

**East Kent special measures briefing  
Kent Health Overview and Scrutiny Committee  
21 September 2018**

**Situation**

On the 26 July 2018 Felicity Cox, Director of Commissioning Operations and NHS England South (Kent, Surrey & Sussex) wrote to the east Kent Clinical Commissioning Groups informing them that the NHS England CCG Assessment Delivery Group would be collectively placing all four east Kent CCGs into Special Measures.

This was the automatic result for NHS Ashford, NHS Canterbury and Coastal, and NHS South Kent Coast CCGs of being rated 'inadequate' in the 2017/18 annual assessment process.

NHS Thanet CCG was rated 'requires improvement' but was placed in special measures with its neighbours because it shares the same challenges and this ensures the whole system can move ahead together.

The NHS England CCG Assessment Delivery Group cited the following areas as the reason for issuing the special measures notice:

- Deterioration of the CCGs financial positions and non-delivery of agreed surplus
- Significant and sustained non delivery of constitutional targets at East Kent Hospitals University NHS Foundation Trust (EKHUFT) such as A&E waiting times, cancer waits, 18-week waits, and
- Lack of joint working at an east Kent level to collectively solve these issues.

The issuing of a special measures notice had been anticipated and a recovery regime had begun in March 2018.

**Background**

The CCG special measures notification comes only 16 months after EKHUFT emerged from quality special measures and while it is still in financial special measures. This in itself is an indication of the challenges our system faces.

Each of the east Kent CCGs had been reporting worsening financial positions both as commissioning organisations but also those of our main health care providers throughout the 2017/2018 financial year.

	<b>Ashford</b>	<b>Canterbury</b>	<b>SKC</b>	<b>Thanet</b>	<b>East Kent</b>
Board Report Group	£ Variance	£ Variance	£ Variance	£ Variance	£ Variance
Acute Total	(10,321,301)	(12,121,875)	(12,152,555)	(4,763,006)	(39,358,737)
Community Total	(1,362,220)	(967,296)	(1,325,397)	(1,102,635)	(4,757,548)
Continuing Health Care Total	(1,163,131)	548,216	56,947	(428,914)	(986,882)
Corporate Total	(20,837)	(46,017)	(55)	973	(65,936)
Mental Health Total	398,680	(608,036)	1,941,338	(219,163)	1,512,819
Other Total	210,868	720,467	(1,194,351)	(380,273)	(1,116,046)
Primary Care Total	(610,270)	(726,688)	(93,787)	(383,430)	(1,814,175)
Primary Care Co-Commissioning Total	439,032	330,096	325	2,123,088	2,892,541
Reserves Total	(514,550)	3,348,105	5,454,807	5,182,825	13,471,187
<b>Total final position</b>	<b>(12,943,730)</b>	<b>(9,523,028)</b>	<b>(7,312,728)</b>	<b>29,466</b>	<b>(29,750,020)</b>

The CCGs have also been reporting constitutional target performances that were below the nationally set aspirations for good performance.

All health and care partners across east Kent have been involved in reviewing performance as well as designing recovery actions but of course we, the east Kent CCGs, must own and address these issues as the commissioning authority for health care.

The Director of Commissioning Operations and NHS England South (Kent, Surrey and Sussex) gave directions at the March 2018 CCG assurance meetings that the east Kent CCGs needed to build on the adoption of single joint executive positions such as the Accountable Officer and Managing Director across east Kent and move to a more collaborative operating model for commissioning.

## Assessment

Our assessment of the situation is that having all four east Kent CCGs under the special measures regime opens up better opportunities to work together across east Kent to bring about rapid change, and give us access to greater support from NHS England.

To recover the CCG positions will require whole economy changes. The main risk areas are:

- CCGs fail to foster system transformation at sufficient scale and pace and are issued legal directions by NHS England, resulting in reduced autonomy to act, reduced clinical input and financially focussed recovery.
- The available level of resource to invest in transformation is challenged, resulting in slower pace of delivery.
- Clinical engagement is challenged as the recovery driver is perceived to be finance not high quality, innovative care.
- Being in special measures impacts on the reputation of the organisations, resulting in staff leaving and reducing the ability to recruit high calibre staff.

The CCG major priority, because of the clinical quality, financial and system impact it will have, is to transform the way we look after frail older people and people with complex health and care needs. This priority is shared with all system partners.

## **Recommendation**

In anticipation of the issuing of special measures notices the east Kent CCGs have undertaken and completed the following actions:

- ✓ Commissioned an independent external review on governance and created a recovery plan across east Kent
- ✓ Commissioned the CCG internal audit to undertake a review on the factors leading up to the expert determination
- ✓ Appointed a credible turn-around director and produced a financial recovery plan with an identified recovery figure
- ✓ Created an east Kent executive structure and clarified/assigned roles and responsibilities
- ✓ Created an east Kent joint committee structure for: Finance, Performance and Contracting, Quality, Primary Care Commissioning Committee (PCCC), Audit, Clinical Assurance, pre-consultation business case (PCBC)PCBC and Clinical Chairs meeting
- ✓ Aligned the formal Governing Body meetings for each CCG ensuring that they all meet within one week of each other
- ✓ Bringing together each Governing Body to run joint Governing Body development sessions and producing a development schedule
- ✓ Implemented a structured process for QIPP, including introducing a monitoring process across east Kent
- ✓ Amended the schemes of delegation for each CCG to enable the structural changes to have maximum impact

A dedicated team will oversee the plan and ensure the actions are delivered in the required timescales. Executive owners have been assigned to each action.

The financial recovery plan is currently being reviewed by NHS England but work supporting its recommendations is already underway. This includes reviewing the CCGs QIPP areas.

Performance will be monitored through centrally issued NHS England information returns as well as the CCG assurance meetings. The CCGs will also report their performance against the recovery plans at their Governing Body meetings.