



**Cannock Chase
Clinical Commissioning Group**

**NHS Cannock Chase
Clinical Commissioning Group**

**Decommissioning and
Disinvestment of services.**

Version	1.3
Date	22nd September 2013
Lead Executive	

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Executive Summary

NHS Cannock Chase Clinical Commissioning Group (CCG) is the local lead commissioner of NHS services with the stated vision and goals to increasing the life expectancy and reducing health inequalities of the population we serve.

Now, more than ever due to the current challenging financial climate, it is an important role for the NHS to demonstrate that it is making the most effective use of public money to commission the most appropriate healthcare services delivered to the highest quality to meet the needs of the local population. To achieve this, effective contracting arrangements and strong performance management are essential to meet these challenges and secure the best possible healthcare for our local population.

We will ensure that our commissioning decisions are fully informed and based on health outcomes data by utilising all reliable data sources combined with Public Health data and clinical analysis.

To ensure that limited resources are consistently directed to the highest priority areas the CCG has identified the need to develop a Decommissioning and Disinvestment Strategy that sets out the agreed principles for decommissioning services so that funds can be redirected where appropriate.

There is also need to ensure that when approval has been given to decommission, or disinvest from a service a clearly defined process is followed, with clear lines of accountability and responsibility.

For the purpose of this strategy the following definition have been applied:

- **Decommissioning:** This relates to the withdrawal of funding from a provider organisation that is subsequently re-commissioned in a different format.
- **Disinvestment:** This relates to the withdrawal of funding from a provider organisation and the subsequent stopping of the service.

In the event that decommissioning or disinvestment is proposed, the CCG will need to recognize that a number of steps will be required prior to a final decision being taken by the CCG Governing Body. These include engagement with the Membership Board, consideration as to whether a consultation exercise is required with partner organizations, patients, public and the Health Overview and Scrutiny Committee.

1. Introduction

For the purpose of this strategy the following definitions are used to explain the major terms used in this strategy. Decommissioning, this relates to the withdrawal of funding from a provider organisation that is subsequently re-commissioned in a different format. Disinvestment, this relates to the withdrawal of funding from a provider organisation and the subsequent stopping of the service.

The development of the new NHS Commissioning architecture, the CCG's long term Integrated Plan and recent financial challenges has inevitably led to the need to clarify the circumstances when services should be decommissioned and the need to describe the approach and processes that will be adopted to ensure decommissioning and disinvestment decisions are fully informed and managed.

Following any service review a number of options will be available to the CCG, these could include the need to re commission part of the service, amend the threshold / restrict access to a service or provide a modified service to ensure that there are no gaps in healthcare delivery.

In line with best practice the CCG has identified the need to describe the approaches that will be used to identify services that require review, describe how the 'Case for Change' for service decommissioning will be produced, how disinvestment decisions will be consulted upon and the role of the CCG officer. Furthermore, the roles and accountability of decision making have been set out.

The disinvestment and decommissioning strategy is to be applied when making both clinical and non-clinical disinvestment and decommissioning decisions.

2. Our approach to decommissioning and disinvestment

The aim of this document is to:-

1. Provide a rationale and process to allow services to be identified for review prior to any decision to decommission or disinvest.
2. Deliver best value for money by ensuring that local health care resources are directed to the most effective services for the local population.
3. Ensure all commissioned services are monitored in terms of performance, health outcomes, efficiency, demand management and fitness for purpose to allow for a robust decision to be made regarding the continuation of that service.
4. Contribute to the delivery of the CCG's Integrated plan and QIPP

agenda, to ensure that resources are directed to the highest priority area in order to achieve the best possible health outcomes for the local population against available resources.

5. Ensure all decommissioning and disinvestment decisions are taken in a fully informed manner and follow a set procedure agreed by the CCG Membership Board and Governing Body
6. Ensure the safety of patient remains paramount.

3. Structure and Accountabilities

3.1 CCG Governance Framework

Within the context of the CCG Governance Framework the following principles for decision making regarding the decommissioning or disinvestment of services will apply. NHS Cannock acknowledges the right and role of Membership Board to identify services that should be considered for decommissioning. The Governing Body, as the legally accountable body for NHS resources in Cannock Chase, will ultimately take the decision with regard to the decommissioning of any service following the criteria and process set out in this strategy. Consultations will be carried out with the public / partners / providers; this will be informed through the statutory and best practice requirements.

QiPP and Quality Committees

A number of the CCG Committees will need to be involved in preparing a 'case for change' prior to it being formally considered by the Governing Body. An important role of these committees will be to fully understand and scrutinize any proposals.

The QiPP, Finance and Performance Committee will be responsible for ensuring that the criteria and processes outlined in this strategy have been applied and that the process has been followed accordingly.

The Quality Committee will have a key role in ensuring that the consequences of decommissioning and disinvesting from a service have been fully quantified. In addition the committee will be able to propose any remedial action that might be required to mitigate clinical risk and minimize gaps in healthcare provision.

All disinvestment decisions need to be recommended by the QiPP Committee to the Membership Board prior to final approval by the CCG Governing Body.

CCG Governing Body

As part of its decision making process the CCG Governing Body is required to fully consider the quality and equity impact assessments undertaken, results of public and statutory consultation and holds the authority to approve or reject proposals for decommissioning and disinvestment of services.

4. Roles and Responsibilities of the CCG

Accountable Officer

The Accountable Officer is accountable for the actions undertaken by the Officers of the CCG, as noted below.

CCG Directors / Heads of Commissioning

The lead officer responsible for the commissioned service is required to undertake the following actions when considering disinvestment / decommissioning proposal:

Action

1. Secure any appropriate legal advice through discussions with the Chief Finance Officer.
2. Assess the benefits the service has realised and assess the potential for any further improvement to the services effectiveness.
3. Adopt a programme management approach to manage the processes to inform the development of a 'case for change' document that will be used to consult and ultimately be presented to the Membership and Governing Body. The case for change will include:-
 - The evidence behind why the case for the case is being proposed for a decommissioning / disinvestment decision.
 - Undertake all appropriate impact analysis prior to these being presented to the CCG Quality Committee / QiPP
 - Prepare the documentation for statutory and public consultation including Health Watch and District / County Council Overview and Scrutiny Committees
 - Keep log of the risk and issues identified.

Where relevant e.g. Disinvestment of service / decommissioning of service, provide case for change to the Membership and Governing Body for approval.

Head of Strategic Change

The Head of Strategic Change has a key role to play in identifying the potential areas for disinvestment and decommissioning to ensure that all proposals are aligned to the CCG Strategic Change Work Schemes and QiPP.

Quality and Patient Safety Directorate

The Quality Directorate and the CCG Quality Committee are key forums to notifying commissioners when concerns are raised in terms of the quality and safety of the services provided. The team utilizes information from a variety of sources to assess the safety, efficacy and service user experience of clinical commissioned services. This information along with site visits and other intelligence is used to assess the relative quality of services commissioned or contracted by the CCG.

The Quality Team will work with the lead commissioner, proposing the decommissioning of service(s) to ensure that a reduction in services does not have a direct or indirect negative impact on patient safety or the quality of any other related service.

The availability of good quality information is important to the decision making process in commissioning, NICE guidance and commissioning guides are used to inform all relevant commissioning decisions.

Finance and Commissioning Teams

The CCG Finance and Commissioning teams are key to reviewing expenditure against health outcomes and identifying service / programme areas to be reviewed prior to more in depth analysis to identify specific commissioned services. Areas for review will be identified using the following tools:

- Programme Budgeting: Using the programme budgeting benchmarking tool to identify how much is spent for each programme compared with similar CCG's / previous PCTs. These resources have the ability to analyse the relationship between spend and the health outcomes, and investigate variances.
- Benchmarking tools: These can be used to analyse the trends in activity over time in comparison to other commissioning bodies. Note: much of this data is out of date being benchmarked against national, Strategic Health Authority and previous PBC Cluster data.
- Analysing trends by care setting e.g. Acute Care, Primary Care, community services, mental health etc. and comparing these trends of spend with other areas, to identify the reasons for the difference in trends between PCTs.

- Expected and current prevalence figures to understand the population demographics.

5 The roles of the wider teams supporting the CCG

Staffordshire Public Health Team

When considering service decommissioning or disinvestment the Staffordshire County Council Public Health team will be able to help assess the effectiveness of the intervention(s) provided by the service. In addition, the Clinical Priorities Advisory Group (CPAG) process will also be available to support any decision making process. These teams have the skills and analytical tools to express the health outcomes produced from services in the context of the populations health need. In addition the team will be able to contribute to the health impact assessments required in making informed decommissioning / disinvestment decisions.

The public Health team have the skills and ability to add to the interpretation of population based data that are used to highlight areas for decommissioning, such as benchmarking tools which compare the cost and/or outcomes of services compared to other CCG and previous PCTs.

Contracting Teams (Including CSU performance and CCG information)

The Performance and Information team has a joint responsibility with the lead commissioners to provide key performance information to commissioners to ensure that services are appropriately reviewed. The information behind a decision to **decommission** must be of high quality, be auditable and able to be presented as evidence which can withstand challenge should the decision based on performance be disputed. Areas that will be considered as part of the performance review of contracts will include areas of:

- Poor performance against targets
- Delivery of poor health outcomes
- Poor value for money
- Inequality of service provision
- Reduced impact on health outcomes and identify potential areas for resources to be redirected to achieve better health outcomes for the population.

In addition, the CSU and its Business Intelligence team will provide a key role to support finance colleagues in reviewing the programme budgeting reports when considering expenditure compared to health outcomes.

Human Resources Advice

HR expertise must be sought should the decommissioning of services be confirmed to ensure all legal obligations and any potential workforce planning issues are appropriately managed.

Communications Engagement Team

If decommissioning or disinvestments is proposed due to the introduction of a new service model, then the commissioner needs to seek expert advice from the communications team (internal and external) in relation to whether any engagement / consultation exercise is required to comply with Section 242 of the NHS Act 2006 (is this the latest guidance? . This advice must be sought at the earliest possible opportunity due to the length of time required for informal engagement and public consultation. Health Overview and Scrutiny Committees and Health Watch should be advised and involved from the outset.

The timescales required plus other guidance on engagement/ consultation criteria can be found through national best practice guidance.

Procurement Team

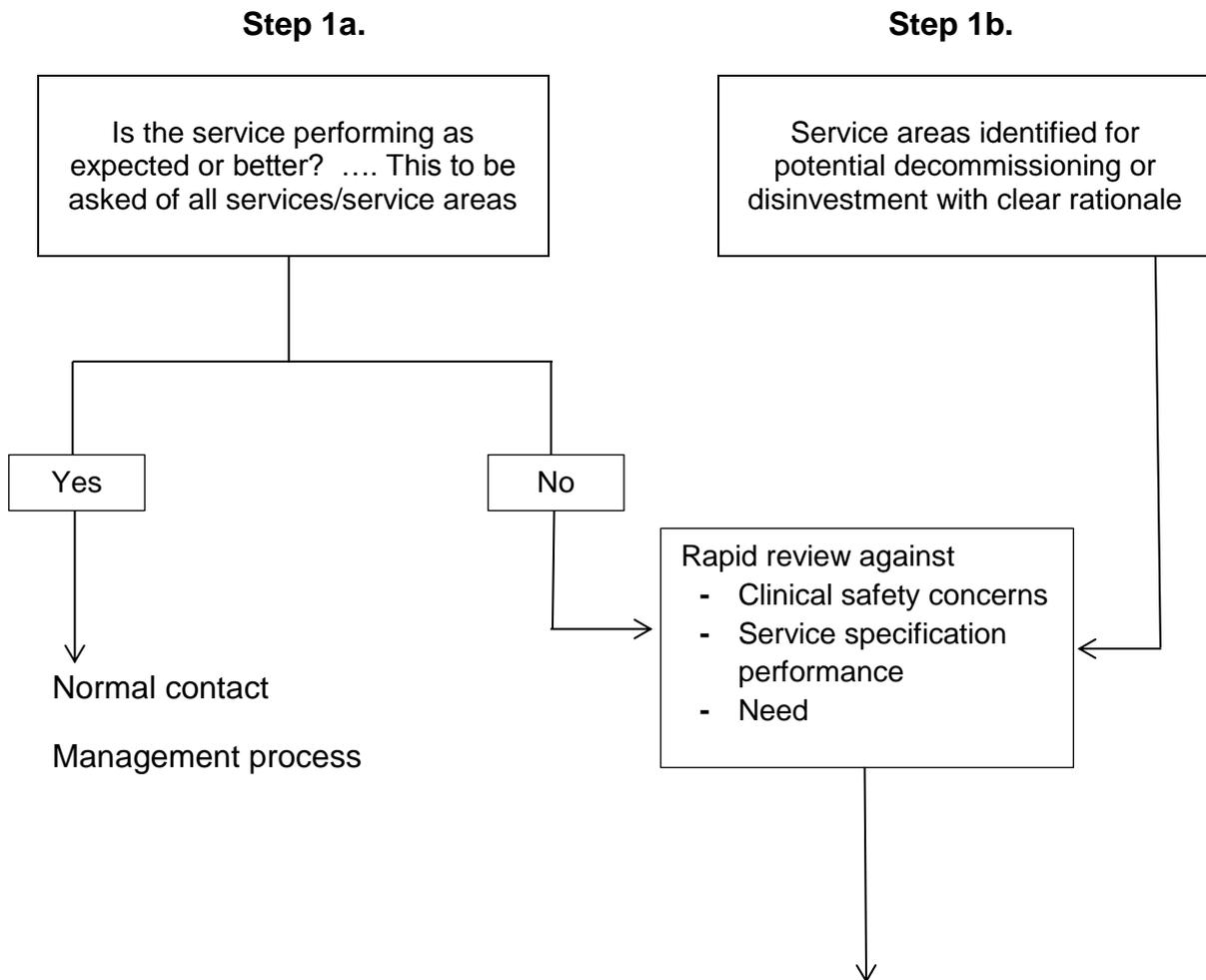
Specialist Procurement advisors within the CSU and the CCG Procurement Lead (Director of Finance) will ensure that the rules and principles relating to any decommissioning (and disinvestment) activity will follow the principles and rules of cooperation and competition. Monitor Guidance must be considered to ensure that no sector of the provider market is given any unfair advantage during the decommissioning process, and the CCG will retain an auditable documentation trail regarding all key decisions around procurement law. The Procurement advisors will also ensure market assessments are completed to analyses any impact on the provider market.

6. Decommissioning and Disinvestment processes for Commissioned Services

Process Flow Chart

The Disinvestment / Decommissioning process flow chart provides at a glance the agreed process for commissioners to follow prior to commencing decommissioning / disinvestment discussions

Process flow chart:-



Step 2

Assessment for potential disinvestment/decommissioning

a. Initial Assessment

- Service addresses clear health needs?
- Service reduces health inequities gap?
- Evidence to support continuation of service?
- Is service cost effective?
- Are there any identified health outcome measures supporting continuation of service?
- Is there any benchmarking data available for the service?
- Is it aligned to a CCG strategic priority, goals etc.?
- Is it a national must do?
- Is it a CCG commissioning responsibility?



After taking the above into account, does the service require to be decommissioned or disinvested?



b. Assessment of impact of decommission/disinvestment against the following aspects: -

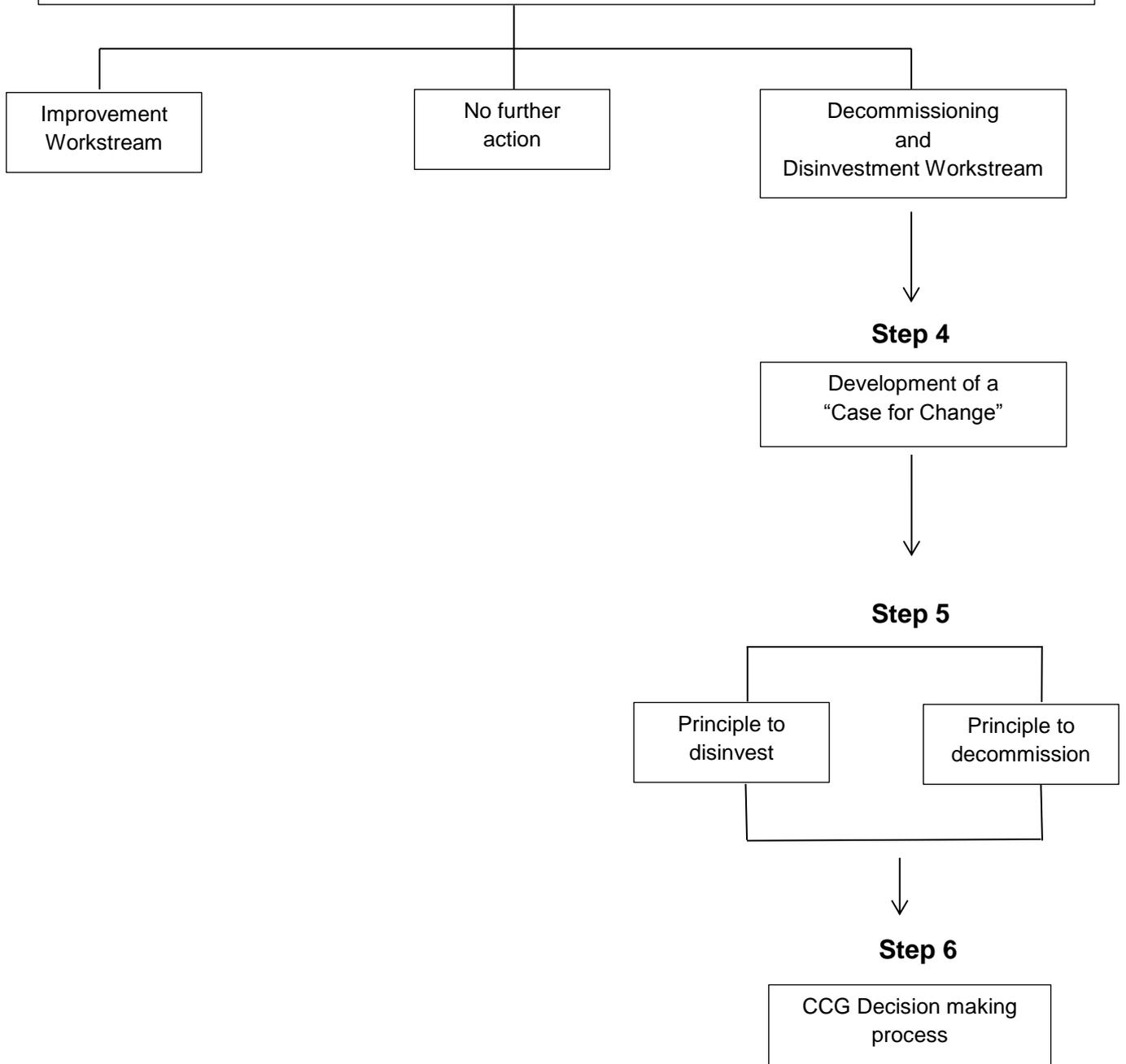
- Effectiveness
- Efficiency
- Equality/Equity
- Access
- Acceptability
- Relevance to health needs
- National “must do’s”



Step 3

Following consideration of the initial and impact assessment there are 3 potential next steps:-

1. No further action
2. Pursue improved outcomes from the service or performance improvement which may lead to decommissioning
3. The service is no longer required i.e. Disinvestment is needed



Summary

- Step1 - Identification of service review areas which require further consideration
- Step 2 - a) Initial assessment and
b) Impact assessment against quality standards
- Step 3 - Decision making step - No further action / pursue improved outcomes / service no longer required
- Step 4 - Preparing the Case for Change
- Step 5 - a) Applying the principle for decommissioning
b) Applying the principle to disinvest
- Step 6 - CCG Decision making processes

Step 1a - Identification of service for review

In line with commissioning best practice there is a need to ensure that we apply performance and contract management principles to all contracts and subsequently service reviews. This will identify whether commissioned services are meeting the needs of the population (as identified through the Joint Strategic Needs Assessment, Enhanced JSNA and demand analysis) and are of high quality and demonstrate value for money.

The process for identifying potential services for decommissioning / disinvestment needs to be systematic and there are a number of mechanisms utilised by our staff to evidence the need for review. This includes the tools described in the sections above, continued poor performance identified through the contract monitoring process and feedback from patients, public and partners.

Step 1b - Tools to be used to Identifying Service Review Areas

The CCG is committed to ensuring that our local population receives the best care, for the best value and subsequently ensures that there is a continual review of CCG contracts and expenditure against measurable health outcomes. The tools identified below will be utilised to consider service provision. As a matter of policy they will prioritise those areas where high expenditure and low outcomes are identified to enable / undertake further analysis into the provision of commissioned services

NHS Comparator

NHS Comparators data provided analysis of quarterly inpatient activity and

expenditure data by programme budget at England, a SHA, previous PCT and Practice level. Prescribing expenditure and volume data linked to programme budget are also available. NHS Comparators allow commissioners to track expenditure and outcomes over time.

<https://nww.nhscomparators.nhs.uk/>

Programme Budgeting

Programme budgeting information is used to examine the current deployment of resources, and to make decisions on how resources should be invested to achieve better value outcomes. There are a number of tools that can be used to consider areas for review including the Department of Health benchmarking toolkit below:

<http://www.networks.nhs.uk/nhs-networks/health-investment-network/news/2011-12-programme-budgeting-data-now-available>

The above toolkit provides a means of considering our expenditure compared to other Trusts both locally and nationally.

The Spend Outcomes Tool

The Spend and Outcomes tool (SPOT) was developed by the Association of Public Health Observatories and is available to access via the following link.

<http://www.yhpho.org.uk/resource/item.aspx?RID=171302>

The tool allows comparison between expenditure and outcome data for each of the Programme Budget disease categories on a single page. It is interactive and allows the selection of different outcome measures and different views of the data, including a comparison with any other organizations therefore enabling the ability to identify areas of expenditure that warrant further investigation. Data is at previous PCT level.

Ssentif Benchmarking System

The Ssentif benchmarking website which enables benchmarking outcomes and expenditure against other Trusts / Providers both locally and nationally

Programme Budgeting Atlases

Programme budgeting expenditure has also been linked to health outcomes,

Quality Outcomes Framework (QOF) data and Hospital Episodes Statistics (HES) activity in the Programme Budgeting Atlases.

These interactive atlases present programme budgeting expenditure data alongside clinical and health outcome indicators in a user friendly graphical format that can be used to support commissioners when considering areas for service review.

The following link <http://www.rightcare.nhs.uk/index.php/nhs-atlas/> takes the user to the Information Centre website where the interactive atlas can filter and benchmark outcome indicators

Mosaic

Mosaic is a national geodemographic segmentation that splits the UK population into 11 groups and 61 types based on national characteristics. Mosaic enables us to gain a greater understanding of the differing health need of the local population and supports commissioners to consider whether services are placed in appropriate locations, are being advertised appropriately and are being accessed by those that need it.

The utilisation of services by their target population groups will be a consideration when making decommissioning or disinvestment decisions.

Contract Register

The contract register holds records of all contracts currently held by the CCG. The register will be able to provide information on all providers delivering services and contractual information to support decommissioning decisions and the procurement workstream.

Step 2 - Initial Assessment and Assessment of impact

In the event that a case for change is validated by sufficient supporting evidence, the Lead Commissioner will be responsible for carrying out a number of impact assessment to identify the anticipated or actual impacts of any disinvestment / decommissioning on health, social, economic and workforce. These impact assessments must be approved by the CCG Leads (Director of Quality / CCG Director) prior to being included in Governing Body reports before disinvestment is undertaken or a service is decommissioned.

The impact assessment must include: -

- Health outcomes – the effect on health outcomes will be assessed to identify potential adverse consequences of disinvestment or decommissioning and what might to done to minimise them.

- Quality of services – to ensure that the quality of services will not deteriorate following any proposed changes. The CCG will use its agreed Quality Impact Assessments tools to carry out the reviews.
- Equality and diversity implications – underpinned by the principle that people should have access to health care on the basis of need. However enshrined in law there are a number of identified protected groups, categories of the population that require specific consideration

In addition to the above officers will report on the following areas:-•

- Workforce implications
- Market implications
- Geographic implications e.g. impact on transport links etc.
- Value for money
- Impact on partner organisations e
- Sustainability including impact on partners.

The CCG is committed to engaging patients, carers, the public and wider stakeholders at all stage of commissioning, as part of this the CCG will communicate clearly, fully and continuously with all stakeholders before, during and following any decision to disinvest in or decommission services. Decisions relating to disinvestment or decommissioning will be taken by the Governing Body.

Step 4 - Preparing the case for change

The following should be fully considered when developing the case for change for services under review for disinvestment or decommissioning:

The effect on patient experience will need to be fully analysed using quality and equity impact assessments.

Identified changes in care / gaps in care will be identified / managed and negative impacts identified and mitigated against. All proposed changes will be communicated clearly to the Quality Committee prior to the Membership Board and Governing Body.

For any substantial service change an appropriate period of consultation will be undertaken before any decision to disinvest or decommission is made. The feedback from all statutory and non-statutory consultation will be fully reviewed and analysed and will be used to assist in the decision making process.

Step 5a - Principles of Decommissioning / Disinvestment

- Decommissioning of any service will be managed in line with the “Principles and Rules for Co-operation and Competition” regulation (2012) and related Monitor Guidelines.
- Disinvestment of any decommissioned service will be processed in line with NHS Cannock Chase Standing Orders and Standing Financial Instructions. In addition an assessment of potential contestability should be undertaken in line with the CCG procurement strategy.
- Commissioners are required to retain an auditable documentation trail regarding all key decisions.
- A decommissioning or disinvestment review process will be put in place so that any affected stakeholder can request a review of the decision making process, in line with the approach to transparency and openness.

Step 5b - Decision marking framework

Making good decisions regarding health care priorities involves the exercise of fair and rational judgment and at times discretion. Although there is no single objective measure on which such decisions can be based, decisions will be fully informed taking into account the needs of individuals and the community. Whilst recognising the CCG need to achieve a financial balance its discretion will be affected by factors such as the NHS Constitution, national Planning Framework, NICE technology appraisal guidance and Secretary of State Directions to the NHS.

The CCG will adopt a robust approach to its decommissioning / disinvestment decisions by ensuring decisions are lawful and consistent. This will be achieved by:

- Providing a coherent structure for discussion, ensuring all important aspects of each issue are considered prior to decisions being made.
- Promoting fairness and consistency in decision making and with regard to different clinical topics, reducing the potential for inequity.
- Providing a means of explaining the reasons behind the decisions made.
- Reducing risk of judicial review by implementation of robust decision-making processes that are based on evidence of clinical and cost effectiveness and adopting a decision making framework so that decisions are made in a manner which is fair, rational and lawful.
- Ensuring the Vision, values and goals of the CCG are reflected in business decisions.
- Providing a consistent approach for the development of strategy and plans across the whole health care system.

Step 6 - Decommissioning and disinvestment criteria

The following points should be considered when making the initial decision to **decommission or disinvest from** a service:-

- The patient experience and local health need must be paramount in informing any decision, action should be taken to minimize the impact of gaps in service provision once the service is decommissioned or disinvested.
- Impact assessments must be undertaken in order to quantify and clarify and positive or negative impact on patient care and the wider community (i.e. carers)
- The potential destabilising effect on other service and organisations e.g. third sector, of a decision to decommission/disinvest should be fully considered.

Criteria for Disinvestment

The CCG will consider decommissioning or disinvesting from services where:

- A needs assessment demonstrates existing services are not meeting the health needs of the population.
- There is a clear and objective reason for the decommissioning of a service that is based on assessment of the current providers' performance, value for money and the need for service redesign to improve services for patients.
- The original decision to fund a service was made on assumptions that have not realised.
- There are demonstrable benefits for the decommissioning of a service.
- There is an inability to demonstrate delivery of agreed outcome measures or failure to deliver outcomes, despite agreed remedial action as detailed in the relevant contract.
- Service does not deliver value for money, as demonstrated through financial review, utilising programme budgeting tools such as the Spend and Outcome Tool and other similar modelling tools.
- The investment in a service does not maximise the health gain that could be achieved by reinvesting the funding elsewhere.
- Service fails to meet the standards of a modern NHS as defined by the NHS constitution, professionally driven change and nationally driven changes.
- The service is unable to demonstrate clinical and cost effectiveness.
- The service provided is no longer the statutory responsibility of the CCG.
- The service is no longer shown to be a core component of the CCG core provision.
- The service is unsafe or of poor quality.