

# Kirklees Health and Adult Social Care Scrutiny Panel: 18<sup>th</sup> February 2021

## Future configuration of Kirklees CCGs

### 1.0 Introduction

Since the publication of the NHS Long Term Plan in January 2019, Greater Huddersfield and North Kirklees CCGs have considered whether merging would be in the best interests of the Kirklees population. In accordance with CCG governance, the decision was one for the member practices of each current CCG. On 17<sup>th</sup> November 2020 the member practices of both current CCGs confirmed their support to create a single Kirklees CCG from 1 April 2021.

Separately, on 26<sup>th</sup> November 2020, NHS England & Improvement launched an engagement about the future of Integrated Care Systems (ICSs). The engagement ended on 8<sup>th</sup> January and no formal feedback has yet been published. However, the recommended option engaged upon would involve all CCGs being disestablished from 31 March 2022, with ICSs becoming statutory bodies and taking on CCG functions.

If confirmed, the ICS proposal would mean that Kirklees CCG may only exist for 12 months. The rationale for merger has been revisited in this context to confirm that it remains in the best interests of the Kirklees population; the consistent conclusion is that it does.

This paper describes the background to the ICS proposals, as the context for the Kirklees merger plans. It describes key elements of the merger process, including themes from public engagement. Because the creation of a new CCG is largely about governance and administrative arrangements, it will not have a direct impact on frontline patient services.

### 2.0 Next steps for Integrated Care Systems.

Integrated Care Systems (ICSs), and before them Sustainability and Transformation Partnerships (STPs), have been developing across England over the last four years. In an ICS, NHS organisations, in partnership with local councils and others, take collective responsibility for managing resources, delivering NHS care, and improving the health of the population they serve.

Currently ICSs do not have a statutory basis. ICS governance is based on voluntary arrangements and is therefore dependent on goodwill and mutual cooperation. There are also legal constraints on the ability of organisations in an ICS to make decisions jointly.

The Integrated Care System that Kirklees is part of is the West Yorkshire and Harrogate Health and Care Partnership, which began as an STP in 2016. The Partnership works with, and for, five places of which ours is Kirklees (alongside Bradford District & Craven, Calderdale, Leeds, and Wakefield). Subsidiarity principles are applied, with work taking place at the appropriate level and as close to people as possible.

On 26<sup>th</sup> November 2020, NHS England & Improvement published “Integrating care: Next steps to building strong and effective integrated care systems across England”

[\(https://www.england.nhs.uk/publication/integrating-care-next-steps-to-building-strong-and-effective-integrated-care-systems-across-england/\)](https://www.england.nhs.uk/publication/integrating-care-next-steps-to-building-strong-and-effective-integrated-care-systems-across-england/) – A copy of this publication is also attached to these papers

The document sets out the direction of travel for ICSs and proposed options for legislative change to support this. Views on proposed options were invited between 26 November 2020 and 8 January 2021. A response to the consultation is expected in the coming weeks, with a legislative change process likely to run from May to December 2021 and new arrangements coming in to place from April 2022.

Two possible options were described for enshrining ICSs in legislation. The recommended option would mean that CCGs are disestablished from April 2022, with their statutory functions transferring to ICSs, which would be established as statutory corporate NHS bodies.

The direction of travel set out has a strong emphasis on place, provider collaboration and closer partnership working with local authorities and other partners. It recognizes that:

- decisions taken closer to the communities they affect are likely to lead to better outcomes;
- collaboration between partners in a place across health, care services, public health, and voluntary sector can overcome competing objectives and separate funding flows to help address health inequalities, improve outcomes, and deliver joined-up, efficient services for people; and
- collaboration between providers (ambulance, hospital and mental health) across larger geographic footprints is likely to be more effective than competition in sustaining high quality care, tackling unequal access to services, and enhancing productivity.

The Kirklees CCGs' decision to merge predated the NHSE & I engagement document. If the recommended option is pursued, Kirklees CCG would only exist for 12 months and the decision to merge has therefore been revisited internally and with NHS England to check that it remains in the best interests of the Kirklees population, and the consistent view is that it does. This is because the current, and any future, West Yorkshire & Harrogate structure is dependent on the places that make it up, including Kirklees. Streamlining ourselves as a Kirklees CCG in the short-term is therefore consistent with the direction of travel and will support us in integrating health and social care across Kirklees, making best use of resources, and put the Kirklees place in a strong position ahead of any changes to the NHS architecture from 2022 onwards.

### **3.0 Creation of NHS Kirklees Clinical Commissioning Group**

The merger will legally be enacted by NHS England through a Grant of Merger, which will have the effect that on 1 April 2021:

- Greater Huddersfield CCG and North Kirklees CCG will cease to exist;
- A new Kirklees CCG will be established;
- All employed staff of Greater Huddersfield and North Kirklees CCGs will transfer to Kirklees CCG.
- All assets and liabilities of Greater Huddersfield and North Kirklees CCGs will transfer into the new CCG.

### **3.1 Case for change**

Our Kirklees Health and Wellbeing Plan recognises the health inequalities that exist across our system. The disproportionate impact of COVID-19 has shone an additional light on inequalities and created a catalyst for change. The different financial positions of the two CCGs mean that, if we continue as two organisations, commissioning decisions will need to be influenced by organisational boundaries which may increase rather than decrease inequalities across Kirklees. We must avoid this.

Greater Huddersfield CCG and North Kirklees CCG share a local authority and together form the “Kirklees Place” that is recognised within the West Yorkshire and Harrogate Health and Care Partnership. Our two Kirklees CCGs have a long history of working together to commission health services and this collaborative approach has continued to strengthen over recent years. We share a single Accountable Officer and Chief Finance Officer and have a single Senior Management Team leading integrated teams across all areas (in many cases with the local authority and/or with neighbouring CCGs).

Much has been achieved through joint working and whilst we remain as separate statutory organisations there are minimal further benefits that can be secured. A merger is the natural next step to remove the barriers that are inherent as two separate statutory organisations and will give us a better ability to work in the best interests of the overall Kirklees population.

### **3.2 Benefits**

The criteria we have used in deciding to apply to merge are:

- What is best for the local population?
- How can we deliver the NHS Long Term Plan most effectively?
- How can we achieve best value from our resources and meet our statutory responsibility to manage within budgets?

Although we have achieved a great deal as separate organisations, creating a single Kirklees CCG will bring further benefits in each of these areas:

#### **3.2.1 Best for local population**

- Equitable commissioning across Kirklees to reduce health inequalities.
- Supports integration of health and social care across Kirklees – better holistic services available.
- Able to prioritise local voice & reflect diverse groups and communities within Kirklees.
- Emerging from initial phase of COVID-19, will support consistent commissioning decisions for Kirklees people.

#### **3.2.2 Delivery of Long Term plan**

- Enables CCG to be strategic and lean, supporting providers and facilitating partnerships.
- Strong voice from Kirklees Place as part of West Yorkshire & Harrogate Integrated Care System.

- Efficient structure now and likely to fit with any future national or regional direction of travel.

### 3.2.3 Best use of resource

- Enables higher levels of clinical and practice representation
- Reduces duplication of “administrative” tasks, e.g. audit, financial accounts, statutory meetings, websites. More capacity focussed on direct commissioning and support.
- Enhances job satisfaction for our staff and will help us build a Kirklees talent pool and support development to meet the future needs of our system.
- Supports action at the “right” level for different things (e.g. Primary Care Network, Kirklees Place, acute footprint, West Yorkshire & Harrogate)
- Improves financial stability and sustainability.

### 3.3 Impact

As a single Kirklees CCG:

- Our functions will remain broadly the same but the emphasis will change and our operating model will change.
- Our commissioning operating model will predominantly be concerned with planning, strategic oversight and resource allocation.
- Our commissioning will be done within our partnerships – evolving as we go with West Yorkshire and Harrogate Health and Care Partnership and at place across Kirklees.

The impact of a new CCG on patients and carers:

- Creating a single CCG will not impact on any NHS or associated frontline services received by patients and carers, whether in hospitals, in the community or at GP practices.
- A single CCG will ensure consistency and help make our resources go further, delivering equitable outcomes for patients no matter where they live.
- We will ensure that the move to a larger geographical footprint will not be at the expense of the proposed new CCG’s ability to engage with - and consider the needs and voice of - local communities. We will continue to base our engagement approach on the needs and interests of groups of people and communities, rather than on arbitrary geographical boundaries.
- So that people’s voices are heard no matter where they live, 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.

### 3.4 Financial position

Pre-Covid 19, CCG allocations were based on population fair share of overall NHS budget. Based on historic positions, Greater Huddersfield CCG had a positive cumulative position and a 20/21 in-year control total of break even. North Kirklees CCG had a historic debt and a 20/21 in-year deficit, which (if achieved) would have attracted support funding to achieve an overall break even position.

As a result of Covid-19, the CCGs had their original financial allocations adjusted and financial control requirements suspended. Both CCGs must now achieve a breakeven position for the current year.

There is expected to be a new financial framework as the NHS emerges from this phase of the Covid-19 pandemic; the details are not yet known. Future processes for allocation of funds between, and within, Integrated Care Systems are therefore uncertain as is the future requirement for repayment of legacy debt.

### 3.5 Public Sector Equality Duty (PSED)

There are similarities and differences between the populations of the two current CCGs, as well as material variations between neighbourhoods within each existing CCG.

Our Equality Impact Assessment will be reviewed in the context of public engagement feedback now received. So far it has not identified any specific or adverse impact on protected groups. The creation of a new Kirklees CCG will create opportunities to strengthen the voice of its diverse population in a range of CCG processes and more effectively to apply learning from the COVID-19 pandemic.

### 4.0 Public Communications and Engagement

A CCG merger across Kirklees would not result in a change to commissioned services and it is therefore not a legal requirement for the organisations formally to consult the public. However, both CCGs recognise the high level of interest in our work and acknowledge that such a change could impact on our relationships with local people and stakeholders and on that basis we have sought views.

The purpose of the communications and engagement activity was to tell the general public and key stakeholders about our intention to merge and seek their views about the creation of a single commissioning organisation for Kirklees. The feedback gathered will be used in the development of the new organisation.

We used a range of communication and engagement mechanisms to let people know about our plans and how they could have their say. We received feedback on the engagement via:

- **Engagement event** – 41 people attended with representatives from 17 groups / organisations
- **Discussion groups** – 7 people attended representing 6 groups / organisations
- **PRG Network meetings** – 21 people attended representing 14 GP practices
- **Community Voices** – 7 people attended representing 6 organisations
- **Survey** – 51 people completed the survey

The key themes raised were:

- The majority of people were supportive of the change and felt that it was a natural progression which would give the CCG a stronger voice, provide consistency in commissioning decisions, improve partnership working and would be a better use of resources.
- The main concern expressed was that it could lead to a Huddersfield centric organisation that doesn't meet the needs of all its communities, this was a particular concern expressed by those that live in or represent North Kirklees.

People were also concerned that;

- This is a cost cutting exercise and to achieve equitable provision across Kirklees, rather than levelling up, service provision will be levelled down to save money.
- A bigger overall footprint could lead to a loss of local knowledge and an inability to understand the needs of local communities.
- The challenges of working with two Acute Trust providers that provide services across other areas. And whether this could lead to neighbouring CCGs taking funding provided to Kirklees to support patients in Wakefield/Calderdale/ Leeds/Bradford.
- That the CCG would have a 'one size fits all' approach and would not be able to meet the needs of its diverse population and address health inequalities.
- That it could lead to a reduction in staff which in turn could mean an inability to commission services effectively, and a loss of local knowledge.
- Any changes being made now would support the direction of travel being proposed in the [NHSE/I consultation](#) on Integrated Care: next steps to build strong and effective integrated care systems across England.

Suggestions for how to provide assurance were to

- Work and invest in deprived communities to tackle health inequalities
- Make sure that we don't have a one size fits all approach and invest where investment is needed, and recognise that across Kirklees different communities have different needs.
- Ensure that patients aren't expected to travel to Huddersfield for services that they currently access in North Kirklees.
- Hold meetings in locations across Kirklees to show that the CCG represents all of Kirklees
- Ensure that Governing Body and CCG committees include representatives from across Kirklees

Feedback from our PRG Network meeting, discussion groups, and Community Voices was that the response from the public on the engagement would be low as the majority of the public are more interested in GP and hospital services.