



**West Leicestershire
Clinical Commissioning Group**

HEALTH OVERVIEW AND SCRUTINY COMMITTEE: 8 JUNE 2016

REPORT OF WEST LEICESTERSHIRE CCG

UPDATE ON CNCS AND BUSINESS CONTINUITY

Purpose of report

1. The purpose of this report is to update the Committee on business continuity in Out of Hours and Loughborough Urgent Care Centre.

Background

2. Central Nottinghamshire Clinical Services (CNCS) are a provider of GP out of hours and urgent care services in Leicestershire, Leicester and Rutland and central Nottinghamshire.
3. After a period of financial difficulty, CNCS filed a notice of intent to appoint an administrator and subsequently ceased trading on the 12th May. This paper gives some details on the background to the current position, the actions taken to secure service continuity through a caretaking provider and assesses the current level of assurance around service provision.
4. CNCS had experienced a number of significant challenges over the last year. The Leicestershire out-of-hours (OOH) services were rated as inadequate by the Care Quality Commission (CQC) in 2015 and, following a risk summit, an Oversight Group was established involving both Leicestershire and Nottinghamshire commissioners. Good progress was made in relation to the quality improvement plan, but CNCS were required to make significant investments to support governance processes and staff engagement. Leicester, Leicestershire and Rutland (LLR) funded a number of transitional posts in relation to the CQC improvement work, but CNCS did not recoup the full cost of additional resources from all commissioners. As a result of recent events, CNCS have suffered reputational damage with local GPs and had increasing difficulties in terms of rota coverage. Consequently, they regularly paid high agency rates and premiums to fill rotas at short notice and this increased the level of financial challenge for the organisation. The organisation had also experienced challenges with its leadership and organisational capacity in relation to both financial management and service improvement.

Arrangements for service continuity

5. The Clinical Commissioning Groups' first priority was to ensure safe clinical service continuity. A shortlist of potential caretaking providers was identified from which a preferred caretaking provider was recommended and agreed by each of the three

LLR Clinical Commissioning Groups (CCGs). The decision on caretaking provider was guided by the need to identify an experienced provider who could mobilise a safe service within an extremely short timeframe.

6. Derbyshire Health United (DHU) was confirmed on the 10th May as the caretaking provider for both LLR Out of Hours services and the Loughborough Urgent Care Centre (LUCC). Derbyshire Health United provides the NHS 111 service in the East Midlands, as well as Out of Hours and other urgent care services in Derbyshire. The CCGs are confident that DHU is a robust provider with strong leadership and is able to provide a stable service.
7. Following confirmation that it was the caretaking provider in LLR, DHU swiftly developed a mobilisation plan and has been working with CNCS and WLCCG to implement that plan.
8. CNCS ceased trading at midnight on the 12th May. This was earlier than the deadline in the initial high court notice of intent, due to CNCS having utilised all funds made available to it by the CCGs, and the advice of its insolvency practitioner that it could not continue to trade.
9. DHU took over as caretaker on midnight on the 12th May. The initial mobilisation period has gone smoothly and both OOH and LUCC services operated as usual. DHU executives were on site in all LLR bases over the night of the 12/13th May to oversee operations and provide assurances to staff engage about the changes. Staffing levels remained as expected, including agency staff and sessional staff.
10. The CCG is in close contact with DHU and the CNCS administrators and it continues to work to resolve all the legacy issues relating to CNCS folding. The CCG is meeting with DHU weekly to provide assurance on the ongoing work to transition the LLR services, including reviewing staffing levels, financial risk and quality assurance.
11. The CCGs are concerned both to ensure continued delivery of a high quality service and to ensure that DHU are not destabilised as a result of taking on CNCS's services. The caretaking arrangement will last until 31st March 2017. The CCGs plan to re-procure a redesigned model of community urgent care services, including OOH, from April 2017 as part of the Vanguard programme. The services formerly provided by CNCS will form part of that redesign work, moving to a more integrated model of care, and new contracts will be in place by 1st April 2017.
12. The WLCCG quality team carried out quality visits to all OOH sites and the LUCC on the evening of the 23rd May. They found no issues of concern. Key findings were that DHU executives had been visible to staff on the ground and engagement meetings had taken place. Staffing levels were appropriate to meet demand, with no gaps in service delivery impacting on the quality of care. Staff generally felt well informed by their managers of the changes. Medicines management processes had in some cases been strengthened.
13. There should be no noticeable impact on patients resulting from CNCS ceasing trading. Services are being operated as before, from the same premises and with the same access routes for patients. All CNCS operational staff in the LLR services have transferred to DHU, including operational managers, so there is a high degree

of continuity of provision and knowledge of the service. Access to patient records and IT systems has been transferred from CNCS to DHU in line with IG guidance.

14. Communications with patients and the public, GP practices and other stakeholders have been co-ordinated by WLCCG. Messages have focussed on 'business as usual' and stressing that patients can access services in the same way as previously.
15. The CCGs are reviewing lessons learnt in respect of the organisational failure of CNCS. Key issues include the role of commissioners in supporting providers' leadership and organisational capability, workforce and the cost of out of hours GP time.

Consultation

16. The change of provider was undertaken in an emergency situation and as such, does not require formal consultation. Given the timeframes, there was no opportunity to engage with stakeholders or the public on the change of provider. However, the CCGs are planning engagement with local people on the Vanguard changes before next April.

Resource Implications

17. The caretaking contract transferred to DHU is on the same basis as the previous CNCS contract. The CCGs are working with DHU to ensure that the appropriate due diligence is done on CNCS operating costs. The CCGs have provided DHU with an undertaking to ensure that DHU is not financially destabilised as a result of the caretaking agreement.
18. DHU are working with the CCGs to ensure that a robust cost improvement programme is put in place. A key aspect of this will be to reduce high levels of premium rates paid to fill clinical sessions as late notice.

Conclusions

19. The closure of CNCS as an organisation and the transition to new management has been managed as smoothly as possible. While clearly an unfortunate event, service continuity has been maintained and the service provided to patients has not deteriorated either in terms of levels of service or service quality.

Background papers

Report to the Health Overview and Scrutiny Committee on 10 June 2015 – Out of Hours Service Provided by Central Nottinghamshire Clinical Services
[http://politics.leics.gov.uk/Published/C00001045/M00004237/AI00044069/\\$CNCSOOHReport.docA.ps.pdf](http://politics.leics.gov.uk/Published/C00001045/M00004237/AI00044069/$CNCSOOHReport.docA.ps.pdf)

Circulation under the Local Issues Alert Procedure

Not required. The services affected are open to all LLR patients. The Loughborough Urgent Care Centre sees patients on a walk in basis, although the majority of patients are from West Leicestershire.

Officer to Contact

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