

16 October 2015

Dear colleague

We are writing to you all, as members of Wiltshire Clinical Commissioning Group, about the very serious financial position of the CCG and the wider Wiltshire health economy. The Clinical Chairs and Deputy Chairs of each of the CCG's localities will have shared with you, I'm sure, the fact that our financial situation is dire. We are writing to you now to emphasise this, to let you know what help we need from you, and to outline the potential impact our position will have going forward in this year and beyond into 2016/17.

The past year has been one of the most difficult faced by the NHS in recent times, with the continued effects of a funding squeeze alongside ever increasing amounts of demand for acute and non-acute services. In Wiltshire, particular pressure has come from planned care activity (both areas of demand growth and some non-referral growth pressures) and the increased spend in primary care prescribing.

This local pressure means that as a CCG, we have notified NHS England that we will miss our financial target by £4.8m in 2015/16 and on current planning assumptions will have a funding gap of approximately £23m in 2016/17.

As a result, NHS England has requested a Financial Recovery Plan to be produced by the middle of October which will focus on two areas, these being:

- Improvement of the in-year financial position
- Recovery actions to ensure financial sustainability in 2016/17 and 2017/18

The CCG has two months in which to provide evidence that actions are being delivered in order to improve performance against these two elements. The seriousness of this situation cannot be overstated. Failure to achieve the financial recovery will result in placing our CCG into "turnaround", including external intervention into our local health system in order to recover the financial position. The impact will affect us all – from the way we contract with our acute hospitals to the way the CCG contracts services from you, our GP colleagues in primary care.

Very simply, NHS Wiltshire CCG cannot continue to fund the excess demand that is being experienced. Our system is over trading and it will have to shrink in order to fit within the financial envelope we receive. The actions we have already taken to address the position are as follows:

- In the last week, we have capped the amount of planned care activity that Wiltshire CCG purchases from hospital providers and we have increased the number of procedures that the CCG no longer fund.

- The CCG is considering establishing pre-referral clinics in order to ascertain whether a patient really needs acute care intervention.
- We are investigating the options for rebates from the pharmaceutical industry against drugs already being used
- We will need to agree with providers the delivery of NHS constitutional targets, such as the 18 week Referral To Treatment target, within the activity volumes already commissioned in contracts.
- We will also need to enforce contractual terms more stringently including adherence to existing clinical policies and local prices.

We would like our GP Practices to support us with:

- **We are currently looking to place further controls to ensure that acute clinicians engage with primary care before deciding on a course of clinical intervention**
- **We are reviewing the repeat prescription ordering process, working with practice pharmacists already in place, community pharmacists, care homes and practice prescription clerks as well as providing messages to the public to raise awareness of only ordering prescriptions when necessary**
- **We are reviewing the use of branded generics to maximise value against NHS spend**

Further specific details will follow very shortly.

Whatever the outcome, the CCG will need to prove to NHS England that along with our ongoing transformation programme we are also impacting on all areas of expenditure, including Primary Care.

Over the course of the next two months we will be engaging with you, as members of our CCG, to work out other plans which will continue to help us to reduce the levels of clinical intervention, share risk and ensure that Wiltshire's NHS services fit within the funding envelope provided by the Department of Health. Failure to respond to these intentions will result in difficult and prolonged financial decisions and contractual negotiations for 2016/17 as well as threatening the sustainability of existing services. I therefore hope you will work with colleagues from across Wiltshire CCG in ensuring that we can resolve the financial challenges facing us all in the local NHS system. We would hope to continue keeping people out of hospital, whilst supporting our acute colleagues and maintaining an autonomous organisation.

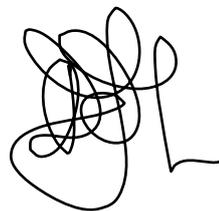
I am sure there will be more debate on this subject and that the coming months are going to be uncomfortable. However, it is only with your support and collaboration that we will be able to achieve financial balance and a sustainable future. Please don't hesitate to contact either of us if you would like to discuss matters in more detail and in the meantime, we will keep you informed about the situation and our joint progress.

Thank you for your continued support.

Yours sincerely



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Wiltshire Clinical Commissioning Group



Dr Peter Jenkins
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