

CCGs' response to a point raised at NHOSC on 7 December 2017 about proportion of CCG funding for Norfolk & Suffolk NHS Foundation Trust

At NHOSC on 7 December 2017 a Member made a point about the figures in CCGs' and Norfolk and Suffolk NHS Foundation Trust's (NSFT) reports to the Committee regarding NSFT's reducing share of CCG expenditure and the increase in referrals to its services in the corresponding period. The representative from the CCG asked for the details, which involved analysis of the figures in the reports, to be put in writing and offered to provide a written response after the meeting. The councillor's point and the CCGs' response were included in the January 2018 NHOSC Briefing and are shown below:-

Point raised at NHOSC on 7 December 2017

[NHOSC 7 Dec 2017](#) agenda document pack , page 70, second column "% of CCG expenditure"

Although it looks as though the reduction in % share isn't that much, it shows a different picture when you compare reduction by CCG area. When we are talking about a £200+ million budget, then small reductions can actually represent a lot in cash terms.

I calculated the reduction as by what % the NSFT share had reduced by

So:

South Norfolk

2013/14 - 7% share of CCG expenditure

2017/18 - 6.5% share of CCG expenditure

% drop of NSFT share 7.1%

Norwich

2013/14 11.3%

2017/18 10.1%

% drop 10.6%

North Norfolk

2013/14 7.5%

2017/18 6.9%

% drop 8 %

GYW

2013/14 9.6%

2017/18 6.9%

% drop 8.3%

West Norfolk

2013/14 6 %

2017/18 5.8%

% drop 5%

So NSFTs reduction in their share of the Norfolk CCG mental health budget is 8.3% overall.

I then compared this with the information provided by NSFT on page 30. Although there has been an increase in actual cash of 3.2%, this is against the backdrop of the above described decrease in NSFTs share of the overall CCG budget. There has been a 48% increase in referrals to NSFT. So by my calculation demand has increased at 15 times the rate that funding has. It's surely unarguable that that is a real terms cut?

The commissioner said that they "have not disinvested from NSFT". I cannot square that statement with the evidence which was presented to us today. The evidence seems clear that NSFT share of CCG budget has reduced in every single CCG area.

There is no evidence that specialist / secondary mental health spend has simply been diverted to other providers meeting the needs of this population. The other columns (Norfolk county council, voluntary sector, other nhs providers) on page 70 so no equivalent uplift.

CCGs' response

Parity of Esteem, and calculating CCG expenditure on NSFT as a % of the CCGs overall budget does not mean CCGs have cut NSFT costs as the email below states. Normally when statistically comparing figures we would not use unrelated percentages.

CCGs have invested considerably in mental health, see below, and have met our parity of esteem requirements. The fact that we are obliged to invest in new services elsewhere doesn't mean there needs to be a corresponding increase in NSFT expenditure.

MH Expenditure - total of core Mental Health Cost Centres £'000s						Year on Year Expenditure Growth				
	1314	1415	1516	1617	1718 FOT	1415	1516	1617	1718 FOT	1314 v 1718
North Norfolk	18,804	19,020	19,926	20,339	21,778	1.1%	4.8%	2.1%	7.1%	15.8%
South Norfolk	20,462	20,656	22,067	23,243	25,309	0.9%	6.8%	5.3%	8.9%	23.7%
Norwich	28,858	29,157	30,810	31,614	32,362	1.0%	5.7%	2.6%	2.4%	12.1%
West Norfolk	16,809	16,731	16,494	17,359	17,843	-0.5%	-1.4%	5.2%	2.8%	6.2%
GYW	34,063	33,878	34,270	35,873	37,268	-0.5%	1.2%	4.7%	3.9%	9.4%
Total	118,996	119,442	123,567	128,428	134,560	0.4%	3.5%	3.9%	4.8%	13.1%

Note £1,300 estimated Roundwell cost transferred from Norwich CCG to South Norfolk CCG in 2017/18 to show a like for like comparison

	NSFT Block Contract £'000s					Year on Year Expenditure Growth				
	1314	1415	1516	1617	1718	1415	1516	1617	1718	1314 v 1718
North Norfolk	15,093	15,099	15,081	15,185	16,197	0.0%	-0.1%	0.7%	6.7%	7.3%
South Norfolk	15,958	15,948	16,237	16,267	17,721	-0.1%	1.8%	0.2%	8.9%	11.0%
Norwich	23,803	23,811	24,374	24,470	26,011	0.0%	2.4%	0.4%	6.3%	9.3%
West Norfolk	12,719	12,766	12,321	12,841	13,680	0.4%	-3.5%	4.2%	6.5%	7.6%
GYW	24,761	27,546	27,159	27,613	28,811	11.2%	-1.4%	1.7%	4.3%	16.4%
Total	92,334	95,170	95,172	96,376	102,420	3.1%	0.0%	1.3%	6.3%	10.9%