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Tim Rideout
Director of Commissioning Operations
NHS England Cumbria & North East

NHS Cumbria Clinical Commissioning Group
Lonsdale Unit, Penrith Hospital, Bridge Lane
Penrith, Cumbria, CA11 8HX

tel. 01768 245 486

email. enquiries@cumbriaccg.nhs.uk

web. www.cumbriaccg.nhs.uk

By e-mail only: t.rideout@nhs.net

Dear Tim

Application of Directions by NHS England

We are writing further to your letter dated 24 August and the accompanying formal directions. NHS Cumbria Clinical Commissioning fully understands the seriousness of the directions and the organisation is committed to delivering the required actions in full.

At this stage, we are writing to seek further clarification regarding some of the specific elements of the directions in order to enable the organisation to progress in a timely fashion. We have set out those areas for clarification below under each of the direction headings.

(4) Organisational Development

As you are aware NHS Cumbria CCG fully supported the external Organisational Development review undertaken by PricewaterhouseCoopers in April 2016. The final report was received on 10 June 2016. The CCG agreed to provide an action plan responding to each of the recommendations within three weeks of receiving the final report. The action plan was provided on 1 July 2016. To date the CCG has not received any formal response from NHS England to the action plan, other than a short response acknowledging receipt of the action plan. We have attached an updated version of the action plan showing the developments since its original submission.

We would now welcome clarity on the process to agree the action plan, and any necessary arrangements to provide assurance on its implementation.

(5) Financial Recovery Plan

As you are aware NHS Cumbria CCG developed a financial recovery plan for the financial year 2016/17 as part of the planning round for the financial year. The financial recovery plan is based on a financial control total of £8.5 million deficit, as agreed with NHS England. At the request of NHS Cumbria CCG, through the Chief Operating Officer and Chief Finance Officer we have subsequently met with NHS England finance colleagues on a monthly basis regarding the financial position and the delivery of the financial recovery plan. The financial recovery plan, and the broader financial context, were considered by PricewaterhouseCoopers as part of the Organisational Development review, and as such in part have been assured by an external organisation.

We would now welcome clarity on the process to agree formally:

- the financial recovery plan, and any necessary amendments (if this is required)
- the process for verifying, or providing assurance, on the content of the plan (if this is required beyond the review already undertaken through PricewaterhouseCoopers)
- the alignment of the CCG's financial recovery plan with the Success Regime and Better Care Together system plans, and the associated alignment with the West, North and East Cumbria and the Lancashire and South Cumbria STP financial plans.

We would also welcome clarity on point 5 vii, regarding the delivery of the business rules. As you are aware the agreement of a financial control total for 2016/17 of £8.5 million deficit specifically included the non-delivery of business rules in year. Any change in this position would materially change the financial position of the CCG and would need to be understood immediately.

(6) Programme Management Office

As you are aware the CCG has strengthened its Programme Management Office with the appointment of a new Head of Programme Management Office for the financial recovery plan, inclusive of its alignment to the delivery of Rightcare. The CCG is also seeking to secure a new senior Head of QIPP. We would welcome clarity on any further required strengthening of these arrangements.

(7) Senior Officers

NHS Cumbria CCG undertook a recruitment process to appoint a substantive Accountable Officer in June 2016, which the CCG agreed to suspend in discussion with NHS England. The CCG is fully committed to working with NHS England to secure an appropriate substantive appointment. In agreement with NHS England, the CCG has appointed a substantive Chief Operating Officer.

We would welcome clarity on any further action required of the CCG in respect of this direction.

(8) Executive Team and Next Tier Appointments

The CCG will notify NHS England of any required appointments. However, the CCG will begin a management of change process in September 2016, to establish the new structures required post boundary change. The CCG does not consider the appointment of current employees of the organisation to senior roles within that structure to be within the scope of this direction and will act accordingly unless instructed otherwise by NHS England prior to the commencement of the management of change process.

Boundary Change

As you are aware NHS Cumbria CCG has made a formal application to NHS England to change its boundary for member Practices to take effect on 1 April 2017. The directions letter, and accompanying formal directions, does not make any reference to this.

We would welcome clarity on the application of the directions, should it be necessary, to either or both the CCGs that will have responsibility for the West, North and East Cumbria, and the South Cumbria (as part of the wider Morecambe Bay area) from 1 April 2017. As an example, the direction regarding financial recovery is anticipated to have legacy impact on the two future organisations, and needs to be appropriately planned for.

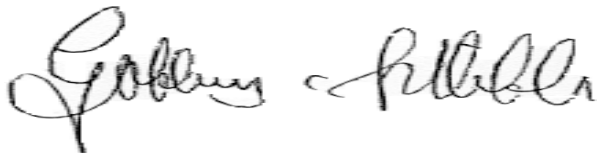
Conclusion

We would like to thank NHS England for the anticipated continued support to the CCG, and we look forward to addressing all of the directions in a full and timely way to enable their removal. We request a meeting with the relevant NHS England colleagues at the earliest possible opportunity to agree formally the actions required and the ongoing process. Included within this, it will be helpful to understand the governance process for reviewing progress against each of the directions, including the process within NHS England for agreeing their variation or conclusion.

Yours sincerely



Dr Hugh Reeve
Interim Chief Clinical Officer



Dr Geoff Jolliffe
Interim Clinical Chair

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