

## **NHS ENGLAND**

### **ACCOUNTABILITY REPORT TO CHESHIRE EAST HEALTH & WELL BEING BOARD**

**NOVEMBER 2014**

#### **1 CONTEXT**

NHS England is the national body, tasked by Government, to improve health and care, underpinned by the NHS Outcomes framework and the NHS Constitution. The mandate given to NHS England sets out objectives and deliverables for the next two years. NHS England has established agreements for successful working alongside Public Health England, and Monitor. A concordat with the LGA recognises Health and Wellbeing Boards as system leaders comprising of membership drawn from Local Government, CCG's and NHS England.

NHS England is structured by Region and Area. Each Area Team is responsible for three main activities- system development, assurance and commissioning.

NHS England undertakes some commissioning on behalf of the NHS directly, rather than through local government or CCG's. This commissioning is in five areas: Offender, Military, Public Health, Primary Care and Specialised Services.

These areas were retained by NHS England due to the scale and geography of commissioning, the expertise required and to drive England wide service standards in these areas, so they are not impacted by local variation.

#### **2. THIS REPORT**

NHS England provides a quarterly Accountability report to each Health and Wellbeing Board. This report outlines national and regional context together with specific update on priorities that the Area Team is responsible for delivering and how these priorities are progressing.

This report gives an update on Co-Commissioning, progress on the Two Year Operational Plans and introduction of the Commissioning Intentions & Planning Guidance for 2015/16.

#### **3 CO-COMMISSIONING**

In the last report we gave an update on Co-Commissioning is the term that we use to describe when two or more commissioners come together to commission healthcare services. In this context it means NHS England working together with clinical commissioning groups (CCGs) to commission some services.

The updates provide below outline how Co-Commissioning is being taken forward for Primary Care and Specialised Commissioning. (*Please note: Public Health Services are already commissioned jointly under a Section 7a arrangements*)

##### **Primary Care**

We have now started the conversation with our CCGs about the development Co-Commissioning and agreement of the governance arrangements. The CCGs and Area Team met on 17th October and agreed that a small group would meet to consider the opportunities and implications of co-commissioning. This was to be presented from an impact on patients outcomes basis, both in terms of "how it could work operationally" at different units of planning (CCG, LA, AT, etc.) and the different co-commissioning levels.

The Primary Care Operational group would be resurrected, re-energised and refocused as a platform to support the delivery of the primary care strategies including co-commissioning (in whatever form it progressed) and to act as a means to share primary care priorities, best practice and learning across the footprint. The Monthly CCG Meeting

would act as a steering group for Co-Commissioning and the frequency of meetings would need to be reviewed. This would be an agenda item at their next meeting on 5th November.

### **Specialised Commissioning**

The portfolio of specialised services is being reviewed to identify those services that will be devolved to CCGs, those that will remain with NHS England and those that will be co-commissioned. The timeline for these changes has not been confirmed but it is likely that some services will be devolved to CCGs in 2015/16. A range of issues have been identified that require national and local input to address.

Preliminary work using neurology (likely to be devolved to CCGs) and cardiac surgery (likely to be co-commissioned) as pilot topics has begun in the North West. The first stage is to identify the activity and finance associated with these services by CCG. The next steps will include raising awareness amongst CCGs and starting to develop a governance structure, informed by the national Task & Finish Group.

## **4. PROGRESS ON NHS ENGLAND TWO YEAR OPERATIONAL PLANS**

This 2 year operational plan represents the first 2 years of a 5 year strategic plan for Cheshire, Warrington and Wirral. CWW AT is committed to driving improvements to secure equity of access and a reduction in variation in the services all patients across Cheshire, Warrington and Wirral and the North West (for specialised services) receive.

An update is provided below for each area of direct commissioning:

### *Primary Care*

The Primary Care team is responsible for commissioning services from the following independent contractor providers and work with both internal and external colleagues to deliver the challenging agenda.

GP Contracts	Optometry Contracts	Pharmacies	Dental Contracts
171	163	327	199

The Primary Care team have achieved 6.5 out of 9 milestones on the 2014/15 workplan for quarter 2 which represents an achievement of 72% for the second quarter. This follows an achievement of 18 out of 20 milestones that have been completed for quarter 1

The following represent high level summary of actions taken by the Primary Care Team across CWW with regard to contractor concerns, issues or outliers identified by the dashboards and other internal mechanisms.

- There are 2 GP Practices and 3 Dental Practices that have CQC action plans.
- There are a further 4 GP Practices, 3 Dental Practices, 4 Pharmacy's and 1 Optometric Practice under review / being monitored by the Primary Care team.

### *Medical:*

This quarter we have initiated the following reviews/procurements for some of our GP services:

- Chapelford Procurement of GP Medical Services in Warrington
- Westminster Procurement of GP Medical Services in West Cheshire
- Leasowe Procurement of GP Medical Services in Wirral
- Appleton Procurement of GP Medical Services in Warrington
- Culcheth Procurement of GP Medical Services in Warrington

The timetable for the procurements will see the new providers in place from 1st July 2015 (with current agreements being extended for 3 months from April-June 2015 whilst the procurement process is undertaken).

- Wirral All Day Health Centre – the current APMS Contract is under review and discussions are in place with Wirral CCG
- St Werburgh's APMS Agreement has been extended for a further 2 years whilst a full service review and needs assessment is undertaken with NHSE and West Cheshire CCG

Further updates will be provided in future reports.

#### *Pharmacy:*

The LPN work streams have given professional support to Public Health and CCGs to transition and develop existing community pharmacy enhanced services where there is deemed to be a need to amend or develop the service. Examples of work stream support include:

- Eastern, Vale Royal, & South Cheshire

Think Pharmacy Community Pharmacy Minor Ailments Service was re-launched on 1st August 2014 with additional conditions. The service aims to divert patients with specified minor ailments from general practice and other Urgent care settings (e.g. out of hours, urgent care centre, Accident & Emergency department) into community pharmacy where the patient can be seen and treated in a single episode of care.

This service is commissioned by Eastern, Vale Royal and South Cheshire CCGs from community pharmacies across their area; staff promoting the service have attended the Engagement Events including the Nantwich Show, AGM, Fresher's Fair Winsford and Northwich, Northwich: Independent Living Day and Self Care Week 17th – 23rd Nov.

Think Pharmacy Community Emergency Supply Service has been commissioned by NHS Eastern Cheshire CCG and is being introduced by Vale Royal and South Cheshire CCG. The purpose of this Service is to ensure that patients can access an urgent supply of their regular prescription medicines where they are unable to obtain a prescription before they need to take their next dose. The service may be needed because the patient has run out of a medicine, or because they have lost or damaged their medicines, or because they have left home without them. The aim of this service is to relieve pressure on urgent and emergency care services and general practitioner appointments at times of high demand

- West Cheshire

West Cheshire CCG are about to re-launch Pharmacy First on 17th November with additional conditions added. The service aims to divert patients with specified minor ailments from general practice and other Urgent care settings (e.g. out of hours, urgent care centre, Accident & Emergency department) into community pharmacy where the patient can be seen and treated in a single episode of care

Self Care Week 2014 takes place from November 17th to 23rd. It aims to help people take care of themselves, and lets them know what's available to help them look after their health. This year's theme is "Self care for life – be healthy this winter" and aims to raise awareness of how many common winter ailments don't require antibiotics, and that visiting a pharmacy for advice and treatment is often your best bet. Community Pharmacy will be represented at the Tarporley Self Care Event on Tuesday 18th, November.

- Wirral

Wirral pharmacies are supporting CWP with Alcohol Awareness Week 2014 from 14th November 2014. This campaign supports and moves forward the Wirral Alcohol Harm Reduction Strategy aspiration of constantly improving the effectiveness and impact of the alcohol screening and brief advice programme.

There are 112 practices now live across Cheshire, Wirral and Warrington on the Electronic Prescription Service (EPS). The rollout in Wirral is now almost complete with 75% of practices on EPS and of those complete 90% are over the 40% utilisation threshold. This is the point that most practices start to really feel the benefits. A few practices are now even at the 90+% mark. This is now the top EPS utilisation location in the country.

133 pharmacy sites are offering the Pharmacy Seasonal Influenza Immunisation Programme which aims to give improved access to the influenza vaccine across Cheshire, Warrington & Wirral for eligible patients during the

2014/15 influenza season i.e. 1st October 2014 to 31st March 2015 in order to maximise uptake within the high risk groups.

NHS England's 'Feeling under the weather?' winter marketing campaign is now running until early December 2014. The campaign builds upon last winter's 'The earlier, the better' campaign, and is designed to encourage people – particularly those aged over 60 and their carers – to pop in to their local pharmacist to get early advice when they start to spot signs of common winter ailments. The aim is that by getting advice from their pharmacist early on, they can often prevent coughs and other respiratory problems getting worse and turning into serious issues. The 'Feeling under the weather?' campaign messages are focussing on two key motivational barriers that emerged from last year's research. The messages therefore emphasise the fact that for older people minor illnesses can develop into something worse; and also reassure them that it's OK to seek advice from a local pharmacist.

All pharmacies have been contacted to ensure they have plans in place for business continuity and suggested they review their plans in readiness for the Winter Season. The Area Team have offered to act as a repository.

### *Dental*

- CDS Review update

NHS England CWW & Merseyside Area Teams are procuring up to 20 new salaried dental services contracts. Once complete, this procurement exercise will lead to the delivery of focused, well defined salaried dental services that are able to meet the needs of our local community in Cheshire and Merseyside and offer good value for money.

The EU procurement process is lengthy and complicated, this particular re-procurement exercise, the largest ever undertaken within the salaried dental services in England, will take 18 months to complete and will 'go live' on 1.4.15. A small experienced NHSE team is coordinating the effort and we can report that the process is running smoothly and is also running on time.

Currently we are in the bid evaluation phase. Some 45 experts from around the country are formally assessing all the bids with the support of the North of England Commissioning Support (NECs). This phase of the process is sensitive and there is little we would currently wish to say about these developments. We are however, confident that by the end of November/early December we will be in a position to make recommendations to the Area Team directors in regard contract award.

Once directors have made their formal decisions on the recommendations of the evaluation team, we will move into the mobilisation phase which will ensure that there is a seamless transfer of services in line with the newly negotiated contracts on 1.4.15. The dental commissioners will, of course, carefully monitor the new services to ensure that the new arrangements operate as expected.

- Oral surgery development: Update

NHS England CWW has now reviewed the demand for oral surgery services across Cheshire, Wirral and Warrington. This exercise has demonstrated that a significant proportion of oral surgery cases are straightforward (for example removal of wisdom teeth), and could be undertaken in a primary care setting by a specialist oral surgeon. Other areas have successfully made this transition of service from secondary to primary care and as a consequence, have improved access to high quality services and reduced waiting times for patients.

Initial meetings with clinicians have taken place to initiate work on developing a system for managing referrals from local dentists to the most appropriate and convenient local oral surgery service. Running alongside this piece of work, the process for re-commissioning of oral surgery services in the primary care setting has now commenced. Following a recent engagement meeting with potential providers, the service specification for services across Cheshire Warrington and Wirral will be finalised by the end of November 14 with a view to the procurement process commencing in December / January 15. Newly commissioned services will be in place for 1/7/2015.

## **Public Health**

### *Childhood Immunisation Programme 0 – 5 years*

Coverage of immunisations for children aged 0 to 5 continues to be at high levels with improvements in a number of areas, for example all local authority areas are now above the national target of 95% for the first dose of the MMR vaccination. There continues to be low uptake for the pre-school booster and the second dose of MMR, although there has been improvement in most areas.

### *Seasonal Flu Campaign*

The Area Team are focusing on improving uptake by at least 10% of the flu vaccine for people aged under 65yrs who are in clinical at risk groups including pregnant women. This group now has the option to use community pharmacies for their vaccination and pregnant women are being offered the vaccination by maternity services.

The team is also aiming for at least 75% uptake in people aged 65 and over and is working closely with partners in Warrington, since that was the only local authority area in CWW not to achieve this level last year.

### *Bowel Cancer Screening*

A new test kit for bowel screening (FIT) is being piloted and has resulted in more patients requiring colonoscopy. This has slightly increased waiting times but they are being managed within clinically appropriate timescales. The pilot is due to end soon and will be subject to evaluation, which is expected next year.

Bowel scope screening for people aged 55 has started in Cheshire and will start next year for Wirral and Warrington. Roll-out of the programme is on a phased basis, according to GP practice.

### *Breast Screening*

The Breast Screening Programmes serving Warrington and Chester had experienced some delays in inviting women. The Warrington programme is now back to acceptable performance levels, whilst the Chester programme is making good progress and should be compliant with standards in the near future.

Discussions are in progress for the implementation of the Breast Screening Services Review with a formal offer being issued by NHS England to the Chester and Wirral BSPs with Wirral University Hospitals Trust as lead provider for the merger programme with an intended implementation timeline for April 2015. An options appraisal for the implementation of the proposed merger for Crewe BSP is being presented on November 11th 2014 to determine the next stage.

### *Cervical Screening*

There has been a slight reduction in coverage in all areas other than West Cheshire CCG. All areas except Wirral remain above North West and England coverage levels. The Screening & Immunisation Team have developed a practice-level scorecard to enable comparisons and are working with CCG Quality leads to identify actions for improvement.

Breaches of the 14-day turnaround target from test to result had occurred in one of the laboratories. This situation has been addressed and the position has returned to target levels.

### *Antenatal Screening*

The team are concerned that the One-to-One Midwifery service cannot generate NHS numbers at birth, which is due to not having an N3 connection. This situation results in screening information not flowing to the correct systems and therefore in data being inaccurate.

### *New-born Screening*

An extension to the New-born Blood Spot screening test is due to be implemented from January 2015. This will enable earlier identification of rare, serious genetic conditions, leading to improved outcomes for those babies.

### *Diabetic Eye Screening*

Issues have previously been identified with collating a single complete list of all patients with diabetes who are eligible for Eye Screening. As a result, intensive work has been undertaken to cleanse the lists and ensure that all eligible patients have been referred into the programme.

### **Specialised Commissioning**

All contracts are signed. Data has been submitted by all Trusts, broadly in line with our expectations. As at M4 the overall financial forecast is for a small over performance. This is mainly around drugs at Chester and Wirral, and is offset to an extent by an underspend by Warrington in the same areas.

The Trusts in CWW Area Team have minimal specialised commissioning with the exception of Clatterbridge Cancer Centre where there are no new issues. Mid Cheshire Hospital quality review action plan is underway and mortality has reduced to within expected rates.

There are a number of significant service issues that are currently being addressed by the Specialised Commissioning Team in partnership with key Cheshire, Warrington and Wirral colleagues. These include:

#### *Major Trauma*

Major trauma in Cheshire and Merseyside is provided through a MTCC comprising RLBH, Aintree and the Walton Centre. There has been a significant improvement in clinical outcomes since the establishment of the major trauma network.

#### *Neurorehabilitation*

The Cheshire and Merseyside Rehabilitation Network (CMRN) has been asked to consider the benefits and potential timescales associated with becoming an ODN. The CMRN and CWWAT highlighted the shortfall of CCG-commissioned level 2 services for Cheshire patients together with potential solutions to Cheshire CCGs. Agreement was not reached on an interim or long term solution and is subject to further work at individual CCG level.

#### *Specialised Cardiac*

A review of specialised cardiac services across the North West is nearing completion. This has focussed on compliance issues and confirming the models of care and service configuration that should be in place to address issues of equity of access, capacity and demand management and compliance with the national service specifications.

#### *Upper GI Cancer*

Specialist upper GI cancer (oesophago-gastric) services are configured around two SMDTs, at Aintree and LHCH. National guidance and the service specification indicate that for the volume of surgical activity being undertaken, there should be a single team providing services for the population of Merseyside.

NHS Merseyside initiated a procurement process in 2012. With the transfer of commissioning responsibility to NHS England, a review of the process was undertaken which identified a number of technical flaws. The procurement was therefore stopped.

Providers have failed to reach a collaborative solution which would bring services on to a single acute site in line with external clinical advice. LHCH has subsequently proposed that specialist surgery currently undertaken on the LHCH site is transferred to Royal Liverpool in order to meet this recommendation.

Discussions are underway to ensure that the planned transfer meets quality and safety standards, including a reduction in the number of surgeons to meet compliance with national standards.

Strategic discussions are underway between CWW AT and CEOs which may resolve this issue and avoid the need for procurement. If a procurement is required to establish a single SMDT/surgical service for Merseyside, this will be initiated in March 2015 as a single 'lot' alongside the procurement of upper GI cancer in Greater Manchester.

#### *Clatterbridge Cancer Centre Business Case*

Discussions are progressing with Clatterbridge Cancer Centre services regarding the financing of the move to Liverpool, and the review of the Business Case- a specific review group has now been established with CCG and Area Team sponsorship to undertake the assurance process on this business case.

### **Offender Health**

Prisons - There are 3 prisons in Cheshire, Styal women's prison in Cheshire East and Risley and Thorn Cross in Warrington. There are no prisons within the Cheshire West and Chester area.

Police – It is now expected that the transfer of commissioning responsibility for police custody healthcare will occur in 2016. Partnership work is ongoing with Cheshire Police around the management of the police custody healthcare contract with Tascor Medical Services. Regular quarterly meetings are held with Tascor, NHS England and police colleagues. Tascor continue to develop their services in police custody, making excellent links with community services to ensure onward referrals for individuals can be made.

L&D – The Divert programme continues to deliver services to young people in all areas of Cheshire apart from Cheshire East, although work is ongoing with Cheshire East YOS to develop such a service in this area. Warrington CJLT also continues to deliver services in the Warrington area. Work has commenced with Cheshire Police and Courts services to map out and work towards development of liaison and diversion services in accordance with the national specification.

### **Armed Forces**

For the financial year 2014/15 five contracts have been put in place; South Tees Hospitals NHS Foundation Trust, York Teaching Hospital NHS Foundation Trust, Harrogate District Hospital NHS Foundation Trust, Hull and East Yorkshire Hospitals NHS Trust and North Lincolnshire and Goole NHS Foundation Trust. These were the Trusts where armed forces activity in 2013/14 exceeded £100k. All other activity this year (as with last) is picked up as NCA. As Armed Forces Commissioning is viewed as a national function the three area teams who lead on this have a risk sharing agreement in place to ensure that the national picture is balanced, even if this is not the case locally. As at M4 the overall financial forecast is for a balanced position nationally.

Commissioning Intentions have now been developed for 2015/16 and look to build on work that is already underway, e.g. priority areas will include encouragement of large scale use of choose and book across the Armed Forces to encourage choice, re-procurement of Veterans Mental Health outreach services (Murrison funding that ends in 2015), future funding for Veteran's Prosthetics, improved access to screening services, improved transition from Armed Forces to civilian life, especially for those who are medically discharged, review of continuing healthcare and personalised budgets, and review of MSK pathways.

NHS England Armed Forces Team are currently working closely with MOD colleagues to transfer Primary Care Out of Hours commissioning responsibility from MOD to NHS to enable services for the Armed Forces to be provided within local unscheduled care pathways. There are legal and financial issues to be worked through but as this project develops there will need to be engagement with all CCG's who have military bases in their patch to ensure they extend their existing provision to cover this population. Funding will transfer from MOD to support this.

As part of the NHS England re-structure it is being proposed that the Armed Forces structures be consolidated into one team, likely to be led by the South (given they have the largest Armed Forces population). The intention is that

there would still be a presence in each of the regions but full details are yet to be published but it is very likely that there will be a change to the current arrangements.

## **Commissioning Intentions 2015/16 & Planning Guidance**

### *Primary Care*

The following are the Cheshire Warrington and Wirral Primary Care Team Commissioning Intentions for 2015/16 which aligns with the Primary Care Strategies for the area. They are in draft at this stage.

1. Co-commission Primary Care Services in line with national guidance and CCGs level of interest.
2. Continue to support the Clinical Commissioning Groups and their health economies with the development and implementation of their Primary Care Strategies for integrated care including the delivery of co-commissioning.
3. Progress the delivery of equitable funding of Primary Medical Care by implementing the PMS review.
4. During 2015/16, commission all Directed Enhanced Services in line with NHS England guidance.
5. Review the outcomes of the Prime Ministers Challenge Fund to inform the outcomes of commissioning 7 day services.
6. By Q2, 2015/16 complete the work begun in 2014/15 to review, redesign and re-procure (where appropriate) the Warrington Local Pharmacy Services contract in line with the revised Pharmaceutical Needs Assessment for Warrington Borough Council.
7. Continue to decrease the number of referrals to secondary care oral and maxillofacial surgery providers by implementing the national dental care pathways which will move more minor oral surgery procedures into the community.
8. To commission secondary care dental services on the PBR tariff based on current activity levels, within financial allocations.
9. During Q3 and Q4 2014/15 and 2015/16, establish and commission robust patient centered CQUINs from all secondary care dental providers.
10. Review, redesign and re-commission (where appropriate) the following primary care services to meet the current and future needs of the population where contract end dates provides the opportunity:
  - i. By Q2, 2015/16 complete the process for recommissioning Primary Care Oral Surgery Services across the Area Team whose end date for all current provider contracts is 30 June 2015. This developed service will have increased capacity and capability to manage and treat a greater volume of Level 2 activity.
  - ii. Secure a Primary Medical Care service for the patients currently registered with the Wirral All Day Health Centre.
  - iii. The following five provider who hold contracts Alternative Primary Medical Service contracts whose end date for is 30 June 2015.
    - Chapelford MC,
    - Westminster MC,
    - Leasowe MC,
    - Appleton MC and
    - Culcheth MC.
  - iv. Primary Care Orthodontic services whose end date for all the current services is 31 March 2016.

### *Public Health*

The Public Health Commissioning Team intentions are as follows:

1. Deliver the requirements of the national Section 7A Agreement, specifically:
  - Increase the pace of change for the implementation of national service specifications and review Provider compliance with performance standards. Performance 'floors' by programme may be set to address unacceptably low performance by Providers.
  - Expand children's seasonal flu expansion to cover all 2, 3 and 4 year olds
  - Implement HPV testing for women with mild/borderline cervical smear results (already completed in CWW)
  - Extend the Bowel Screening programme for men and women up to age 75 (already achieved in CWW)
  - Roll out Bowel scope Screening for 60% delivery by March 2015
  - Implement potential pilots in Meningitis B vaccinations subject to national approval



- Implement Meningitis C vaccination catch up for university entrants
  - Implement of DNA testing for sickle cell and thalassaemia screening
2. Benchmark services on quality, costs, outcomes and activity
  3. Implement the results of the breast screening review
  4. Achieve targets locally for expansion in health visiting and family nurse partnerships.
  5. Safely transfer commissioning responsibility for Health Visiting and FNP to Local Authorities
  6. Transform Health Visiting and FNP services to meet the specified service model and the objectives of local early years strategies
  7. Undertake joint procurements with local authorities for all health visiting and FNP services
  8. Develop a health inequalities strategy to improve overall coverage rates for screening and immunisation and reduce variation in coverage with a focus on vulnerable groups. Tools to support the strategy include the development of practice level performance benchmarking for targeted support to improve uptake and the implementation of the health inequalities CQUIN in Provider contracts.
  9. Review the costs of Diabetic Eye Screening services and identify a 'Best Price' approach

### *Specialised Commissioning*

The Commissioning Intentions of the Specialised Commissioning function of the Cheshire Warrington and Wirral Area Team can be broken down into three parts. Our regional (NW wide) intentions, highlight the key work programmes and our consistent approach to contracting for the 15/16 contract round. The intentions are as follows:

#### 1. Commissioning Responsibilities and Prioritisation

As per 2014/15, Commissioners will be required to manage any national changes in guidance and commissioning responsibilities (specialised or highly specialised services) and work in partnership with providers to agree implementation plans. This will include the outcome of any review of the respective commissioning responsibilities, which may result in the devolution of some services to Clinical Commissioning Groups. For some services, this may mean co-commissioning arrangements with CCGs to ensure better alignment of decision making, to help restore pathway integrity, and to improve the transition between specialised and non-specialised care.

#### 2. Local Priority Work Programmes

A number of work programmes have been identified locally as priorities. These are detailed in Appendix 1. They are ongoing and will be progressed through the second half of 14/15 and onwards into the 15/16 contracting year. Contracts will be negotiated taking into account the impact of these programmes where it is known and understood. Where the details are not yet understood then the contracts will be set in line with current provision, but commissioners will request contract variations in line with contractual process to implement the outcomes of the work programmes.

#### 3. Organisational Delivery Networks and Streamlined Contracting

We will continue to work to develop and support ODN's. Funding will be as described in the national NHS England commissioning intentions. Where a provider delivers a service that has an ODN, or where an ODN is being developed, it will be a requirement that providers of those services engage and participate in the ODN. The list in Appendix 2 details the current established ODN's, and those in development.

#### 4. Contract Planning for 15/16

The following paragraphs outline the intended basis for contract planning for 15/16.

- Contract Basis: We expect to be developing a single NHS England contract with each provider, covering all aspects of NHS England's direct commissioning. This is likely to be a standalone contract, rather than NHS England becoming an associate to CCG commissioned contracts.
- Activity basis: Activity plans for 15/16 will be set on M8 forecast for the full year at 2015/16 prices, and taking into account known part year impacts, growth and other negotiated service changes.
- Counting and coding: Where contracts contain block agreements, these must be evidenced by activity data as outlined above. Where a trust cannot substantiate the activity behind a block payment then we will look to review the payment, and remove elements that cannot be substantiated.
- Benchmarking Review: Throughout 2014-15 there has been an ongoing review of local prices across all major specialist areas both locally and nationally. As a result CWWAT will re-negotiate prices of Providers who are outliers as part of this process. We will move towards the most efficient provider pricing, and where the

movement required is significant then we will look to agree a transitional approach. Specific details of this review will be shared with Providers as part of the contract negotiations.

- NEL Thresholds and Readmissions: We expect to follow PbR guidance and apply the contract sanctions for the non-elective threshold and for readmissions. We will work with the trust to establish the baseline, and share with you NHS England's plans to reshape demand.
- CQUIN: We will again be utilising centrally developed CQUIN schemes. The CQUINs will be representative of the services that we commission from you. We expect to be able to share the CQUIN schemes with providers by the end of the year, and will be aiming to have agreed CQUIN schemes with providers by the end of January 2015 for the following contract year. Where baselines are required these will be agreed, with appropriate clinical input, as part of this process. For the national CQUIN that are part of all NHS Contracts we will work with CCG commissioners to ensure consistent targets for each of those schemes. Further details on CQUIN is covered in the National Commissioning Intentions.

#### 5. QIPP

Through the remainder of 14/15 and into 15/16 NHS England will continue to pursue the QIPP agenda, looking to identify efficiencies and cost savings through improving quality and productivity. QIPP will run as a constant theme through our contract negotiations and planning process. This will be underpinned by three programmes, focussing on medicine optimisation, efficient contracting and service issues. There will be a number of projects within each programme, and details of these schemes will be shared with providers over the coming months.

#### 6. Trust specific commissioning intentions

The Commissioning Intentions for Armed Forces & Offender Health are yet to be agreed nationally.

### **Organisational Alignment & Capacity Programme**

NHS England is currently reviewing its operational arrangements to ensure that our structures are fit for purpose and within available funding going forward.

This will mean that changes at a local level will be necessitated, and with larger Area Teams will be established to cover the North of England. This program is essentially an internal restructure, aimed to create better working between national and regional teams – creating four larger integrated teams for the North. Cheshire and Merseyside will be one of the new teams.

Our functions will remain the same for now as there is no change envisaged currently. However we will be working closely with our CCG partners to continue to develop their leadership role and take on wider commissioning responsibilities over time specifically for Primary Care and Specialised Services.

We are now consulting internally on the new structures which is aimed to improve and strengthen key areas – such as specialised commissioning, but also is aimed to reduce costs by around 15%. At the same time as the structural changes, we are also seeking to create best operating practices so that NHS England can perform its duties effectively. We have asked for feedback from partners including the Health & Well Being Board to form part of this consultation.

**Tina Long**  
**Lead Director**