

Sent via e-mail

NHS England and NHS Improvement
East of England

2 – 4 Victoria House
Capital Park
Fulbourn
Cambridge
CB21 5XB

Councillor V Holloway
Chair Health and Wellbeing Overview and Scrutiny
Thurrock Council

01223 730001

Dear Councillor Holloway

17 July 2019

Meeting Request – Reduction of Thurrock Clinical Commissioning Group Budget 2019/20

Thank you for your letter dated 20 June regarding the Thurrock Clinical Commissioning Group 2019/20 budget. I would like to apologise for the delay in responding to you.

In responding to the points you have raised, I thought it may be helpful to provide some context to the 2019/20 financial planning process and the approach taken in the East of England.

As you will be aware, all NHS organisations, both as a Region and individual organisational level, are set a financial control total each year which represents their target for financial performance. At all times, managing within the funds provided and improving quality for patients is the over-riding concern. The new regional footprints provide an opportunity and requirement for control totals to be viewed not only at organisational and system level, but also at regional level.

In the East of England there is a current commissioner gap to control total within the Cambridgeshire and Peterborough STP system with the CCG. The East of England Regional Executive Team is working actively with this financially challenged system to explore options to close the gap.

The Cambridgeshire and Peterborough STP includes five providers and has a single CCG which serves a population of 900k people. As an area it has had a long history of financial issues both within individual organisations and within the area as a whole. There have been attempts to resolve the issues and recover financial stability, but they have not been wholly successful. There is therefore an urgent need, which the system leadership and the regional team recognise and accept, to try to address the financial issues within this system and enable it to progress.

The challenge is how to do this within the context of ever-increasing demand for health and care services and the clear requirement that we must balance the 2019/20 Regional budget. To address this, we must look at this at each level, locally as CCG's, system wide as an STP, and as an East of England Region. As a region there are rightly expectations upon us to come together to work much more effectively as an NHS community working with social care partners across the region and that includes tackling problems together; sustaining improved performance and generating mutual support.

NHS England and NHS Improvement



At an STP level, options for how the region responds to the financial difficulties facing Cambridgeshire and Peterborough have been discussed and how other systems can support them financially have been explored. The other five STP areas have been asked to contribute circa. £5m to the Cambridgeshire and Peterborough STP position. This is a repayable contribution to be repaid within three years. In our discussions with STPs regarding this, we left the allocation of this reduction for local determination as we recognise that this is where local understanding of priorities best sits. The local CCG is therefore best placed to articulate how they have identified the necessary reduction in the available budget and I have copied Mandy Ansell (Accountable Officer for Thurrock CCG) into this response as she will be able to assist in providing that information.

The regional approach to managing deficits mirrors how NHS England and NHS Improvement have previously managed budgets nationally, where individual overspends were managed at a national level to ensure the overall NHS lives within its means. Working across systems to deliver the Control Total has the benefit of bringing to the Region the Financial Recovery Funding relating to Cambridgeshire and Peterborough which would otherwise have been allocated to another region.

I recognise that this places further pressures on other STPs within the region and my team is actively working with those systems to identify how this can be best managed. We are committed to working to find best value for money, doing this as a region-wide community rather than individual systems or organisations. This will involve working across the region to find ways of improving the effectiveness and efficiency of services to get the best value for the NHS pound. We will build upon the work systems are exploring to deliver greater efficiency including embracing technology across organisations to realise productivity benefits that digitisation brings; delivering new models of care and understanding the clinical and financial benefits improved performance brings; and benchmarking performance against the 'best in class' service delivery. These principles are not only for the more financially challenged systems but for the region to focus on as implementation of the NHS Long Term Plan becomes the focus for delivery.

Thank you for the invitation to attend the Thurrock HOSC in September but as I have explained above the decisions about how to allocate the contributions within the Mid and South Essex STP were taken at a local level. Therefore, the person best placed to attend the HOSC meeting on 5 September and answer any questions you may have is Mandy Ansell.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ann Radmore', written in a cursive style.

Ann Radmore
Regional Director (East of England)

cc: Mandy Ansell, Accountable Officer, Thurrock Clinical Commissioning Group