

NHS Herts Valleys Clinical Commissioning Group
Board Meeting
29 January 2015

Title	Planning for 2015/16	Agenda Item: 8
Purpose (tick one only)	Approval <input type="checkbox"/> Discussion <input type="checkbox"/> Consideration <input type="checkbox"/> Noting <input checked="" type="checkbox"/>	Information <input type="checkbox"/>
Responsible Director(s) and Job Title	Louise Gaffney, Interim Director of Strategy	
Author and Job Title	Alan Warren, Chief Finance Officer Ian Goodall, Assistant Director of Planning & Performance	
Recommendations/ Action Required by the Board	Board members are asked to note the planning requirements and timetable for approval of the 2015/16 Operational Plan and associated budgets.	
Classification <i>Is this report exempt from public disclosure? (ie. FOIA or DPA)</i>	No	
Impact on Patients/Carers/Public	The report provides evidence and assurance in relation to commissioning services for 2015/16 and the impact these have on patient care.	
Engagement with Stakeholders/Patient/Public	Engagement has taken place with provider organisations	
Links to Strategic Objectives	Objective 1 To deliver clinically sustainable and affordable services that meet the changing needs of the population, address inequalities and deliver our guiding principles as outlined in the Strategy: 'Deliver a Healthy Herts Valleys' Objective 3 To work with our partners to transform health and social care through the effective use of joint funding	
Board Assurance Framework <i>Does this report provide evidence of assurance for the Board Assurance Framework?</i>	The report provides assurance that the CCG is developing plans, including in respect of Quality, Innovation, Prevention and Performance (QIPP) savings within the resources available for 2015/16 that will deliver NHS Constitution requirements, performance standards and better outcomes for patients.	
Does this report mitigate risk that is included in the Corporate Risk Register?	The reports sets out the steps needed to agree a balanced plan for 2015/16.	
Resource Implications	Not applicable. This report provides a general update on key finance issues and performance.	

Equality and Diversity (Has an Equality Analysis been completed?)	There are no implications
Legal/Regulatory Implications	To comply with the legal requirements of the Health and Social Care Act 2012
Sustainability Implications	Not applicable
NHS Constitution	Principle 6: The NHS is committed to providing best value for taxpayers' money and the most effective, fair and sustainable use of finite resources
Report History	Components discussed with Senior Leadership Team and Executive Team since publication of guidance and allocations by NHS England in December 2014.
Appendices	None



Planning Guidance 2015/16

1. Executive Summary and Purpose of the Report

This paper provides a summary of the requirements for 2015/16 plans and identifies the financial resources available to the CCG and the timetable for approval of the final version of the Operational Plan for the year.

2. Introduction

2.1 2015/16 Planning Guidance was published by NHS England on 19th December, representing the second year of delivery of the Operational and Strategic Plans developed as part of *Everyone Counts* in 2014/15 and the first year in implementing the *Five Year Forward View (5YFV)*, published in October 2014. Consequently, the requirements for the 2015/16 planning round are to consolidate and build upon the progress made in 2014/15 and focus on new areas described in the 5YFV.

2.2 The main components for the 2015/16 submission are :

- i) Revision of the Operational Plan for 2015/16.
- ii) Finance and activity plans for 2015/16 which are consistent with those submitted by providers.
- iii) Revised health outcome ambitions (originally set in 2014/15).

2.3 In this planning round the CCG needs to demonstrate local implementation of the 5YFV within the above components. The Planning Guidance includes specific requirements, described below, that will help achieve this.

3. Additional Requirements for CCGs and Providers in 2015/16 Planning Submission

Commissioner Requirements	Area
<i>CCG spending on mental health services in 2015/16 to increase in real terms, and grow by at least as much as each CCGs allocation increase.</i>	Mental Health ('parity of esteem')
<i>CCGs to work with other commissioners to invest further in CAMHS services</i>	Mental Health
<i>By April 2016 CCGs to ensure that that personal health budgets or integrated personal budgets across health and social care are an option for people with learning disabilities, in line with the Sir Stephen Bubb's review.</i>	Learning Disabilities
<i>CCGs to develop plans with specialised commissioning and local authorities to reduce reliance on inpatient care for patients with learning disabilities and autism.</i>	Learning Disabilities

<i>Commissioners and providers to work together and with patient groups to make further significant strides to improve patient choice re : where and how they receive care.</i>	Patient Choice
<i>CCGs to work with GPs and providers to ensure that patients are aware of their rights and are offered choice in mental health services at appropriate points along the pathway.</i>	Patient Choice
<i>For 2015/16 commissioners should review the choices available for women accessing maternity services and consider what more can be done to improve choice.</i>	Patient Choice
<i>CCGs to work with local authorities to work up plans to identify and support carers (in particular, young carers and those over 85) in order to provide better support.</i>	Supporting Carers
<i>CCGs to take an active part in the Patient Safety Collaborative and encouraged to join the 'Sign up to Safety' campaign.</i>	Patient Safety/Francis/Winterbourne View
<i>CCGs to work with providers to develop plans to improve antibiotic prescribing in primary and secondary care.</i>	Prescribing
<i>Delivery of NIB's framework 'Personalised Health and Care 2020' : CCGs to develop roadmap for fully interoperable digital records, including specialised and primary care during 2015/16</i>	IM & T
<i>MRET for 2015/16 increased from 30% to 50% for non-elective activity above 2008/9 baseline.</i>	Finances
<i>In 2015/16 providers are required through the NHS Standard Contract to show demonstrable progress towards achieving fully interoperable digital health records from 2018.</i>	Information
<i>Agree with CCGs how in 2015/16 they will implement 5 of the 10 clinical standards for 7-day services.</i>	7-day working

4. Invitations to Participate in National Schemes

Invitations	Area
<i>Invitation to local and national partner organisations to put themselves forward by the end of January 2015 to work alongside NHS England in creating and implementing prototype models of care described in 5YFV.</i>	New models of care
<i>Invitation to join cohort of 'vanguard' sites prototyping 4care models. Interest to be expressed by 2nd February 2015 via england.fiveyearviews.nhs.net</i>	New models of care
<i>Invitation to participate in the development of a national evidence-based diabetes prevention programme. Interest to be registered by</i>	Diabetes

<i>end of January 2015 at england.fiveyearview@nhs.net</i>	
<i>Details of additional 4-year £1bn fund to improve primary care premises and infrastructure will be made in January 2015.</i>	Primary Care Development

5. New Performance Targets

<i>New Targets and Standards</i>	Area
<i>NHS employers subject to new race equality standard in NHS contract from April 2015.</i>	HR
<i>Nursing and midwife revalidation introduced from end of December 2015.</i>	HR
<i>CQUINs in 2015/16 :</i> <ul style="list-style-type: none"> - <i>dementia and delirium care (cont'd from 14/15)</i> - <i>physical health of patients with mental health conditions (cont'd from 14/15)</i> - <i>sepsis and acute kidney injury</i> - <i>urgent and emergency care</i> 	CQUINs
<i>New quality premium target re : antibiotic prescribing</i>	Prescribing
<i>60% of practices transmitting prescriptions electronically to the pharmacy by March 2016 (Electronic Prescribing Service)</i>	Prescribing
<i>Access and waiting time standards for mental health introduced in 2015/16 with achievement from April 2016.</i>	Mental Health
<i>IAPT : 75% of adults to have first treatment session within 6 weeks and 95% within 18 weeks.</i>	Mental Health
<i>80% of elective referrals to be made electronically by March 2016 in line with 2015/16 GMS contract</i>	IM & T

6. Financial Allocations

6.1. At the same time as the Planning Guidance was issued, NHS England announced revised 2015/16 allocations for CCGs, reflecting national increases to the amount of funding available for the NHS and updated population estimates. The calculation of CCG target shares of the national resource remains based on the funding formula adopted by NHS England in December 2013.

6.2. In total, NHS England allocated an extra £1.1 billion of funding to CCGs compared to the indicative 2015/16 allocations published in December 2013. For Herts Valleys CCG this has resulted in a programme allocation for 2015/16 of £677 million, an increase of £21 million compared to the figures previously published.



6.3. The revised allocation for 2015/16 means that the CCG has moved closer to its target share of the funding available. The December 2013 figures for 2015/16 showed the CCG at 4.72% below target; this has now reduced to 3.29% below target.

6.4. In addition, for the first time, NHS England has identified notional allocations at CCG level for primary care and specialised services expenditure. For Herts Valleys these are £121 million and £142 million respectively and within the primary care total £76 million is identified as expenditure on GP services.

7. Financial Planning Assumptions

7.1. The Planning Guidance identifies key financial planning assumptions for 2015/16:

- Provider efficiency requirement of 3.8%;
- Assumed cost inflation of 3%;
- Tariff uplift of 1.93%;
- Overall activity growth of around 3%;
- Marginal rate for non-elective activity above baseline increased from 30% to 50%;
- A requirement for 1% non-recurrent spend reserve;
- Real terms increase in spend on mental health services.

7.2. The first draft of a financial and activity plan for 2015/16, including a QIPP programme of £17.5 million, which is clearly based heavily on assumptions at this stage as no contracts have been agreed with providers for next year, was submitted to NHS England on 13 January 2015.

8. Planning Timetable

8.1. The planning timetable for 2015/16 from NHS England is set out in the table below. Last year, we were asked to produce five year forecasts, a five year Strategic Plan and a two year Operational Plan. This year focus is on refreshing the second year of the Operational Plan, reflecting changes to our Strategic Plan, capturing developments communicated in our commissioning intentions and updating programme plans for next year, with increased emphasis on key performance indicators and milestones.

By 1 Nov 2014	NHS England and CCG Commissioning Intentions provided to Trusts
By 23 Dec	Publication of Final 2015/16 Planning Guidance, including provisional tariff assumptions, to be followed by: Standard Contract for 15/16 Revised Contract Dispute Resolution procedure
Jan 2015	Publication of revised National Tariff
Jan – 11 Mar	Contract negotiations – including voluntary mediation
13 Jan	Submission of initial headline plan data
From 29 Jan	Weekly contract tracker to be submitted each Thursday
13 Feb	Checkpoint for progress with planning measures and trajectories

20 Feb	National Contract stock-take – to check the status of contracts
27 Feb	Submission of full draft plans
27 Feb – 30 Mar	Assurance of draft plans
6 Mar	Checkpoint for progress with planning measures and trajectories
11 Mar	Contracts signed post-mediation
12 Mar – 23 Mar	Contract arbitration
By 25 Mar	Arbitration outcomes notified to commissioners and providers
By 31 Mar	Plans approved by Boards of CCGs, NHS Trusts and Foundation Trusts
10 Apr	Submission of full final plans
From 10 Apr	Assurance and reconciliation of operational plans

8.2. The intention is that a draft of the Operational Plan (narrative) and the financial and activity templates supporting this will be discussed at the Board Development session planned for 26 February 2015 prior to the next central submission date of 27 February 2015. The final version of 2015/16 Operational Plans is required to be submitted to NHS England by 10 April 2015 and this version will be submitted to the Board meeting in public planned for 2 April 2015.

