



Helping people get the
care they need

Commercial Update

January 2016

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Commercial Update – Introduction



Firstly happy new year to you and warm welcome to the first edition of the Attain Commercial Update in 2016 which provides you insights into the recent developments within health and care. We aim to keep you informed and up to date wherever possible, sharing relevant news and leading edge approaches.

We are delighted to launch a new feature in the Procurement section; a summary of recent major **contract awards** which will add further insight to our regular updates.

This months commercial update covers: planning guidance for 2016/17 (inc. transformation plans, and resource allocations), Vanguard site support, Place-based systems of care, RightCare programme, and transformation of healthcare services across London.

We also include latest summaries on the Five Year Forward View, the Kings Fund, the Spending Review, and autumn statement, agency costs and the NHS Five year settlement.

I do hope you find this update useful and if you have any news you wish to share please get in touch, we would love to hear from you.



Chris Walker
Director

Commercial Update

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NHS Shared Planning Guidance

[Delivering the Forward View: NHS Shared Planning Guidance 2016/17 to 2020/21](#) has been published by the leading national health and care bodies in England including; NHS Improvement, Care Quality Commission, Public Health England, Health Education England and NICE – the bodies who developed the Five Year Forward View in October 2014.

The guidance sets out the steps to help local organisations deliver a health service that is sustainable and transformed whilst improving the quality of care, wellbeing and finances.

The guidance is backed by £560 billion of NHS funding which includes a Sustainability and Transformation fund to support the delivery of the Five Year Forward View, and enable new investment in key priorities and support financial balance.

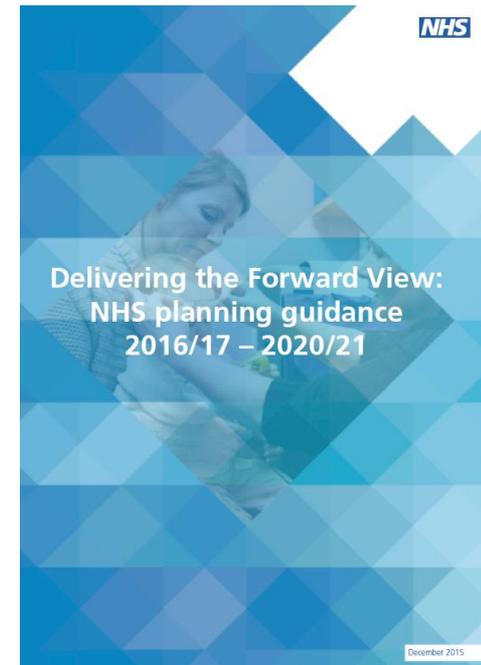


NHS Shared Planning Guidance

As part of this planning process, all NHS organisations have been asked to produce the following plans which should be interconnected:

- A local health and care system ‘**Sustainability and Transformation**’ plan covering the period October 2016 to March 2021
- A plan by organisation for 2016/17 which will be required to reflect the emerging sustainability and transformation plan

In addition to the planning guidance, final drafts of supporting technical guidance for commissioners and providers will be published by NHS England and NHS Improvement in January 2016.



NHS England – Resource Allocation



Changes to the resource allocations for providers and the commissioning sector for 2106/17 will ensure:

- Greater equity across CCGs
- Faster progress with NHS strategic goals
- Stronger long terms collaboration

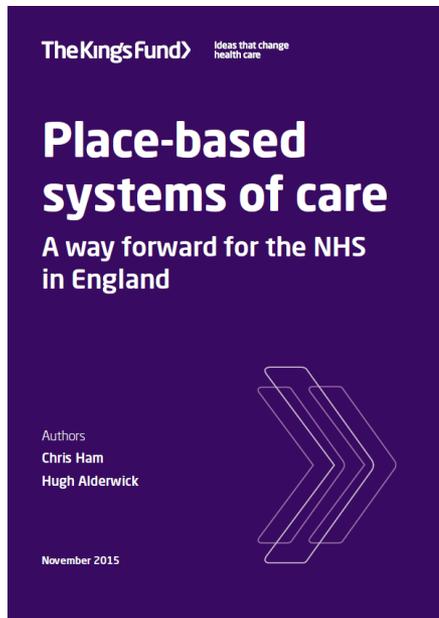
Within the December 2015 board papers NHS England stated no CCG would be more than 5% under target for their commissioned services in the next financial year. In addition, all CCGs will receive a minimum cash growth equal to real-terms growth plus specific non-routine policy pressures which will be predominately be linked to pensions and seven day services bar where commissioning bodies are 10% above target.

Results of the CCG assessment framework will also be published by June 2016 and will provide an aggregated Ofstead style assessment of their performance which will enable benchmarking and assessment of need for national intervention.

Place Based Systems Of Care

The [Place-based systems of care – A way forward for the NHS In England](#) document was released by The Kings Fund during November 2015.

The document argues that providers of services should establish place-based systems of care in which they work together to improve health and care for populations they serve. In order to deliver this providers are required to collaborate to manage the common resources that are available to them.



The document states that the approach to developing systems of care should be determined by the NHS organisation and their partners based on a set of principles that are outlined within the document. The principles include developing an appropriate governance structure, putting into place system leadership and developing a model that is financially sustainable.

Also outlined is the requirement for Government and National bodies in the NHS to remove the barriers that prevent the ways of working in place-based systems of care and that they should also work in a co-ordinated way to support the development of these systems.

Place Based Systems Of Care

The key areas outlined within the document include:

Moving from fortresses to systems

- Rationale, emerging systems in the NHS and a new approach to the challenges the NHS faces

Design principles to guide systems of care

- Defining the population served, identify the right partners, development of shared vision, objectives and governance structure, identification of leaders, creation of a dedicated team and agreement of how conflicts will be resolved
- Develop a sustainable finance model, systems within systems and a single set of measures

Options for collaboration

- Networks, public sector partnerships, emerging examples, Scotland experience and Accountable care organisations

Implications for national bodies and policy-makers

- A new form of strategic commissioning

In conclusion, it is stated that “if implemented well, the proposal could help galvanise the leaders of the NHS organisations to come together in place based systems where this is not already happening, and it could accelerated progress where it is”.

NHS England – Five Year Settlement



The [NHS England](#) Board announced in December 2015 how the Health Service will spend its budget for the next five years. The settlement includes the additional £8billion NHS funding growth that was announced within the Governments spending review in November 2015.

The settlement will enable health leaders across the country make services financially stable and to develop robust plans to accelerate the redesign of care as outlined within the five year forward view.

Some of the main points highlighted in the plan are as follows:

- Growth in spending on GPs and primary medical services with an addition 4%-5.4% cash funding every year for five years
- Real terms budget increases for every CCG with adjustments to enable additional funding local health services in areas of the country with the greatest health needs
- CCGS will be expected to use the extra funding to increase local mental health services by at least the level of the CCGs overall funding growth

Spending Review and Autumn Statement Summary

The key highlights of the spending review and the autumn summary statement (October 2015) in relation to health and social care included the following:

- Health budget in England, currently £101bn, to rise to £120bn by 2020-21
- The NHS in England to get upfront cash injection of £6bn next year as part of £10bn added funding
- NHS in England expected to make £22bn in efficiency savings
- An extra £600m earmarked for mental health services
- Grants for student nurses to be scrapped and replaced by loans
- Cap on training places for nurses scrapped, with goal of increasing numbers by 10,000
- New social care "precept" in council tax of up to 2% to allow local councils to raise £2bn for social care
- Better Care Social Fund to be increased by 1.9%
- £15m raised from charging VAT on sanitary products to be given to women's health charities



The Five Year Forward View Mental Health Task Force Public Engagement Findings



The independent [Mental Health Taskforce](#) produced a report to NHS England in September 2015 outlining their findings following a period of engagement.

The engagement which was undertaken via five routes including surveys, analysis of results, written submissions, engagement events and taskforce meetings.

Following the period of engagement, the importance of integrating care and support was identified as a critical factor to the successful delivery of equitable access and improved outcomes.

In addition the need to prioritise equality particularly for BAME groups, older and younger people also came out strongly across each of the themes.

The remit of the taskforce is focussed on the NHS, however, some changes identified in the engagement period can only be led by other government departments and industry. The Taskforce will clearly identify these independencies and suggest further areas for exploration by other agencies.

London deal paves way to transform healthcare across the capital

Ground-breaking plans that will set in motion the radical transformation of health and social care services across London were revealed by the Chancellor of the Exchequer, George Osborne and Health Secretary Jeremy Hunt on 15th December 2015.

Outlining the first steps towards reshaping healthcare across London, the Chancellor signed a health devolution agreement with the capital's health and civic leaders which will allow it to begin the process of taking control of its own affairs.

The agreement will be begin with five devolution pilots to be launched across London and will focus on different topics. Further detail in relation to the topics can be located via the below link.



NHS Staffing Agency Costs

Jeremy Hunt has announced that there will be a further clampdown on staffing agencies.

The changes will introduce a cap on the amount that companies can charge per shift for staff, including doctors and non clinical employees. In addition NHS regulators will be setting expectations in relation to the overall levels of agency spend for each NHS organisation.

The new measures will remove £1 billion from agency spending over 3 years to enable savings to be reinvested in front line services and patient care. An hourly price cap will be introduced in addition to the nursing cap that was announced in June 2015.

In essence the measures will ensure that staff who undertake short term agency work will not be rewarded better than those in substantive posts, which will in turn provide more continuity of care for patients.

Guidance in relation to the caps will be provided by Monitor and TDA in due course.

Commissioning

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NHS 111 Improved Urgent Care

NHS England announced in October 2015 that the delivery of 111 and GP out of hours services are being brought closer together to provide patients with a new “front door” to urgent health care services.

The service will offer patients improved access to a new 24/7 urgent clinical assessment, advice and treatment service. The move to such a service is part of the Urgent and Emergency Care review and will streamline urgent care pathways across the country.

As part of the new services commissioners are recommended to establish urgent care hubs which will provide clinical advice and support to patients as well as professional working in out-of-hospital settings.

In order to prepare for the services NHS England published the “Commissioning Standards Guidance” to commissioners on how to bring together the call handling and assessment, clinical advice and treatment under a single commissioning framework.

Right Care Update 2016

On the 14th January 2016, RightCare announced via their blog a major roll out of NHS RightCare in order to step up efforts to deliver a sustainable NHS and achieve maximum value for patients and taxpayers.

RightCare uses data in relation to what clinical commissioning groups are spending on patient care and the health outcomes that patients receive thus highlighting un-explained variations compared to other CCGs. The programme then assists CCGs to explore the local health system to understand the variation and the changes required to improve value for patients.

RightCare will assist the NHS to achieve savings, improve value and free up funds to innovate and contribute to closing the funding gap outlined within the NHS Five Year Forward View.



Examples of where the programme has been successful is NHS Blackpool and NHS Fylde and Wyre CCG where they have used the approach to improve support for vulnerable people and realise over £2.7 million worth of savings through:

- improved planning,
- care closer to home, and
- better joined up working.

RightCare will be implemented across all CCGs over the next two years, commencing with 65 CCGs in the first wave covering over 18 million people and expanding to cover all 211 CCGs over the next two years.

Further details in relation to the NHS RightCare programme can be found on their programme page by following the link below:

Vanguard Support Package

An updated support package was published by the Five Year Forward view partners in December 2015 for all 50 vanguards.

The revision follows an initial programme of support published in July 2015 for the first 29 vanguards. Since the first publication 8 urgent and emergency care (UEC) and 13 acute care collaboration vanguards have been selected.

The revised package is a result of extensive engagement with the vanguard sites, workshops and discussions. Based on the outcome of the engagement the number of areas of support have been extended to include:

- New Operating Models
- Governance, accountability and provider regulation

The national package has been developed to enable the vanguards to make the required changes effectively and at pace.

Mental Health Provision Assessment

The [Open Public Service Network](#) (OPSN) report states that “information about mental health services is underprovided, poorly presented and typically not useful to service users”.

The report found that people with serious mental illness (SMI) have a 10 to 20 years less life expectancy than the general population and the OPSN wanted to explore if information about mental health services could be turned into public information for the people using those services.

The data was analysed from CCG level and looks at the difference in various results between people with SMI and the general population. Mental health support was examined outside of a hospital setting as 25% of care for people with SMI occurs in a primary care setting.

A banding was given a low, as expected or high to each CCG for each category with the data being available as an accessible web tool via the link below

Primary Care

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Primary Care Home - Rapid Test Sites

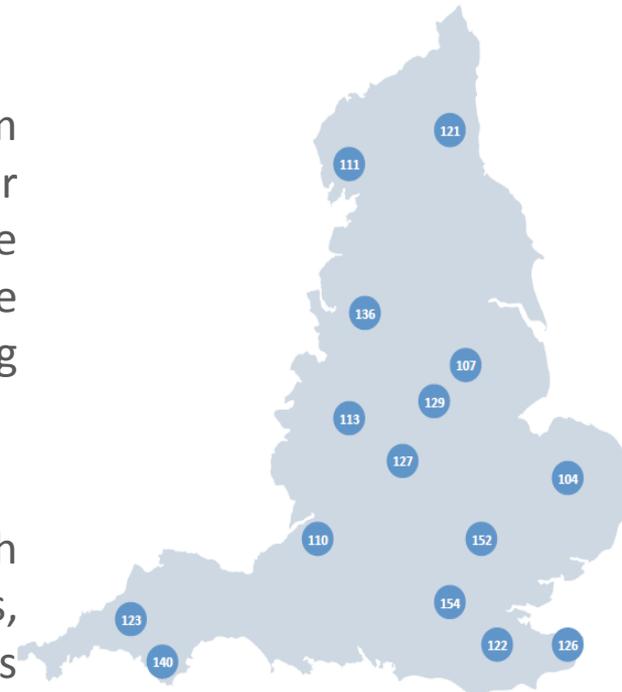
Fifteen **rapid test sites** across England have been selected to develop and test a new primary care approach.

New care model style primary care programme



Expressions of interest were submitted from almost 70 networks to become the first sites for the development of the primary care home model (PCH). The expressions outlined the networks innovative ideas for transforming local health and community services.

Following a process of evaluation which involved health and social care partners, patient representative and a workshop that was attended by all shortlisted applicants, fifteen successful applicants were chosen.



15 Rapid Test Sites

- 104 - The Breckland Alliance
- 107 - Larwood & Bawtry
- 110 - South Bristol Primary Care Collaborative
- 111 - 1st Care Cumbria
- 113 - Rugeley Practices PCH
- 121 - South Durham Health CIC
- 122 - The Healthy East Grinstead Partnership
- 123 - St Austell Healthcare
- 126 - Thanet Central CIC
- 127 - Wolverhampton Total Health Care
- 129 - Nottingham North & East Community Alliance
- 136 - The Winsford Group
- 140 - Beacon Medical Group
- 152 - Luton Primary Care Cluster
- 154 - Richmond

Partnership Arrangements between NHS Bodies and Local Authorities



During November 2015 the Department of Health published the Government response to the consultation which was launched on 6th February 2015.

The document sets out the headline responses from consultees, the Government's response to the issues raised during the consultation and the next steps. The report covers the following main headlines:

- Views on the proposal
- Views on the scope
- Views on safeguards
- Impact on Equalities and Health Inequalities

The proposed amendments to the regulations are as follows:

- To Include primary medical services on the list of prescribed functions which can be subject to partnership arrangements;
- Dis-apply the requirement to consult before entering into a pooled budget where the bodies are already required to enter into partnership arrangements in connection with section 223GA of the NHS Act 2006.

Procurement & Contract Management

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Commissioning and Contracting for Mental Health Services – 2016/17



NHS England and Monitor released a consultation in October 2015 for response by 19th November 2015, in relation to payment proposals for mental health services for adults and older people commissioned by CCGs in 2016/17.

The letter outlines the proposed changes to the Local Payment Rules that cover mental health care. The proposals are considering commissioners and providers of mental health services to adopt one of two approaches in order to increase equity of access based services and reward quality outcomes.

The proposed approaches are as follows:

- A payment approach based on year of care or episode of treatment
- A payment approach based on capitation



The letter outlines that a focus on delivery of clinically appropriate care and outcomes for the patients will remain paramount and therefore there is a further proposal for a proportion of payments to be lined to the achievement of agreed outcomes and standards.

Commissioning and Contracting for Mental Health Services – 2016/17

In responding to the consultation commissioners and providers were asked to respond to four key questions including:

- Which option they would adopt
- What the key challenges would be
- What support would be required to implement the changes
- What concerns they have in relation to the options

Feedback in relation to the consultation will inform the proposals for Local Payment Rules to be published in early 2016.



The Healthcare Financial Management Association (HFMA) have written a response to the consultation which can be located via:

NEW

Contract Notices



Organisation	Service(s)	Approach	Status
Hampshire	Complex Continuing Healthcare	Market Engagement with a view to procure services across 5 CCGs – event held 15 th December	Market Engagement/Scoping
North West London	111 Integrated Urgent Care	Market Engagement and sounding to support procurement process	North West London CCGs led by Brent CCG - Market Engagement/Sounding
Monitor	Costing Assurance Programme	Full procurement - 3 year contract, £3.9M. Chosen supplier to review cost submissions for a range of services to provide opinion as to whether they have been prepared in accordance with Monitor's approved costing guidance.	Registration of interest now closed, procurement to commence shortly
NEL CSU	A London Conversation on Obesity	Short term contract £85-95K - Public engagement provider to engage with the public and form a 'Citizens Panel' to support Healthy London Partnership transformation programmes	Evaluation Stage

NEW

Contract Award Notices



Organisation	Service(s)	Approach & Contract Access	Award Date, Value and Length
NOE CPC	Point of Care Testing Managed Service Contract	Restricted Procurement Procedure Framework Agreement open to all NOE CPC members and future members.	1 st December 2015 Length and value unspecified
NHS Brighton and Hove CCG	Non-Emergency Transport Service	Restricted Procurement Process Contract open to the CCGs listed within the contract award notice	24 November 2015 £62,625,000
NHS North East Essex Clinical Commissioning Group	Care Closer to Home Services for North East Essex CCG	Restricted Procurement Process Contract to be operational throughout North East Essex for the provision of integrated out of hospital care	23 June 2015 £246,820,000 7 Year Contract

Procurement Policy Guidance Notes

Title	Synopsis	Link
<p>Procurement Policy Note 18/15: New Threshold Levels 2016</p>	<p>The policy notes sets out the new threshold levels to apply for the purposes of the Public Contract regulations and came into force on 1st January 2016.</p> <p>The notes applies to all contracting authorities and will include central government departments, their executive agencies, non departments public bodies and wider public sector.</p>	<p>https://www.gov.uk/government/publications/procurement-policy-note-1815-new-threshold-levels-2016</p>
<p>Public Contact Regulations 2015 – OJEU Notice Forms</p>	<p>The European Union has released the Public Contract Regulation (PCR) 2015 Notice Forms which came into effect on 2nd December 2015.</p> <p>There are 25 standard forms which cover the various procurement steps such as issuing a PIN, Contract Notice and Contract Award Notice.</p>	<p>http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2015.296.01.0001.01.ENG</p>
<p>Public Procurement Regulations: electronic procurement and communication</p>	<p>Guidance was released in September 2015 in relation to electronic procurement and electronic communication.</p> <p>The new rules cover the using electronic communication between authorities and suppliers, including single electronic auctions (e-auctions). In addition for the first time they explicitly cover the use of electronic catalogues.</p>	<p>Public Procurement Regulations: electronic procurement and communication - Publications - GOV.UK</p>

Further Publications Of Interest

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Further Publications of Interest

Title	Synopsis	Link
<p>The Spending Review – what does it mean for health and social care</p>	<p>The kings fund, Nuffield Trust and Health Foundation have come together to publish a briefing on the impact of the spending review on health and social care.</p> <p>The briefing aims to ensure that the debate is informed by a clear objective analysis of the funding position and the implications.</p>	<p>http://www.kingsfund.org.uk/publications/articles/spending-review-health-social-care?utm_source=The%20King%27s%20Fund%20newsletters&utm_medium=email&utm_campaign=6585667_The%20Weekly%20Update%2017%20December%202015&utm_content=SRtitle&dm_i=21A8,3X5J7,FLXDMM,E4T24,1</p>
<p>First evaluation as Prime Minister’s Challenge fund is rebranded</p>	<p>An independent evaluation of the first wave Prime Minister’s Challenge Fund pilots has been published and the programme has been given a new name, the Prime Minister’s GP Access Fund.</p> <p>The first evaluation of the fund has evaluated how well the initial 20 pilots have met the objectives to provide more GP appointments, expand the types of patient appointments and improve patients and staff satisfaction in GP access.</p>	<p><u>NHS England » First independent evaluation of the Prime Minister’s GP Access Fund published</u></p>
<p>Managing Conflicts of Interest in NHS Clinical Commissioning Groups</p>	<p>During September 2015 the National Audit Office published a report that outlines the findings from an investigation into managing conflicts of interest in CCGs and how the risks are managed.</p> <p>The report also examines the accountability, control and assurance for managing conflicts of interest in the 211 CCGs (2014/15) based on an analysis from the CCGs website.</p>	<p><u>Managing conflicts of interest in NHS clinical commissioning groups National Audit Office (NAO)</u></p>

Further Publications of Interest

Title	Synopsis	Link
Alcohol's Impact on emergency services	<p>The institute of Alcohol Studies has published a report that outlines the impact that alcohol has upon emergency services in England.</p> <p>The report covers the issues from the perspective of the police, ambulance, fire officers and emergency departments.</p>	<p>http://www.ias.org.uk/uploads/Alcohol's impact on emergency services full report.pdf</p>
Dementia Research Institute	<p>The UK's first Dementia Institute is to receive £150 million to tackle the disease.</p> <p>The institute which is to be led by the Medical Research Council will bring together world-leading experts, universities and organisations to drive forward research and innovation in tackling dementia.</p> <p>The institute will have central hub with links to universities across the country and will build on the centers of excellence in dementia that are already in situ.</p>	<p><u>PM announces funding for UK's first Dementia Research Institute - Press releases - GOV.UK</u></p>
Guidance for Commissioners of Mental Health Services	<p>A guide has been produced for commissioners, local authorities and providers on building sustainable, resilient communities that have the potential to reduce mental ill health.</p> <p>The guidance was produced by the Joint Commissioning Panel for Mental Health and represents 17 professional bodies including the Royal College of Psychiatrists and Royal College of General Practitioners.</p>	<p>http://www.pcc-cic.org.uk/external?url=http://www.jcpmh.info/resources/guidance-for-commissioners-of-financially-environmentally-and-socially-sustainable-mental-health-services/</p>

Further Publications of Interest

Title	Synopsis	Link
Older People with Social Care Needs and Multiple Long term conditions	<p>NICE have released guidelines which cover planning and delivering social care and support for older people who have multiple long term conditions.</p> <p>The guidance promotes an approach that is person centred and integrated to deliver effective health and social care services.</p>	<p><u>Older people with social care needs and multiple long-term conditions Guidance and guidelines NICE</u></p>
Self Management Guidance	<p>The Health Foundation Trust has published: A Practical Guide to self-management: key components for successful implementation.</p> <p>The guide outlines what self- management support is and why it is important. The guide examines putting self management not practice, including planning and commissioning, building knowledge, skills and confidence and measurement and evaluation.</p>	<p><u>A practical guide to self-management support The Health Foundation</u></p>
Key statistics on the NHS	<p>The NHS confederation have compiled some key statistics on the NHS.</p> <p>All of the figures included apply to England unless stated otherwise within the statistics.</p>	<p><u>Key statistics on the NHS - NHS Confederation</u></p>

Further Publications of Interest

Title	Synopsis	Link
NHS Dental Statistics England Q1 2015/16	<p>The first quarterly report for the current financial year has been released by the Health and Social Care Information Centre. The report outlines NHS dental activity in England up to Q1 for 2015/2016 and information in relation to the number of patients seen by an NHS dentist up to Q2 of 2015/2016.</p>	<p>http://www.pcc-cic.org.uk/external?url=http://www.hscic.gov.uk/catalogue/PUB19117</p>
NHS Health Check Quarterly Statistics: November 2015	<p>Public Health England has published data in relation to the number of NHS health checks which were offered and attended for the period July 2015 to September 2015.</p> <p>The published data includes data from 152 local authorities for the quarter and cumulative data from April 2013.</p>	<p><u>NHS health check quarterly statistics: November 2015 - Publications - GOV.UK</u></p>
NHS providers performance Q2 2015/16	<p>The report contains updates on the sectors performance against key national healthcare standards and its financial position.</p> <p>The report also outlines the action that is being taken by Monitor and the Trust Development Authority (NHS Improvement) to tackle concerns and make improvements.</p>	<p>https://www.gov.uk/government/publications/nhs-providers-quarterly-performance-report-quarter-2-201516</p>



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