



Questions and Answers

Future of health and social care in Derbyshire

- **What savings need to be made in Derby and Derbyshire for health and social care this year?**

The four Derbyshire CCGs are in the process of agreeing a savings total for 2018/19 with NHS England, currently in the region of £51mn. This isn't the whole of the deficit but it is the figure we need to achieve to show progress in addressing the financial situation. It means the CCG will carry a deficit into 2019/20, so there will be more work to do to save money next year, on top of any additional savings requirement we may have already had. This is all before we factor in savings required by colleagues in local authorities and NHS provider organisations.

- **Why do these savings need to be made?**

The financial challenge facing the Derbyshire system is significant. Local health and social care services have improved in recent years. We are living longer, waiting times are shorter, and treatments for cancer and heart disease (for example) are better than ever. We are rightly proud of our local services and the progress made.

However, health and social care services locally, and nationally, face financial pressures and many hospitals and other organisations across the country are struggling to achieve their financial targets. There are a range of causes for this, including rising demand for care among the population as people are living longer with more complex health conditions, such as obesity and heart disease, which require more complex treatment. The cost of this care is rising year on year.

The financial challenge is significant and despite saving millions of pounds over the last three years across health and social care the challenge has to be addressed now. We cannot as a health and care community go on spending money that we don't have. The budgets have been set nationally by the Government and Department of Health. There will not be any additional funding provided in this financial year beyond what has already been allocated.

- **Haven't we already made significant savings over recent years?**

Our health and care system has saved many millions of pounds through cost improvement programmes over recent years, seeing more efficient working and making changes to the way in which care is delivered. We have a strong track record in Derbyshire of making savings and staff in NHS provider organisations and colleagues in local authorities will be very familiar with cost improvement programmes.

It is the scale of the challenge now that is of another level. Lots of the savings made to balance books have been non-recurrent, which means that they were savings that would only support the financial position in a single year. This was achieved through efficiency gains and schemes such as vacancy control. What we are seeing is an urgent need to make recurrent savings, which contribute to our savings total for years to come.

This is much more of a challenge and means CCGs have had to take a wholesale look at where money is spent and the outcomes for patients as a result. CCGs have also had to begin to look at whether services are mandated within national legislation or guidance to make judgements about which services can continue to be funded. It is very challenging times, but working collaboratively across the system will help ensure we can try to remove areas of spending which try to reduce the impact on frontline care.

- **There's lots of inefficiency in our system; can we not continue to make savings by working more productively?**

Removing inefficiency from our care has been a major theme in recent years and the system has saved millions of pounds as a result. There are many, many examples of where this has been very successful. It has helped to protect frontline care in many cases and helped to sustain our financial position across the system. But on its own it will not meet to current challenge. We have to review every item of spending against the outcomes we see for our patients and where we are not clear on the benefit to patients we have to considering whether we continue funding or not. Protecting services which don't have clear health outcomes will simply result in cuts elsewhere for services which have clear benefits to the health of our population. Some decisions will be very difficult and we will need to discuss them with staff and local patients through engagement and consultation processes to make sound decisions about the services we keep.

- **Is Derby and Derbyshire in a better or worse position than other areas?**

Health and care systems across the country are all financially challenged to some degree. There are areas of the country which have bigger challenges than Derbyshire and other areas with a smaller challenge at this stage. There have been some particularly stressed areas which have been deemed 'success regimes' as they have needed a lot of intensive support to pull them round. Historically Derbyshire has been able to provide funding back to regulators to support financial challenge in other parts of the region which have been in deficit and we have never needed support from outside the county that other areas have needed. Clearly our focus now needs to be in solving the challenge facing the Derbyshire health and care system. An £80 million gap is significant and we're going to have to work very hard to close it.

- **Is this a problem of national funding or local funding?**

It is true that the NHS has seen less new money in the last few years compared to perhaps the previous decade. However, the NHS has still seen budget increases above the cost of inflation, but this has had to be factored against rising costs of care and nationally-set price rises for services, which frankly we have struggled to afford.

It is what it is – we are allocated funding based on national formulas and we need to do the very best we can with it in serving the needs of the local population. What we know is that the overall service portfolio across the Derbyshire system costs many millions of pounds more than the money available to us at present, so we have to make significant changes to ensure we can afford the care we are commissioning and providing within our means. Clearly any income that CCGs try to claw back from providers to balance the books could simply pass on the financial challenge to providers, so working together across the system is critical to meet the challenge together.

- **How are we planning to make the savings?**

A huge amount of work has taken place already to tackle the financial gap which includes contracts between commissioners and health and care organisations being agreed at the end of April 2018.

CCGs have reviewed every item of spending against the outcomes we see for our patients and where we are not clear on the benefit to patients we have to consider whether we continue funding or not. Protecting services which don't have clear health outcomes means will result in cuts elsewhere for services which have clear benefits to the health of our population. Some decisions will be very difficult and we will need to discuss them with staff and local patients through engagement and consultation processes.

CCG Governing Bodies have been reviewing this work and have begun to make decisions about where we may begin to remove funding, in discussions with our providers across the system through the recent contract negotiations. Schemes now approved in principle by Governing Bodies to move forward in the public domain are:

- Decommissioning of Pharmacy Enhanced Services Pharmacy First, which can be implemented in line with pre-existing agreements on the CCGs self-care policy introduction, which was the subject of public consultation in 2017.
- Review of voluntary sector discretionary grant, infrastructure and vSPA funding, with decisions expected in June 2018
- Exploration of different models for delivering Memory Assessment Services (MAS), with potential for redesign.

CCG Governing bodies will continue to be appraised of developments to all schemes, which will follow our project development processes and seek correct decision making at the appropriate time.

The overall approach for our financial recovery is being shaped by the scale of the challenge as well as the urgency with which it needs to be managed. Some of the key areas that are being reviewed are:

Hospital care – currently too much of our resources are being unnecessarily spent on too many people who are being treated in hospital when their care could have been better managed in different clinical settings closer to home.

Community care – we need to move from fragmented care based around individual organisations that is focused on bed-based care to a co-ordinated, joined up system based around people and communities.

Primary care – the vision for General Practice is to implement integrated and accessible care, where GP practices work within a network of health and social care providers in local communities. Practices will be supported to reduce unwarranted variation in practice and outcomes, whilst seeking to standardise payments and incentives across Derbyshire in a way that drives the greatest value for money and outcomes for patients.

Prescribing – to support moving care from hospitals into communities we will increase the use of medicines to improve outcomes for patients and avoid people unnecessarily being admitted into hospital. To ensure we can afford this investment we will focus on reducing inappropriate use of medicines and enabling patients to manage and self-care their conditions where it is appropriate to do so. We will also focus on managing repeat medicines to reduce waste and continue to support clinicians to switch to prescriptions of the most cost effective drugs and treatments.

Mental Health - In line with the national Mental Health Investment Standard (previously known as parity of esteem) it has been agreed that investment from commissioners will contribute towards the following areas including:

- Increased staffing in neighbourhood mental health teams to increase capacity
- Creation of a new community forensic team – to support people who are at higher risk of offending behaviour due to complex mental health and social issues
- Increased staffing in Crisis and Home Treatment teams to help people stay at home or be treated at home after discharge
- Additional Speech and Language services for inpatient wards
- An enhanced Home Support Service (children's services)

- **Does this mean services will be cut?**

It is inevitable in trying to balance the books that some services will be decommissioned. The CCGs' review and subsequent discussions with providers have been around those areas of spending for which we have no clear specification, no clear evidence of outcomes for patients, where there is duplication, where there is a clear and different way of working and/or where we have a local discretion about whether to commission or not. Where we see significant changes then these will often be subject to formal consultation with local patients and clearly health and care staff in the system will be engaged at key points along the journey.

In many cases this will require a radical re-think of why we do what we do. Using services wisely, pooling our resources, and looking to be innovative wherever possible, are the ways we'll successfully meet the challenge that lies ahead.

- **Does this mean jobs will be cut?**

There can be no guarantees about jobs. It is likely that some services will be re-designed requiring some staff to work in different ways, possibly in different places. If decisions were taken which would affect colleagues and their jobs, we would of course work with HR and all staff representative groups for consultation and continuing dialogue.

It is vital that the skills and knowledge our staff have is retained wherever that is possible and we will always seek to redeploy staff where that is an option. Some staff have already started to be briefed on specific potential changes to their services and we will continue this process to ensure staff are kept fully abreast of decisions at appropriate times as they emerge.

- **What happens if we don't make the savings needed?**

We have to be confident of meeting the challenge. By taking action now we can help get our finances back on a secure footing. By tackling the financial challenge now we can look to progress work on the Joined Up Care Derbyshire vision which seeks to create more resilient communities better able to look after themselves with the support of health and care services when required. The mantra is that we are resetting our finances today to be able to restart the strategy tomorrow.

- **Will we need to make savings in future years beyond 2018-19?**

CCGs are in the process of agreeing our savings target with NHS England for 2018/19. This isn't the total sum of the deficit, so we will be going into overdraft this financial year and will have to repay this in 2019/20, on top of any further savings requirement we identify. We therefore expect 2019/20 to be at least as challenging as 2018/19.

- **Where can I find out more information?**

If you have any questions the about financial challenge we face across the Derbyshire system then please send them to joinedupcarederbyshire@nhs.net We will continue to add to this Q&A document and provide frequent updates over the coming weeks and months and share with staff.

- **How do I have a say in what changes will be made?**

We will be holding a series of engagement events during the summer across the county and city to encourage people to get involved in the conversation about the future of health and care in Derbyshire. To find out more visit the website www.joinedupcarederbyshire.co.uk

Organisations will also be arranging sessions for staff as well and to find out more please contact your communication teams for more details. If you have any questions please contact joinedupcarederbyshire@nhs.net