Section B: Strategic Report

Introduction

By Paul Maubach, Chief Accountable Officer

It is a tremendous privilege as well as a very significant statutory responsibility that our CCG has for the planning and organisation of healthcare for the people of Dudley. This is a responsibility which we take very seriously - spending over £1 million a day of public money on services which have a dramatic impact on people's lives.

Our overarching vision is to promote good health and wellbeing and to ensure high quality health services for the people of Dudley. So in carrying out our responsibilities to achieve this vision, we endeavour to work to six key principles:

1 Putting the patient, and public involvement, at the centre of everything we do. The meaningful involvement of patients and public is of paramount importance. In our first year we have put great emphasis on expanding the role and number of our Patient Participation Groups (PPGs) and forums. We have always been open and transparent in our decision-making and this annual report is part of that process, publicly explaining how we have fulfilled our statutory duties.

In the development of our Operating Plan for the next two years, and our strategy for the next five years, we are prioritising those primary and community care services that are patient-centred; that involve patients in the co-production of their care; and which recognise the importance of a mutual approach to healthcare, where we have shared rights and responsibilities to each other. This aims to both achieve best possible outcomes for each individual as well as ensure sustainable care for everyone.

2 We believe that a clinically led healthcare system offers the best opportunity to provide for lasting and sustainable healthcare for the population we serve. Ten GPs are elected by our GP membership and make up the majority of our Governing Body. We are also building relationships with the other clinicians across health and social care in Dudley to design better services for our patients.

Our CCG is a membership organisation and is ultimately funded to support those people who register with our GPs. Through the coordination that their GP provides, the public are able to best access the healthcare that they need. So our future health system will be increasingly organised around this key relationship between patient and their GP; providing a personalised service.

3 Primary Care is at our heart. The vast majority of care is either delivered by General Practice or is accessed through it. The success of primary care is therefore central to the future success of our health services locally. In this first year we put great emphasis on developing our Primary Care Strategy, in conjunction with the Dudley Health and Wellbeing Board and NHS England. We have invested in dedicated support to general practice, including education, training, peer review and performance support; and the strategy now provides a clear plan for ensuring these services can meet the very significant challenges that we face, both now and in the future.

4 Working with partners in our communities is extremely important. To that end we are investing in the capacity of our local Dudley Council for Voluntary Services (CVS) to improve working between the voluntary sector and our GPs. We are also active members of the Dudley Health and Wellbeing Board and have worked closely with Dudley Metropolitan Borough Council (MBC) to develop our locality-based approach to the national Better Care Fund initiative, recognising the need to network together our GPs, patients, community services, social care and the voluntary sector in order to better respond to the needs of different communities across our population. Ultimately we intend to redefine those services to privilege care which supports patient autonomy, health and wellbeing - particularly primary prevention.

5 We focus on quality and continuous improvement in the services that we commission. The most significant performance challenge that we have had to address in our first year has been the difficulties faced by our local A&E department in meeting the NHS constitution requirements for our population.

We undertook a very important public consultation to change the way Urgent Care is provided in

Dudley. This will result in the establishment of a new urgent care centre before the end of this next financial year, as well as other important improvements in access to GP services and in the provision of a completely new community rapid response service for our most vulnerable older patients.

6 Moving forwards, we will now be putting much more emphasis on our future model of integrated care - which will organise all relevant primary, community, mental health and social care services better around the needs of our patients.

Finally we have to be responsible with the use of public money and live within available resources. This annual report demonstrates that we have achieved this for the 2013/14 financial year. In the future, this necessitates a drive for continuous efficiency and improvement given the economic constraints we face.

Our CCG has already made some significant improvements in local healthcare and, despite the very significant economic challenges ahead, our emphasis will always be to maximise the effectiveness and availability of front-line clinical care.

"Our overarching vision is to promote good health and wellbeing and to ensure high quality health services for the people of Dudley."

History and Development

NHS Dudley Clinical Commissioning Group was authorised as a statutory body, without conditions, on April 1st 2013, a status it has maintained throughout 2013/14.

However, our journey towards clinical leadership began some significant time before. GPs in Dudley have worked together since October 2006, when Dudley Beacon & Castle and Dudley South Primary Care Trusts (PCTs) merged to form Dudley PCT. The GPs established themselves into a network of five geographical "clusters", which in turn formed Dudley Commissioning Forum, which advised and influenced the PCT management team.

When GP-led commissioning was announced as the way forward for the health service by the new Coalition Government, Dudley's GPs were well placed, experienced and eager to seize the opportunity.

By early 2011 the GP consortium in Dudley was sufficiently sophisticated to gain delegated authority as a pathfinder organisation to take on the task of commissioning hospital and some community services in Dudley. Among the key figures at this time were Dr David Hegarty, who chaired the consortium and has gone on to chair the CCG, and colleagues including Dr Steve Mann, Dr Jas Rathore, Dr Nick Plant and Dr Liz Pope. Together they shared a vision of how Dudley's health services should look and feel and the outcomes they could produce.

Dr Mann and Dr Hegarty were strong advocates of having clinical leadership at the heart of the NHS commissioning system, while Dr Rathore took lead responsibility for finance and performance issues. Dr Pope was a pioneer in improving quality and safety and Dr Nick Plant built up key and lasting relationships with partner organisations including Dudley Metropolitan Borough Council (MBC).

The excellence of this team was recognised nationally when, in autumn 2011, the newly forming Dudley CCG was named Commissioning Organisation of the Year in the annual Health Service Journal awards.

The HSJ's citation for the award summed up the success of this transitional period: "Against a backdrop of huge change, Dudley's commitment to commissioning excellence has not wavered… Judges were impressed by the breadth of commissioning excellence, and the sophisticated understanding of local health needs."

Doctors Hegarty, Rathore and Mann remain key figures in the CCG.

Dr Plant opted last year to concentrate full time on his practice, which particularly takes a key role in caring for many of our older patients in nursing homes.

Tragically Dr Pope died in November 2013 following a car accident. We are extremely proud that she was posthumously given a national Public Health award recognising her valuable work in improving services for Dudley patients - a legacy which our CCG is determined to continue.

Their successors, Dr Steve Cartwright and Dr Ruth Edwards, have taken on these key roles and work with other GPs elected by our wider GP membership to form the large part of our Governing Body.

Now, at every level within the new organisation, clinical leaders work alongside managers to create the partnership required to bring about real change and improvement in patient care.

The Population We Serve

The CCG serves patients registered with general practices located within the Metropolitan Borough of Dudley. As at April 1st 2014, 313,000 patients were registered with Dudley GPs.

Dudley is characterised by significant health outcome differences between the most and least deprived parts of the borough and bears the legacy of post industrialisation. In line with our statutory duties we have contributed to the development of the Joint Strategic Needs Assessment (JSNA) with our partners from Dudley Metropolitan Borough Council (MBC). The document is available at **http://www.allaboutdudley.info/AODB/navigation/home.asp**

The JSNA sets out a number of key messages about the nature of the population we serve and which informs our commissioning plans, in particular:

- The next two decades are forecast to see an additional 25,100 more people over the age of 65 and an extra 9,900 over 85;
- The gap in life expectancy for the least and most deprived areas of Dudley has widened, mostly due to coronary heart disease, chronic obstructive lung disease and lung cancer in men;

- The mortality rate in the 60 -74 age band is significantly higher for males;
- Nearly a quarter of deaths in the 40 - 59 age band are due to cardiovascular disease, smoking, obesity and lack of physical activity;
- Mortality from respiratory disease is significantly higher than the national average. Lower respiratory tract infection is the major condition;
- Nearly one fifth of 40-59 year olds are living with a long term limiting illness.

Our Premises

The CCG headquarters is based at Brierley Hill Health and Social Care Centre, Venture Way, Brierley Hill DY5 1RU. The building is a multi-use facility, procured through LIFT (NHS Local Improvement Finance Trust) and opened in 2010. It provides direct healthcare services to the local population through two GP practices (which merged in May 2014), along with community services, mental health services and social care. In addition, our staff with responsibility for NHS Continuing Healthcare and Intermediate Care are co-located with Dudley MBC staff at Tiled House, Tiled House Lane, Dudley.

Our Business Structure and Commissioning Activity

During 2013/14, NHS Dudley CCG employed an average of 47 staff at the two locations described above, led by the Chief Accountable Officer and working under the direction of the Board. Some business functions are provided, under contract, by the Central Midlands Commissioning Support Unit (CMCSU) and other external contractors.

We are responsible for commissioning a full range of hospital and community health services, including services for children, people with mental health problems and learning disabilities. The total value of our commissioning activity is £380,000,000 (£380 million). Our main providers are:

- The Dudley Group NHS Foundation Trust - hospital and adult community health services
- Dudley and Walsall Mental Health Partnerships NHS Trust - hospital and adult/children community mental health services
- Black Country Partnership NHS Foundation Trust - community children's services, hospital and community services for people with learning disabilities
- Ramsay Healthcare - hospital services
- Royal Wolverhampton Hospitals NHS Trust - hospital services
- University Hospitals Birmingham NHS Foundation Trust - hospital services

The External Environment

NHS Dudley CCG serves a population largely but not exclusively co-terminous with that served by Dudley MBC. Some non-Dudley residents are registered with our practices and some Dudley residents are registered with practices located in neighbouring areas. Nevertheless, sharing a common population facilitates a large degree of partnership working.

As indicated above, whilst there is a degree of choice available to patients when they wish to access services, the bulk of these are provided by three main NHS providers. The CCG has sought to create a degree of plurality through using the Any Qualified Provider (AQP) mechanism for audiology and podiatry services. Whilst this is limited, there are a number of community services where we would wish to extend choice and availability in future using AQP.

As our main local partners, Dudley Group NHS Foundation Trust, Dudley and Walsall Mental Health Partnership NHS Trust and Dudley Metropolitan Borough Council all face significant service and financial challenges. It is imperative that we are able to create an environment where these can be addressed jointly, in order to ensure we have a local health and social care economy that functions effectively and delivers good quality care. The advent of the Better Care Fund creates an added impetus for this.

Our Strategic Objectives

Our vision is to promote good health and wellbeing and ensure high quality services for the people of Dudley.

Our objectives for the next five years are:

- Effective and Efficient Care - where pathways are efficient and clinicians spend more time with those who need it

- Healthy Life Expectancy - where premature mortality and inequalities are reduced. Health and wellbeing services are at the heart of healthcare delivery
- Mutual Approach to Best Possible Outcomes - where value is quantified, individuals are autonomous and providers network around the needs of the patient
- High Quality Care for All - where services are safe; variations are minimal; care is dignified; patients are not over-treated; the system is transparent and learns and improves with the public.

Our Two Year and Five Year Plans can be viewed in a summary version within the Important Information Supplement, Section I.

Our Key Initiatives

Our Two Year and Five Year Plans describe our key initiatives and the associated enablers. The main elements of this are:

- Empowering and engaging our citizens
- Improving care pathways
- Integrating care
- Community Rapid Response Services as an alternative to ambulance intervention hospital admission
- Modern urgent care
- The systematic management of long term conditions
- Modern primary care
- Quality initiatives to reduce harm and improve outcomes
- Market shaping and development

Our plans have been the subject of patient, public and stakeholder engagement.

Joint Health and Wellbeing Strategy

In developing its plans the CCG is required to give regard to the Joint Health and Wellbeing Strategy (JHWS) produced by the Health and Wellbeing Board. This document is available at **www.dudley.gov.uk/community/initiatives/health-wellbeing/**

The CCG was instrumental in drawing up the JHWS and its five priorities of:

- Making our services healthy
- Making our lifestyles healthy
- Making our minds healthy
- Making our children healthy
- Making our neighbourhoods healthy

These are all reflected in our commissioning plans.

In January 2013, the Health and Wellbeing Board approved our plans as taking account of the JHWS. Similarly, the Health and Wellbeing Board has approved our plans for primary care and urgent care. In March 2014 it approved our Operational Plan for 2014/16.

The JHWS sets out our approach to integration at a number of levels. Our model of integrated service delivery across physical health, mental health and social care, linked to a thriving voluntary sector, is a reflection of this.

Issues identified regarding health inequalities arising from the JSNA are reflected in our plans. Our key commissioning priorities are intended to impact upon the main health inequality issues affecting the Dudley population.

One of Dudley CCG's successful Healthcare Forums

Engaging With Our Communities

Over the last year we have been meeting and talking with our patients, carers, public and communities on a number of issues. They include:

Consultation on Urgent Care

Dudley CCG's first formal statutory consultation, held October to December 2013, was around proposals to change the way Urgent Care services operate in Dudley. It was a topic that got lots of people talking and sharing opinions. At the end of the consultation, we had heard from more than 3,000 people. The proposals approved by the CCG Board included developing a new Urgent Care Centre (UCC) at Russells Hall Hospital, which would both replace and improve on the existing limited-hours Walk In facility at Holly Hall. A Project Reference Group, which includes clinicians, managers, partners and members of the public, meets every month to discuss the plans for the UCC. Regular updates are shared on our website and the infographic at **www.dudleyccg.nhs.uk/wp-content/uploads/2014/03/Infographic-Urgent-care-A3-2008.pdf** illustrates the journey so far.

Patient Participation Groups (PPGs)

We have worked with our member practices to help support and develop Patient Participation Groups. PPGs are composed of registered patients and meet regularly with practice staff to help make improvements and provide a patient perspective on how the practice works and give an opinion on the wider NHS. As an example, Coseley Medical Centre held their first PPG meeting in January and have gone from strength to strength ever since. Some of the changes they have worked together to improve include:

- Adding an extra telephone line in response to patients saying they had problems getting through to the surgery;
- Using locum GPs to hold a triage (assessment) service for young children and worried parents & carers every Monday and Friday;
- Changing the times that reception staff work so there are extra people to help out when it is busy.

Healthcare Forum

We have held four public Healthcare Forums over the past year, attended by more than 400 people. The Forums are chaired by local GPs and have discussed issues from urgent care to diabetes to the services provided by our GPs. It's a real opportunity to meet local NHS leaders and ask them questions face to face (and we always provide something to eat and a warm and friendly welcome). Our GPs really enjoy the challenge and members of the public tell us they find them "lively and interesting" and "very useful".

Patient Opportunity Panel (POPs)

Our Patient Opportunity Panel is chaired by Julie Jasper, CCG Board lay member for Patient and Public Involvement. Representatives from each of our PPGs meet up bi-monthly to share information about CCG plans and issues. It's also an opportunity to encourage PPG members to share good news stories. Meetings are usually very lively with a good level of debate. The POPs vision is to influence the CCG in its decision making, ensuring that everything we do is in the best interests of our patients, carers, public and communities. Over the next year, we will continue working with our POPs members to help them achieve their vision.

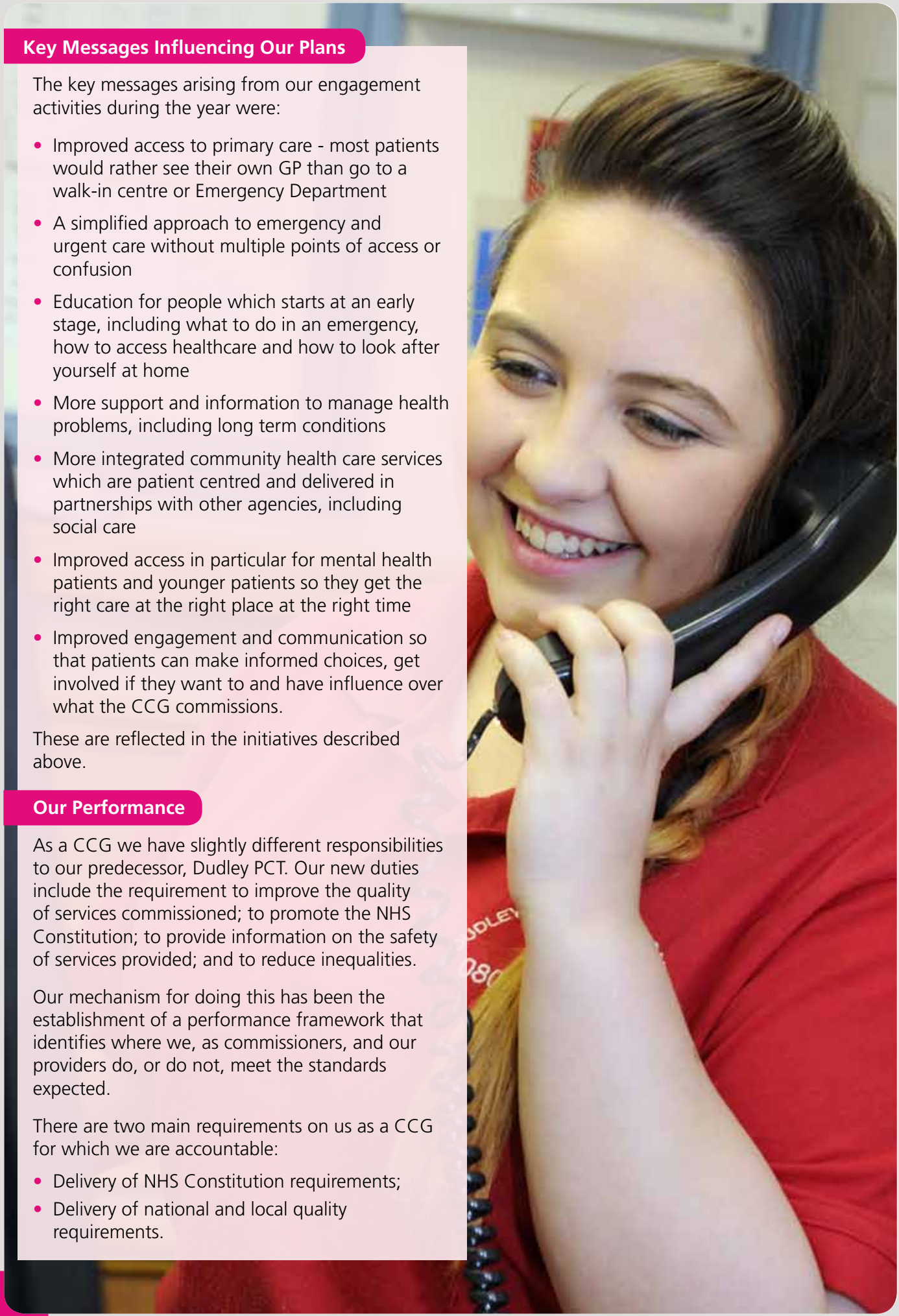
The CCG's Organisational Development Practitioner Stephanie Cartwright chats to a member of the public at a healthcare forum event

Key Messages Influencing Our Plans

The key messages arising from our engagement activities during the year were:

- Improved access to primary care - most patients would rather see their own GP than go to a walk-in centre or Emergency Department
- A simplified approach to emergency and urgent care without multiple points of access or confusion
- Education for people which starts at an early stage, including what to do in an emergency, how to access healthcare and how to look after yourself at home
- More support and information to manage health problems, including long term conditions
- More integrated community health care services which are patient centred and delivered in partnerships with other agencies, including social care
- Improved access in particular for mental health patients and younger patients so they get the right care at the right place at the right time
- Improved engagement and communication so that patients can make informed choices, get involved if they want to and have influence over what the CCG commissions.

These are reflected in the initiatives described above.



Our Performance

As a CCG we have slightly different responsibilities to our predecessor, Dudley PCT. Our new duties include the requirement to improve the quality of services commissioned; to promote the NHS Constitution; to provide information on the safety of services provided; and to reduce inequalities.

Our mechanism for doing this has been the establishment of a performance framework that identifies where we, as commissioners, and our providers do, or do not, meet the standards expected.

There are two main requirements on us as a CCG for which we are accountable:

- Delivery of NHS Constitution requirements;
- Delivery of national and local quality requirements.

We are pleased to report that the CCG, and our main providers, have had a successful year in terms of performance delivery. We describe below our performance for each indicator.

NHS Constitution

Our Performance in Achieving NHS Constitution Targets for 2013/14	Target	Achieved
Referral to Treatment times for non-urgent consultant-led treatment		
Admitted patients to start treatment within a maximum 18 weeks from referral	90%	94.16%
Non-admitted patients to start treatment within a maximum of 18 weeks from referral	95%	98.74%
Patients on incomplete non-emergency pathways (yet to start treatment) should have been waiting no more than 18 weeks from referral	92%	96.58%
Diagnostic test waiting times		
Patients waiting for a diagnostic test should have been waiting less than 6 weeks from referral	99%	99.11%
A&E waits		
Patients should be admitted, transferred or discharged within 4 hours of their arrival at an A&E department	95%	95.90%
Cancer waits - 2 week wait		
Maximum two-week wait for first outpatient appointment for patients referred urgently with suspected cancer by a GP	93%	97.44%
Maximum two-week wait for first outpatient appointment for patients referred urgently with breast symptoms (where cancer was not initially suspected)	93%	98.60%
Cancer waits - 31 days		
Maximum one month (31-day) wait from diagnosis to first definitive treatment for all cancers	96%	99.04%
Maximum 31-day wait for subsequent treatment where that treatment is surgery	94%	97.20%
Maximum 31-day wait for subsequent treatment where that treatment is an anti-cancer drug regimen	98%	100%
Maximum 31-day wait for subsequent treatment where the treatment is a course of radiotherapy	94%	99.00%
Cancer waits - 62 days		
Maximum two month (62-day) wait from urgent GP referral to first definitive treatment for cancer	85%	86.38%
Maximum 62-day wait from referral from an NHS screening service to first definitive treatment for all cancers	90%	100%
Maximum 62-day wait for first definitive treatment following a consultant's decision to upgrade the priority of the patient (all cancers) - no operational standard set	-	97.89%
Category A ambulance calls		
Category A calls resulting in an emergency response arriving within 8 minutes (Red 1)	75%	83.50%
Category A calls resulting in an emergency response arriving within 8 minutes (Red 2)	75%	73%
Category A calls resulting in an ambulance arriving at the scene within 19 minutes	95%	99%
Mixed Sex Accommodation Breaches		
Minimise breaches	0	7
Cancelled Operations		
All patients who have operations cancelled, on or after the day of admission (including the day of surgery), for non-clinical reasons to be offered another binding date within 28 days, or the patient's treatment to be funded at the time and hospital of the patient's choice.	-	0
Mental Health		
Care Programme Approach (CPA): The proportion of people under adult mental illness specialties on CPA who were followed up within 7 days of discharge from psychiatric in-patient care during the period	95%	98.70%

As can be seen, the majority of targets were exceeded but two were not achieved:

- "Category A" ambulance calls resulting in an emergency response arriving within 8 minutes - these are ambulance calls for individuals with presenting conditions which may be life threatening. The expectation is that 75% of calls are responded to within 8 minutes. The year-end position was 73%.
- Mixed sex accommodation breaches (msa) - patients who require an overnight stay in hospital have the right to expect that the stay will be in single-sex accommodation. There have been a total of seven incidents where patients were not offered this service this year. A single incident, unfortunately involving six breaches, occurred at Russells Hall Hospital. The other breach, involving one Dudley patient, occurred at Sandwell and West Birmingham Hospital, the contract for which is hosted by Sandwell and West Birmingham CCG with Dudley CCG an associate.

National & Local Quality Requirements

National and Local Quality requirements are indicators used to assess the performance of organisations from which we commission services and are included in our contracts with providers.

More than 100 indicators are monitored with our providers (see table of key targets below) and we achieved all of the required duties with the following exceptions:

Methicillin-Resistant Staphylococcus Aureus (MRSA) - there was one breach attributable to primary care in 2013/14;

Clostridium Difficile - there were 43 instances recorded at Dudley Group NHS Foundation Trust (DGFT) against a target of 38. The CCG recorded 108 instances, against a threshold of 84.

Referral to Treatment waits over 52 weeks - one patient waited longer than 52 weeks at Barts Health NHS Trust. The Dudley patient attended under a non-contracted activity clause.

Ambulance handovers - there are two targets for ambulance handovers relating to waiting less than 30 and 60 minutes. Dudley Group NHS FT had 3,059 handovers which took longer than 30 minutes, and 313 taking longer than 60 minutes.

Accident & emergency performance at Dudley Group NHS FT - the CCG met its target for ensuring patients waited less than four hours in urgent care facilities, which included activity at the Holly Hall Walk Centre (achieving 95.9%). However, Dudley Group NHS FT did not, achieving 93.8% as at 31 March 2014.

Indicator	Source of Information	Standard	Issue	Mitigating Action(s)	Governance
Ambulance Response times Category A (Red 2)	West Midlands Ambulance Service (WMAS Performance site)	NHS Constitution Category Red 2 Ambulance calls are those with presenting conditions which may be life threatening but less time critical than Red 1 category calls and should receive an emergency response within 8 minutes irrespective of location in 75% of cases."	West Midlands Ambulance Service has failed to meet the National Standard in 2013/14.	In particular Dudley CCG has commissioned a Community Rapid Response Team which will assess lower urgency Ambulance calls and provide appropriate alternatives to an Ambulance conveyance to hospital. Furthermore, urgent care delivery in Dudley will undergo a significant redesign in 2014/15 resulting in a new Urgent Care Centre, co-located with Russells Hall Hospital. The aim of this redesign is to reduce the current demand pressures on the Russells Hall Hospital Emergency Department, delivering a number of benefits including enhanced capability to reduce Ambulance turnaround and crew readiness times which in turn will result in greater Ambulance availability for responses in all call categories, including Red 2 calls.	The West Midlands Ambulance Service is commissioned by a number of Clinical Commissioning Groups in the West Midlands. Dudley CCG are working closely with the Coordinating Commissioner (Sandwell & Birmingham CCG) to resolve the Category Red 2 underperformance. The Provider is held to account on behalf of patients at the monthly West Midlands Ambulance Service Contract Review Meeting and the monthly Commissioner Collborative Forum. Performance is reported and reviewed internally at the monthly Dudley CCG Finance & Performance Committee.
Mixed Sex Accommodation Breach - Secondary Care	Unify2	NHS Constitution: Minimise breaches and zero tolerance to breaches within the Standard NHS Contract.	There were six MSA breaches at Dudley Group NHS FT, relating to a single incident involving six patients. In addition, one Dudley registered patient was affected by an MSA breach in another provider trust in the West Midlands.	Dudley CCG continues to challenge the performance of all providers of secondary care in the region on this issue, particularly Dudley Group NHS FT. It challenges neighbouring providers using the methods described under Governance.	Monthly collaborative forum meetings are held involving representatives of all CCGs in the region to communicate and agree any performance measures to be enacted for any breach against any provider.
Methicillin-Resistant Staphylococcus Aureus (MRSA)	UNIFY2 and Monthly Health Protection Agency Report	National Quality Requirement in the Standard NHS Contract Zero tolerance to Healthcare Aquired Infection for MRSA.	1 case of MRSA occurred at Dudley Group NHS Foundation Trust	Dudley CCG continues to challenge the performance of the provider of secondary care using the methods described in the 'Governance' column.	Each breach is reviewed at the monthly Clinical Quality Review Meeting with the Provider. Performance is reported and reviewed internally at the monthly Dudley CCG Quality & Safety Committee.
Clostridium Difficile	UNIFY2 and Monthly Health Protection Agency Report	National Quality Requirement in the Standard NHS Contract National limits set for both the local Secondary Care Provider and Dudley Primary Care (38 and 84 respectively)	Dudley Group NHS Foundation Trust had 43 cases (+5 against the limit) and in Dudley Primary Care there were 108 cases (+24 against the limit)	Both the Acute Provider and the CCG devised Action Plans earlier in the year when the threshold trajectory demonstrated the probability of exceeding the limit. These action plans and associated implementations are reviewed at least quarterly in line with the arrangements described in the 'Governance' column. The advice and support of the Dudley Office of Public Health regarding all healthcare acquired infection will continue to be utilised systematically.	Clostridium Difficile performance is reviewed at the monthly Clinical Quality Review Meeting with quarterly updates on progress against the Action Plan with the Provider. Performance is reported and reviewed internally at the monthly Dudley CCG Quality & Safety Committee. This Committee also reviews Primary Care performance on Clostridium Difficile.

Indicator	Source of Information	Standard	Issue	Mitigating Action(s)	Governance
Referral to Treatment waits over 52 weeks.	UNIFY2	National Quality Requirement in the Standard NHS Contract Zero tolerance to > 52 week waits.	Although Dudley Group NHS Foundation Trust did not have under their care any patient waiting longer than 52 weeks from referral to treatment, one Dudley patient experienced a longer than 52 week wait at another secondary care provider.	Dudley CCG will continue to challenge other provider trusts outside of the Dudley area where care for Dudley patients has not met a national quality requirement through the monthly West Midlands Collaborative Forum.	Reviewed, and performance managaed through the monthly West Midlands Collaborative Forum.
Ambulance Handovers	West Midlands Ambulance Service (WMAS Performance site)	The National Requirement for Ambulance Handovers has been split into two tiers for the purposes of applying differentiated financial penalties.	Dudley Group NHS Foundation Trust incurred 3,059 Ambulance Handovers taking longer than 30 minutes but less than 1 hour and 313 which took longer than 1 hour to complete.	One aim of the Dudley CCG plan for the redesign of urgent care is to reduce the number of ambulance conveyances; another is to alleviate current demand pressure on the Russells Hall emergency department. Both these interventions will help improve ambulance turnarounds in Dudley.	Breaches are reviewed and performance managed at the monthly Contract Review meeting with the Provider; reported and reviewed internally at the monthly Dudley CCG Finance and Performanec Committee.
Improved Access to Psychological Therapies	UNIFY2 for Dudley & Walsall Mental Health Trust, local reporting for Black Country Partnership Foundation Trust and Big White Wall	National Quality Requirement in the Standard NHS Contract - CCG stretch targets ratified nationally.	Dudley CCG have three providers with the capability to offer patients psychological therapies. Performance to January 2014 is 94.7% of the requirement.	Dudley CCG requires a further 275 new therapies initiated in month 12 in order to meet the required target. The average count of new therapies thus far has been 447 per month therefore the projected year end figure is 5,372 new therapies, or 3% greater than the target.	Reviewed at the monthly Contract Review meetings with Providers; reported internally through the monthly Dudley CCG Finance and Performance Committee.
Accident & Emergency Performance at Dudley Group NHS Foundation Trust - 4 hour waits	UNIFY2	National Quality Requirement in the Standard NHS Contract - 95% of patients seen within 4 hours.	Although overall, Dudley registered patients have experienced A&E wait times less than 4 hours on average at all Providers they attended; Dudley Group NHS Foundation Trust did not meet the 4 hour wait standard.	The strategy to improve this performance in 2014/15 and beyond is largely twofold: · Improved operational optimisation of managing the current demand to Dudley Group NHS Foundation Trust A&E department, by implementing actions derived from a range of expert consultations such as the NHS Intensive Support Team. · Interventions designed to channel current demand flow more effectively and efficiently. The implementation of the Rapid Response Team and the extensive redesign of urgent care will facilitate these improvements.	Reviewed at the monthly Contract Review meetings with Providers; reported internally through the monthly Dudley CCG Finance and Performance Committee.

Responding to the Performance Challenge

There are specific performance challenges from 2013/14 that we will continue to progress in 2014/15 in relation to:

1. **Emergency Department (ED) 4 hour wait**
2. **Referral to Treatment times for Urology, ENT, Trauma and Orthopaedics, Oral Surgery and Neurology**
3. **Waiting times for some community services, including physiotherapy, phlebotomy and counselling**

Specific initiatives identified below are designed to address these as follows:

1. Emergency Department 4 hour wait

The ED 4 hour wait remains the biggest challenge to the health and social care system. In response to this the CCG will take action that deals with the current performance issues and ensures that the system is capable of sustaining performance in the future. In terms of dealing with the immediate issue, we will continue to invest in measures to tackle winter pressures and reinvest penalties levied on Dudley Group NHS FT for the following purposes:

- Establish a clinical support team consisting of internal and external support to deliver the activities identified below
- Implement twice daily ward rounds
- Ensure all patients whose in-patient assessment and treatment is completed should be ready for discharge by 10am and discharged by 1pm
- Establish an agreed pathway with associated protocols to facilitate direct access from GP and community services into appropriate services for the frail elderly
- Perfect weekend pilot to operate monthly for 6 months, with continuous audit and evaluation, leading to recommendations for whole system improvement for 7 day (especially weekend) working
- Redesign specification for admission and assessment units linked to the design of a new urgent care centre
- Sustained performance will be achieved through our redesign of urgent care and the implementation of our new community rapid response service

2. Referral to Treatment Times (18 weeks)

Improving Referral to Treatment time performance is a key requirement for our main provider Dudley Group NHS FT. The CCG has tasked the hospital trust to present an action plan to tackle the issue in the first quarter of 2014/15. It should be noted that historically our Referral to Treatment time targets have always been met.

3. Community Services

Improving waiting times for community services will be achieved through the use of the Any Qualified Provider (AQP) procurement mechanism.

Other Key Targets

Our contracts for 2014/15 are designed to ensure that all NHS Constitution targets are met. We continue to work with our partners in the health economy to deliver the improvements for our patients and expect to see these continue into the new financial year.

Our contracts for 2014/15 are constructed on the basis of all key performance requirements being met. Key targets in our future plans include:

- 3.5% reduction in the potential years of life lost per annum from 2,087 per 100,000 in 2012/13 to 1,685 per 100,000 in 2018/19
- 70 in 100 people in 2012/13 reporting improved health status, to 74 in 100 in 2018/19
- Improve the diagnosis rate for hypertension by 1% (552 cases) by 2015/16
- Improve the rate of correct diagnoses of dementia from 46% at March 31st 2014 to 67% by March 31st 2015
- Improved recording of disease in primary care registers, particularly for heart failure, hypertension and chronic kidney disease
- Avoidable emergency admissions to be reduced from 8,142 to 8,013 by 2018/19
- Increase the number of people still at home 91 days after discharge from 86% at March 2013 to 90% by March 2016
- Zero tolerance of grade 4 pressure ulcers, no increase in number of grade 3 pressure ulcers and a reduction in grade 2s
- Zero tolerance of MRSA
- C-diff annual cases to be reduced from 117 to 108 cases by March 2015.
- An improvement in the productivity of elective activity by 20% over the next two years. This will be achieved by the redesign of clinical services and more efficient pathways in acute settings.

Financial Review

CCGs have a number of financial duties under the NHS Act 2006 (as amended). We also have local financial duties to achieve. As custodians of over £380m of public money, we are pleased to report that in its first year of operation the CCG has achieved all statutory and local financial duties.

Performance against our duties was as follows:

2013/14 Performance:	Target	Actual
Statutory duties:		
Expenditure not to exceed income	£5.4m surplus	£5.4m surplus
Capital resource use does not exceed the amount specified in Directions	Break even	Break even
Revenue resource use does not exceed the amount specified in Directions	£5.4m surplus	£5.4m surplus
Capital resource use on specified matter(s) does not exceed the amount specified in Directions	Break even	Break even
Revenue resource use on specified matter(s) does not exceed the amount specified in Directions	Achieve	Achieved
Revenue administration resource use does not exceed the amount specified in Directions	Achieve	£54k surplus
Non-statutory duties:		
Better Payment Practice Code: NHS	95%	98.03%
Better Payment Practice Code: Non-NHS	95%	97.21%
Cash drawdown target	Achieve	Achieved
QIPP programme (Quality, Innovation, Productivity & Prevention)	£5.32m	£5.46m

We also have a responsibility to meet the expected duties of NHS England, which aim to assess the CCG's financial performance and long-term financial viability. The outcomes for 2013/14 are described below (the G, or Green, rating indicates all targets have been achieved)

1	Underlying recurrent surplus on exit of 2013/14	**G**
2	Plan - year to date (variance to plan as % of YTD allocation)	**G**
3	Plan - full year (variance to plan as % of allocation)	**G**
4	Management of 2% NR funds within agreed processes	**G**
5	QIPP delivery	**G**
6	Running costs	**G**
7	Financial plan meets the 2013/14 surplus planning requirement	**G**

The CCG entered its first year with a robust financial plan and financial model inherited from Dudley PCT.

However, a significant financial risk became apparent early in the year due to uncertainty regarding the impact of the transfer of budgets between new NHS organisations for the funding of specialised services.

This was successfully negotiated with NHS England and, whilst the CCG was financially affected, the outcome was beneficial and provided stability for the CCG to begin to invest in services over the latter part of the year.

In 2013/14 the CCG spent £374.2m. This is a reduction of £12.7m (3.3%) compared to the delegated budget in 2012/13 when we operated in shadow form as part of the PCT. This is mainly due to the transfer of funding for specialised services to NHS England.

Our budget is split into programme spend (to purchase healthcare) and administrative spend (to fund the management/running costs of the CCG). The CCG achieved a surplus on its programme budget (£371.9m) of £5.4m, and achieved a surplus on its administration cost budget (£7.7m) of £54,000.

The most significant cost pressure arising during the year was over performance on our contracts for acute hospital services. The main areas of over performance were at Dudley Group NHS FT, Ramsay Healthcare and the University Hospital Birmingham NHS FT:

- Dudley Group NHS FT- there has been an increase in emergency musculoskeletal, gastroenterology and vascular activity in 2013/14. The over performance in vascular activity was largely due to Dudley Group NHS FT becoming the hub provider for the Black Country area. There are further overspends within outpatients for rheumatology, urology and diabetic medicine.
- Ramsay Healthcare - elective activity with this private sector provider has continued to increase over the last couple of years, mainly within the gastroenterology, trauma and orthopaedic specialties.
- University of Birmingham Hospitals - over performances have occurred in emergency activity for the multiple trauma and musculoskeletal specialties.

The CCG's QIPP (Quality Innovation, Productivity and Prevention) plan for the next five years features a review of the patient pathways for musculoskeletal activity to improve performance. Pathway analysis and effective triage will ensure that every outpatient attendance adds value to the patient's journey. Investment in the Community Rapid Response Service and the Urgent Care Centre will reduce unnecessary admissions and improve the patient flow through the emergency department at Dudley Group of Hospitals NHS Foundation Trust.

Investing in health: New initiatives in 2013/14

During 2013/14 the CCG invested in a number of new key initiatives as well as additional support for maintaining in-year performance, such as:

- Investing in the establishment of our new integrated model of care, to better design health and wellbeing care around the needs of our population
- Developing our new pathway of care for cardiology to significantly improve the outcomes and efficiency of the service provided to patients
- Supporting the development of primary care, including improving access to services and piloting the productive practice programme
- Investing in the development and expansion of our Patient Participation Groups and public forums
- Making innovation funds available to our member practices through their localities, which has resulted in practices working together on integrated working to improve the quality of primary care
- Working with the voluntary sector as part of the national Building Healthy Partnerships initiative. This has resulted in the production of a Community Information Directory for all our GP practices and partner agencies and the development of a means by which we can empower individuals to test commissioning interventions on their lives
- IT and technologies, including the adoption of mobile technologies for primary and community staff and the mobilisation of all GP practices onto one IT system
- Funds to part cover the costs of new Urgent Care services
- Innovative schemes such as PSIAMS - a tool to empower individuals to assess the impact of commissioning interventions on them; social prescribing; and support for developing our Patient Participation Groups
- Providing substantial funds for secondary care and social care to maintain performance and access to urgent care services over the winter.

As part of ensuring we achieve financial balance, we were required to deliver savings of £5.3m. This was achieved, in part, by managing expenditure

on primary care prescribing, changing the way in which oncology care is provided in the community and reducing the length of a patient's stay in hospital. This level of saving was required to enable us to free the resource to invest in the services described above.

Our Full Annual Accounts for the year are found in Section H.

The accounts have been prepared under a Direction issued by the NHS Commissioning Board under the National Health Service Act 2006 (as amended). There have been no doubts expressed by our external auditors about the viability of the CCG as a going concern.

Resources Available to the CCG

The CCG will begin the financial year 2014/15 with a revenue budget of £384.0m. This consists of £376.3m to spend on the purchasing of healthcare for our population and £7.6m for our management costs to support the delivery of the objectives contained in our Two Year Operational Plan and Five Year Strategy.

We have developed our organisational structure to gain best value from our management cost allowance to ensure we deliver our organisational objectives. This is based upon adequate clinical resource to direct our strategy; effective, resilient internal resource to support our clinicians in delivering our objectives; supplemented by services procured from external organisations. Such organisations, including NHS commissioning support units and private sector specialists, can provide expertise not available within existing internal resources or provide services at scale, thus proving to be more cost effective.

This is supplemented by an overarching organisational development plan that ensures that the CCG, including our membership practices, partners and providers work effectively to achieving the strategic aims of the CCG.

Risk Management

The principal risks facing the CGC at the end of the year are:

- Failure of a main provider due to financial pressures would result in inadequate care for the local population;
- The delivery of efficiency savings could impact on the drive for quality in health care;
- Failure to deliver significant QIPP targets in 2014/15 and 2015/16 would put the future financial stability of the CCG at risk;
- Performance issues with the delivery of the C Difficile incidence and other Local and National Targets by the local provider reduces the Quality Premium payment the CCG receives, with the consequent financial and reputational impact.

We have a robust Board Assurance Framework and risk management process whereby all risks are delegated to and managed by the responsible committee, reporting by exception to the Board. The Audit Committee has oversight of the risk management process and provides assurance to the Board. The risks identified above are those with a red risk rating as at March 31st 2014.

As can be seen, the main risks are either financial, environmental or with our providers. The financial environment in which we will be operating for the next five years will have a significant impact on bodies within the local health economy, and in particular our main providers of health and social care. Our strategic plan is dependent upon sustainable providers to deliver the service change we require.

We will maintain active control of such issues to ensure they do not materially impact on the health of our population.

Sustainability

Sustainability has become increasingly important as the impact of people's lifestyles and business choices are changing the world in which we live. We acknowledge our responsibility to our patients, local communities and the environment by working hard to minimise our footprint. This, however, is our first year of operation. Whilst we wholly believe in, and intend to respond to, the challenges set for us by the Sustainable Development Unit, at this point in time we are still working with our partners in NHS Property Services to establish and deliver the mechanisms by which we can record and report on our baseline position and subsequent achievement of our set goals.

Equality and Diversity

The CCG is compliant with the Public Sector Equality Duty set out in the Equality Act 2010. We published a Transitional Strategy for Equality and Diversity for 2013/14, and this will be

refreshed in May 2014. The Strategy outlines the CCG's approach to meeting its duties under the Equality Act and the Human Rights Act. The CCG has endeavoured to embed a human rights approach to the way that it commissions services and in its role as an employer.

The CCG has ensured that it seeks to eliminate discrimination, harassment and victimisation by having a suite of policies embedded within the organisation that prohibit such behaviours. Again, living by our values, the organisation as a whole seeks to champion a diverse workforce, and this extends to our Board and our Committees. We particularly embrace a diversity of religious belief and provide a specific area and time for people to pray should they wish to do so.

Through our workforce performance dashboards we monitor and report regularly to our Remuneration Committee on the gender, race, age and skill mix of our workforce to ensure we are promoting a diverse workforce at all levels.

Any breach of conduct in relation to equality and diversity is taken very seriously. There are stringent HR policies in place that would be applied to address any issues that may arise.

The age/gender breakdown of our governing body, as at March 31st 2014, was as follows:

- 12 Male; 7 Female. Of the 19 Governing Body members, three are managers (two male, one female). Two of those managers are designated as Very Senior Managers. No other CCG employee has a VSM designation.

The age/gender breakdown of all other employees was:

- 13 Male; 37 Female

Looking Ahead

As the 2013/14 financial year drew to a close we constructed our financial plans for the next five years. We are facing a period with limited investment in the NHS and social care sector and it is incumbent on us to ensure that the services we buy for our population are efficient, deliver value and are in line with our strategic plan.

We will only be able to achieve our plans by continuing to work closely with our partners, including Dudley MBC and Dudley Group NHS FT to achieve maximum use of the health budget in Dudley.

We believe, however, that as we continue in a period of financial restraint the CCG is well positioned to improve the health and well-being of the local population.

Signed by Mr Paul Maubach, Chief Accountable Officer, on behalf of NHS Dudley Clinical Commissioning Group, on June 3rd, 2014