

**CCG Procurement Plan 2014-15**

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**Governing Body meeting**

**2 October 2014**

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<b>Sponsor</b>	Julia Newton, Director of Finance
<b>Is your report for Approval / Consideration / Noting</b>	
The purpose of this report is to provide Governing Body with an update on the procurement plan for consideration.	
<b>Are there any Resource Implications (including Financial, Staffing etc)?</b>	
Although individual procurement projects will have specific resource implications, it is not the intention of this report to seek additional resources above those already committed.	
<b>Audit Requirement</b>	
<b><u>CCG Objectives</u></b>	
The CCG Procurement Plan supports the following objectives:	
<ol style="list-style-type: none"> <li>1. To improve patient experience and access to care.</li> <li>2. To improve the quality and equality of healthcare in Sheffield.</li> <li>3. To work with Sheffield City Council to continue to reduce health inequalities in Sheffield.</li> <li>4. To ensure there is a sustainable, affordable healthcare system in Sheffield.</li> </ol>	
<b><u>Equality impact assessment</u></b>	
An equality impact assessment will be undertaken for each individual procurement project.	
<b><u>PPE Activity</u></b>	
Each procurement exercise will have a dedicated project plan that will include relevant public and patient engagement.	
<b>Recommendations</b>	
Governing Body is asked to consider the updated procurement plan for 2014-15.	

## CCG Procurement Plan 2014-15

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#### 1. Introduction / Background

- 1.1 In May 2014 the CCG Governing Body approved the 2014/15 Procurement Plan. The plan, which has now been published on the CCG's website, aims to reflect the procurement priorities previously determined by the Governing Body when agreeing the CCG's Commissioning Intentions.
- 1.2 This report is an update on the plan, which shows the progress made against specific aspects of potential and actual areas of procurement activity.
- 1.3 Although the updated plan will be published (see *Appendix A*), the following is a summary of the progress made against each project area since May 2014:

Ref.	Procurement Project	Progress
1	Contract Framework for Specialist Nursing Home Care	The expected start date of the procurement exercise is November 2014. With an expected service commencement date in Q1 2015/16.
2	Domiciliary Care Framework agreement	This procurement exercise has now been completed with the identification of new providers. The CCG is currently at the stage of agreeing contracts and overseeing mobilisation with the chosen providers.
3	Locally Commissioned Optometry Services	Procurement exercise now underway.
4	Anti-coagulation Services	Review is ongoing; no formal procurement exercise has commenced.
5	Headache and Migraine Services	Review is ongoing; existing service extended until March 2015.
6	Referral Education Support Service (RES)	Review concluded; the intention of the CCG is to decommission this service.
7	Community Equipment Services	The formal procurement exercise will now commence in October 2014. The service commencement date remains July 2015.
8	Intermediate Care Services	Joint work with Sheffield City Council is continuing on potential scope and specification for services as part of our Integrated Commissioning work under the Better Care Fund arrangements. The first review of scope/specification is expected in November 2014.
9	Keeping People well in their community	As per intermediate care services (see above).

10	Vasectomy AQP	Review concluded; AQP service will be commissioned by 1 <sup>st</sup> April 2015.
11	Outcome Based Commissioning of Musculoskeletal Services (MSK)	Work is progressing broadly to project plan. A paper will be presented to Governing Body in December 2014 regarding the final contract proposal.
12	Primary Care Locally Commissioned Services (formerly Local Enhanced Services)	Initial basket of services now in place.
13	Pharmacy 'Extended Hours' Service	Additional procurement project (not previously identified in May 2014), the specification for which is currently being worked on. Procurement expected in Q3.

## 2. Recommendations

Governing Body is asked to consider the updated procurement plan for 2014-15 (see *Appendix A*).

Paper prepared by Jim Millns, Deputy Head of Contracting

On behalf of Julia Newton, Director of Finance

September 2014



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

Version: 2  
 Last Updated: September 2014

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
<b>Expected Market Testing Exercises</b>												
1	<b>Contract Framework for Specialist Nursing Home Care</b>	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	Will be included as part of individual procurement plan.	Start date will be November 2014.	1. Equity across providers 2. Improved access to services for patients. 3. Assurance around quality of provision.	Eammon Harrigan	Kevin Clifford	Jim Millns
2	<b>Domiciliary Care Framework agreement</b>	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.)	1 year contract(s) awarded with option to extend by further two years.	1. Patient involvement and opinion was a key component of tender submission; through the use of testimonials. 2. Carer representative (and user of other health care services) part of tender evaluation team.	Procurement now complete.	1. Equity across providers 2. Improved access to services for patients. 3. Assurance around quality of provision.	Eammon Harrigan	Helen Robinson (Operational Lead Continuing Healthcare)	Jim Millns
3	<b>Locally Commissioned Optometry Services</b>	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.	AQP	£240,000 (approx.)	Expected 3 yrs (TBC)	Will be included as part of individual procurement plan.	Procurement exercise now underway.	1. Equity across providers 2. Improved access to services for patients. 3. Assurance around quality of provision.	Lynda Liddament	Dr Charles Heatley	Kate Gleave
<b>Current Service Reviews Which Could Lead to Competitive Procurements</b>									<b>Expected Review End Date</b>			
4	<b>Anti-coagulation Services</b>	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.					Review is ongoing; no formal procurement exercise has commenced.		Alastair Mew	Dr Charles Heatley	Ian Atkinson
5	<b>Headache and Migraine Services</b>	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.					Review still ongoing. Current service extended until March 2015.		Alastair Mew	Dr Charles Heatley	Kate Gleave
6	<b>Referral Education Support Service (RES)</b>	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.					Review concluded; the intention of the CCG is to decommission this service.		Alastair Mew	Dr Charles Heatley	Kate Gleave
7	<b>Community Equipment Services</b>	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					Formal Procurement will commence October 2014.		Sarah Burt	Dr Maria Read	Jim Millns

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
8	Intermediate Care Services	<p>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.</p> <p>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.</p>	Sheffield Teaching Hospitals NHS Foundation Trust					First review of scope/specification will take place in November 2014.		Elaine O' Brien	Dr Maria Read	Ian Atkinson
9	Keeping People well in their community	<p>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.</p> <p>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).</p>	There are currently a range of providers in place.					First review of scope/specification will take place in November 2014.		SCC - CCG lead is Jackie Gladden	Dr Maria Read	Ian Atkinson
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					Review concluded; AQP service will be commissioned by 1st April 2015.		Lynda Liddament	Dr Charles Heatley	Ian Atkinson
13	Pharmacy 'Extended Hours' Service	The CCG currently commissions an 'extended hours' service from 3 providers. This arrangement has been in place for several years. This is currently under review and may require the CCG to undertake a procurement exercise to secure future provision of this service.	There are currently three providers delivering this service.					Existing contracts extended to 31st March 2015. Decision on specification expected in Autumn 2014.		Tim Drowley	Various	Kate Gleave
<b>Service Redesign Through Partnership Working</b>									<b>Expected Start date</b>			
11	Future Commissioning of Musculoskeletal Services (MSK)	<p>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.</p> <p>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.</p>	There are currently a range of providers in place.					1st April 2015.		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 are now in place.		Katrina Cleary	Dr St John Liversey	Kate Gleave