

REGULAR REPORT:
WEST MIDLANDS SPECIALISED COMMISSIONING TEAM
January 2011

1. Introduction

The purpose of the report is to update the Board of NHS Birmingham East and North on the work programme of the West Midlands Specialised Commissioning Team [WMSCT] relating to both national and regional issues.

2 White Paper Transition

The pace of change of implementing the Government's White Paper, Equity and Excellence: Liberating the NHS published on 12th July 2010 is moving fast and there is a need to ensure the WMSCG and its constituent PCTs understand both the local work programme set for specialised commissioning alongside the growing requirements now being directed nationally for the transfer of the function to the NHS Commissioning Boards (NCB).

2.1 National Position

In overall terms the National Commissioning Board is likely to be operational in shadow form as a Special Health Authority from 1st April 2011, and as a full non-departmental public body from 1st April 2012.

Nationally the project management arrangements overseeing the establishment of the NCB include:

- Tim Rideout – Project Director
- Denise McLellan – Supporting Project Director [with particular lead on reviewing networks/collaborative areas such as ambulances and overseeing specialised services]
- Kate Caston – Programme Lead for specialised services [commencing on 1st December, previously Director of East Midlands SCG] – 18 month secondment.

Regionally the lead for overseeing the transition of commissioning of specialised services is Moira Dumma.

The transition to the NCB for specialised services is seen as an opportunity to establish a single commissioning function [i.e. not a replication of current regional/national teams] to commission an agreed portfolio of both national and regional specialised services through a single contract with providers.

Financially, it is anticipated this will be funded centrally directly from the NCB to the specialised services function [i.e. not through any subscription basis with GP led consortia].

The ambition is to establish a much more consistent approach across the country with regard to standards, specifications, application of policies and the use of national outcome measures.

2.1.2 Preparatory work undertaken to date

Over the past few months all of the SCGs and the National Specialised Commissioning Team (NSCT) have been working closely together to:

- **Review the Specialised Services Definition Set [SSDNS] to establish a suggested listed of services likely to be commissioned by NCB.**

Currently all 10 SCGs commission a different sub-set of specialised services. In addition there are some services in the SSDNS that would prove particularly difficult to separate out and code for commissioning by the NCB.

The SCGs reviewed the definition set using a set of common principles to assess whether a service should remain within the NCB portfolio or move to GP Commissioning Consortia.

In summary the potential services which were likely to be recommended to move to GP Commissioning Consortia from the current SSDNS were:

- Specialised Orthopaedics
- Bariatric Surgery
- Specialised Rheumatology
- Specialised Dermatology
- Specialised Endocrinology
- Specialised Ophthalmology
- Specialised Cardiac (could possibly be considered)

The potential list of services which were likely to be recommended to move into the NCB commissioning portfolio were:

- Major Trauma
- AAA Emergency Vascular Services

This is an indicative list prepared by SCGs which will then be considered by the Project Team and the Department of Health.

In preparation for the move to the NCB portfolio it is suggested that the WMSCG work towards developing a much more consistent set of specialised services being commissioned from 2011/12. This would mean consistency across LCCBs for the commissioning of services such as Cystic Fibrosis.

In addition it is proposed that the WMSCG consider transferring into specialised services the likely services within the SSDNS that will move to the NCB.

The review should also include identification of services likely to move to GP Commissioning Consortia and the development of an agreed transition plan with PCTs.

- **First cut of indicative budget for the likely NCB portfolio**

Considerable work and involvement from finance leads across SCGs has taken place to provide an early estimate of the likely first cut indicative budget of the NCB portfolio [if all SCGs/SCTs commissioned consistently]. The first estimated figure is approx £9 billion.

A lot more in-depth work is required to refine the proposed future budget alongside detailed work to ensure the information and coding is consistently available for contracting purposes.

- **Other areas of work underway with DH.**

In addition there is a number of other workstreams underway including:

- Assessment of current management costs across SCGs and NSCT.
- Identification of key stakeholders in relation to the future arrangements for NCB and how they are engaged in the process.
- Review of the commissioning cycle and identification of bespoke components of the commissioning of specialised services.
- Definition of the relationship between the activity of the NCB in respect of specialised services and GP Commissioning Consortia, CQC, NICE and the economic regulator.
- Development of a narrative around ambition and outcomes for future NCB function of specialised services commissioning.
- Development of a plan to move towards a single specialised services contract per provider.

The Programme Lead is currently developing a separate project structure and work programme. This is likely to mean a significant amount of resource being committed by WMSCT to this programme which needs careful monitoring.

2.2 NSCG Work Programme 2010 / 11

2.1.1 Safe and Sustainable Paediatric Cardiac Surgery Update

The timeframe for the decision making process with regards to the options for the future configuration of paediatric cardiac centres has slipped as a result of further investigations into the outcomes regarding three of the centres.

The intended timeframe for the decision making process now involves the Joint Committee of PCTs (JCPCT) meeting in early February 2011, HOSCs consultation late February / March 2011, and public consultation commencing mid-March 2011,

The National Specialised Commissioning Team have prepared a standard presentation for HOSCs outlining the processes undertaken regarding the development of the options for paediatric cardiac centres. WMSCT met with the Birmingham HOSC on 15th December 2010 to discuss their role.

Network working for cardiology has also been a feature of this reconfiguration of paediatric cardiac services with the intentions being to develop networks which are responsive to local circumstances, this includes provision for GUCH patients. This work is still ongoing as part of the Safe and Sustainable programme.

2.2.2 Paediatric Neurosurgery Update

The National Specialised Commissioning Group [NSCG] set up a steering group to review the provision of paediatric neurosurgery in England and make recommendations for a safe and sustainable service. Work is on-going to develop draft service specification standards and models of care for paediatric neurosurgery conditions to provide the framework for the future development of these services.

Paediatric neurosurgery services are dependent on developing complex networks of care including care provided by principle treatment centres for children's cancer and the networks for major trauma.

Karen Helliwell is now the national SCG representative on the steering group to take this work forward.

A Paediatric Neurosurgery multi-disciplinary clinical workshop was held on 22 November 2010 to test out the development of the draft care pathways for four main conditions requiring neurosurgery in children: tumours, trauma, hydrocephalus and epilepsy.

Between February 2011 and April 2011 there will be a quasi-consultation and engagement process on the emerging standards, models of care and pathways.

3 Regional Issues

3.1 Mental Health Update

3.1.1 High Secure Commissioning

There is a current review of High Secure Commissioning Arrangements prior to the transfer of responsibility to the NCB.

3.1.2 Update on Yardley Green (3rd) Medium Secure Unit

Birmingham and Solihull Mental Health Foundation Trust (BSMHFT) have completed all of the preliminary planning work as per the project plan, including:

- finalising the design plans
- sign off by Birmingham City Council of 'Reserve Matters' planning conditions
- agreement of the Guaranteed Maximum Price with the developers (Interserve)
- Approval of the project by Monitor (re additional borrowing powers etc.)

The Trust have now secured the additional capital funds required to support this project (circa £33m) through their FT Borrowing Limits and they believe that the original timeframe for completion will not be significantly disrupted. This being the case, the new facility is expected to be open to its first patients late autumn 2012.

3.2 CQUIN Quarter 2 Update

Performance against the specialised services CQUIN Schemes improved for quarter 2 with only four providers failing to meet one or more of the indicators [across all acute and mental health providers].

The WMSCT have just commenced the annual set of visits to the main tertiary Trusts to review their annual reports outlining progress against outcomes / quality / PPI and governance issues.

3.3 Newborn visits to providers – assessment against DH neonatal toolkit

Neonatal providers within the Staffordshire, Shropshire and Black Country and the South West Midlands newborn network across the region are being visited during November and December 2010 by a team from the network and SCT to review the implementation of the

DH neonatal toolkit published in November 2009. The visits are dedicated to reviewing the gap analyses undertaken by each provider, and the action plans developed to address any issues remaining by units to meet the toolkit recommendations.

Reviews of the four providers within the Central Newborn network are being arranged.

3.4 LCCB / Cluster Alignment

A decision was taken at the PCT Chief Executives meeting and at the West Midlands Strategic Commissioning Group held in December, to support a review of the future alignment of specialised services with regard to its links with PCT Clusters /Local Collaborative Commissioning Boards (LCCBs).

Andrew Donald and Karen Helliwell were tasked with undertaking this review to ensure the recent publication of the Operating Framework for 2011/12 and its recommendation on the role of clusters is considered carefully with regard to the collaborative role of LCCBs and the Specialised Commissioning Team. A more detailed discussion paper is being developed over the next few weeks.

4 Financial Position

4.1 2010/11 Regional [Tier 2] Financial Position as at Month 6

The Regional portfolio is currently showing an under-spend of £492k, however due to expected growth during the year, WMSCT is prudently forecasting a £361k overspend by year-end. This has reduced from a forecast £1m over performance at month 3 and WMSCT are hopeful of delivery of a break even position if good performance on mental health and neonatal activity is maintained.

Budget	Annual Budget [£000]	Month 6 Actual Over/[Under] [£000]	Year End Forecast Over/[Under] [£000]
Acute	159,136	[1,528]	[2,953]
Mental Health	169,444	1,243	3,728
Management	3,017	[148]	[295]
Regional Levies	2,894	[59]	[119]
Ambulance	154,711	0	0
Other	1,396	0	0
Total	490,597	[492]	361

Acute Services

There has been an adverse movement of £140k in the Acute Services position since Month 5 with a forecast under-spend of £2,953k (previously £3,094k). The under-spend relates largely to neonatal activity, burns activity and pulmonary hypertension drugs.

Since Month 5 the forecast over-performance on haemophilia factor products has increased by £120k but is still lower than the forecast at Month 4. This takes into account the increased usage at UHBFT relating to a number of high cost patients.

WMSCT is now forecasting an under-spend of £607k in neonatal activity – an adverse movement of £270k. This is due to an increase in out of region activity.

There has been a favourable movement in Paediatric Intensive Care during Month 6 and are now forecasting an under-performance of £327k as compared to £82k at Month 5. Whilst out-of-region PICUs (Leicester and Bristol) have a forecast over-performance of c.£420k, in-region providers are forecasting an under-performance of c.£750k. SCT is currently investigating this trend and will feedback the outcomes of this analysis at January boards.

The WMSCT is on target for a 10% saving during 2010/11.

Mental Health Services

The position as at September 2010 is overspent by £1.2m. Overall WMSCT is expecting a year-end over-performance of £3.7m on Mental Health services.

The level of net admissions in the last 4 months has been below planned growth, and this is reflected in the improved financial position reported by WMSCT.

4.2

LCCB Position

The LCCB position is summarised below.

Budget	Annual Budget [£000]	Month 6 Actual Over/[Under] [£000]	Year End Forecast Over/[Under] [£000]
Pan Birmingham	196,732	(752)	(927)
Black Country	65,986	239	293
Staffs & Shrops	85,231	(179)	(1)
Cov & Warks	56,587	(112)	314
Here & Worcs	39,328	(357)	(250)
Total	443,864	(1,161)	(572)

Further details of each LCCB can be found in the monthly performance report for each LCCB.

4.3

Performance Report

4.3.1 Scope

The report considers a range of indicators relating to Operational Performance of the six key provider Trusts (HEFT, UHBFT, RWH, UHCW, UHNS and BCHFT) for the period April – October 2010. It should be noted that the latest Performance Data was received by the team just two days before this report was produced therefore some of the action plans are still in development.

4.3.2 Key messages

Operational Performance of the key indicators relating to SCT commissioned services generally remains good. 18 Weeks performance remains strong and the SCT is seeking to maintain this momentum. However the team is committed to presenting any issues in relation to delivery of this target to the LCCBs as and when they occur for discussion.

There have been no 'Never Events' reported.

September and October's report identified a trend within Cancer 62 days (GP referral) Performance at RWHT where services are commissioned on behalf of the Black Country and Pan Birmingham LCCBs. As previously identified, an action plan is in place to deliver the target in November.

Reported 18 Week Performance within Neurosurgery at UHNS has improved following successful resolution of the Infection Control matter that has been previously reported. Cardiology Admitted performance (18 weeks) has fallen slightly below target (89.17%) but is not considered material and previous overperformance more than mitigates this 'blip'.

No Performance Notices have been issued however numerous queries have been resolved at the 'Contract Query' stage of the Performance Management process.

4.3.3 CQUIN Performance

Providers' Q2 submissions for CQUIN Payment have been assessed by the SCT's CQUIN evaluation panel. Whilst the decisions of the panel are subject to appeal, the immediate decision was to withhold (part) payment for 2 CQUINs at UHNS (Cardiac Inter-hospital Transfers and Neuro PROMS) and one at Mid Staffs (late submission of Annual Report). Robert Jones and Agnes Hunt part failed two indicators (Neuro PROMS and Length of Stay) but are believed to be making progress.