MEETING DATE:	10 January 2013	North Lincolnshire Clinical Commissioning Group **REPORT TO THE CLINICAL COMMISSIONING GROUP COMMITTEE/GOVERNING BODY**
AGENDA ITEM NUMBER:	Item 6.2	
AUTHOR: **JOB TITLE:** **DEPARTMENT:**	Tim Fowler Associate Director of Contracting Contracting	

FUTURE COMMISSIONING ARRANGEMENTS FOR ENHANCED SERVICES AND OTHER AGREEMENTS

PURPOSE/ACTION REQUIRED:	Decisions for Approval
CONSULTATION AND/OR INVOLVEMENT PROCESS:	*This should identify each key Committee/Group which has led prior involvement/consultation in developing the recommendations in the paper* NHS Commissioning Board national guidance
FREEDOM OF INFORMATION:	*Is this document releasable under FOI at this time? If not why not? (decision making guide being developed)* Public

1. PURPOSE OF THE REPORT:

Following the publication of a guidance document issued by the NHS Commissioning Board in July 2012 entitled 'Enhanced Services Commissioning Factsheet' http://www.commissioningboard.nhs.uk/files/2012/03/fact-enhanced-serv.pdf, the purpose of this short paper is to:

a. Ensure the CCG and its members are aware of the changes regarding the commissioning of enhanced services and other Service Level Agreements with primary care providers from 1 April 2013;
b. Encourage the CCG to begin thinking about the approach it intends to take to those services currently subject to a Local Enhanced Services (LES) arrangement and for which it will have commissioning responsibility from April 2013. In particular whether it would wish to extend these LES's into 2013/14 in order to allow it to decide how best to utilise this funding in future.

2. STRATEGIC OBJECTIVES SUPPORTED BY THIS REPORT:

Continue to improve the quality of services	**X**
Reduce unwarranted variations in services	**X**
Deliver the best outcomes for every patient	**X**
Improve patient experience	**X**
Reduce the inequalities gap in North Lincolnshire	**X**

3. IMPACT ON RISK ASSURANCE FRAMEWORK:	**Yes**		**No**	**X**
4. IMPACT ON THE ENVIRONMENT – SUSTAINABILITY:	**Yes**		**No**	**X**
5. LEGAL IMPLICATIONS:	**Yes**		**No**	**X**
6. RESOURCE IMPLICATIONS:	**Yes**	**X**	**No**	

Values stated in the report are covered by PCT budgets up to 31st March 2013.
Allocations for 2013/14 have not yet been released but financial planning assumptions in the PCT assume that funding will be available to continue with these services at current levels of activity.

7. EQUALITY IMPACT ASSESSMENT:	**Yes**		**No**	**X**
8. PROPOSED PUBLIC & PATIENT INVOLVEMENT AND COMMUNICATIONS:	**Yes**		**No**	**X**

9. RECOMMENDATIONS:

The CCG Committee is asked to: -

1. Note the contents of this paper
2. Agree that current service agreements that will be the responsibility of the CCG from April 2013 will be extended into the 2013/14 Financial Year.
3. Set a review date in 2013/14 to consider future arrangements for service agreements for which the CCG will be responsible (Table A and Table B).

Background/Key Points

1. **Purpose**

   Following the publication of a guidance document issued by the NHS Commissioning Board in July 2012 entitled 'Enhanced Services Commissioning Factsheet' http://www.commissioningboard.nhs.uk/files/2012/03/fact-enhanced-serv.pdf, the purpose of this short paper is to:

   c. Ensure the CCG and its members are aware of the changes regarding the commissioning of enhanced services and other Service Level Agreements with primary care providers from 1 April 2013;
   d. Encourage the CCG to begin thinking about the approach it intends to take to those services currently subject to a Local Enhanced Services (LES) arrangement and for which it will have commissioning responsibility from April 2013. In particular whether it would wish to extend these LES's into 2013/14 in order to allow it to decide how best to utilise this funding in future.

2. **Background**

   Enhanced services are currently commissioned through each of the primary medical care contracting vehicles (GMS, PMS, APMS) and can be commissioned from a range of other service providers as well including community pharmacies and optometrists. Service Level Agreements for primary care are in place with a number of individual GP practices, pharmacies and optical practices.

   They currently comprise:

   Local enhanced services (LESs) – schemes agreed by PCTs in response to local needs and priorities, sometimes adopting national service specifications.

   Directed enhanced services (DESs) - schemes that PCTs are required to establish or to offer contractors the opportunity to provide, linked to national priorities and agreements.

3. **Future Responsibilities**

   From April 2013 the NHS Commissioning Board (NHS CB) will be responsible for commissioning services under the GP contract. It will operate as a single organisation with a single operating model that is expected to dispense with the local variations in policy and approach that have been developed by different PCTs.

   With respect to enhanced services, whilst the NHS CB will retain the ability to commission LES's through the GP contract, it is unlikely to exercise this function since responsibility for using resources to commission services that go beyond the scope of the GP contract will sit either with CCGs or the local authorities (health promotion and public health services). In practice responsibility for commissioning services that are currently part of enhanced service arrangements will be with CCGs or Local Authorities. For this reason it is important that CCGs begin to consider at the earliest opportunity how the resources currently used to commission those services that it will retain responsibility for should be deployed in future.

   Unfortunately, final definitive guidance on the future arrangements for LES's is still awaited. However, based on the information released to date assumptions can be made about where commissioning responsibility for schemes will rest from April 2013.

   Details of the current enhanced services and Service Level Agreements commissioned from GPs and other independent contractors within the CCG boundary are set out in the following Tables:

Table A: Clinical Enhanced Services – CCG responsibility

Scheme	Providers	Budget/Spend £
Post Operative Dressing and Suture removals	GPs	71,523

Scheme	Providers	Budget/Spend £
Oral Glucose Tolerance Testing	GPs	34,291
Insulin Conversion	GPs	8,500
Near Patient Testing	GPs	86,117
Minor Surgery, sigmoidoscopy, vasectomy and chalazion	GPs	26,881
Minor Injury Service	GPs	36,305
Infectious Disease Outbreak	GPs	500
Chronic Wound Management	1 GP Practice (Kirton)	2,800
Minor Ailments (due to end 31 March 2013)	Pharmacies	42,000
Palliative care(out of date medicines reimbursed)	Pharmacies	Less than £1000 per year
INR Testing	1 GP Practice (Barton Central Surgery)	13,725

Table B: Service Level Agreements and Contracts - CCG Responsibility

Scheme	Providers	Budget/Spend £
Glaucoma Referral Refinement Scheme	Optometrists	6,000
Ophthalmic Referral Refinement Scheme	Optometrists	22,200
Intermediate Care Service (Medical support to care home beds)	1 GP Practice (Trent View Medical Practice)	72,000

Note: CCG will also have responsibility for contracts in place under Any Qualified Provider (AQP) arrangements for Minor Surgery (1 practice) and Community Respiratory, Community Cardiology, and a non AQP agreement for GPsWI services for Neurology. CCG is currently putting in place AQP arrangements for Non-Obstetric Ultrasound and developing AQP arrangements for Pain Management Services.

Table C: Clinical and Other Enhanced Services – NHS CB responsibility

Scheme	Providers	Budget/Spend £
Extended Hours	GPs	177,656
Patient Participation	GPs	183,666
Childhood Immunisations (inc HIB and PCV)	GPs	169,647
Flu and Pneumoccocal Immunisation as per DES specification	GPs	240,000
Flu and Pneumoccocal Immunisation for additional at risk groups**	GPs	Inc in figure above
Pertussis Vaccinations	GPs	TBC
Minor Surgery	GPs	212,650
Violent Patients	GPs	6,048
Clinical DES: Alcohol	GPs	5,000

Clinical DES: Learning Disabilities	GPs	20,000

**Confirmation still required that these services will be commissioned by the NHS CB

Table D: Clinical Enhanced Services – Local Authority responsibility

Scheme	Providers	Budget/Spend £
Drug Misuse via Safer Neighbourhoods – shared care	GPs	162,500
Nexplanon – Contraceptive implants	GPs	88,924
IUCDs	GPs	55,224
NHS Health Checks	GPs	100,000
Supervised consumption commissioned via Safer Neighbourhoods	Pharmacies	120,000
Needle Exchange via commissioned via Safer Neighbourhoods	Pharmacies	94,000
Sexual Health Service	1 Pharmacy (Weldricks Ironstone)	12,000

Table E: Non-clinical Enhanced Services – CCG responsibility

Scheme	Providers	Budget/Spend £
Council of Members (due to finish on 31 March 2013)	GPs	60,000

4. Future Commissioning Arrangements

The NHS CB will commission some enhanced services nationally, equivalent to DES's, through the Local Area Team arrangements. Where it is agreed that current DES's should roll forward to 2013/14, the NHS CB will assume responsibility for them although it may devolve the responsibility for managing some of these enhanced services to CCGs.

With the exception of those other enhanced services that will fall within the remit of local authorities, CCGs will be free to commission a wide range of community-based services with funding from their overall budgets. It is expected these services will be commissioned through the NHS standard contract unless the service can only be provided by a primary care practitioner. In general the CCG will need to consider whether to use a formal competitive process to award contracts or to secure providers through an Any Qualified Provider procurement route.

Local authorities will not be able to use a local enhanced service agreement for services that commence on or after 1 April 2013 as these are primary medical services which only the NHS Commissioning Board may commission. In these circumstances the local authority will use their own commissioning powers and contracts to deliver public health services including services provided by primary care providers.

5. Transitional arrangements

While PCTs remain legally responsible for commissioning local enhanced services in 2012/13, the NHS CB has advised that any decisions to commission or de-commission enhanced services in the current year must be agreed with emerging CCGs or the relevant local authority. To ensure stability in the system the NHS Commissioning Board has agreed that the existing contract vehicles – GMS, PMS or

APMS – can be used to commission LES' on behalf of the CCGs for a further year i.e. up to 31 March 2014.

In the case of public health schemes, where the LES arrangements have not expired before 1 April 2013 the local authority will be able to continue to run the existing agreement until the contract expires or ends, however, these will be as local authority contracts not LES contracts**.** NHS NL has had an initial conversation with North Lincolnshire Council and we understand that they will expect to extend the existing arrangements into 2013. It will therefore be necessary for the local authority to agree what contract vehicle it would propose to use to maintain the service into 2013/14. This could potentially involve use of a contract similar to the NHS standard contract.

To ensure service stability during the initial move to the new system the NHS Commissioning Board has indicated that:

- PCTs will be asked to agree with CCGs whether to extend current LES' (excluding public health LES') into 2013/14 (note – the NHS CB recommends that LES' are extended in this way unless there is compelling evidence for adopting a new approach);

- where current LES' are extended, PCTs will be asked to build in a review point within six months, so that CCGs can – if they wish – use funding in different ways after this point;

- the Board will devolve responsibility for managing these LES' to CCGs – and the funding will be included within CCGs' overall commissioning budgets;

- from April 2014, it will be fully up to CCGs to decide how to use funding to commission community-based or practice-based services under the NHS standard contract.

A similar review will also be required involving the public health schemes with the local authority and steps taken to develop a contract template that meets local authority requirements.

6. Recommendations

The CCG Committee is asked to: -

1. note the content of this paper
2. agree that current service agreements that will be the responsibility of the CCG from April 2013 will be extended into the 2013/14 Financial Year.
3. set a review date in 2013/14 to consider future arrangements for service agreements for which the CCG will be responsible (Table A and Table B).