

NHS South London Commissioning Support Unit for Lewisham CCG
ACUTE CONTRACTS UPDATE – 20 MARCH 2013

1. Summary Position

- 1.1. As at the 27th March the position with the three Lambeth Southwark and Lewisham (LSL) providers is that there is ongoing work to reach Heads of Agreement by the end of March with agreement that there will be detailed work in April to finalise a number of schedules. These include
 - 1.1.1. Finalisation of QIPP schemes – agreement on detail and monitoring approaches
 - 1.1.2. Agreement on CQUIN (with the main issue across providers the adoption of an appropriate cancers scheme.)
 - 1.1.3. Completion of other key schedules including Quality (covering performance and penalties) as well as Information (including Claims)
- 1.2. For providers the main issue continues to be NHS England specialised commissioning contracts, with a significant amount of work being done to validate and confirm proposals. This has two potential impacts; there is some wariness from providers to sign off CCG plans for 2013/14 whilst there is uncertainty over the NHS England position and the SLCSU approach has been to assume that NNHS England shifts are financially neutral and it has not been possible to fully verify this. Given this there will be caveats in agreements to allow for agreements to be reopened in year if there are contractual or allocation issues.
- 1.3. With respect to external providers (i.e. those outside of LSL) all bar two proposals had been received by the 26th March and work is now in hand to validate these and challenge as appropriate. A first review has highlighted that there is inconsistency over how the NHS England transfers have been handled, which prospectively complicates the position.
- 1.4. A full brief on 2012/13 and contract agreements for 2013/14 will be part of a dedication acute session at the CCG's May Delivery Committee.

2. Guys and St. Thomas' (GST)

- 2.1. Agreement has been reached with GST covering activity volumes, tariff deflator, QIPP and risk management

3. Kings College Hospital (KCH)

- 3.1. Progress continues to be made and there is the joint expectation that an agreement will be reached on the 28 March 2013, with the caveat that risk share arrangements will remain outstanding at this point, to be resolved by end April 2013, this is linked to ongoing work around NHS England transfers and understanding issues around the cost impact of outsourcing

requirements (to meet Referral to Treatment Times (RTT)) and emergency care pathway investments.

3.2. On activity volume; 2012/13 forecast out-turn (FOT) plus 2013/14 growth related primarily to RTT sustainability has been purchased.

4. Lewisham Healthcare NHS Trust (LHNT)

4.1. It is anticipated that agreement of Heads of Terms will be reached by 31 March 2013. In summary the key issues are:

- 4.1.1. Start contract volumes have been agreed based on 12/13 outturn plus full year effect of service developments that have happened this year. No agreement has been made for market share shift upfront. The community block has been rolled forward with an uplift to account for activity/demographic pressures.
- 4.1.2. Maternity has been the major issue with the Trust requesting non-recurrent support above tariff to support issues around costs exceeding price.
- 4.1.3. The CCG has not supported with funding the new developments requested by the Trust.
- 4.1.4. Further work is in hand to finalise QIPP schemes for the end of April at the latest.

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27th March 2013