

Report of the Head of Scrutiny and Member Development

Report to Scrutiny Board (Health and Wellbeing and Adult Social Care)

Date: 25 September 2013

Subject: Fundamental review of NHS Allocations Policy

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: 10.4.3	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. When NHS England was launched on April the 1st 2013 it announced it would conduct a fundamental review of NHS allocations within its first few months. The Advisory Committee on Resource Allocation (ACRA) has now reported its recommendation and details were published by NHS England on 15 August 2013.
2. This publication also included notification of four regional workshops for Clinical Commissioning Groups, Commissioning Support Units, NHS England and other stakeholders to discuss current thinking and to hear views about the allocations process and proposals for the future. The proposed workshops were identified as follows:
 - 13 September – Leeds
 - 18 September – Birmingham
 - 20 September – Newbury area
 - 23 September – London
3. The following papers are attached to help inform the Scrutiny Board's consideration of this matter:
 - Fundamental Review of Allocations Policy – letter to stakeholders;
 - Fundamental Review of Allocations Policy – Technical Guidance;
 - Working paper on CCG 2013/ 14 allocations - indicative target allocations and distance from target.
4. For ease of reference, extracts from the working paper on CCG allocations for CCGs across Yorkshire and the Humber are presented in the table below.

	Current Distance from 'Target' (Under)/Over (£'000)	Current Distance from 'Target' (Under)/Over (%)	2013/14 Allocations announced December 2012 (£ Per Head)	Indicative Target Allocations from (£ Per Head)	Reduction (£ per head)
NHS Aire., Wharfe. & Crav. CCG	2,300	1.28%	1,172	1,157	-15
NHS Bradford Districts CCG	7,409	1.93%	1,181	1,159	-22
NHS Calderdale CCG	25,159	10.92%	1,198	1,080	-118
NHS Bradford City CCG	2,965	2.67%	957	933	-24
NHS Greater Huddersfield CCG	20,600	8.30%	1,123	1,037	-86
NHS North Kirklees CCG	25,323	13.31%	1,162	1,026	-136
NHS Wakefield CCG	43,064	10.58%	1,269	1,148	-121
NHS Leeds West CCG	26,092	7.35%	1,063	990	-73
NHS Leeds North CCG	18,795	8.84%	1,144	1,051	-93
NHS Leeds South and East CCG	38,897	12.87%	1,309	1,160	-149
West Yorkshire	210,604	8.04%	1,170	1,083	-87
North of England	721,579	3.84%	1,240	1,194	-46
Midlands & East England	(660,200)	(3.51)%	1,083	1,122	+39
London	221,952	2.25%	1,123	1,098	-25
South of England	(283,332)	(1.78)%	1,097	1,117	+20

5. The following summary points can be drawn from the published information:

- Regionally, the North of England sees a reduction of 3.84% (approx. £722 million);
- Midlands & East England sees an increase of 3.51% (approx. £660 million);
- London has a reduction of 2.25% (approx. £222 million),
- South of England sees an increase of 1.78% (approx. £283 million).
- Locally in Leeds, if implemented this would appear likely to result in an overall reduction in CCG allocations of around £84 million.
- There would be similar impacts across West Yorkshire (ranging from a £2.3 million reduced allocation at Airedale, Wharfedale and Craven CCG to £43 million reduction for Wakefield CCG).
- If implemented, all CCGs across Yorkshire and Humber would experience a reduced allocation

6. However, it should be noted that the allocation information only provides a partial picture, as there does not appear to be any indication of allocations for direct commissioning at area team level (i.e. for primary care and/or specialised services). This is despite specific reference to these areas in the covering letter and terms of reference. Further clarification may be necessary to understand fully NHS England's future funding intentions.

7. As previously mentioned, a workshop was hosted by NHS England in Leeds on 13 September. A number of Leeds City Council representatives, along with other stakeholders, attended that meeting. Relevant officers have been invited to attend the meeting to outline the outcome from the workshop.
8. Representatives from NHS England have also been invited to attend the meeting.

Recommendations

6. The Scrutiny Board (Health and Wellbeing and Adult Social Care) is asked to consider the information presented and discussed at the meeting and determine what, if any, further action it wishes to take.

Background documents¹

7. None used

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.