ATTACHMENT 1

SOUTH WEST LONDON STRATEGIC COMMISSIONING BOARD

Minutes of meeting held on Monday 19th May 2014, 13:00 – 15:00,
Rosewater Suite Antoinette Hotel,

PRESENT:

NAME		JOB TITLE	ORGANISATION
Howard	**Freeman (HF)**	**Chair**	**Merton Clinical Commissioning Group**
Graham	Lewis (GL)	Chair	Richmond Clinical Commissioning Group
Brendan	Hudson (BH)	Chair	Sutton Clinical Commissioning Group
Paula	Swann (PS)	Chief Officer	Croydon Clinical Commissioning Group
Tonia	Michaelides (TM)	Chief Operating Officer	Kingston Clinical Commissioning Group
Eleanor	Brown (EB)	Chief Officer	Merton Clinical Commissioning Group
Jacqui	Harvey (JH)	Interim Chief Officer	Richmond Clinical Commissioning Group
Chris	Elliott (CE)	Chief Clinical Officer	Sutton Clinical Commissioning Group
Graham	Mackenzie (GMk)	Chief Officer	Wandsworth Clinical Commissioning Group
Sally	Brearley (SB)	Lay Member (PPI)	Sutton Clinical Commissioning Group
David	Knowles (DK)	Lay Member (Governance)	Kingston Clinical Commissioning Group
Helen	Cameron (HC)	Director of Transformation	NHS England
David	Mallet (DM)	Head of Service Reconfiguration (Deputising for PE)	NHS England (London Region)
Alison	Frater (AF)	Head of Public Health and Offender Health	NHS England - South London
Adi	Cooper (AC)	Strategic Director for Adult Services and Housing	LB Sutton
Caroline	Reid (CR)	Specialised Commissioning	NHS England - South London
Dagmar	Zeuner (DZ)	Director of Public Health	LB Richmond upon Thames
Charlotte	Joll (CJ)	Programme Director	SWL Collaborative Commissioning
Rory	Hegarty (RH)	Director of Communications	SWL Collaborative Commissioning
Toby	Hyde (TH)	Assistant Director	SWL Collaborative Commissioning

Ginny	Morley (GMo)	Assistant Programme Director	SWL Collaborative Commissioning
Marilyn	Plant (MP)	Medical Director	SWL Collaborative Commissioning
Joanne	Rogers (JR)	Project Manger	PricewaterhouseCoopers
Tim	Thomas (TT)	Senior Advisor	2020 Delivery
Sarah	Tunkel (ST)	Programme Support	Ernst & Young
Tony	Young (TY)	Project Manager (minutes)	SWL Collaborative Commissioning

APOLOGIES:

NAME		JOB TITLE	ORGANISATION
Tony	Brzezicki (TB)	Chair	Croydon Clinical Commissioning Group
Naz	Jivani (NJ)	Chair	Kingston Clinical Commissioning Group
Nicola	Jones (NJ)	Chair	Wandsworth Clinical Commissioning Group
Adam	Doyle (AD)	Director of Commissioning	Merton Clinical Commissioning Group
Penny	Emerit (PE)	Delivery Director (South) NHS England - London	NHS England – South London
Jane	Fryer (JF)	Medical Director	NHS England - South London
Gillian	Norton (GN)	Chief Executive	London Borough of Richmond
David	Smith (DSm)	Chief Officer	Kingston Clinical Commissioning Group
David	Sturgeon (DSt)	Head of Primary Care (South London)	NHS England - South London
Hardev	Virdee (HV)	Chief Finance Officer	Wandsworth Clinical Commissioning Group
Simon	Williams (SW)	Director of Community & Housing	LB Merton

MINUTES:

	ITEM	ACTION

1.	Welcome & introductions HF opened the meeting and welcomed all members.	
2.	Apologies Apologies were noted.	
ITEMS FOR REVIEW		
3.	Minutes of the meeting held on 27th March 2013 The minutes were reviewed for accuracy and were **approved.**	
4.	Action log CJ reported back on the two outstanding actions in progress; ***Action 1***: Assurance was given that the same version of the governance chart would be used in all papers when they go to each of the CCGs governing bodies. ***Action 7***: In the absence of HV it was reported that commissioner sustainability discussions were ongoing with NHS England.	
5.	Matters Arising RH reported that following the Public and Patient Engagement Steering Group meeting, the members recommended that their representation on the Strategic Commissioning Board (SCB) be non-voting.	
6.	Revised Draft Terms of Reference CJ reported that as a result of the above ***Matters Arising*** (point 5) the SCB Terms of Reference would be amended. The Terms of Reference were then **approved**.	
7.	Proposed action and focus for the LHE (PwC) intensive support JR reported that last Thursday Anne Rainsberry had chaired a LHE meeting. The paper presented to the Strategic Commissioning Board (SCB) summarised the key areas and activities which NHSE, the TDA and Monitor have agreed PWC should focus on between now and the end of June. *Strategic Development* PwC will work with CFOs and 2020 Delivery to agree a shared and detailed understanding of the financial challenge for the LHE. Following this piece of work, the Clinical Advisory Group (CAG) will evaluate and provide constructive challenge to the initiatives proposed by the Clinical Design Groups. *Preparing for Implementation*	

	More work would be done to facilitate discussions between provider organisations, working specifically with the four acute providers. A high level implementation plan will be developed for the strategic plan, considering the costs and activity implications of the initiatives proposed by the CDGs. There will also be a need to review the governance arrangements. SB asked with regard to the governance arrangements if consideration would be given to the role of providers in the decision-making process. GMck highlighted the need to be aware of the rules around competition and contestability and hoped PwC would make explicit the constraints that are likely to exist with this approach.	**PwC** to ensure recommendations for governance reflect existing competition regulations
ITEMS FOR AGREEMENT		
8.	**To review and sign off draft SW London five year Strategic Plan** CJ presented a summary of the draft 5 Year Strategic Plan. The plan recognises the scale of challenge facing south west London and sets out a series of ambitions for transforming services to address these challenges. The plan does not set out site-specific plans for changing services but recognises this will need to happen in due course. NHS England acknowledged this position and is working with colleagues in south west London to develop further detail in this area. Since the draft submission of the 5 year plan on the 4th April, there has been ongoing engagement with local providers and colleagues across the health economy. Feedback from NHS England has been that the draft plan should be more ambitious in terms of its proposed pace of implementation and that it was vital that there was a case for change, both in financial and clinical terms, that is recognised and owned by all parties across the local health economy. NHSE also emphasised the importance of lay and patient engagement; CJ reported that RH would bring a paper on engagement strategy to the next SCB. In terms of implementation challenge, CJ reported that there was little pump priming funding available to make transformational change happen and all initiatives were expected to have revenue consequences. There are also significant interdependencies whereby a decision to make major changes to one specialty, for example inpatient paediatrics, may then require a series of other changes across the acute landscape. System leadership and delivery of the plan would remain the responsibility of the six CCGs and NHSE as co-commissioners, working closely with provider colleagues and with comprehensive engagement with Local Authorities, lay representatives and the wider public. ***South West London Financial Position*** TT guided the Board through 3 financial aspects impacting on CCG sustainability over the next 5 years; <u>1. CCG aggregate financial projections</u> In 2018/19 south west London CCGs were expected to have a £210m Quality, Innovation, Productivity and Prevention (QIPP) challenge on a no change basis. The scale of this challenge is in line with that faced by other CCGs across the rest of the country. This figure represents the financial challenge to meet a 1% surplus as required by the NHS "business rules" in a scenario where there were no savings being made at all. HF asked what the assumptions were about	**RH** to bring an engagement paper to the next SCB

	allocations for years 3-5. TT responded that 2020 had made use of the formal 2 year allocations and built in NHS England's indicative allocations based on both capitation and growth, with a small adjustment that no CCG could move further below target in any year. The total planned QIPP savings for 18/19 is £190m (10% of spending), equivalent to 2% of expenditure per annum. This was less than the £210m deficit as CCGs use returns of the previous year surpluses to meet the 1% final year surplus requirement. There is likely to be an overall shortage of resource available to fund the full implementation of the 5 year Strategic plan, so one possibility would be to achieve more QIPP. PS reported that Croydon CCG was already stretched with current QIPP plans beyond the benchmark opportunity assessed by PWC. Therefore, before any more QIPP plans can be added, it would be critical to know how great the remaining QIPP opportunity is across the SPG. It was reported that generally speaking south west London as an SPG performs well against benchmarks, e.g. rates of non-elective admissions. <u>2. Croydon CCGs financial deficit</u> The specific challenge for the LHE is that although 5 of the CCGS can meet the business rules, Croydon does not and this is largely because its resource allocation is 10% below target. It currently receives an allocation of £410m, which is £40m below target allocation. Therefore, Croydon is forecasting an in-year deficit until 2018/19 with an overall projected deficit of £66m by 2018/19. This is a problem for NHS England as system manager which they view as a shared issue amongst CCGs even though it recognises that south west London is funded 3% below overall target. By comparison, north west London is 3% over target, equivalent to extra funding of approximately £100m each year. There had been discussions with NHS England about providing assistance as it was not reasonable, and indeed would not be possible, for south west London to fix this issue on its own. NHSE recognises the issue but is asking CCG colleagues across south west London to demonstrate a commitment to working together by helping to address a proportion of the Croydon deficit. GMcK recognised the importance of resolving the Croydon issue, but emphasised that the focus needed to be on transformational change rather than on the financial sustainability of an individual CCG. A potential financial risk pooling model was presented to the Board as an example of a solution that would help to address Croydon's financial deficit. HF commented that this shared financial sustainability model would be unlikely to gain support from other CCG governing bodies, local authorities or public stakeholders and therefore its inclusion with the strategic plan should be reconsidered. TT referenced that this approach was suggested following conversations with NHS England. PS declared a conflict of interest as Croydon CCG Chief Officer. Comparing the situation with north west London, which had come to an agreement on a shared financial risk pool of 2%, she said it was understandable that NHSE were quoting an existing model already in place. GMcK reminded the Board that the key aspect was the overall envelope of resourcing for service transformation. A proposed solution for resolving Croydon's	**TT** to amend the section on financial sustainability. **NHSE** to look further at LHE solutions

	financial position should not be a key point of discussion for governing bodies next week; the key issue is how we deliver the strategic plan. Croydon's financial challenge was not going to go away, but it should not be an obstacle to governing body's support and endorsement of the 5 year strategy. It was **agreed** to remove references to a proposed risk pooling model from the sustainability chapters. In the meantime, NHSE were asked to look again at possible solutions to be discussed in future. <u>3. Provider financial sustainability</u> TT guided the Board though provider financial sustainability slides. It was noted that all providers were projecting to be in financial balance in 5 years time and that this included the pressures of LQS. To meet that gap, providers were using Cost Improvement Plans (CIPs). This would be a minimum of 22% of their current costs. This equates to providers having an overall 24% improvement in productivity against current costs. However, Monitor believe that CIPs over 2%-2.5% per annum of costs are not realistic. Chief Finance Officers have discussed these projections and have concluded that it may be possible that any one provider could achieve this level of CIPs, but it was unlikely that all four could at the same time. DK commented that what was being proposed by providers was unrealistic and that it was clear that there would need to be substantial changes in acute services. TT drew the Board's attention to Croydon Health Services as projecting a deficit of £18m for the current financial year (2014-15), with a recovery plan in place to reach a surplus in 2018/19. Epsom & St Helier was also projecting a surplus from 2015-16 to 2018/19. TT clarified that provider assumptions did not all include the impact of the Better Care Fund but noted that there was going to be another round of alignment meetings taking place. EB commented that this firms up further the financial Case for Change. The piece of work that still needed to be done was to have open conversations with providers on challenging their financial projections. They were all reporting the same levels of growth which was clearly incompatible with each other and with commissioner plans. CJ confirmed that PwC have looked at South West London Collaborative Commissioning figures and were broadly in agreement with them. ***Clinical sections*** CJ reported that although the CDGs were ambitious in terms of timescales to meet LQS, there was as yet no agreed plan on how to deliver those ambitions. In the new work-streams, specifically primary care, mental health and integrated care, the work was more embryonic. There was also a particular challenge with regard to the lack of detailed input from NHSE regarding primary care and specialised commissioning. ***Next Steps*** The strategic plan would be going to governing bodies next week. The Board was asked to consider the complexity of the challenges posed by implementation, further detail on which would be brought to the subsequent meeting on the 12th	CJ RH HWBB/LA to be

	June. Engagement with providers was still at a very early stage. Board members then raised questions; GMcK noted that the plan needed to be signed off at SCB, and that the same version of the strategy and implementation plan should be received by the governing bodies. The details on implementation would be considered in due course by CCG governing bodies. BH pointed out that 12 months ago, each of the CCG Boards had a significant financial challenge but there had been some improvements to this position through revisions to CCG allocations, especially for Sutton and Merton CCG, although massive challenges still exist. He believed the plan would be well received by the Sutton CCG governing body. EB said she was happy to support the plan but that it would be helpful to have implementation discussions with providers. The clinical proposals are consistent with the national 'Call to Action'. There was still a need to consider throughout the plan what the proposals would mean for members of the public. HC asked for confirmation on what it was that would be coming to NHSE on 20 June. Would there be a statement or document to accompany the plan? GMck reported that following discussions with PE at NHSE, a narrative description on implementation would accompany the 20 June submission. A discussion on this implementation paper would be held in Part 2 of CCG Governing Bodies. AC stated it would be helpful for the HWBB and local authorities to know what the intentions/governance was for the plan going forward so that they were kept in the loop. PS asked whether a paper on governance was going to CCG boards. It was confirmed that a governance paper would be for a later date and not for the current round of CCG governance meetings. The strategic plan was **agreed** on condition that the sustainability chapter be amended.	kept in the loop
9.	Publication of five year Strategy: communications plan and draft press statement RH presented a communications plan and handling strategy for the 5 Year Strategic Plan. Messaging would wait until after purdah was over following elections on Thursday. • *Option 1* – To release a press statement to BBC London, HSJ and local press. Interest however would only be around reconfiguration and therefore this option might not be necessary. • *Option 2* – Inform local press as the messages would get to them anyway by other stakeholders (**recommended by RH**) *Option 3* – Release no statement, if local broadcast media wanted an interview, then HF had agreed to be made available.	

	There was some discussion around the best approach and the timing of messages. Additionally there was deliberation over the timing of contacting providers and stakeholders on 23rd May, as well as how to approach briefing council officers considering it would be the day after local and European elections. PS supported the idea of a briefing to go with the release of the plan. NHS England however reported that it was a natural publication date for many organisations and south west London would not be out of step. EB asked if telephone briefings could be offered to MPs by CCG clinicians. AC made the point that trying to phone councillors at this time would be difficult and possibly prepare a briefing to share instead. Additionally, RH informed the SCB that he would ask Surrey Downs CCG if they would like to inform their own MP. Comments on the draft press statement were asked to be fed back by this Wednesday. It was **agreed** that Option 2 should be taken.	RH to notify Jane Ellison MP **ALL** to feedback comments to RH
ITEMS FOR INFORMATION		
10.	Programme Director's Report CJ presented the Programme Directors Report to SCB members.	
11.	'Listening & Learning' report detailing engagement activity carried out to support the development of the 5 year strategy RH presented the report on the 'Listening & Learning' event and other engagement activity to SCB members, asking for comments on the report to be fed back by Friday 23rd May.	**ALL** to feedback comments to RH
12.	Minutes of the Patient and Public Engagement Steering Group (PPESG) held on 6th May 2014 The minutes from PPESG were presented to the Board. SB reported that there had been a good turnout, and included Healthwatch, CVS plus CCG PPI lay members. It was a very productive meeting and the next one is due to be held on 10th June.	
13.	Next Steps GMcK announced that further support from PwC would be continuing until the end of June. The same version of the strategic plan would be released to each of the CCG governing bodies. CJ confirmed that governing bodies will present with the following; • Presentation paper to accompany the 5 Year Plan • The 5 Year Plan • A part 2 paper discussing implementation CCGs should present the papers, however if any CCG would like anyone from the SWL Collaborative Commissioning team to be at their governing bodies, colleagues should let CJ know.	**ALL CCGs** to inform CJ if they require anyone in attendance

	HF on behalf of all the CCGs thanked CJ and the SWL Collaborative Commissioning team in supporting their organisations to help deliver this draft 5 Year Plan. CE also wished it noted that there has been a huge commitment from all the clinicians that had been involved.	
14.	Date of Next Meeting: Thursday, 12th June, 18:00- 20:00, 120 The Broadway, Wimbledon	