



**North Derbyshire Clinical Commissioning Group  
Erewash Clinical Commissioning Group  
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Councillor David Taylor  
Chairman for Improvement and Scrutiny for Health  
Derbyshire County Council  
County Hall  
Matlock  
Derbyshire  
DE4 3AG

11<sup>th</sup> of January 2018

Dear Councillor Taylor

Thank you for your letter of the 28th of November 2018 regarding the Derbyshire CCGs' financial position.

Please accept my apologies for not providing a reply by the 21<sup>st</sup> of December 2018; this was an oversight on the part of CCG as we misinterpreted your letter and have been using the 11<sup>th</sup> of January 2019 as our deadline date in line with the committee meeting papers deadline. We hope that you will agree that the information provided within this letter and its attachment are of substance to the discussion.

It is noted that following the attendance of Mr Paul Briddock from NHS England at your meeting on the 26<sup>th</sup> of November 2018, the committee expressed its concerns that there has been a lack of transparency in respect of the savings already made during financial year 2018/19. The attached report contains the CCGs' validated progress against our 2018/19 financial recovery programme as recorded at the end of month 7 (October). Much of the detail behind the schemes has been discussed with the committee at previous meetings, as detailed below, and we will be very happy to discuss this further when we attend committee on the 21<sup>st</sup> of January 2019. You will see that at month 7 the CCG had been able to access £15.4m from the Commissioner Sustainability Fund (CSF) and this is testament to the significant amount of work taking place across the Derbyshire CCGs to review efficiency and variation whilst ensuring we are contracting and commissioning services effectively for the benefit of local patients.

For further context around transparency, I would also like to refer the committee to two reports provided by the CCGs ahead of previous meetings of the committee held in public. The report we submitted ahead of the meeting on 10 September 2018 included reference to

the breakdown of elements of our financial recovery plan. In particular, on page 2 we stated that of the £39m of Schemes confirmed for delivery in 2018/19:

- £26.5m relates to schemes where the CCGs are improving efficiency, reducing unwarranted clinical variation or implementing new care models;
- £7.5m relates to areas where CCGs are removing top-up payments and ensuring value for money for commissioned services, and
- £5.0m relates to prioritisation of resources and decommissioning decisions.

We also noted on page 2 of the same report that the CCGs have now taken further steps to close the £12mn gap and in simple terms this is made up of the following elements:

- CCG Budgets review: £3m
- CCG Running costs: £2m
- Provider agreements: £7m
- Derbyshire Community Health Services NHS Foundation Trust £2m
- Derbyshire Healthcare NHS Foundation Trust - £2m
- Acute trusts - £3m

The report we submitted ahead of the meeting on the 1<sup>st</sup> of October 2018 contained significant detail of all schemes classified within the element of savings relating to prioritisation of resources and decommissioning decisions. Pages 4-22 of the report detailed the CCGs' position at that stage in relation to all projects. All other savings enabling the draw-down of portions of the Commissioner Sustainability Fund (CSF) have been made through transactional changes enacted via contract discussions and contract variations with providers, none of which have seen any change to the delivery of frontline healthcare.

Our detailed financial position has also been presented to the CCGs' Governing Body Meetings in Common, held in public, throughout this period.

I remain grateful for the ongoing dialogue with the committee and look forward to meeting again on the 21<sup>st</sup> of January 2019.

Yours sincerely



Dr Chris Clayton  
Chief Executive Officer