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Dear Martin and Jo,

Re: CCG Annual Assurance 2015/16

Thank you for meeting with us on 20th April 2016 to discuss the CCG's annual assessment for 2015/16. I am grateful to you and your team for the work you have done to prepare for the meeting and for the open and transparent nature of our discussions.

The enclosed document is a brief summative assessment of the assurance meetings held over the last year against the assurance components in the 2015/16 CCG Assurance Framework, and the formal annual review meeting which has informed the CCG's 2015/16 annual headline rating. We have also summarised areas of strength and where improvement is needed. These will be used to inform how CCG support available in 2016/17 will be tailored to individual CCG needs.

A number of principles have been applied to the five component assessments to reach the annual headline assessments for 2015/16. It has also been agreed to describe the headline ratings in the 2016/17 language of outstanding, good, requires improvement and inadequate.

The headline rating for North Manchester CCG is **Good**. The principles used to reach this assessment are:

- outstanding is applied where at least one component is outstanding and the others are all good.
- good is applied if:
 - all components are good; or,
 - at least four components are rated as good (or good and outstanding) and one component is requires improvement, unless requires improvement is in the finance or planning components.
- the headline is requires improvement if:

- four components are rated as good (or good and outstanding) and the finance component is assessed as requires improvement or inadequate;
 - there is more than one requires improvement component rating; and
 - no more than one component is assessed as inadequate.
- the headline is inadequate overall if:
 - more than one component is rated as inadequate;
 - it already has Directions (under section 14.z.21) in force.

For CCGs that are assessed as inadequate, NHS England will apply its legal powers of direction to ensure these CCGs take action to support an improving position.

These assessments were ratified by NHS England's Commissioning Committee when they met on 29 June. The 2015/16 annual assessment will be published on the CCG Assessment page of the NHS England website in mid-July. This year the headline assessment will be shown along with the five component assessments. At the same time the headline assessments **only** will be published on the MyNHS section of the NHS Choices website. **I would ask that you please treat your assessments in confidence until NHS England has published the annual assessment report.**

As you will be aware, NHS England has introduced a new Improvement and Assessment Framework for 2016/17. In mid-July, we expect *circa* 43 out of the 60 indicators in the framework to be uploaded to the myNHS website. Shortly thereafter over the summer, the baseline ratings of the clinical priority areas will be published on the myNHS website. You will be notified in advance of your CCGs rating, the methodology that has been applied, and the support offers for improvement.

The future for assurance in Greater Manchester

As of the 1st April 2016, the GM Accountability Agreement is effective and the NHS England assurance role will be undertaken through a place-based or GM approach, as opposed to through individual CCGs. This will enable local health and social care systems to connect in a more integrated way to identify their challenges and agree together how they will recover and deliver improvements against those challenges.

Work also continues to extend the NHS England approach to other national bodies and support the development of a unified national process to reflect the move to integrated models of provision and commissioning across GM.

There will be a quarter one assurance meeting between NHS England and the GM Health and Social Care Partnership in July and the Partnership Team will confirm details of this to you. If you have any questions, please contact Linda Buckley.

Thank you again to you and your team for meeting with us and for the open and constructive dialogue, I hope this letter provides an accurate summary of our discussions and clearly outlines the next steps.

Yours sincerely



Jane Higgs
Director of Assurance & Delivery (Lancashire & Greater Manchester)
Locality Director (Lancashire)
NHS England



Warren Heppolette
Strategic Director - Health & Social Care Reform
Greater Manchester Health and Social Care Partnership

ANNEX A – ASSURANCE COMPONENT SUMMARIES 2015/16

Well Led Organisation (Assured as Good)

Under this component we have assessed the extent to which the CCG has strong and robust leadership; has robust governance arrangements; actively involves and engages patients and the public and works in partnership with others, including other CCGs. We have also looked at how the CCG secures the range of skills and capabilities it requires to deliver all of its commissioning functions, including effective use of support functions and getting the best value for money.

As part of the assessment of the CCG's compliance with its statutory duties within the well led component we have also considered the six statutory functions which NHS England has required a more detailed focus on in 2015/16 because of the complexity of the issues or the degree of risk involved. These are:

- NHS Continuing Healthcare
- Safeguarding of Vulnerable Patients
- Learning disability

A great deal of effort and focus has been given to the Transforming Care agenda, and progress has been made towards meeting the target. There has been some progress in terms of an improvement to the quality of narrative and there has been a reduction in admissions and readmissions to date. Concerns with the Equilibrium provider has led to review work from which amendments to the confidence levels in dates for transfer have been made. The CCG agreed to share a copy of the remedial action plan and resulting improvements relating to transforming care patients; a commitment has been made to increase investment in the future, including funding for the backlog.

The CCG is not using NRLS (National Reporting and Learning System), instead a Datix system has been procured in its place. Incidents arising in GP practices are not currently captured in the same way as occurs within acute providers in Manchester. There is a plan in place to develop this process during 2016/17.

There is also a GM wide plan to address this as a common theme. The frequency and timeliness of reporting will also be improved as a result of this work.

Through this meeting, our ongoing assurance meetings and our other contacts through the year, we have assigned the assurance rating of **Good**.

Delegated Functions (Assured as Good)

Specific additional assurances have been required from CCGs with responsibility for delegated functions in 2015/16. This is in addition to the assurances needed for out-of-hours Primary Medical Services.

- Conflict of interest is managed well within the CCG. There are 3 Lay Members on the Board, with a clear understanding of the remit to challenge potential conflicts.
- A single Manchester Board has been formed with a single agenda for the whole of Manchester (citywide).
- A programme of work is in place to support practices through the CQC inspection process.
- The maternity divert process has been amended to ensure the CCG is cited on all cases from a tactical operational stance.

- PMS reviews have all been completed; however this has not released a great deal of funding for reinvestment due to the small number of PMS contracts within the CCG area.
- Quality Incentive Scheme in place (£1M) in North Manchester within GP practices.

Through this meeting, our ongoing assurance meetings and our other contacts through the year, we have assigned the assurance rating of **Good**.

Finance (Assured as Good)

Under this component we have reviewed the CCG's financial management capability, governance and performance throughout the year, including looking at data quality and how the CCG has used contractual enforcement or remediated any financial problems.

- The CCG has demonstrated robust financial management and has achieved financial balance during 2015/16.
- The challenges of sustainable funding for new models of primary care which were initially supported through the Prime Ministers Challenge Fund were recognised.

Through this meeting, our ongoing assurance meetings and our other contacts through the year, we have assigned the assurance rating of **Good**.

Performance (Assured as Requires Improvement)

Under this component we looked at how well the CCG has delivered improved services, maintained and improved quality, and ensured better outcomes for patients, including progress in delivering key Mandate requirements and NHS Constitution standards.

- Urgent Care Standard – sustained and significant underperformance of the 4 hour standard has resulted in a number of 12 hour breaches at North Manchester General Hospital. The CCG confirmed that these are managed as never events. This has been identified by the leadership team as one of three key issues, and improvement of this is reliant on a number of factors including capacity to carry out RCAs in a timely manner, and medical staffing levels within the A&E department. This has been compounded by the inability to open escalation beds due to recruitment difficulties into medical wards.
- Diagnostics (most notably gastroscopy and endoscopy) standard has been challenging, however there had been initial reluctance to use the PMO by Pennine Acute Hospital Trust. The CCG has two providers (Pennine Acute Hospital Trust and Central Manchester Foundation Trust), and there are 200 patients waiting >6 weeks across both sites. There have been a number of recovery trajectories that have not been met, however the CCG is confident that the end of May 2016 timeline will be achieved through utilisation of the MRI site, private sector and focusing on clearing a significant number of backlog cases. 714 endoscopy patients identified to have gone beyond their planned month of treatment (national guidance not followed), to be resolved by the end of Q1 2016/17. The Clinical Director from Central Manchester CCG will carry out quality checks to ensure there has been no harm to patients.
- North Manchester CCG has committed funding to support citywide investment in EIP.

- The Manchester Mental Health work stream is progressing well, and is moving into a transaction phase however will be a challenge to manage.
- A sustainability resilience plan and implementation of local CQUINs relating to urgent care were noted, and ongoing management of these will be discussed via assurance meetings going forward.

It is recognised that the CCG has grip on these issues, however the challenge to the CCG is to remain focused on a realistic number of key actions to ensure recovery plans deliver.

Through this meeting, our ongoing assurance meetings and our other contacts through the year, we have assigned the assurance rating of **Requires Improvement**.

Planning (Assured as Good)

Assurance of CCG plans is a continuous process, covering annual operational plans and related plans such as those relating to System Resilience Groups, the Better Care Fund, and longer term strategic plans including progress in implementing the Five Year Forward View. This component also considers progress in moving providers from paper-based to digital processes and the extent to which NHS number and discharge summaries are being transferred digitally across care settings to meet the ambition for a paperless NHS.

- Non-elective activity was well below plan and further investment decisions have impacted on non-elective care, otherwise plan on track to deliver as expected.
- Differential allocations between the Manchester CCGs have impacted on the joint planning process. The CCG noted that there is a 14% difference between resident and registered population within North Manchester, and the potential to start to address this via devolution in Greater Manchester is noted.

Through this meeting, our ongoing assurance meetings and our other contacts through the year, we have assigned the assurance rating of **Good**.

In addition we identified the following areas of strength, areas of challenge and improvement, and looked at the key actions required against the five components of the 2015/16 framework.

Key Areas of Strength / Areas of Good Practice

- Single citywide performance and primary care team structures demonstrating consistent approach and grip of issues.
- The CCG has demonstrated robust financial management and has achieved financial balance during 2015/16.
- Progress in working arrangements and relationships between the Manchester CCGs and Manchester City Council.
- Winners of the National Diabetes Award, as well as shortlisted for HSJ Awards for your Crisis Response Service and Integrated Neighbourhood Care
- North Manchester CCG have committed funding to support citywide for investment in EIP.

Key Areas of Challenge

- Significant number of 12 hour breaches at NMGH,
- Citywide CCGs have inherited pressures on the Prime Ministers Challenge Fund going into 2016/17.

- The Manchester Mental Health work stream is progressing well, and is moving into a transaction phase however will be a challenge to manage.

Key Areas for Improvement

There are a number of areas of delivery that should be improved, including:

- The Urgent Care Standards – underperformance of the 4 hour standard has resulted in a number of 12 hour breaches at North Manchester General Hospital.
- Diagnostics (gastroscopy/ endoscopy) – trajectory for delivery end Q1 2016/17
- Focus should be maintained on delivery of the transforming care targets
- IAPT – CCG figures showing improvement since March 2015. Non recurrent funding investment is helping this delivery. Focus required to maintain delivery.

Development Needs and Agreed Actions

- The CCG agreed to share a copy of the remedial action plan and resulting improvements relating to transforming care patients; a commitment has been made to increase investment in the future, including funding for the backlog.
- There has been a lack of progress towards achieving the 4 hour A&E standard, with an increase in 12 hour breaches, and ambulance handover times greater than 2 hours. A sustainability resilience plan and implementation of local CQUINs relating to urgent care were noted, and ongoing management of these will be discussed via assurance meetings going forward.

Summary

Overall we would like to congratulate you on the progress you have made over the last year, particularly in relation to achievement in winning the National Diabetes Award, as well as being shortlisted for HSJ Awards for your Crisis Response Service and Integrated Neighbourhood Care. Furthermore, the CCG had demonstrated sound financial management to achieve financial balance for 2015/16. The CCG has demonstrated good grip of the key issues, as well as clear and comprehensive planning to address these supported by a well-functioning single citywide performance and primary care structure.