

**North East Lincolnshire CCG**

Attachment

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| **Report to:** | NEL CCG Partnership Board |
| **Presented by:** | Helen Kenyon |
| **Date of Meeting:** | 12th May 2016 |
| **Subject:** | Commissioning and Contract Report |
| **Status:** | X OPEN  CLOSED |
| **Agenda Section:** | STRATEGY X 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** |  |
| 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** |  |
| That the partnership Board is aware of the key actions being undertaken in relation to commissioning and contracting in the CCG. | |

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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 March 2016**

1. **Active Procurement Updates***:*

**Dermatology**

The CCG has been in discussion with GP’s for many months on the issue of waiting times and service delivery from Northern Lincolnshire and Goole NHS Foundation Trust (NLG) in relation to the dermatology service.

The opportunity to look at this service on a bigger footprint was discussed at the CCG Collaborative meeting where it was determined that there were also issues being experienced by other areas and therefore that a larger scale procurement jointly the CCGs might provide a solution to the on going issues. The GP’s were consulted on the option to give notice and go out to procurement via Council of Members. The majority of practices agreed to enter into a shared procurement, which will now be taken forward with North Lincs, East Riding and Hull CCG’s. The CCGs are now working on a service specification to go out to procurement in June with award and mobilisation from October. Notice was given to NLG.

1. **Contracts Awards:**

**Patient Transport Services: (PTS)**

The PTS service had a number of bidders. The preferred bidder was Thames Group. They have worked in the surrounding area already with North Lincs and across in Doncaster. The Chief Executive of Thames was the Chief Executive of Lincolnshire Ambulance Service so she knows the area well.

We are working with EMAS and Thames on discussions about the staff and the TUPE obligations. Additionally the CCG’s in North and North East Lincolnshire will be working on the mobilisation plan and have dates for public engagement sessions with the new provider in August & September prior to a go live date of 1st October 2016. We will continue to provide updates to the board on progress.

**GP Out of Hours**

The process of procurement for this service was paused earlier in the year. In March it was agreed by the CCC to terminate this procurement as outlined in the last report as system change and the development of Accountable Care organisations changed the timescales we had been working to. Core Care Links has had their contract extended for one more year to take account of these changes.

**Non Obstetric Ultrasound (NOUS) & Pain AQP refresh (Any Qualified Provider)**

The CCG has had a good response to these procurements.

For Pain management we kept the two current providers (NLG and Pain management Solutions)

For NOUS we had a number of new providers wanting to work in the area, including the current providers NLAG and 360 care.

New providers are:

1. Physiological Measurements
2. The Integrated Care Clinic
3. Yorkshire Health Solutions
4. Mediscan

New providers will have until 30th September to mobilise a new service and are approaching primary care centres for accommodation. The Board will be updated on the list as new providers start.

1. **Contract Negotiations**:

The CCG is negotiating its main NHS contracts for the contract round 2016/2017 and has an agreed position on all its contracts except NLAG and Navigo.

As the CCG could not agree a financial and activity position with NLG by the 25th April, it was moved into formal arbitration. The CCG (and North East Lincolnshire CCG who are in the same position) have made their case to NHS Improvement and will be attending a formal arbitration panel hearing on Monday 9th May, the outcome of arbitration should be known by the 12th May and will be binding on both parties.

In order to try and avoid the Arbitration the CCG has continued to have discussions with the NLG senior management and made a revised offer to them on the 6th May, NLG considered this offer but following a conversation with their regulator NHS Improvement (Monitor) did not feel able to accept it.

In deciding the case the Arbitration panel will consider the relative reasonableness of the two final offer proposals. In doing so they will act in accordance with a number of overarching principles, which are laid out in a appendix to the formal dispute resolution process guidance. The CCG has assessed its offer against these principles and believes that it has a strong case however it does still pose a risk to the CCGs financial position if the panel finds against the CCG, and will cause a financial issue for NLG if finds in favour of the CCG.

In addition to this there is a financial cost to the entering into arbitration, which could be up to £100,000, and will be used at least in part to fund the third-party independent Arbitration Panels.

Following the Board to Board Meeting with Navigo a number of meetings have been held between the CCG and their senior management and significant progress has been made in closing the financial gap between the organisations and Navigo being in a balanced position for 2016/17. The main issue to be resolved now is the funding of the Home from Home service which was developed as a joint initiative between NLG and Navigo, with its recurrent funding being met from other service efficiencies within NLG and the community. The funding for the Home from Home is one of the issues that the will be is a disputed issue between NLG & the CCG and so will be picked up as part of the arbitration process. If the arbiters find against the CCG for this issue it will cause a further issue for the CCG and Navigo.

The East Midlands Ambulance Contract which the CCG is an associate to with 23 other CCG’s, has seen significant risks in year around its performance and financial standing. A position for the year has been agreed with a significant review of the service and its basis for funding going forward as it had an adverse CQC report in April with a number of areas requiring improvement. They have been given a trajectory to improve performance, but this will not be until the second half of the financial year.

1. **Other issues**:

**Residential and Home Care Update**

Ashgrove Care Home – the breach period ended on 17th April. Improvements have been made since the January meeting (recruitment of new Manager and Deputy Manager, disciplinary/ dismissal of some staff members, implementation of new policies and procedures, new care planning, improved supervision of staff etc). Actual numbers of incidents have decreased.

The CCG is continuing to work closely with the home but the level of risk associated with it has been reduced.

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| Eddie McCabe  May 2016 |
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