

# Health and Adult Social Care Scrutiny Committee

## 11 July 2024

### Achieving Financial Sustainability in the NHS

#### Report of the Statutory Scrutiny Officer

#### 1 Purpose

- 1.1 To scrutinise the proposals for changes to commissioned services to achieve a balanced budget within NHS organisations by the end of March 2026.

#### 2 Action required

- 2.1 The Committee is asked:

- 1) to make any comments or recommendations in response to the report from the NHS Nottingham and Nottinghamshire Integrated Care Board (ICB) on the current financial position of the local NHS and the plans to achieve financial stability over the next two years;
- 2) to consider whether any further scrutiny of the issue is required (and, if so, to identify the focus and timescales); and
- 3) to consider whether the previous decommissioning of the Centre for Trauma, Resilience and Growth as of 8 May 2023 should be referred to the Secretary of State on the grounds that a substantial change has been made to a commissioned service without an appropriate consultation process having been carried out.

#### 3 Background information

- 3.1 The NHS is increasing spend in Nottingham and Nottinghamshire for 2024/25, but the demands on health and care services are rising. This means that all partners in the local Integrated Care System must work together to transform the way that health and care services are delivered across the area.
- 3.2 The pressures on NHS budgets are being experienced nationally and are caused by increased demand (as the local population is growing, along with the number of people suffering serious ill health for longer periods); increased staffing (as there has been an increase of 24% in permanent staff at the Nottingham University Hospitals NHS Trust, the Sherwood Forest Hospitals NHS Foundation Trust and the Nottinghamshire Healthcare NHS Foundation Trust since April 2019); inflationary costs (as the cost of prescribed medicine and providing care in peoples' homes and other settings has increased); and industrial action (as there has been an ongoing requirement to pay for additional staff to cover urgent and emergency care).

- 3.3 As part of the work to ensure that local NHS organisations operate within their budgets by the end of March 2026, all services are being reviewed to ensure that they are having the right impact while being affordable. There is a focus on increasing productivity and efficiencies in the way that services are provided, and on ensuring that the best use is made of the existing workforce and facilities.
- 3.4 Services have been considered under six overall domains (Standardisation and Consolidation, Benchmarking, Amending Service Offer, Service Improvement, Provider Delivery and Decommissioning) to ensure that the cumulative service impact is minimised. This will be done by working with clinicians to check that there is no duplication of services and that services offered are evidence-based and demonstrably beneficial to patients. If services are identified that do not provide improved health outcomes or value for money, they will be changed or expenditure reduced accordingly.
- 3.5 There is commitment from all system partners to work more collaboratively to transform the way in which service users are supported. Specifically, there is an intention to review how services can be organised in a more joined-up and efficient way that works better for people who use them, while also reducing operational costs. Efforts will also be directed towards the amount of money spent on prescription drugs and supporting healthcare professionals in selecting the most appropriate medications, particularly as more affordable generic versions become available.
- 3.6 A summary of the proposed changes is set out in the ICB's report, with details of the various savings and efficiency schemes and opportunities. This report was initially intended to be brought to the Committee on 13 June 2024, but was deferred at the request of the ICB due to this meeting falling within the period of pre-election sensitivity ahead of the General Election called on 22 May 2024 for 4 July 2024. It was not possible to publish this report with the rest of the Committee's agenda on 3 July 2024 for the same reason, so it was published as a supplement to the agenda on 5 July 2024, following the conclusion of the General Election.
- 3.7 The Chair wrote to the ICB on 10 June 2024 to seek assurance that the delay to the report coming to the Committee due to the calling of the General Election would result in an appropriate pause to the decision-making process before any changes are decided upon and implemented, and the letter and its response are included.
- 3.8 On a connected commissioning matter, the Committee reviewed access to psychological therapy services by Nottingham residents at its meeting on 16 May 2024, with a particular focus on the Step 4 provision delivered by the Nottinghamshire Healthcare NHS Foundation Trust. During the discussions, the Committee became concerned regarding information that the Centre for Trauma, Resilience and Growth had been decommissioned as of 8 May 2023 – and, although related services were now being delivered through the wider Secondary Care Psychological Therapies Pathway via Step 4, this provision

was not substantively the same as that which had been available through the Centre.

- 3.9 The Committee received additional information from the ICB in relation to the closure of the Centre on 31 May 2024. Following careful consideration and further engagement, the Chair wrote to the ICB on 2 July 2024 to say that the Committee would formally consider whether this case should be referred to the Secretary of State on the grounds that a substantial change had been made to a commissioned service without an appropriate consultation process having been carried out, and this letter is also included.

#### **4 List of attached information**

- 4.1 Report: Achieving financial sustainability in the NHS

#### **5 Background papers, other than published works or those disclosing exempt or confidential information**

- 5.1 Letter from the Chair of the Health and Adult Social Care Scrutiny Committee to the Chief Executive of the ICB (10 June 2024) regarding Changes to Commissioned Services, and the ICB's letter in reply (13 June 2024)
- 5.2 Letter from the Chair of the Health and Adult Social Care Scrutiny Committee to the Chief Executive of the ICB (2 July 2024) regarding the Centre for Trauma, Resilience and Growth

#### **6 Published documents referred to in compiling this report**

- 6.1 Reports to, and Minutes of, the Health and Adult Social Care Scrutiny Committee meeting held on [16 May 2024](#)

#### **7 Wards affected**

- 7.1 All

#### **8 Contact information**

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