

## **QUARTERLY REPORT:** **WEST MIDLANDS SPECIALISED COMMISSIONING TEAM**

January 2010

### **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 regional and national issues. This follows a meeting of the West Midlands Strategic Commissioning Group (WMSCG) on the 11<sup>th</sup> December 2009.

### **2. Regional Issues/Work Programme**

#### **2.1 Service Issues**

##### ***Children's strategy for surgery***

The Strategy for the Commissioning of Services for Children Needing Surgery is still at the draft stage, awaiting responses from a number of PCTs. This follows the three day event held in October that was attended by over 120 key stakeholders from across the regional health economy.

##### ***26 week breaches in heart surgery at Birmingham Childrens NHS Foundation Trust***

BCH has made a significant impact into the number of breaches and are ahead of plan to resolve all outstanding issues over the next few months.

##### ***Secure Services Strategy***

WMSCG were presented with the final version of the Secure Service Strategy 2010 – 2015 developed following a the three day intensive workshop with key stakeholders. A further stakeholder event will be held to develop a comprehensive implementation plan following the launch of the strategy

##### ***Neuromuscular Services***

WMSCG received a report, commissioned by Eamonn Kelly, NHS West Midlands on a review of services for patients with muscular dystrophy and related neuromuscular conditions to assess whether services could be improved to deliver better outcomes for service users and better value for PCTs. It was agreed that recommendations raised by the report and investment required needed to be assessed by commissioners at the appropriate level (e.g. PCT or WMSCT) and considered as part of the prioritisation process they would all be undertaking.

#### **2.2 Commissioning Intentions 2010/11**

WMSCG received a presentation and report outlining the challenges for developing the strategic and commissioning approach for specialised services for 2010-11 and also the longer term 5 year strategic planning cycle which aims to address the health needs of the population whilst

ensuring that commissioned services are sustainable and provide demonstrable quality and value for money.

Whilst the overall uplift identified is around 4%, there are some very significant pressures for some services, particularly around the continuing high level of patient growth in secure mental health services within the regional portfolio (circa 10%), and pressures within the Pan Birmingham LCCB portfolio around Cancer and HIV drugs (circa 9% increase). Elsewhere pool growth for renal dialysis continues as expected across the 5 LCCBs at around 4%.

During the next 6 months the WMSCT will be supporting each of the LCCBs in leading a whole system review across the 5 high spend programme areas identified; Mental Health, Cardio Thoracic, Neurosciences, Renal , and Specialised Children services. These reviews will make recommendations around pathway redesign, identify procedures with limited clinical values, and will assess whether there is any clinical variability around thresholds or referral criteria. This programme work will be linked to the regional QIPP work and will seek to share best practice around the stimulation of productivity and efficiency across specialised services.

## **2.3 Regional Work Programme**

### ***PCT hosted Policy Support Unit***

As reported in October the WMSCT through Dr Daphne Austin, consultant in Public Health is working on behalf of PCT Chief Executives to develop proposals for a PCT hosted policy support unit to support PCTs in producing policies, horizon scanning and networking to ensure better sharing of information across PCTs. A Task and Finish Group of a representative group of PCT Chief Executives have been working to present the proposals to the PCT Chief Executives Forum in December. The Group has tasked the WMSCT to examine opportunities to release resources from the regional levies portfolio to fund. These proposals will be subject to full involvement and engagement with PCTs.

### ***Designation Update***

Over and above the plans to designate PICU, specialised morbid obesity services and secure services/CAHMS Tier 4 the WMSCT has been working towards designating one of the cardiac centres to undertake Transcatheter Aortic Valve Implementation (TAVI) , an interventional cardiology procedure that is an alternative to high risk candidates for open heart surgery. WMSCT therefore supported the approval of Royal Wolverhampton Hospitals FT as the initial designated West Midlands provider to submit its results to the for TAVI patients to a national trial.

## **3 National SCG Work Programme 2009/10**

### **Safe and Sustainable Children's Services**

The two key workstreams from the national work programme relate to the reviews of:

- Paediatric Cardiac Surgery
- Paediatric Neurosurgery

There have been two national stakeholder events held since October to develop a set of national standards for both of these specialties [to which the WMSCT has contributed]. The

next steps in 2010 will be to assess existing centres against the standards to develop safe and sustainable services for the future.

### **Patient and Public Engagement**

The 2009/10 work programme requires SCGs to continue to develop and implement patient and public involvement engagement workstreams locally.

The WMSCT in conjunction with key stakeholders has developed a draft Strategy for Communications, Involvement and Engagement which sets out the underlying principles by which the SCG will work and the outcomes expected to deliver success.

The draft strategy was:

- Circulated to LCCBs in October 2009 [for comments].
- Presented to Regional PPI leads meeting on 28/9/09.
- The strategy will also be discussed at the Regional Health Overview and Scrutiny meeting on 11 December 2009.

In terms of feedback received to date there has been overall positive support for the approach and highlighted the need for SCG to get involved in more proactive engagement on some of the difficult spending decisions.

The draft strategy is attached to the report and WMSCG are requested to support the document and its' implementation.

### **Launch of Toolkit for High Quality Neonatal Services [November 2009]**

In 2007 the National Audit Office [NAO] undertook a review of network arrangements and found that, although many services and networks were working well, there were concerns over a number of nurse vacancies, variation in transfer arrangements and a lack of clear commissioning and financial arrangements in some units and networks. The Department of Health asked the NHS to respond to the NAO's concerns by establishing a taskforce to agree a set of measures that should make a significant difference to the quality of neonatal services. The Taskforce Toolkit was launched on 23<sup>rd</sup> November in the Midlands SHA and can be found at

[http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH\\_107845](http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_107845)

The WMSCT will bring back to PCTs a proposed implementation plan to support the delivery of eight principles identified which cover the major areas of activity within the neonatal care pathway.

### **National Commissioning Group Commissioning Intentions 2010/11**

WMSCG also received feedback from the National Specialised Commissioning Group (NSCG). It was reported that NCG would be returning £30 million to PCTs in 2009/10 mainly due to a manufacturer failure for a PNH drug however, whilst patient safety had not been affected by the failure, costs in 2010/11 could rise due to the need to double dose patients that had not received the drug. Also of particular concern was the level of funding (circa £40 million) NCG had identified they would require for 2010/11.

The West Midlands share of both these figures is just under 11%.

#### **4 Finance Report**

The WMSCT hosts both regional and 5 LCCB budgets on behalf of West Midlands PCTs totalling £918m including the emergency/urgent ambulance contract with West Midlands Ambulance Service £143m.

The Table below shows the total budget managed by WMSCT plus forecast year end position by budget:

| <b>Budget</b>                  | <b>Annual Budget [£000]</b> | <b>Year End Forecast Over/[Under] £000]</b> |
|--------------------------------|-----------------------------|---|
| Regional [Tier 2]              | 459,049                     | 1,732                                       |
| Pan Birmingham LCCB            | 194,944                     | 802   |
| Shropshire/Staffordshire LCCB  | 90,439                      | (1,218)                                     |
| Black Country LCCB             | 70,776                      | (566)                                       |
| Coventry & Warwickshire LCCB   | 60,710                      | (6,242)                                     |
| Hereford & Worcestershire LCCB | 42,248                      | (2,771)                                     |
| <b>Total</b>                   | <b>918,166</b>              | <b>(8,263)</b>                              |

#### **Regional Services**

The forecast under spend relates to under spend on haemophilia factor products (£2.4m), pulmonary hypertension drugs (£2.4m), slippage on Paediatric Transport Service (£365k) and other services net off over spend due to activity pressures within neonatal services £900k and Paediatric Intensive Care £678k.

The underspend on acute services is being used to offset an overspend of £3.6m in low and medium secure mental health services, and an overspend of £1.9m for inpatient CAMHS.

#### **Pan Birmingham LCCB**

The year end forecast finance position for Pan Birmingham LCCB is an over spend of £802k relating to significant projected over performances against the Heart of England NHS Foundation Trust £3.5m and Sandwell and West Birmingham Hospitals NHS Trust £2.2m net off significant under performance at University Hospital Birmingham NHS Foundation Trust £3.5m.

The over performance at both HEFT and SWBH relate to interventional cardiology and chemotherapy activity whilst UHBFT under performance relates to emergency surgical activity, critical care and radiotherapy services.

There are a number of HRG4 issues within the forecast financial position relating to the coding of cardiology activity within HEFT, SWBH and DGOH contracts in particular.

There is an 18 week pressure at UHBFT relating to spinal surgery activity. SCT has met with the Trust in November 2009 and requested details of referrals and plans to increase capacity. The

Trust has implemented additional surgical list to accommodate the activity but has now reached capacity.

SCT is has also initiated a work programme to review neuro rehabilitation services commissioned with South Birmingham PCT Provider through the newly appointed Neurosurgical Network Manager.

The forecast year end finance position will therefore be subject to further revision post implementation of any agreed HRG4 financial adjustment.

SCT is actively working with our host BEN PCT, The Pan Birmingham Cancer Network, the 3 main Cancer Units and an Independent Sector provider to review and implement home delivery for a range of chemotherapy drugs – which will have significant benefits for patients and reduce costs. This is an important development to achieve financial balance in 2010/11.

## **5 Summary and Recommendation**

The BEN Board are requested to note the quarterly update from the WMSCT.