

Minutes of the North of England Specialised Commissioning Group Held on Friday 14 September 2012

Members Present

North East

NHS North of Tyne and Chair

NHS South Tyne & Wear

NHS Tees

NHS County Durham & Darlington

Chris Reed

Karen Straughair

Pat Keane (proxy vote)

Pat Keane (Deputy)

North West

NHS Greater Manchester

Mike Burrows

Yorkshire and the Humber

NHS South Yorkshire and Bassetlaw

Matt Neligan (proxy vote)

NHS Airedale, Bradford and Leeds

Matt Neligan (Deputy)

NHS Humber

Caroline Briggs

NHS Yorkshire and York

Bill Redlin (Deputy)

NHS Calderdale, Kirklees and Wakefield District

Matt Neligan (proxy vote)

In Attendance

Interim Chief Operating Officer

Jon Develing

Interim Director of Quality and Clinical Engagement

Kevin Smith

Head of Governance

Trish Styles

North East Specialised Commissioning

Sue Cornick

North West Specialised Commissioning

Dr Alison Rylands

Yorkshire & the Humber Specialised Commissioning

Cathy Edwards

Apologies for Absence

NHS County Durham & Darlington

Yasmin Chaudry

NHS Tees

Chris Willis

NHS Cheshire, Warrington & Wirral

Kathy Doran and Moira Dumma

NHS Cumbria

Sue Page

NHS Lancashire

Janet Soo-Chung

NHS Merseyside

Derek Campbell

NHS South Yorkshire and Bassetlaw

Andy Buck

NHS Yorkshire and York

Christopher Long

NHS Airedale, Bradford and Leeds

John Lawlor

NHS Calderdale, Kirklees and Wakefield District

Mike Potts

NHS North West

Richard Barker

Non-Executive Director (non voting)

Alan Foster

Interim Director of Finance & Information (in attendance)

Phil Heywood

WELCOME

The Chief Executive of NHS North of Tyne welcomed members to the meeting. The meeting was not quorate so no decisions will be made. Any issues that have to be shifted will be taken under Chair's action. Later note – the meeting became quorate at 2pm.

066 APOLOGIES FOR ABSENCE

Apologies were taken as those already noted on page 1.

067 DECLARATIONS OF INTEREST

There were no declarations of interest.

068 MINUTES OF THE MEETING HELD 13 JULY 2012

The minutes of the meeting were approved, with one minor amendment, by the members and duly signed by the Chair.

069 ACTION POINTS FROM PREVIOUS MEETING AND MATTERS ARISING

There were no matters arising from the previous meeting.

CRITICAL BUSINESS ITEMS – FOR DECISION

070 CHAIR'S REMARKS

Members should now have seen the Operating Directorate structures and be aware that there will be three specialised commissioning Local Area Teams in the North of England. The teams will work through the one operating model of the NHS Commissioning Board.

The NoESCG would continue to meet until the end of transition however it was suggested that only two meetings would be needed, one in December to look at the proposed specifications, finances and contracting round and a second meeting in March 2013 to close down and sign off before hand over to the NHS Commissioning Board. Chair's action would be taken if any decisions are required between meetings.

Cathy Edwards advised members that at the beginning of October 2012 the national group would be making a recommendation to all SCGs in relation to Ivacaftor, a cystic fibrosis drug. Due to the sensitivity of the recommendations it was agreed that, if necessary, members would be asked to support a specific teleconference to make the decision. Formal meeting minutes will be taken.

Staffing updates: The Chair has been appointed as the Interim Local Area Director for Cumbria and Northumbria, and Jon Develing has been appointed as Director of Operations and Delivery for the regional team. Jon Develing advised members that there was a strong senior management team and local specialised commissioning operating group arrangements that would ensure specialised commissioning arrangements are managed during the transition.

071 INTERIM CHIEF OFFICER BRIEFING

Jon Develing presented his report and highlighted the following key issues:

Operating Model: this section on page 1 describes, at the time of writing the report, the latest position of the operating model, As previously described it is now known that there will be three specialised commissioning teams in the North of England.

Prescribed Services: The Clinical Advisory Group report has now been published and this will be considered by the NHS Commissioning Board. The report describes prescribed services and is the definitive list of specialised services that will be commissioned by the NHS Commissioning Board. There are still some areas to be looked into for example the codes and building up of the baseline contract. Members were asked to share the report with their clinical commissioning groups. Kevin Smith reminded members that the report identifies those services that will not be commissioned by clinical commissioning groups as these are reserved for the NHS Commissioning Board.

- IVF services will return to clinical commissioning groups.
- All cancer chemotherapy and cancer drugs will be commissioned by the NHS Commissioning Board
- All radiotherapy will be commissioned by the NHS Commissioning Board

This means that a lot of services will be taken out of clinical commissioning groups however sensible chunks of services will be left for clinical commissioning groups for example neurology will be commissioned locally by GPs but once in the centres this will become a specialised service. If the service is on the prescribed list then clinical commissioning groups cannot commission that service, this is different to previous decisions that primary care trusts could make commissioning services.

The overall budget for specialised services is circa £12.5 billion

Convergence: The Clinical Reference Groups are working on 130 service specifications to bring about national consistency. Where relevant NICE Technical Appraisals have been used as the point of reference. All policies and specifications will be submitted to the PPE steering Group and an impact assessment is being undertaken to understand the financial and service risk of implementing standard specifications and policies.

Clinical Networks: The NHS Commissioning Board has confirmed its plans to establish Strategic Clinical Networks with initial areas identified as:

- Cancer
- Cardiovascular disease (including cardiac, stroke, diabetes, and renal disease)
- Maternity and children's services
- Mental health, dementia and neurological conditions

Resilience: The Operations Directorate structure has now been published however there is still uncertainty as CSU posts associated with specialised commissioning have not yet been identified. There is also limited information on how clinical effectiveness, communication, information and financial support will be operate across the Local Area Teams. There is also concern about the low number of case managers in the structure as this is an area where continuous and significant savings are incorporated into QIPP plans.

There is a risk that staff may start to look for recruitment opportunities outside of specialised commissioning and the loss of skills, knowledge and expertise will be difficult to replace particularly in the short term. Whilst these risks are being mitigated by the use of secondments and agency staffing.

An initial mapping exercise has been undertaken to compare existing and new structures across the North of England. The percentage match between specialised commissioning functions, grades, and whole time equivalent is in single figures. As a consequence there are significant business continuity risks. There followed a general discussion about the transfer of functions and the role of the sender and receiver organisations.

Paediatric Cardiac Surgery: A brief overview is included in the briefing and since the report was produced Leeds Teaching Hospital has announced the intention to request a formal review.

An implementation plan has been developed, which will be overseen by a project board.

Paediatric Epilepsy: In May 2012 it was announced that there will be one Children's Epilepsy Surgery Service in each SCG Cluster. These are:

- Birmingham Children's Hospital NHS Foundation Trust
- North Bristol NHS Trust with University Hospitals Bristol NHS Foundation Trust
- Great Ormond Street Hospital for Children NHS Trust (GOSH)
- Alder Hey Children's NHS Foundation Trust with Central Manchester University Hospitals NHS Foundation Trust

In establishing such centres it is anticipated that referrals, notwithstanding patient choice, will be directed within the new networks to ensure compliance with the principles and standards set out within the national review. From November 2012 it is planned that referrals made by provider trusts within the North of England will be directed to the North of England centre, as indicated above. This message needs to be given through the networks and into the systems.

Specialised Healthcare Alliance: The Specialised Healthcare Alliance and the North of England SCG are holding a joint workshop on convergence on 30 October 2012, at 3 Piccadilly Place, Manchester.

The Chair thanked Jon Develing for his report.

072 NORTH OF ENGLAND SCG FINANCE REPORT UPDATE

The finance paper is a composite report from the three operational groups and is produced in the new national template. There is more detail than in previous reports and papers have been fully discussed by each of the Specialised Commissioning Operating Groups.

The overall budget for the North of England SCG is £2,206m with a current forecast overspend, based on early contract data, of £21m broken down as:

- North East office - £439k
- North West office - £9,587k
- Yorkshire & the Humber office - £11,011k

Full reports for each area office were attached to the finance report and a summary of the actions being taken to mitigate the risks are included in the paper. It is important to note that significant elements of the variances relate to rebasing of the baseline, and incorporation of dilapidation and potential redundancy costs.

There was a general discussion about affordability and sign up from Specialised Commissioning Operating Group members to support commissioners in understanding pressure points and working with trusts and primary care trusts to manage over performance and financial risks. The fragmentation of budgets results in significant financial risks and it was considered a cluster responsibility to ensure a balanced year end position or agreement of the actions needed.

The Chair requested that the three team directors brief the local Specialised Commissioning Operating Group members on plans to bring the year end position back to a balanced position. If this cannot be achieved then all Chief Executives and Directors of Finance are to be made aware of plans to mitigate risks.

DELIVERING TODAY / DEVELOPING TOMORROW

073 TRANSITION DELIVERY PLAN

The national template has been revised since last presented to members. The revised categorisations are now more meaningful in terms of identifying where there is a significant risk as opposed to a shift in delivery timescales. The report incorporates the latest position with regard progress against the transition delivery plan and as at September 2012 the overall transitional plan for the North of England is on track. 51 tasks have been completed and 7 are amber, which means that actions and work is progressing to get the milestone back on track.

The Chair thanked Trish Styles for the report.

074 ASSURANCES AND RISK REPORTS

The senior management team has enhanced the current risk and assurance reports and developed a suite of reports that support both local area office, regional and national requirements.

In summary:

- Transition Delivery Plan (as reported in agenda item 0073) supports a nationally prescribed North of England SCG risk register. The risk register consists of actions required to bring the completion of the designated task back on track.
- Sub regional specific service and contract issues can be found in each of the area office risk registers.
- Service developments/ cost pressures, procurements and legacy issues are all incorporated into specific logs which now include an estimation of the financial implications.

There are no high level risks identified against delivery of the transition plan and there are seven medium risks which relate to:

- a) Migration of services with the “minimum take” which may not be achieved within the timescales due to the complexity of some contracts.
- b) Future developments, with potential revenue implications, may not be fully mapped and understood.
- c) Financial pressures could result from the convergence of policies and development of standard specifications.
- d) Stakeholders are not aware of the on-going work to develop identification rules for specialised services.
- e) Financial assurances and CRG work streams may fail to jointly identify specific QIPP opportunities.
- f) Staffing capacity and potential loss of knowledge and skills to other areas of the health system that are currently recruiting staff.

Each office risk register is attached for information and members can be assured that these risks are discussed at the operating group meetings.

Procurement: The procurement log has been updated to reflect future revenue expenditure however it is important that members focus on the principles for on-going procurements, whilst awaiting national guidance. There was a general discussion and confirmation of the following principles:

- a) Continuity of patient care is paramount.
- b) Alignment with national strategy, which means that service developments and new services should not be commissioned unless these follow national guidance.
- c) Contracts cannot legally be extended further.
- d) Contain activity and funding within the current agreed budget.
- e) Acute providers are made aware that savings will need to be delivered.

Specific discussions followed in relation to:

North East office: there is a business case in the North East for radiotherapy services. The procurement relates to existing plans, is contained within current budget and is a primary care trust priority.

North West office: women's secure services in the North West, for which the framework expires in June 2013 and other secure services framework, which expires in December 2013. Both frameworks have already been extended to the maximum duration. It was recommended that an Any Qualified Provider list would be managed, following tendering guidelines, as this did not commit contracts values to specific providers, should the system change once the NHS Commissioning Board procurement strategy is known.

North of England SCG members agreed that the:

- **North East office should proceed with the radiotherapy business case.**
- **North West office should proceed with re-establishing an Any Qualified Provider list for secure services. Richard Barker would be made aware that this action has been taken to maintain patient services post the contract expiry dates.**

075 PAEDIATRIC NEUROSURGERY

The Safe and Sustainable team has, since 2009, been working on setting national standards / framework and the consultation process is now complete. There are currently 14 Children's neurosurgery Centres in England and of these five are in the North of England.

The future proposal is for eight regional networks which will comprise of two or more centres. The core aim is to provide care as close as possible to the child's home, whilst ensuring the best outcome for the child.

The networks will be required to develop formal pathways and identify key processes for routine, urgent and emergency care, including the critical transition points along the pathway of care. There was a general discussion about patient flows and how rare conditions may be provided at specific centres e.g. hydrocephalous, children's' cancer, trauma etc. It was confirmed that there will be a peer review process, which will involve relevant professionals to ensure that national standards are met.

Each specialised commissioning group has been asked to submit a pro-forma to the Safe and Sustainable team for the proposed Children's Neuroscience Network for their region. The rational was set out in pro-formas for the two North of England Networks which give greater detail about the reasons for proposing these specific networks:

- North West – based on Alder Hey Children's NHS Foundation Trust and Central Manchester University Hospitals NHS Foundation Trust , and
- North East and Yorkshire and the Humber including Newcastle Hospitals NHS FT, Leeds Teaching Hospitals NHS Trust and Sheffield Children's NHS Foundation Trust.

North of England SCG members approved the proposals.

076 CYSTIC FIBROSIS POLICY AMENDMENT

The existing policy has been previously signed off by the North of England Specialised Commissioning Group however this did not include the routine funding of dry powder inhalers. Cathy Edwards highlighted the general risks and confirmed that there was no financial consequence. Having considered the issues and risks of this recommendation, on balance the Clinical Reference Group recommends that dry powder inhalers are routinely funded as long as these are no more expensive than their equivalent nebulas.

North of England SCG members accepted the proposed amendment to the national commissioning policy for high cost drugs for cystic fibrosis.

077 IVACAFTOR

Ivacaftor is a significant new drug for a defined sub group of cystic fibrosis patients. The drug acts on underlying cause rather than symptomatic management and costs circa £180,000 per patient per annum. Nationally this is expected to cost between £40 and £45 million per annum.

The national Clinical Priorities Advisory Group will receive all evidence and make recommendations to the four specialised commissioning groups on the clinical and cost effectiveness, appropriateness and relative priority for Ivacaftor. It was agreed that a teleconference or alternative method of bringing members together would be explored, if a decision is required before the next scheduled meeting.

North of England SCG members:

- ***endorsed the approach to decision making in respect of agreeing a national commissioning policy for the potential use of Ivacaftor in Cystic Fibrosis, and***
- ***established a means to discuss the recommendations and outputs from CPAG during October / November 2012.***

078 STEREOTACTIC RADIOSURGERY AT NOVA HEALTHCARE

Nova Healthcare Ltd received interim designation to provide a limited range of procedures including brachytherapy, radiotherapy, chemotherapy, haematology and stereotactic radiosurgery.

North of England SCG members approved the start of the treatment of NHS patients with arterio-venous malformations using stereotactic radiosurgery by Nova Healthcare, from 1 October 2012.

079 ANNUAL REPORT

The annual report is a reflection of the work undertaken within each local office and an insight into the NoE SCG since its inception in January 2012.

North of England SCG members agreed the content and the format of the report and suggested that this is presented at boards in October 2012.

ITEMS FOR INFORMATION

080 MINUTES OF SPECIALISED COMMISSIONING OPERATING GROUPS

Minutes of the Specialised Commissioning Operating Groups were noted for information, as follows:

North East – Ratified minutes of the meeting held on 19 June 2012

North West – Ratified minutes of the meeting held on 25 June 2012

Yorkshire & the Humber – ratified minutes of the meetings held on 27 July 2012.

081 DATE AND TIME OF NEXT MEETING

The next meeting will follow the Chief Executive meeting at Blenheim House, and start at 1.30pm on Thursday 6th December 2012.

Please note that this is a change to the scheduled meetings as it was agreed that due to the new organisational arrangements the last two North of England SCG meetings will be in December 2012 and March 2013.

Member representatives should send details of any agenda items for the next meeting, to the Chair (and copy to the Head of Governance) by 22 November 2012 and papers by the 27 November 2012.

Signature:
Chair to the North of England Specialised Commissioning Group

Date: