

ITEM No

**JOINT CITY AND COUNTY
HEALTH SCRUTINY COMMITTEE**

9 DECEMBER 2008

**REPORT OF HEAD OF OVERVIEW AND SCRUTINY (NOTTINGHAM CITY
COUNCIL)**

SPECIALISED SERVICE COMMISSIONERS

1 SUMMARY

- 1.1 This report reminds the Joint Health Scrutiny Committee of Specialised Health Services. The meeting will be attended by Kate Caston, Director of the East Midlands Specialised Services Commissioning Team, who will deliver a presentation on developments to date and provide members with the opportunity to consider current issues in relation to the commissioning of those services.

2 MATTERS FOR CONSIDERATION

- 2.1 Members are requested to consider the information provided in this report and the presentation and use it to inform their questioning and identify areas for further information and / or review.

3 BACKGROUND INFORMATION

- 3.1 Specialised Services are those provided in a small number of specialist centres and are usually commissioned across the whole of the East Midlands. A list of the 35 services nationally recognised as specialised (and current providers) can be found on pages 24 and 25 of the East Midlands Specialised Service Commissioning Group Annual Report 2007/08, attached at Appendix 1.
- 3.2 The commissioning and provision of specialised services can be scrutinised by local authorities and any proposals for substantial variations / developments in relation to specialised services must be consulted upon.
- 3.3 On 8 January 2008 Local Government East Midlands (LG-EM) hosted a regional health scrutiny network meeting. The East Midlands Specialised Services Commissioning Team was invited to attend and consideration was given to how regionally delivered health services should be scrutinised and particularly how consultations on substantial variations and developments to those services should be responded to. These issues have been explored by officers and Chairs of Scrutiny, following which a number of authorities in the region have agreed to work together in a Joint Regional Health Scrutiny Committee should the need for scrutiny of regionally delivered health services arise.
- 3.4 Kate Caston, the Director of the East Midlands Specialised Services Commissioning Team, attended this Committee in March 2008 to deliver a presentation to introduce members to the role of Specialised Services Commissioning and the proposed areas of work for the Specialised

Services Commissioning Team. She will be attending today's meeting to provide an update on developments to date.

4 SUPPORTING INFORMATION

Appendix 1 – East Midlands Specialised Service Commissioning Group Annual Report 2007/08

5 LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING EXEMPT OR CONFIDENTIAL INFORMATION

None.

6 PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

Report to and minutes of the meeting of the Joint City and County Health Scrutiny Committee held on 11 March 2008.

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26 November 2008



East Midlands Specialised Commissioning Group

**EAST MIDLANDS SPECIALISED
SERVICE COMMISSIONING GROUP
(EMSCG)**

***Annual Report
2007/08***

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Glossary of Terms

Board: The group of people who decide how any NHS organisation undertakes its legal duties and function. The Board consists of a Chair, non-executive directors and executive members.

Chief Executive: The lead accountable officer of an NHS Organisation.

Commissioning: Primary care trusts (PCTs) are responsible for planning and buying (commissioning) a whole range of health services on behalf of the people living in their area. Services may be commissioned from the NHS or the voluntary or private sector.

Contract (NHS): agreement between two NHS bodies for the provision of goods and services by which healthcare, or in some cases, social care, is bought for local people.

Department of Health (DH): central government department responsible to Parliament for the NHS, led by the Secretary of State for Health.

PCTs (Primary Care Trusts): locally managed free-standing NHS organisations responsible for improving health, plus commissioning and delivering healthcare for local residents.

TAG: This identifies where treatments will cost more because they are specialised.

Strategic Health Authority (SHA): the NHS statutory body providing the bridge between the Department of Health and local NHS Trusts and PCTs, they provide strategic leadership and ensure the delivery of

improvements in health, well being and health services locally.

HRG:: A Healthcare Resource Group (HRG) is a group of clinically similar treatments and care that require similar levels of healthcare resource

Procedure Codes (OPCS): OPCS (Office of Population, Censuses and Surveys: Classification of Interventions and Procedures) - which records details of any procedures or interventions performed, eg hip replacement.

Diagnosis Code (ICD10): ICD-10 (International Classification of Diseases) - which describes the conditions treated or investigated, eg fractured skull

Treatment Functions: Treatment Function aims to describe the service within which the patient is treated; this is often the same as the specialty in which the patient is treated eg 100 – General Surgery

PbR (Payment by Results): A financial system to provide a transparent, rules-based system for paying trusts. It rewards efficiency, supports patient choice and diversity and encourages activity for sustainable waiting time reductions. Payment are linked to activity and adjusted for casemix. Importantly, the system ensures a fair and consistent basis for hospital funding rather than being reliant principally on historic budgets and the negotiating skills of individual managers.

World Class Commissioning (WCC)

The WCC programme aims to transform dramatically the way we commission health and care services in this country. By strengthening commissioning capability we will deliver better health and well-being for all, better care for all and better value for all.

www.dh.gsi.gov.uk

Fitness for Purpose

The Fitness for Purpose programme included organisational assessment and commissioning capability diagnostic assessments. The programme took place between May 2006 and March 2007.

Foreword from the EMSCG Chairman

Welcome to the first annual report of the East Midlands Specialised Service Commissioning Group (EMSCG). This first year has been one of great change with three former specialised service functions coming together as part of a new team. The end of the first year of the EMSCG sees the team ready to move forward in developing specialised services across the East Midlands and in the position of being able to ensure that robust clinical advice and public involvement underpin next year's work plan. The role of EMSCG is described in the following section (page 5).

The key achievements of the EMSCG are summarised in this report and the leadership of Kate Caston, the Director, has been fundamental to our successes.

Our aim is to ensure that the entire population of the East Midlands (4.46m people) receives access to the highest quality specialised services possible within available resources. Work has taken place during 2007/08 to ensure that robust clinical advice underpins the priorities and decision making of the EMSCG and this will be further developed in 2008/09.

During 2007/08 the EMSCG has developed from the three organisations which previously held commissioning responsibility across the East Midlands. The formation of the EMSCG is in line with the recommendations of the 2005 Carter Review* and this puts the East Midlands in the best position possible for ensuring that robust high quality systems and processes underpin the commissioning process, ensuring that clinical and cost effectiveness and public involvement drive service change and development.

Patient and public involvement was in its infancy in 2007/08 but with the delivery of an involvement strategy a key aim for 2008/009 is to ensure that EMSCG is outward facing ensuring that it is accountable for decisions it makes to the population it serves. Discussions have taken place with all the Health Overview and Scrutiny Committees to ensure that right from the start local accountability is in place; this will be developed further in 2008/09.

I take my responsibility as host Primary Care Trust and Chair of the EMSCG very seriously and represent our views and issues at the National Specialised Commissioning Group meeting.

Key to the success of the EMSCG in 2007/08 has been the active engagement of the nine East Midlands Primary Care Trusts and the East Midlands Strategic Health Authority. All of these organisations have worked together to ensure that the best possible conditions were in place to allow the EMSCG to develop in line with the Carter recommendations. We look forward to developing that relationship further in 2008/09 and ensuring that there is full engagement of all our provider organisations in the full and active commissioning of specialised services.



Catherine Griffiths
Chair
EMSCG

About East Midlands Specialised Service Commissioning Group

Background to the SCG

The East Midlands Specialised Commissioning Group (EMSCG) has been established for 12 months. In that time the 3 former specialised service commissioning teams – LNR Com, Trent Com and the High and Medium Secure commissioning team have been integrated and an East Midlands wide function has been established.

Why develop a Specialised Commissioning Group?

This has been done to ensure that the East Midlands has a specialised service commissioning function in place that is compliant with the recommendations in the national review of specialised service commissioning – the Carter Review and puts an overall structure in place that is able to discharge the full range of responsibilities associated with commissioning rare conditions for the entire population of the East Midlands.

The Specialised Commissioning Group's role

The East Midlands SCG works on behalf of all 9 Primary Care Trusts (PCTs) in the East Midlands and formal mechanisms have been put in place to allow the SCG to:

- Plan, assess needs, procure and performance monitor specialised services, based upon the national specialised service definition set. Detailed definitions are available on the Department of Health's website: www.doh.gov.uk/specialisedservicedefinitions
- Develop, negotiate, agree, maintain and monitor contracts with providers of specialised services.
- Undertake reviews of specialised services and manage the introduction of drugs and new technologies.
- Co-ordinate a common approach to the commissioning of specialised services outside the Strategic Health Authority (SHA) boundary.

- Manage the pooled budget (from PCT allocations) for commissioning specialised services and put financial risk sharing arrangements in place.
- Put in place clear processes for the designation of specialised service providers and ensure ongoing clinical quality through a rolling programme of service review.
- Ensure that a formal process of public and patient involvement underpins the work of the team

How we work

The East Midlands Specialised Service Commissioning Group (SCG) believes that its core function is to ensure that a focussed collaborative model underpins the commissioning of specialised services across the East Midlands. Key to this a number of key principles will inform the way the SCT develops its function and its commissioning plans.

Key principles that support all planning and commissioning of services are:

- Equity of access for the entire East Midlands population.
- Ensuring that patient experience forms a core service outcome.
- Commissioning services that are evidence based and cost effective.
- Reducing risk for individual PCTs in managing high cost low volume services.
- Promoting best value and best treatment outcomes.
- Ensuring that clinical need drives access to services not personal circumstances or local geography.

In order to ensure that these principles are fully integrated into the way the EMSCG discharges its responsibilities an ethical framework has been developed. The purpose of this ethical framework is to:

- Provide a coherent structure for discussion, ensuring all important aspects of each issue are considered.
- Promote fairness and consistency in decision making from meeting to meeting and with regard to different clinical topics.
- Provide a means of expressing the reasons behind the decisions made.

Many of the decisions the EMSCG makes involve the exercise of judgment and discretion and although there is no objective or infallible measure on which such decisions can be based, an ethical framework enables decisions to be made within a consistent setting which respects the needs of individuals and the community.

Director's update

I came into post in May 2007 and have had a year of working with our team.

We have accomplished a lot in 2007/08. Together we have developed a team structure that is fit for purpose in taking the development of the EMSCG forward and we have excellent involvement and cooperation from all key partners across the East Midlands.

We have been through a 'Fitness for Purpose' process that now puts us in an excellent position to start to address the challenges posed to us by World Class Commissioning.

Primary Care Trusts have agreed to increase the level of funding for the management costs of the Specialised Commissioning Group (SCG) and we will be able to develop the team further, focussing on public health skills and specific mental health commissioning skills.

An additional development in the team in 2008/09 will be the appointment of a Commercial Director. This will give us a brilliant opportunity to have a more proactive approach to the way we cost services and will give us a national voice around issues such as Payment by Results, Agreement of Specialised Services Contract Currencies, Development of Health Resource Groups appropriate to Specialised Services and Service Benchmarking. It will also allow us to compare approaches to Financial Governance across Specialised Commissioning Groups.

I am very proud of the team for the hard work and determination they have shown through a time of change. They have always strived to ensure that we deliver the best service to the public and to the organisations we work with and for and I am really looking forward to the exciting challenges we have ahead of us in 2008/09 onwards.



Kate Caston

Director, East Midlands SCG

Further information on World Class Commissioning can be found at www.doh.gov.uk

Key successes in 2007/08

Developing a model of specialised service commissioning that is in line with the recommendations in the Carter Review

The Carter review which was commissioned by the Department of Health and reported in May 2006 made 32 separate recommendations about how specialised services should be commissioned nationally and at SHA level.

The East Midlands Specialised Commissioning Group was formally established in April 2007 and to date significant progress has been made in implementing all 32 recommendations in the Carter Review.

A revised team structure is in place and this aims to deliver a high quality commissioning function that is in line with the overall direction of “World Class Commissioning”.

Work is starting to develop between the West Midlands Specialised Commissioning Group (SCG) and the North West SCG to share resources and to ensure that progress to full Carter compliance is achieved as quickly as possible.

Budget setting

One of the key challenges for EMSCG was the review of current contract activity information, with a view to proposing a methodology that is relevant, reliable, transparent and understandable to EMSCG, Primary Care Trust and respective Provider Trusts.

In order to establish controlled, effective contract arrangements, the EMSCG recommended that a pragmatic approach was adopted to procurement that looked at contract currencies, treatment specialties and the total management of smaller service agreements to avoid duplication of administration.

The following principles were established in identifying and extracting specialised service activity (& related budgets):

- Principles need to be clear and easily understood by key parties.
- Identification of all specialised activity using the National Definition sets so that it is easily identifiable through Commissioning data sets (CDS)
- Use of nationally recognised codes to ensure that services can be identified across providers i.e. Specialised TAG HRG's, Procedure Codes (OPCS), Diagnosis Codes (ICD10), Treatment functions
- Consistency with the PbR (Payment by results) approach to identify specialised activity so that budgets can be driven by PbR where possible and therefore be understood in the national context.

Given that importance of getting this right this has formed a key piece of work for EMSCG over the year and we are now in a position to start picking up our specialised budget for 2008/09 onwards.

Fitness for purpose

In 2007/08 the new EMSCG went through a Fitness for Purpose process. This was challenging for the new team but has been a useful process through which an action plan has been developed. This action plan will provide a useful starting point to move towards World Class Commissioning.

Commissioning Priorities Advisory Group (CPAG)

To support the Local Delivery Plan (LDP) process, the EMSCG undertook to establish a new group to advise on the clinical and cost-effectiveness of new healthcare interventions and also on opportunities for disinvestments from less effective services. This will involve reviewing treatments supported by NICE and other high cost therapies (eg will either not be reviewed by NICE and/or are yet to be published) that are outside the normal commissioning process ie PbR. The group will do this through an ongoing programme of work throughout the year.

To this end a commissioning priorities advisory group has been established that is starting to develop robust and transparent processes to explain how decisions are made and to give advice to the Specialised Service Commissioning Board about priorities and the development of service policies. The membership of this group will be expanded in 2008/09 to ensure that there is lay-person input and contributions from clinicians in primary, secondary and tertiary care.

The Ethical Framework around which prioritisation decisions will be made for specialised services has been agreed. In addition, a policy around post trial pick up has been developed and will be included in all specialised commissioning contracts.

To date five clinical policies have been prioritised and developed: for public consultation

- Policy for IVF
- Policy for Gender Dysphoria Services
- Policy for Pre-implantation Diagnostic Services
- Intrathecal Baclofen Policy
- Cochlear Implants Policy

All our policies are scrutinised to ensure they are legal and patient/public input is provided through a newly established Regional Health Panel. In addition, all draft policies are posted out for public consultation with the intention that they will also be posted onto our website once developed allowing any interested party to provide comment on future policy and commissioning intentions.

Where necessary we will commission independent Health Technology Appraisals to support the work of CPAG and ensure our policies are both robust in relation to clinical evidence and fair with respect to equity of access.

Implementing 'Improving Outcome Guidance' (IOG) for specific cancer services

Sarcoma

The main focus of the work around the Sarcoma IOG for this year was to develop a new service model for the East Midlands to ensure compliance to the required standards. This

work culminated in the implementation of a single site service, which includes both MDT and surgical sessions based in Nottingham. This service undertakes work for the whole of the East Midlands area and utilises consultant expertise from both Nottingham University Hospitals (NUH) and the University Hospitals of Leicester (UHL). NUH are currently working on a local tariff for this service as soft tissue sarcoma has been removed from the national tariff for 2008/09.

Brain & Central Nervous System (CNS)

The complexities associated with CNS services have been considered; key issues relate to atypical presentation and the pathway for patients from stroke services. Further scoping work will be required to take this forward within 2008/09, which will include ensuring that there is a link to the stroke work stream and rehabilitation services.

Children and Young People

During 2007/08 a great deal of work has taken place looking at how the advice detailed in the NICE “Improving Outcome Guidance” will be interpreted across the East Midlands.

Work has speeded up over the latter part of the year and both tertiary organisations who provide children and young people’s cancer services have shown a commitment to joint working and a determination to make sure that we have a modern evidence based model of care in place across the East Midlands.

Specialised Burn Care Services

As part of the National Burn Care Group (NBCG) Review each SCG is required to review local burn care services in line with the NBCG Review findings and develop implementation plans. The NBCG Review promoted the delivery of “standards driven” burns services for England and Wales, based upon a tiered approach to care, with only a small number of centres providing for the most complex cases.

The review sought to establish proposals for a network approach to care, with clinical services working across organisational boundaries. The East & West Midlands SCGs commissioned an independent review of local services to include all stakeholders including the two SCG commissioners, the four specialised hospital services and patient and carer groups.

The objectives of the review were as follows:

- To review the existing pattern of services, including financial and activity data for patient flows and pathways, referral criteria and thresholds for access, and standards of care;
- To consider the options for the future configuration of burn care services in the East and West Midlands, including the potential need to enable flows of activity to occur from other parts of England and Wales;
- To make recommendations in regard to the optimal configuration of burn care services in the East and West Midlands;
- To identify obstacles and opportunities afforded by a reconfigured service, including the opportunity to develop a consistent approach for referral criteria and thresholds for access;
- To develop an outline implementation plan, timetable and financial consequences;
- To develop proposals for investment in burn care services, utilising the national revenue allocation made available in 2006-2008, and including proposals for the possible development of a burn care network across the East and West Midlands.

Review Findings

The review contains a number of recommendations. Each recommendation is detailed below

Recommendation 1

The four services in the Midlands must improve data quality to support commissioning and audit. A single dedicated post should be created at one of the four services to lead on the development of an integrated computer-based system to accurately record patient activity

and case-mix to create a record of the patient's care during their whole spell in hospital. The record system should also consider other care-related activities such as therapies and follow-up care.

Recommendation 2

The configuration of burn care services in the East and West Midlands should be confirmed as:

- University Hospital Birmingham – Adult Burn Centre
- Birmingham Children's Hospital – Paediatric Burn Centre
- Nottingham University Hospital – Adult & Paediatric Burn Unit
- University Hospital Leicester – Adult & Paediatric Burn Facility

Recommendation 3

The establishment of a common set of access criteria, protocols and thresholds is essential to the success of the tiered network of care.

Recommendation 4

It is proposed that the Midlands SCGs and the four designated burn services develop a network arrangement for specialised burn care services. This should be delivered through the establishment of the Midlands Burn Care Network Group (MBCN).

Recommendation 5

It is recommended that a lead network manager is appointed, and that the detailed arrangements are discussed and agreed locally as soon as possible.

Recommendation 6

It is recommended that the SCG Boards approve the proposals for investment in burn care services as set out in Table G and in detail at Appendix 8 of the Burn Care Review Report.

Recommendation 7

It is recommended that the Midlands Burn Care Network, once established, brings forward recommendations to the SCG Boards for the utilisation of the remaining allocation.

Key Actions

Whilst a large part of this review has been completed it is important that further work takes place to ensure delivery of developments in line with the findings of the National Burns Care Group Review. Whilst the NBCG are keen to see networks established there is little evidence to suggest any additional benefits over and above the current Midlands Burn Care Group.

In 2008/9 the EMSCG will be implementing and addressing the following actions:

- Re-establish the Midlands Burn Care Group with new terms of reference;
- Appoint a Burns Implementation Project Manager (time limited using national monies for 18 months) to complete implementation;
- Start the designation process across the Midlands based on the report recommendations;
- Develop access criteria and service protocols for each of the providers;
- Review service development proposals through confirm and challenge to ensure deliverability;
- Review service development proposals for consistency with the short and long term strategy;
- Review service development proposals to ensure financial sustainability;
- Ensure service development proposals are consistent with providers' capital programmes;
- Agree some of the non recurrent proposals specifically for training etc. to allow
- organisation and planning for staff of the current providers and accommodate spend in 2008/9;
- Confirm the SCG agrees the timescales of implementation and considers the impact on the Designation process;
- Confirm Northern Network Plans for Bassetlaw and N Derbyshire patients.

Renal Capacity Plans

The following aspects of Nephrology services are defined as specialised:

- Treatment for End Stage Renal Failure Services (ESRF)
- Treatment for Acute Renal Failure
- General Nephrology
- Renal related surgery

In 2007/8 the EMSCG commissioned services for ESRF and general nephrology across the former LNR PCTs. In 2008/9 this will be expanded to incorporate all PCTs across the East Midlands. Specific phasing for the commissioning of acute renal failure treatment and renal related surgery will be agreed in 2008/09 in preparation for 2009/10.

The Department of Health Operating Framework for 2008/09 states that in commissioning for world class health services, SCGs should pay particular attention to areas where significant increases in demand are likely to lead to pressure on services. The Framework cites renal replacement therapy (RRT) (dialysis and transplantation as an example as it is projected to increase by c 5% per year until at least 2030). It suggests that SCGs will need to consider options for expanding the provision of satellite dialysis centres and offering more people the option of home dialysis as well as expanding traditional acute dialysis units (Department of Health *The Operating Framework For the NHS in England 2008/09* December 2007).

Capacity Planning for Haemodialysis Services

In 2007/8 there were two main renal networks within the East Midlands SHA area, the Trent Renal Network (Derbyshire and Nottinghamshire and Staffs) and the East Midlands Renal Network (EMRN) (spanning LNR, North Cambridgeshire and Lincolnshire). The North Trent Network also incorporates Bassetlaw and North Derbyshire PCT populations. The Networks are managed clinical networks working on the basis of a 'hub and spoke' model, i.e. a main provider servicing satellite units within the region.

In the Trent Network the two ‘hub’ units are in Nottingham and Derby. In the EMRN the University Hospitals of Leicester is the ‘hub’ provider. In the North Trent Network the hub is Sheffield Teaching Hospital with a sub hub at Doncaster Royal Infirmary.

Demand for renal replacement therapy (RRT) is increasing due to an ageing population, increasing incidence of diabetes and increased survival rates of patients requiring RRT. All three Networks (Mid Trent, North Trent and East Midlands) have worked through detailed modelling to project future demand for haemodialysis facilities. At the current time the

Networks have used separate models and the capacity levels have been agreed with local commissioners. From 1st April 2008 Mid Trent and EM networks will be merged to form one East Midlands Network. This will facilitate more effective planning and commissioning of services across the region.

East Midlands Renal Network (Leicestershire, Northamptonshire, Lincolnshire and North Cambridgeshire)

The following table sets out the expected increase in the number of patients requiring haemodialysis services until 2015 in the current EMRN. The figures are calculated using actual activity with adjustments made for take on, drop out and death rate. These figures relate to patients requiring haemodialysis within a dedicated centre.

Year	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Projected Activity (Patients)	640	710	781	840	901	964	1029	1096	1165
Actual Capacity (patients)	640	640	640	640	640	640	640	640	640
Capacity Gap	0	-70	-141	-200	-261	-324	-389	-456	-525

Additional capacity 2007/8 onwards

Key pressure areas for capacity in the EMRN have been identified to be Leicester, North Northamptonshire and Peterborough.

A business case has been developed to go out to tender to private provider for haemodialysis facilities for an additional 70 patients in 2008/09. It is likely that the facility will be located within Leicester as postcode mapping has identified this to be the main pressure area for haemodialysis capacity. The business case has been developed jointly between commissioners and the EMRN and at the time of writing is out to advert for expressions of interest.

In addition, Peterborough Hospitals have identified the opportunity to expand dialysis capacity through internal capital development schemes. A business case is currently being developed, the recurrent impact of which is still to be fully discussed with commissioners.

Trent Renal Network

The following table sets out the expected increase in the number of patients requiring haemodialysis services until 2014. The figures assume an 8% annual growth in dialysis numbers; this has been verified using actual growth between 1998 – 2004.

Year	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
Projected Activity (Patients)	541	584	631	682	737	797	860
Actual Capacity (patients)	672	672	672	672	672	672	672
Capacity gap	+131	+88	+41	-10	-65	-125	-188

The above figures indicate significant flexibility in the Trent capacity for haemodialysis until 2010. However, the spare capacity is all located at Derby Royal Infirmary. Significant pressures exist at Nottingham and additional capacity solutions are required for patients accessing this service.

Additional capacity for 2008/09

A satellite unit to Nottingham University Hospitals will open at Ilkeston in January 2008. In the first instance this will provide an additional 12 stations operating on 2 shifts per day. This additional capacity will provide a short term solution for NUH.

In addition to the Ilkeston development NUH are in the process of developing a business case for a second satellite unit in Nottingham to accommodate continually increasing numbers at the main NUH unit. This will need to be progressed for implementation at the end of 2008/09.

North Trent Renal Network

A range of renal investments have been identified which include a number of pre commitments and the full year effect of developments from previous years. Plans for the expansion of existing HD capacity in Sheffield and Doncaster are well developed, the network also has plans to open new satellite facilities in Mexborough and Worksop. Further investment has been identified to fund the interim provision of Saturday transport services to temporarily increase capacity prior to the development at Northern General opening.

Additional investment in immunosuppressive drugs and EPO for pre dialysis patients is also required.

Developing a renal services strategy

The above developments in haemodialysis capacity will be implemented alongside the development of a full strategy for the delivery of renal service in the East Midlands over the next five years.

The strategy will focus on:

- Primary care prevention (management of early stages of CKD)
- Transplant
- Development of strategy for the expansion of vascular access
- Expansion of home haemodialysis
- Options for delivering haemodialysis in primary care setting
- Annual review of capacity based on actual activity

Key Actions:

- Continued expansion of haemodialysis capacity to meet demand
- Improvement of vascular access rates to meet national clinical standards
- Development of full East Midlands Renal Services Strategy

MENTAL HEALTH

Mental Health & Learning Disabilities

For the East Midlands Specialised Commissioning Group the establishment of the Mental Health & Learning Disability Board has contributed to and strengthened governance oversight, leadership and accountabilities for the specialised mental health and learning disabilities commissioning agenda and has facilitated the establishment of coherent strategic commissioning planning for the East Midlands.

The added value of this investment in governance and oversight is the promotion of a shared accountable agenda that places the needs of patients, both as individuals and as a population, at the centre of the East Midlands SCG commissioning principles and importantly at the centre of the process for the prioritisation of investment.

High Secure Services

This year has been a significant and challenging year for High Secure both from a commissioning and a provider services basis.

The High Secure Commissioning strategy saw 2007/08 as the year that a National High Secure Commissioning Team, led by a National Director of High Secure Commissioning being established with next year (2008/09) being the implementation of this new structure.

The establishment of the new National High Secure Commissioning team will see the reporting agenda being accountable not only through the Department of Health National Oversight Group (NOG), but importantly through the National Secure Commissioning Group governance framework. It is this development that clearly signals the assimilation of High Secure Hospital services within the NHS agenda.

High Secure Key Achievements in 2007/08

- The Department of Health, National Oversight Group and NHS East Midlands gave their support for a National High Secure Learning Disability service at Rampton Hospital.
- The new build of a National High Secure Women's Service at Rampton Hospital and the establishment of a high secure support framework for the three pilot Enhanced Medium Secure women's services.
- Confirmation received for a new Training & Conference Facility at Rampton Hospital along with the modernisation of patient areas within the hospital.
- East Midlands Specialised Commissioning team working jointly with colleagues across the country have continually succeeded in reducing the capacity within high secure.

Medium Security

Key Achievements in 2007/08

- Additional beds commissioned at Arnold Lodge medium secure unit.
- Working jointly with the Department of Health in establishing health-checks across medium secure services in providing staff support for the national health-check audit-team.

Challenges for 2008/09 and beyond

- Support for the development of Medium Secure Learning Disability services for men within the East Midlands.
- Implementation of the National Mental Health NHS Contract for use as of 1st April 2009.
- National review of Enhanced Medium Secure Women's Pilot services.

Low Security

For EMSCG 2007/08 has been a transitional and establishment year for the commissioning of forensic low security services. The EMSCG Board, following recommendation from the Mental Health & Learning Disability Board agreed that as of 1st April 2008 Lincolnshire, Leicestershire County & Rutland, and Leicester City PCTs would hand over the commissioning responsibility for forensic low security to the EMSCG. The remaining 6 East

Midlands PCTs will transfer their responsibility for low security to the EMSCG on the 1st April 2009.

The Secure Commissioning Team (SCT) has developed through the Mental Health & Learning Disability Board a Project Plan for this process including the introduction of case management. The Project Plan will also commence the establishment of service specifications and standards.

Specialised Mental health

The Mental Health & Learning Disabilities Board have agreed to focus the development agenda for the non-forensic specialised Mental Health commissioning Project Plan to 3 areas;

- Child & Adolescent Mental Health (Tier 4)
- Eating Disorders
- Perinatal Psychiatry (Mother and Baby)

A Project Plan to scope the activity and profile of these service areas is being led by the Secure Commissioning Team.

2008/09 EMSCG Acute Service Matrix By NHS Provider (Key Providers)

EAST MIDLANDS PROVIDERS

	Chesterfield Royal Hospital	Derby Hospitals	Kettering General Hospital	Northampton General Hospital	Sherwood Forest Hospitals	United Lincolnshire Hospitals	University Hospitals of Leicester	University Hospitals of Nottingham
1 Cancer Services	X	X	X	X	X	X	X	X
2 BMTs							X	X
3 Haemophilia		X				X	X	X
4 Specialised Services for Women's Health							X	
5 Complex Disability Assessment & Equipment							X	X
6 Specialised Spinal Services								X
7 Specialised Rehab for Brain Injury								
8 Neurosciences (adult)								X
9 Burns							X	X
10 Cystic Fibrosis			X	X		X	X	X
11 Specialised Renal		X	X	X		X	X	X
12 Home parenteral nutrition								
13 Cardiology and cardiac surgery							X	X
14 HIV	X	X	X	X	X	X	X	X
15 Cleft lip and palate		X		X				X
16 Clinical Immunology			X			X	X	X
17 Allergy Services							X	
18 Infectious Diseases							X	X
19 Hepatology		X					X	X
20 Genetic Services				X			X	X
23 specialised children's services							X	X
24 specialised dermatology							X	
25 specialised pathology							X	
26 specialised rheumatology							X	
27 endocrinology		X			X	X	X	
28 Hyperbaric Treatment								
29 Specialised Respiratory							X	X
30 Specialised Vascular	X		X	X	X	X	X	X
31 Pain Management							X	
32 Ear Surgery								X
33 Colorectal Services	X	X	X	X	X	X	X	X
34 Specialised Orthopaedic	X	X	X	X	X	X	X	X
35 Morbid Obesity	X	X	X	X		X	X	X

NON-EAST MIDLANDS PROVIDERS

	Birmingham Children's NHS Trust	Birmingham Women's Healthcare	Burton Hospitals	Cambridge University Hospitals	Central Manchester & Children's University Hospitals	Doncaster & Bassetlaw Hospitals	George Eliot	Hull & East Yorkshire Hospitals	Leeds Teaching NHS Trust
1 Cancer Services			X	X	X	X	X	X	X
2 BMTs	X								
3 Haemophilia									
4 Specialised Services for Womens Health		X							
5 Complex Disability Assessment & Equipment									
6 Specialised Spinal Services				X				X	X
7 Specialised Rehab for Brain Injury									
8 Neurosciences (adult)				X			X	X	X
9 Burns	X								
10 Cystic Fibrosis	X					X			X
11 Specialised Renal									
12 Home parenteral nutrition									
13 Cardiology and cardiac surgery					X			X	X
14 HIV				X		X			
15 Cleft lip and palate				X	X				
16 Clinical Immunology				X				X	
17 Allergy Services				X					
18 Infectious Diseases				X				X	
19 Hepatology				X	X			X	X
20 Genetic Services						X	X		
23 specialised children's services	X			X	X			X	X
24 specialised dermatology									
25 specialised pathology									
26 specialised rheumatology									
27 endocrinology	X			X	X			X	
28 Hyperbaric Treatment									
29 Specialised Respiratory					X			X	X
30 Specialised Vascular	X				X	X	X	X	X
31 Pain Management									
32 Ear Surgery	X			X					
33 Colorectal Services			X	X		X	X	X	X
34 Specialised Orthopaedic			X	X		X	X	X	X
35 Morbid Obesity			X					X	X

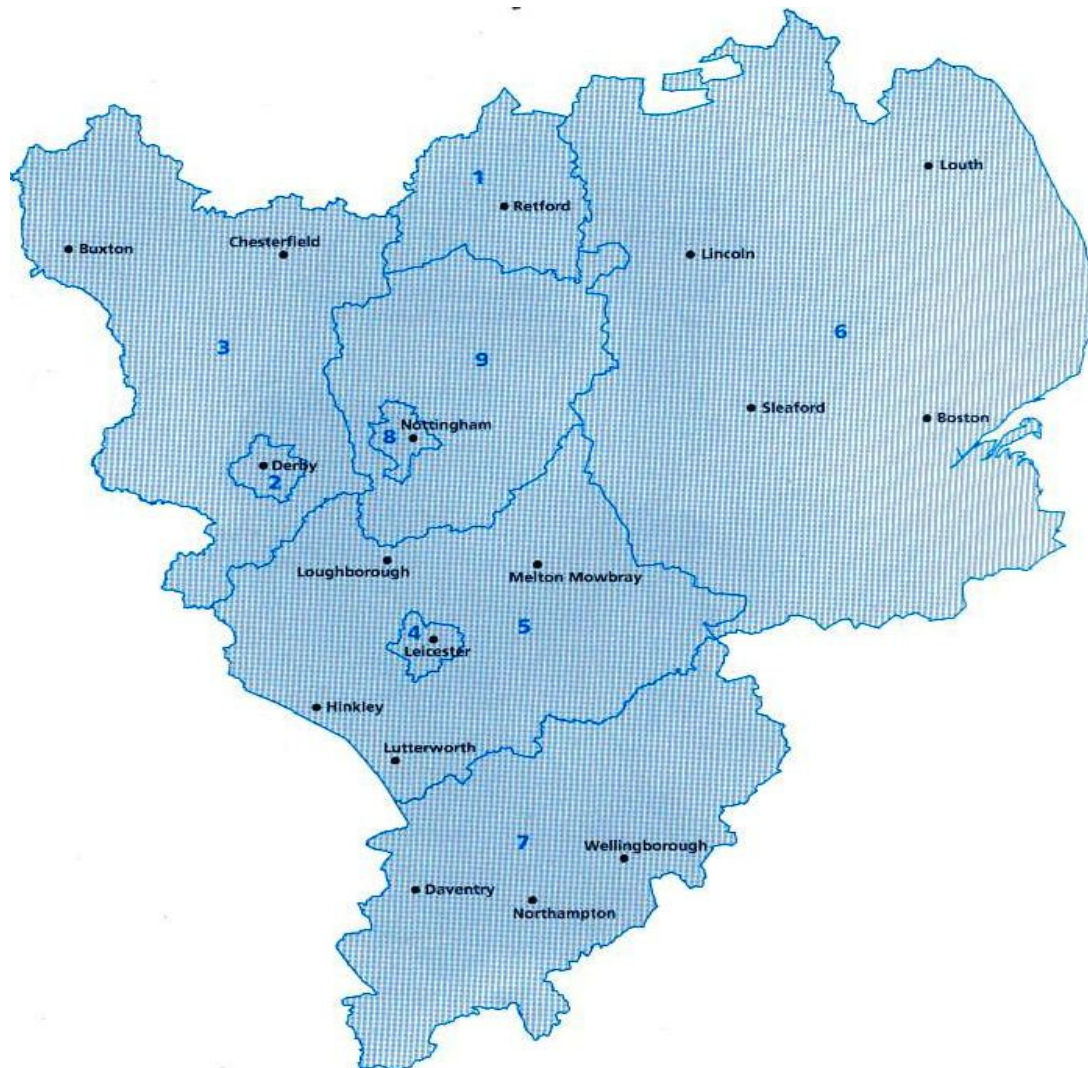
NON-EAST MIDLANDS PROVIDERS continued

	Northern Lincolnshire & Goole Hospitals	Nuffield Orthopaedic Centre NHS Trust	Oxford Radcliffe	Peterborough & Stamford Hospitals	Rotherham	Sheffield Children's Hospital	Sheffield Teaching	University College Hospitals Of London NHS Trust	University Hospitals Coventry & Warwickshire	University Hospitals of North Staffordshire	Warwickshire PCT
1 Cancer Services	X		X	X	X	X	X	X	X		
2 BMTs			X					X			
3 Haemophilia			X			X	X				
4 Specialised Services for Womens Health			X								
5 Complex Disability Assessment & Equipment						X	X				
6 Specialised Spinal Services		X	X	X		X	X	X	X		
7 Specialised Rehab for Brain Injury											X
8 Neurosciences (adult)			X	X			X	X	X		
9 Burns							X				
10 Cystic Fibrosis	X		X	X		X	X		X	X	
11 Specilaised Renal			X	X		X	X				
12 Home parenteral nutrition						X					
13 Cardiology and cardiac surgery			X	X			X	X	X	X	
14 HIV			X				X				
15 Cleft lip and palate			X								
16 Clinical Immunology	X		X			X	X				
17 Allergy Services						X					
18 Infectious Diseases			X				X	X			
19 Hepatology			X	X			X	X			
20 Genetic Services			X	X		X	X		X		
23 specialised childrens services		X	X	X		X	X			X	
24 specialised dermatology			X					X			
25 specialised pathology			X								
26 specialised rheumatology											
27 endocrinology	X		X	X		X	X	X		X	
28 Hyperbaric Treatment				X							
29 Specialised Respiratory			X	X			X	X	X		
30 Specialised Vascular	X		X	X		X	X	X	X	X	
31 Pain Management			X								
32 Ear Surgery											
33 Colorectal Services	X		X	X			X		X	X	
34 Specialised Orthopaedic	X	X	X	X	X		X	X	X		
35 Morbid Obesity				X			X				

2008/09 EMSCG Mental Health Service Matrix By Provider (Key Providers)

			High Secure	Medium Secure	Low Secure
East Midlands	NHS Providers	Nottinghamshire Healthcare NHS Trust	x	x	
		Leicestershire Partnership Trust			x
		Lincolnshire Partnership Trust			x
Non-East Midlands	NHS Providers	West London Mental Health NHS Trust	x		
		Greater Manchester West Mental Health NHS Foundation Trust		x	
		Merseycare NHS Trust	x		
		Northgate and Prudcoe		x	
		Care Principles		x	
		Priory Healthcare		x	x
		St Andrews Healthcare		x	x
		Cheswold Park Hospital		x	
		Alpha Hospitals		x	x
		Cygnet Healthcare			x

EMSCG Service Map



Financial Overview

One of the core aims of EMSCG is to ensure that local and national services are commissioned within suitable financial parameters, laid out in the Operating Framework, and monitored within a suitable performance framework that identifies key risks to stakeholders that impact on financial stability.

In establishing EMSCG, particular attention has been given to ensuring that strict financial governance arrangements are in place, building and enhancing the arrangements of the predecessor commissioning bodies.

Throughout 2007/08, focus has been directed to the maintenance and development of:

- Robust Governance arrangements;
- A Comprehensive Performance Review Framework;
- Sound Financial Management Processes;
- Detailed Bi-Monthly Reports to EMSCG;
- Rigorous Process for High Cost Therapy prioritisation;
- Detailed Management Action Plans and Review Processes;
- Accommodating the transfer of the Mental Health & former Trent COM commissioning arrangements to EMSCG;
- Ensuring robust cash flow mechanisms exist with the Host PCT.

FINANCIAL SUMMARY

The effective maintenance of the current financial control environment and the delivery of action plans through the Contracting function has resulted in the delivery of a break-even position for LNR & Secure Services; and a reported surplus against the former TrentCOM commissioned portfolio of £597k – arising through an underperformance against the Defibrillator Risk Share arrangements. The financial summary of the EMSCG portfolio is presented below:

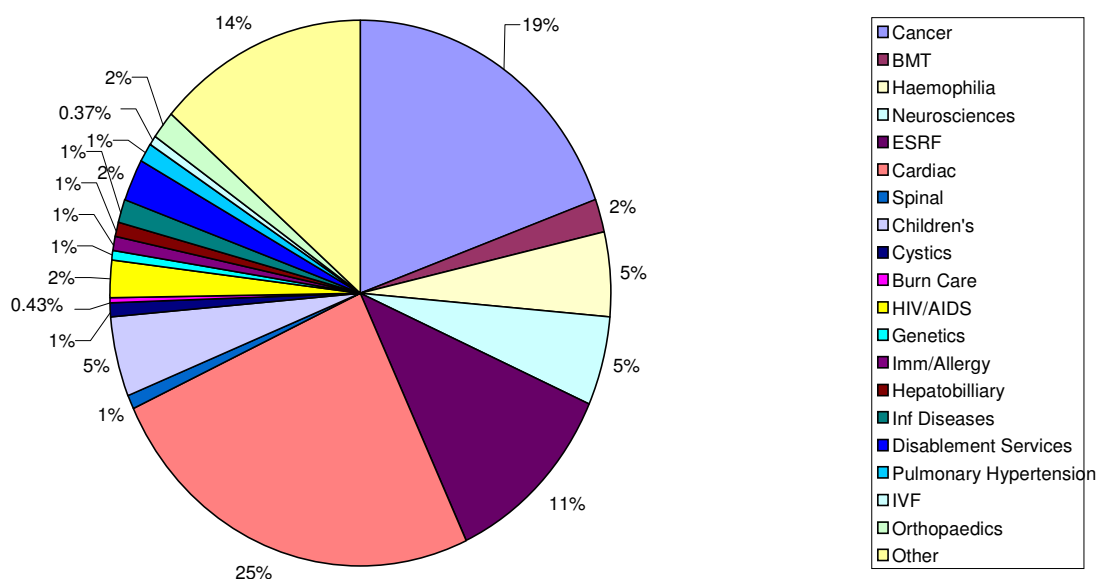
EMSCG	Full Year Budget (£,000)	Year End Performance (£'000)	Year End (Surp)/Deficit (£'000)
Leics PCT's	120,862	120,862	0
Nhants PCT's	66,232	66,232	0
Former Trentcom	9,460	8,862	(598)
Acute Sub-Total			
Secure Services (EMSCG)	39,574	39,574	0
Total Expenditure	236,128	235,530	(598)

The expenditure on Acute Services by service type is presented below (& pictorially overleaf). (NB: It should be noted that this is by Specialty rather than by Specialised Service Definition):

East Midlands Specialised Commissioning Group
Forecast Outturn Schedule 2007/08

Category	Forecast Outturn £'000
Cancer	38,003
Bone Marrow Transplant	3,741
Haemophilia	10,105
Neurosciences	10,128
ESRF	22,268
Cardiac	49,036
Spinal	1,794
Children's	9,287
Cystics	1,268
Burn Care	836
HIV/AIDS	4,255
Genetics	1,346
Imm/Allergy	1,421
Hepatobilliary	1,754
Infectious Diseases	2,770
Disablement Services	4,847
Pulmonary Hypertension	2,274
IVF	719
Orthopaedics	3,395
Other	26,709
Total	195,956

East Midlands Specialised Commissioning Group Portfolio - £196 Million



Looking forward to 2008/09, the key challenges financially will be:

- Maintaining and enhancing the EMSCG Performance Framework to fully engage stakeholders – with the introduction of appropriate specialist sub - groups to the SCG to inform its work programme;
- The introduction of information systems that harmonise data collection for the local health economy; and the enhancement of system reconciliations between national sources - Secondary User Services (SUS) and Local Service Reports – Service Level Agreement Monitoring (SLAM).
- The introduction of appropriate Specialised Service Contract Currencies for commissioning and contract management.
- Full engagement in the PBR agenda, and of ensuring that nationally there is meaningful dialogue of issues pertaining to the development of consistent, appropriate currency definitions for Specialised Services that inform appropriate commissioning locally;
- Delivery of a balanced financial position;
- Appropriate planning arrangements for EMSCG for 2009/10.

East Midlands SCG Board membership 2007/08

Specialised Commissioning Group Member	Representing
EMSCG Chair EMSCG Vice Chair	Catherine Griffiths Martin McShane
Primary Care Trusts	
Derek Bray Catherine Griffiths Andrew Kenworthy John McIvor Louise Newcombe John Parkes Tim Rideout Wendy Saviour Prem Singh	Chief Executive, Derbyshire County PCT Chief Executive, Leicestershire County & Rutland PCT Chief Executive, Nottingham City PCT Chief Executive, Leicestershire PCT Chief Executive, Basset Law PCT Chief Executive, Northampton Chief Executive, Leicester City PCT Chief Executive, Nottinghamshire County PCT Chief Executive, Derby City PCT
Strategic Health Authority	Philip DiSilver, Director of Commissioning & Service
NHS East Midlands Octavia House Bostocks Lane Sandiacre Nottingham NG10 5QG	

East Midlands SCG Team- Who's Who

Director of East Midland SCG	Kate Caston
Deputy Director	Mark Darlow
Commercial Director	Vacant
Public Health Medical Consultant	Dr Tim Daniel Dr Kate Allen
Associate Director of Mental Health & LD	Lee Brammer
Head of Specialised Mental Health & LD	Kieran Preston
Head of Strategy & Planning	Christine Richardson
Head of Health Policy & Pharmaceutical Advisor	Malcolm Qualie
Head of Procurement & Performance	Pete Davies
Head of Contracting	Victoria Barrie
Senior Information & Performance Manager	Arsha Nana
Corporate Business Manager	Serina Korol
Business Analyst	Younus Makrani Philip Webb
Senior Finance Officer	Anna Matton
Mental Health Finance Manager	Mark Whittington
Strategy Manager	Dave Giffard
Quality & Governance Manager	Vacant
Senior Account Manager	Maxilyn Geary
Contract Manager	Chris Murphy
Commissioning Manager Specialised MH/LD CAMHS T4	Paul Farrell
Case Manager	Terry Kirkby Simon Carr
Public Health Principle Information Analyst	Vacant
Clinical Review & Effectiveness Specialist	Vacant
Personnel Assistants	Adehl Brown Sue Willison Trudy Kirkpatrick

The Year Ahead

2008/9 will be a challenging year for the EMSCG. With the introduction of World Class Commissioning Strategies, the Darzi Review, the focussing of National Targets for waiting times and the continued requirement to achieve a stable and sustainable financial strategy the specialised team will have a sizeable agenda to deliver for the residents of the East Midlands.

The EMSCG will embark on a Designation Programme of Providers in 2008/9 that will establish Patient Pathways, Clinical Guidelines, Service Specifications, Access Criteria and Clinical Outcome Measures. This will encompass at least 12 services in 2008/9 with further Designation Programmes in 2009 onwards for all of the 35 Nationally defined specialised services. The aim is to provide the East Midlands population with clarity on the where and why specialised services are being commissioned and provide reassurance on the standards of services being commissioned by the EMSCG.

The 2008/9 Specialised Services Local Operating Plan delivers a strategic direction for the future that will require flexibility and dynamism by both national and local providers.

Pivotal to the delivery of the specialised services agenda will be the development of the Patient and Public Involvement strategy. Throughout all service reviews, designation and policy development the commitment of the EMSCG is to understand the requirements of its population and allow it to influence and determine quality commissioning strategies within the framework of the EMSCG Work Programme.

Contact the East Midlands Specialised Commissioning Group

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Leicester

LE19 1SS

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Feedback

We would like to thank you for taking an interest in the affairs of the East Midlands Specialised Commissioning Group- we hope this report has been useful and provided you with an insight into our activities.

We value the thoughts and views of all the people we serve and would welcome any feedback you might wish to give.

If you would like to make a comment or give your views on this annual report, you can use this form.

Your comments about this annual report

Would you like a response **YES** **NO**

If so, please fill in your name and address below: