

**North East Lincolnshire CCG**

Attachment 14

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| **Report to:** | NEL CCG Partnership Board |
| **Presented by:** | Helen Kenyon |
| **Date of Meeting:** | 15th Jan 2015 |
| **Subject:** | Commissioning and Contract Report |
| **Status:** | OPEN  CLOSED |
| **Agenda Section:** | STRATEGY  COMMISSIONING OPERATIONAL ISSUES |

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| **OBJECT OF REPORT** |  |
| To keep the board up to date on key pieces of work undertaken by the CCG in relation to Commissioning and contracting activities | |

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| **STRATEGY** |  |
| The CCG is a commissioning organisation and as such the Board need to kept abreast of the specific items being taken forward to deliver the overall strategy | |

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| **IMPLICATIONS** |  |
| If this report were not produced the implication could be that the partnership Board is not sufficiently aware of the key actions being undertaken by its Care Contracting Committee & CCG staff in relation to commissioning and contracting. | |

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| **RECOMMENDATIONS (R) AND ACTIONS (A) FOR AGREEMENT** | | |
|  | To note the information about the issues raised in the report | **Agreed?** |
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|  |  | **Yes/No** | **Comments** |
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|  | Does the document take account of and meet the requirements of the following: |  |  |
| i) | Mental Capacity Act | N |  |
| ii) | CCG Equality Impact Assessment | N |  |
| iii) | Human Rights Act 1998 | N |  |
| iv) | Health and Safety at Work Act 1974 | N |  |
| v) | Freedom of Information Act 2000 / Data Protection Act 1998 | N |  |
| iv) | Does the report have regard of the principles and values of the NHS Constitution?  [www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH\_113613](http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_113613) | Y |  |

**Commissioning and Contract Report to December 2014**

1. **Northern Lincolnshire and Goole Hospitals NHS Foundation Trust (NLaG) Contract**

The Trust has been carrying out additional activity throughout the period to improve the 18 week wait position. The activity has been additional to original planned activity and is therefore contributing to the elective overtrading on activity. The Trust had produced a plan to improve performance on a month by month basis and would be on target by the end of the financial year. The latest performance information shows that there has been a deterioration in performance against 18 weeks in December with increases in those waiting. The CCG is aware that in December the hospital did have ward closures due to D&V and cancel planned appointments due to the increased demand it experienced in relation to non-electives, however the CCG will be engaging with the Trust to understand the impact and what they will be doing to improve this performance & ensure it achieves its year-end target position.

The Trust, alongside many others has failed its A&E 4 hour wait target with DPOW being 92% (against a target of 95%) for the quarter 3. NB. The December monthly figure was 87% which dragged down the overall performance for that quarter.

1. **Abbey Homecare**

The CCG will not be in a position to withdraw the suspension on new placements until there has been a 10 week unbroken period of “business as usual” where complaints, concerns and missed/late calls return to an acceptable level. The CCG will be meeting next week to consider current performance after being 5 weeks into the assessment period. If performance has not been sustained then the provider will have to restart the assessment period.

1. **Care Plus Group (CPG) – Community Nursing Increase in provision**

In the autumn the CCG agreed a contract variation for a substantial increase in the Community Nursing service with CPG who would be looking to recruit 28 additional staff to posts.

The intention had been that the provider would have recruited to these posts by January 2015. The CCG is only paying for net increases in staffing and at this time the CPG has only recruited to 11 posts. They expect to significantly increase this over the last quarter of the financial year but it will mean a delay to benefits seen by practices from increased staffing and the lead time to train staff as most are new to the community service or are newly qualified staff.

1. **Residential Care Services – Bond**

In response to issues around the rapid closure of the Faringford residential care home at the end of summer the Board queried whether the CCG should require via its contracts providers to provide a bond to help mitigate against the risk of a rapid unplanned home closure and the costs associated with that.

This has been looked into and a number of issues around how this would be managed have been identified:

* Any bond would have to be held under some third party arrangements to avoid it being counted as assets of any liquidated company,
* The number of placements the CCG funds is variable, the contracts we hold are for the cost of placements and a commitment to fund on an occupancy basis not a total fixed contract value for a period, so any Bond would have to be flexed dependant on number of clients, again making it a difficult transactional burden for all parties.
* The impact of out of area funded places would also add difficulties.
* Any bond would have to be generated by the providers and therefore any request for a risk premium from the CCG would be followed by a request for greater income to generate the sum to be held from the providers as they do not have the levels of income which would enable a fund to be generated.

It may be more suitable for us to work with providers to investigate if there is some insurance cover which could be part of the contract which might cover the consequences of failure, but again the costs of any such premium would be requested as additional income as would be an additional cost to the current provision.

It is therefore felt that at this time it would not be possible or practical to require providers to lodge a bond to help mitigate the risk, however the CCG will continue to work with the sector to see how we can manage the potential for such situations in the future.

1. **Domiciliary Care Tender**

The CCG has commenced a procurement process for its Domiciliary Care Service, as the current contracts with providers expire during 2015. This procurement will be the largest that the CCG has undertaken since its inception. It is expected that the new arrangements will come into place in December 2015.

1. **Improving Access to Psychological Therapies (IAPT)**

The CCG has a 15% target to achieve in relation to Improving Access to Psychological Therapies. To date the CCG have not been achieving this target. To support improved performance against this target the CCG working with NHS England has undertaken a diagnostic review to examine the barriers to the CCG achieving this target and to develop an action plan to address those barriers. The Action plan has been signed off at by the current provider, Navigo’s Contract meeting and endorsed at the October Delivery Assurance Committee.

It has been agreed that Navigo be offered an incentive to try and ensure delivery against the contract in this year, but also to undertake the work up that would be required to undertake a procurement of the service if required.

It has also been agreed that all other commissioned Mental Health services should be compliant with NICE standards, service specifications have been amended and sent to providers, it has been agreed that if the services cannot operate to the required NICE Standard they will be decommissioned.

Eddie McCabe

Jan 2015