

Meeting of  
NHS Lanarkshire Board  
28<sup>th</sup> April 2010

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## **SUBJECT: REVIEW OF HEALTH CARE CONTRACTS WITH INDEPENDENT SECTOR PROVIDERS**

### **1. PURPOSE**

To inform the Board on the issues and actions in relation to Health Care Contracts held by NHS Lanarkshire with Independent Sector Providers following the meeting of the Contract Review Group held on 7<sup>th</sup> April 2010.

### **2. CONTENT/SUMMARY OF KEY ISSUES**

#### **2.1 Background**

The NHS Lanarkshire policy on managing healthcare contracts with the Independent Sector providers was approved by the Board in May 2009. The main principles of the policy are to:

- establish a contract review group for performance oversight and to report to the Board, through the Director of Strategic Implementation, Planning and Performance, as part of the performance management arrangements;
- identify a manager for each contract and identify their responsibilities;
- recognise the role of other agencies in regulating contractors (most notably the Care Commission) but without diminishing the responsibilities of the Board in respect of patient care and
- set out the assurance mechanism for patient safety and quality of services

#### **2.2 Contract Review Group**

The Contract Review Group has been established under the chairmanship of the Director of Strategic Implementation Planning and Performance with the following remit:

- to review current NHS Lanarkshire contract performance against all contracts;
- to review and develop the Board's contracting processes;
- to review the Memorandum of Understanding with the Care Commission and
- to ensure effective governance arrangements

### 3. ACTIONS

The following issues and actions were identified at the meeting of the Contract Review Group held on 7<sup>th</sup> April 2010

- The Contract register along with expenditure for 2009/2010 is attached at appendix 1. The contract register provides a brief description of the service and the designated contract manager.
- Further work is to be undertaken on the contract management arrangements where spot purchasing of patient services is undertaken in particular to clarify quality assurance arrangements.
- Redesign work is currently underway in relation to traumatic brain injury rehabilitation. The redesign of this service could provide a community based service which will reduce the need for patients to be cared for within the Independent sector. Expenditure for this service in 2009/10 was £813,000.
- The current contract at Cumbernauld with Four Seasons Health Care Limited for the provision of beds for the Care of the Elderly and day case services for Mental Health expires in March 2012. A review of current service provision is being undertaken and an option appraisal of future service provision will be undertaken. The requirement for inpatient beds in this area remains. However day care services are proposed to be integrated with North Lanarkshire Council at the Antonine Centre. Discussions with interested parties concerning service provision and configuration are continuing at present and a formal proposal will be brought forward in the near future.
- The contracts for the provision of inpatient services for Old Age Psychiatry Services at Hattonlea and Cumbernauld Care Homes are currently being operated on a year to year basis. It has been agreed that these contracts require to be established over a longer fixed period. Work has been undertaken to clarify the clinical model which should operate for these beds. In addition work has been completed to implement new and clear quality assurance regimes. This work, involving a wide range of stakeholders, is now complete and the current work requires further discussion with the two contract providers. A proposal will be brought forward later during the calendar year.
- Work is being undertaken in respect of the provision of therapeutic diets to patients at Parksprings Care Home.
- The continued use and potential development of Quarriers Independent Hospital is the subject of a group established with all Boards in the West of Scotland. The group will report its findings to the West of Scotland Regional Planning Group.
- The Memorandum of Understanding with the Care Commission for 2010/11 has been reviewed and has been returned for amendment following consultation with the General Managers and Nurse Directors in Acute and Primary Care

#### **4. CONCLUSION**

The next meeting of the Contract Review Group will take place in August 2010 when the above issues will have been taken forward with a clear action plan in place to address any ongoing work. A further briefing will be provided to the NHS Board following the August meeting.

The Board is requested to note the current position in regard to Care Contracts with Independent Sector Providers.

For further information about any aspect of this paper please contact

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