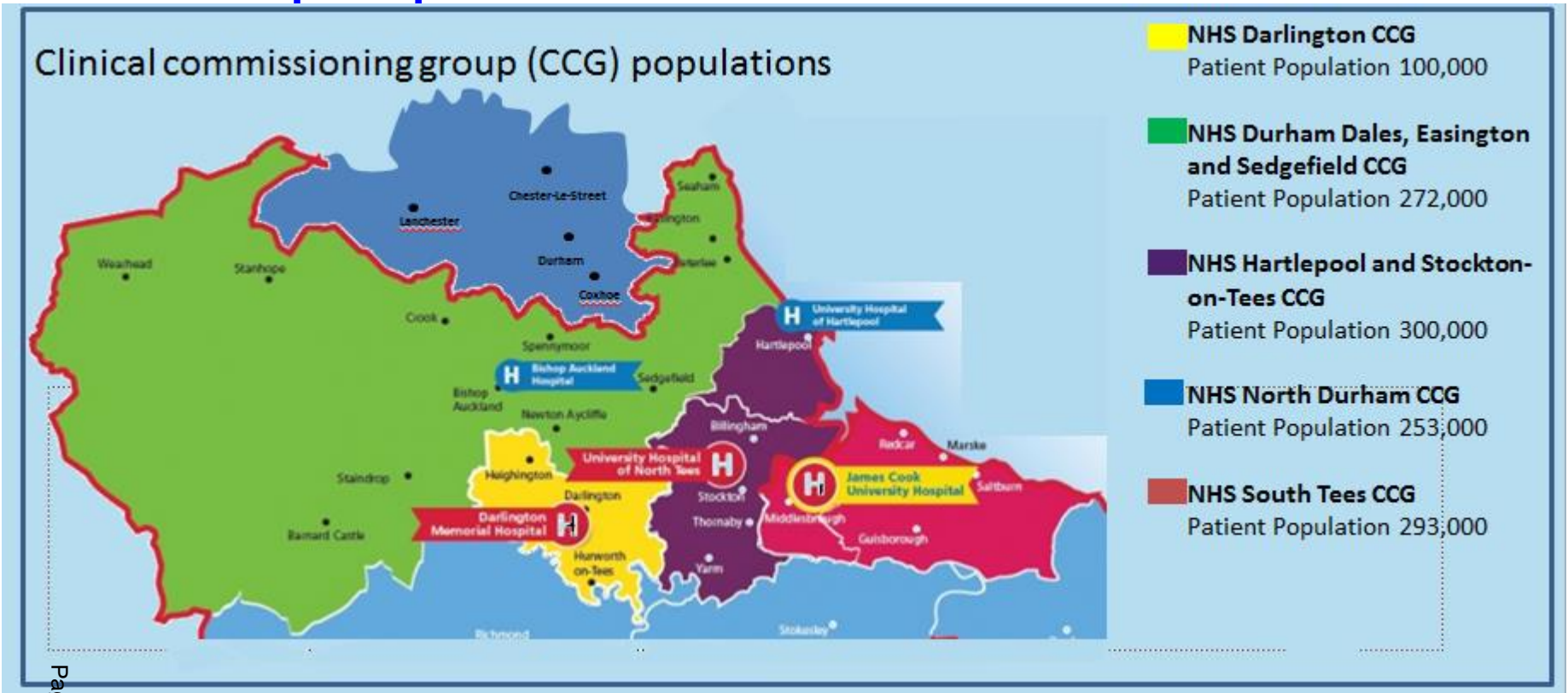


What are the current arrangements?

There are five CCGs covering Teesside, Darlington and Durham:

- NHS Darlington CCG
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- NHS Hartlepool and Stockton-on-Tees CCG
- NHS North Durham CCG
- NHS South Tees CCG

Between them, they plan, buy and monitor NHS services for a population of over 1.2m million people.



What do CCGs do?

- CCGs plan, buy and monitor (commissioning) most hospital and healthcare services in the local area.
- The types of services commissioned by CCGs include:
 - planned hospital care
 - rehabilitative care
 - urgent and emergency care (including out-of-hours and NHS 111)
 - most community health services
 - mental health services
 - learning disability and/or autism services

CCGs are regulated by NHS England and are accountable to the Secretary of State for Health and Social Care.

- **Our proposals will not affect any of these services or your ability to use them.**

Why do we want to make these changes?

- Shared Accountable Officer and management team since Oct 2018, working at scale whilst retaining strong focus on local communities but,
- Long Term Plan requires:
 - Fewer CCGs
 - Creation of 'strategic' commissioning organisations
 - Reduction in running costs by 20%
 - Need to focus on transforming services across providers to provide better outcomes for patients and to reduce inequality

Merger could help us provide these and additional benefits

Our Proposals

1. Single CCG across the ICS i.e. Cumbria and the North East
2. Single CCG across the 5-CCG collaborative: merger of Darlington CCG, Durham Dales, Easington & Sedgefield CCG; Hartlepool & Stockton-on-Tees CCG; North Durham CCG and South Tees CCG.
3. Single CCG across each Integrated Care Partnership: i.e. the southern ICP (South Tees CCG, Hartlepool and Stockton on Tees CCG and Darlington CCG) and the central ICP (Durham Dales, Easington and Sedgefield CCG, North Durham CCG, South Tyneside CCG and Sunderland CCG)
4. **Two CCGs with a shared management structure i.e. a single Tees Valley CCG and a single Durham CCG** whilst retaining a shared management structure

What our proposals are NOT about

- This proposal is not about any other NHS organisations – like hospitals and mental health, community or family doctor (GP) services - or any health or care services provided by the NHS or local councils.
- It does not affect any services we buy from voluntary and community sector (VCS) or any other organisations.

Principles

- No detrimental impact on patient services.
- Balance of benefits between commissioning at scale with understanding local needs.
- Focus on local work with practice networks, local authorities and others is retained and remains a priority.
- Strong clinical leadership both within the CCGs and the local system is supported.
- Greater level of management efficiency so that funding can be directed to patient care.
- Not be distracted from delivery of our key priorities including transformation of clinical pathways and the development of local primary care networks.
- Any changes are fit for purpose in the longer term, supporting our endeavours to work effectively with partners whilst ensuring the CCGs have a strengthened voice in system decision making.

Expected benefits

We will be able to:

- Progress our work to create a stronger, clearer and more consistent commissioning voice for our area, building on the strong foundations of locality-based GP-led commissioning and be more able to deliver the resilient and sustainable NHS services that local people need.
- Have the ability to transform patient pathways across locally linked providers, which will help us to address health inequalities.
- Eliminate the significant administrative burden that comes from running five statutory organisations. Operating more streamlined corporate functions would enable us to focus more of our people and resources on delivering improved services and better patient experience.

Why we think option 4 would work best

- We can retain a local focus whilst making greater savings
- It will support pathway transformation and greater equality in clinical outcomes across our populations
- It will strengthen our work with the Local Authorities
- It will help us use our clinical leadership effectively across a broader population base
- It will support financial sustainability
- It is likely to be supported by partners, stakeholders and NHS England

What this will mean for patients and the public

- Our proposals do not affect any of the services we buy or your ability to use them
- Two single CCGs would ensure consistency and help make our resources go further, delivering fairer outcomes for patients no matter where they live. It would not affect frontline patient services.
- As many of our existing teams already work across Durham and Tees Valley there are good relationships and engagement networks in all areas that put local people's views and experiences at the heart of our decision-making. We will continue to build on these relationships and strengthen joint working with partners.
- So that people's voices are heard no matter where they live in Durham and Tees Valley, we will continue to meet our statutory duties to provide information about, and opportunities to influence, our plans, priorities and any future plans to change services.

What happens next?

- We are working with the local Healthwatch organisations to engage with patients and the public to get their views on our plans
- We are talking to our partners, like providers and the Councils and to stakeholders, like MPs and other CCGs to get their views
- These will inform the decisions our Governing Bodies will make in their meetings at the end of August
- If we decide to submit an application to NHS England in August as required, they will tell us whether we can establish the new CCGs from April 2020
- We will continue to engage partners, stakeholders and the public during this time

Please have your say

- What other:
 - Benefits or challenges do you think there will be if we go ahead with the proposed mergers?
 - What other factors should we consider before we make any decisions about progressing the proposals?
- What are your views on the emerging preferred option?
- Do you have any views on the new name(s) of the organisation(s)?

How to engage further

- Your local Healthwatch is working with us to gather public views.
- They can be contacted at:



Freephone contact number: 0800 3047039

By Post: Healthwatch County Durham, Whitfield House, St Johns Road, Meadowfield Industrial Estate, Durham DH7 8XL

By Phone:

0191 3781037 (Office Landline)

07756 654218 (Text)

By E-mail: healthwatchcountydurham@pcp.uk.net



By Post: Healthwatch Darlington, Jubilee House, 1 Chancery Lane, Darlington, DL1 5QP

By Phone: 01325 380145 (Landline)

07525 237723 (Text)

By E-mail: info@healthwatchdarlington.co.uk



Call: 01429 288 146

<http://www.healthwatchhartlepool.co.uk>



Email: general@healthwatchsouthtees.org.uk

General telephone: 01642 955605

Post: Healthwatch Redcar & Cleveland, MVDA, St Mary's **Centre**, 82-90 Corporation Road, Middlesbrough TS1 2RW



Email: healthwatchstockton@pcp.uk.net

General telephone: 01642 688312

Post: Healthwatch Stockton-on-Tees, Catalyst House, 27 Yarm Road, Stockton-on-Tees, TS18 3NJ



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