

CCG Procurement Plan 2014-15

Governing Body meeting

1 May 2014

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| Author(s)/Presenter and title | Ian J Atkinson, Head of Contracting Julia Newton, Director of Finance |
| Sponsor | Julia Newton, Director of Finance |
| Key messages | |
| <p>The CCG is required, via the 2012 NHS Act, to publish an annual procurement plan. The purpose of this report is to present the Governing Body with a draft CCG procurement plan for 2014/15 for discussion and agreement.</p> | |
| Assurance Framework (AF) | |
| <p>To be confirmed as part of developing the 2014-15 Assurance Framework.</p> | |
| Equality/Diversity Impact | |
| <p><i>Has an equality impact assessment been undertaken?</i> No</p> | |
| Public and Patient Engagement | |
| <p>Each procurement exercise will have a dedicated project plan that will include relevant public and patient engagement.</p> | |
| Recommendations | |
| <p>Governing Body is asked to:</p> <ol style="list-style-type: none"> 1. Consider and agree the draft procurement plan for 2014-15. 2. Confirm that it agrees with the two key priorities as detailed within the plan. | |

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1. Introduction/Background

- 1.1 In September 2013 the CCG Governing Body approved the revised CCG Procurement Strategy. The strategy described how the CCG will fulfil its legal duties in the area of procurement and in line with the requirements of the 2012 Health Act. One of the duties of the act is for the CCG to publish an annual procurement plan. Following Governing Body discussions it has been agreed that the annual procurement plan will be published on the CCG's web site as soon as practically possible.
- 1.2 The procurement plan needs to reflect the priorities previously determined by Governing Body when agreeing the CCG's Commissioning Intentions. As the CCG moves into its second full year of operation, there are a range of commissioned services that have been reviewed (or continue to be reviewed) and considered for competitive procurement. This paper provides Governing Body with a brief overview of the potential procurement activity that may be undertaken during 2014-15.

Each of the identified procurements within this paper will (if not already agreed) require formal approval by Governing Body. In making procurement decisions the CCG will need to comply with the requirements of the Health and Social Care Act and ensure that at all times the CCG is acting in the best interests of patients.

This paper, and hence the procurement plan is split into three sections:

- a. Expected Market Testing Exercises
 - Contract Framework for Specialist Nursing Home Care;
 - Domiciliary Care Framework agreement; and
 - Locally Commissioned Optometry Services.

- b. Current Service Reviews which could lead to Competitive Procurement Activity
 - Anti-coagulation Services;
 - Headache and Migraine Services;
 - Referral Education Support Service (RES);
 - Community Equipment Services;
 - Intermediate Care Services;
 - Keeping People well in their community; and
 - Vasectomy AQP.

- c. Service Redesign expected to be delivered through Partnership Working
 - Outcome Based Commissioning of Musculoskeletal Services (MSK); and
 - Primary Care Locally Commissioned Services (formerly Local Enhanced Services).

Appendix A summarises the three sections into a drafted document that will be published on the CCG website.

1.3 It is important to note that all procurements need to be undertaken rigorously and to a high standard and so need to be appropriately resourced. Thus, in any financial year it is sensible to prioritise the key procurements required and it is suggested that large scale procurements (whether competitive or otherwise) form part of the new programme office/management approach which is to be implemented during 2014/15. Based on the work to date, the procurement plan has two major areas of work:

- Intermediate care services; and
- A new outcome based contract for MSK services.

2. Recommendations

Governing Body is asked to:

- Consider and agree the draft procurement plan for 2014-15 (see *Appendix A*); and
- Confirm that it agrees with the two key priorities as detailed within the plan.

Paper prepared by Ian J Atkinson, Head of Contracting

On behalf of Julia Newton, Director of Finance

April 2014

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APPENDIX A
NHS SHEFFIELD CCG: INTERIM PROCUREMENT WORKPLAN FOR 2014/15

| Ref. | Procurement Project | Overview and status | Current Provider | Procurement Type | Total Projected Contract Value (£s) | Contract Length | Patient Engagement | Expected Start (Advert) Date | Expected Benefits following procurement | Commissioner Lead | Clinical Lead | Contracting Lead |
|---|---|--|---|---|-------------------------------------|----------------------|--|---|---|-------------------|--------------------|------------------|
| Expected Market Testing Exercises | | | | | | | | | | | | |
| 1 | Contract Framework for Specialist Nursing Home Care | The CCG currently commissions a number of Specialist Nursing Home Care packages to support patients with ongoing specialist nursing care needs. To ensure quality of provision and best value for the CCG, as well as equity in payment across the provider landscape, the CCG intends to undertake a competitive process which will identify a range of providers, who will be accepted onto a contractual framework to deliver Specialist Nursing Home Care provision. | There are currently a range of Care home providers in place to support individual patients. | Framework agreement following competitive tender. | TBC | Expected 3 yrs (TBC) | Will be included as part of individual procurement plan. | End of June 2014 | 1. Equity across providers 2. Improved access to services for patients. 3. Assurance around quality of provision. | Eammon Harrigan | TBC | Jim Millns |
| 2 | Domiciliary Care Framework agreement | Following a competitive tender process in 2011, the former Sheffield PCT identified 12 providers to deliver Domiciliary Care. These contracts come to an end in 2014. A re-procurement exercise will allow for the CCG to commission additional providers onto the framework enabling the CCG to meet significant growing demand. | There are currently a range of Domiciliary Care providers on the framework. | Framework agreement following competitive tender. | £1.8m (approx.) | Expected 3 yrs (TBC) | Will be included as part of individual procurement plan. | End of May 2014 | 1. Equity across providers 2. Improved access to services for patients. 3. Assurance around quality of provision. | Eammon Harrigan | TBC | Jim Millns |
| 3 | Locally Commissioned Optometry Services | The CCG currently holds contracts with local Optometrists for a range of locally commissioned services, these include; Paediatric Referral Refinement, Primary Eye care Acute Referral Scheme, Glaucoma Referral Refinement, Cataract Application Tonometry and Triage of Optometrists referrals to Secondary Care. | 85 Optometrists. | Expected AQP. | TBC | Expected 3 yrs (TBC) | Will be included as part of individual procurement plan. | End of September 2014 | 1. Equity across providers 2. Improved access to services for patients. 3. Assurance around quality of provision. | Lynda Liddament | Dr Charles Heatley | Kate Gleave |
| Current Service Reviews Which Could Lead to Competitive Procurements | | | | | | | | | Expected Review End Date | | | |
| 4 | Anti-coagulation Services | The CCG is currently reviewing anti coagulation provision across the city. The review is expected to conclude by the end of Quarter 1. One possible option is to have an AQP approach. | There are currently a range of providers in place. | | | | | End of June 2014 | | Alastair Mew | Dr Charles Heatley | Ian Atkinson |
| 5 | Headache and Migraine Services | In 2013-14 the CCG put in place interim arrangements for a provider to deliver the Community Headache and Migraine service. This was as a result of the previous provider giving unexpected notice to the CCG. The interim arrangements will continue into 2014-15, while a review of the existing provision is concluded. There is a possibility that the outcome of the review, which is expected to conclude during Q1 could lead to a formal procurement process being established. | Primary Provider Co. Ltd. | | | | | End of June 2014 | | Alastair Mew | Dr Charles Heatley | Kate Gleave |
| 6 | Referral Education Support Service (RES) | The CCG is currently commissioning a primary care led RES on a pilot basis. During quarter 1 an evaluation of the pilot will conclude. Following the outcome of the evaluation the CCG will need to take a decision as to whether or not to formally procure a RES via a competitive procurement process or cease the existing service. | Primary Provider Co. Ltd. | | | | | End of June 2014 | | Alastair Mew | Dr Charles Heatley | Kate Gleave |
| 7 | Community Equipment Services | Access to community equipment in a responsive and timely manner is imperative to ensure that patients can be kept in the community setting and discharged back to the community setting following an episode of inpatient care. As changes to the wider health and social care service evolve, both the CCG and Sheffield City Council (SCC) are of the view that re-specifying and likely tendering of existing Community Equipment Services, will provide the best opportunity to meet future demand, drive up quality and improve efficiency. There is currently a pooled budget arrangement and a joint contract with Sheffield Health and Social Care NHS Foundation Trust (SHSC) (total value c£3m). It is the expectation that notice will be served in quarter 1, to allow for a formal procurement process to begin by the end of quarter 2. Current thinking is that SCC will lead on this process but with full input from the CCG. | Sheffield Health and Social Care NHS Foundation Trust | | | | | Expected Formal Procurement to Commence End of September 2014 | | Heather Burns | TBC | Jim Millns |
| 8 | Intermediate Care Services | Both the CCG and SCC commission a range of Intermediate Care Services across the city. Both parties agree that a whole system review and re-commissioning of Intermediate Care services is required. It is the expectation that an Outcomes Based approach to commissioning Intermediate Care will allow for improvement in patient outcomes to be achieved, reducing avoidable admissions and improving discharge processes from hospital. Consideration is currently being given by both the CCG and SCC as to the most appropriate mechanism for procuring any new service model. | Sheffield Teaching Hospitals NHS Foundation Trust | | | | | TBC | | Sarah Burt | TBC | Ian Atkinson |

| Ref. | Procurement Project | Overview and status | Current Provider | Procurement Type | Total Projected Contract Value (£s) | Contract Length | Patient Engagement | Expected Start (Advert) Date | Expected Benefits following procurement | Commissioner Lead | Clinical Lead | Contracting Lead |
|---|--|---|---|------------------|-------------------------------------|-----------------|--------------------|---|---|-------------------|--------------------|------------------|
| | | Although final decisions still need to be made on the exact services for inclusion, identified services to date include both bed based and home based Intermediate Care. For the CCG there are two contracts with Sheffield Teaching Hospitals NHS Foundation Trust (STH) which cover the vast majority of the services involved and for SCC the main service is STIT (short term intervention team) and this is a largely in house service. | | | | | | | | | | |
| 9 | Keeping People well in their community | Subject to business cases, the CCG and SCC plan to develop a new and coordinated network of services to support people at most risk of needing health and social care, ensuring that they maintain their independence and stay well in their local communities. During 2014-15 joint work between the CCG and SCC will see the development of an outcome-based specification for services that will support people to keep well at home. As part of this work consideration will be given to best procurement options available to ensure successful delivery of the new service model. As part of this work we will need to determine the future of contracts which are currently on a pilot basis such as those for Community Support Workers and with GP Practices for Care Planning (which is due to end in September 2014). | There are currently a range of providers in place. | | | | | TBC | | TBC | TBC | TBC |
| 10 | Vasectomy AQP | The CCG currently holds contracts with three providers to deliver Vasectomy services. The original three year agreement comes to an end in September 2014. A review is expected to conclude by the end of Quarter 1 at which point a decision will need to be made on a further procurement. | Primary Provider Co. Ltd., One Health Group, Sheffield Teaching Hospitals NHS Foundation Trust | | | | | End of June 2014 | | Lynda Liddament | Dr Charles Heatley | Ian Atkinson |
| Service Redesign Through Partnership Working | | | | | | | | Expected Start date | | | | |
| 11 | Future Commissioning of Musculoskeletal Services (MSK) | Throughout 2013-14 the CCG has undertaken substantial work to consider the future commissioning options for Musculoskeletal Services across the city. The rationale for undertaking this work is the expected growth in demand within this area of provision and our desire to improve outcomes for patients during a period of significant financial challenge. After significant consideration, the CCG plans to commission MSK provision using an Outcomes Based incentive contract. The current intention is to make a direct contract award in the form of a prime contract to STHFT, who will manage the pathway in its entirety and sub contract aspects as appropriate. Existing community MSK services would also be identified within the direct award of a prime contract and therefore would not be subject to any separate formal procurement. | There are currently a range of providers in place. | | | | | 01/04/15 | | Alastair Mew | Dr Charles Heatley | Ian Atkinson |
| 12 | Primary Care Locally Commissioned Services (formerly Local Enhanced Services). | In 2013-14 the CCG became responsible for commissioning Primary Care Locally Commissioned Services (formally known as local enhanced services). After a review of the existing services, the CCG has determined that the services provided by GP Practices under the current arrangements are list based services. The CCG has therefore made the decision not to formally competitively procure Locally Commissioned Services (e.g. via the Any Qualified Provider model) but to opt to directly award contracts to GP practices in 2014-15. However, it has agreed that some of these services should form part of a 'basket of services' which the CCG would expect ALL GP practices in the city to provide for their patients either directly or by sub contracting with other practices. The plan is for the initial basket of services to be in place by the end of quarter 1. The approach for 2015-16 will need to be reviewed in year. | 88 GP Practices in the city | | | | | Initial Basket of Services to be in place by end of June 2014 | | Katrina Cleary | TBC | Kate Gleave |