

**BOARD PAPER - NHS ENGLAND**

**Title:** Directly Commissioned Services Committee

**Clearance:**

Professor Sir Malcolm Grant, Chair of the Directly Commissioned Services Committee

Dame Barbara Hakin, Interim Chief Operating Officer/Deputy Chief Executive

**Purpose of paper:**

- To provide an update on discussions and actions following the meeting of the Directly Commissioned Services committee held on 28 January 2014

**Key issues and recommendations:**

The committee:

- Received updates from the directly commissioned services work streams; and
- Noted and took assurances regarding actions being taken to address financial issues with regard to specialised commissioning.

**Actions required by Board Members:**

The Board is asked to note the outcome of discussions and to receive assurance from the Directly Commissioned Services committee in January 2014.

## **Directly Commissioned Services Committee**

### **Summary of Committee Discussions**

1. The Committee held its third meeting on 28 January 2014.
2. The Committee noted the specific Primary Care Support Services oversight arrangements and members agreed the co-option of two additional members (Ciaran Devane and Jo-Anne Wass) for a time limited period.
3. Members noted and formally accepted the revised terms of reference for Clinical Priorities Advisory Group (CPAG).
4. The Committee received a report from the Clinical Priorities Advisory Group (CPAG) and accepted the recommendations made. Members approved the revisions and endorsed the recommendations of CPAG for formal adoption by NHS England. Members noted that once approved, the specifications will be published on NHS England's website and implementation will be supported by a plan for engagement with relevant stakeholders. In addition, documentation will be prepared for consultation in February 2014. Members also approved the revisions to the policy on Pre-implantation Genetic Diagnosis and agreed to adopt the policy from 1 April 2014.
5. Members noted and received assurance from the approach being taken on the proposed arrangements for strengthening the governance for Public Health.
6. The Committee received a summarised report on the key deliverables on specialised services and were assured that the plan is fully developed and resourced for this year. Members noted the actions taken to implement the recommendations from the Specialised Commissioning Stocktake. The Committee noted that the Board had ratified the overall planning process for 2014/15 and beyond. Members noted that the allocation for specialised services had been set at a national level. Members noted the financial position on Specialised Services and the actions being taken.
7. The Committee received an update and general overview on each of the five areas that are directly commissioned by NHS England (primary care, specialised services, public health, health and justice and armed forces and their families). Members received assurance on the discharge of NHS England's Direct Commissioning functions.
8. The Committee received an update on the Prime Minister's Challenge Fund for General Practice and noted:
  - the work underway to secure the pilot sites; and
  - the arrangements that are being put in place to support them and share innovation with wider primary care service providers.
9. The Committee received a report on Primary Care Dental Contracts and provided a steer in relation to proposed changes to NHS dental contracts for 2014/15. Members noted progress on the development of new dental contractual arrangements and agreed to accept actions by correspondence.

10. Members noted the progress made with Liaison and Diversion services and confirmed that approval (subject to a number of caveats) was given outside of Committee that NHS England should take lead responsibility from 1st April 2014.
11. The committee ratified the minutes of the previous meeting held on 12 November 2013. These minutes are attached.

**Actions required by Board Members**

12. The Board is asked to note the outcome of discussions and next steps from the Directly Commissioned Services Committee in January 2014.

**Dame Barbara Hakin  
Chief Operating Officer  
and Deputy Chief Executive**

**Professor Sir Malcolm Grant  
Chairman**

**February 2014**

**NHS England**  
**Minutes of the Directly Commissioned Services Committee meeting**  
**held on 12 November 2013**

**Present**

- Professor Sir Malcolm Grant (chair)
- Sir David Nicholson – Chief Executive
- Dame Barbara Hakin – Interim Chief Operating Officer/Deputy Chief Executive
- Ms Ann Sutton – Director of Commissioning (Corporate)

**Apologies**

- Mr Paul Baumann – Chief Financial Officer
- Ms Jane Cummings – Chief Nursing Officer
- Lord Victor Adebawale – Non-Executive Director
- Ms Rosamond Roughton – Interim National Director: Commissioning Development
- Mr Richard Barker – Regional Director (North)
- Mr Tim Kelsey – National Director: Patients and Information
- Sir Bruce Keogh – National Medical Director

**In attendance**

- Dr David Geddes – Head of Primary Care Commissioning
- Mr Ben Dyson – Director of Commissioning (Policy and Primary Care) in attendance for Ros Roughton
- Ms Kate Davies – Head of Public Health, Offender Health and Armed Forces Health
- Ms Hilary Garratt – deputising for Ms Cummings
- Ms Pia Clinton-Tarestad – Interim Head, Specialised Commissioning
- Dr James Palmer - Clinical Director, Specialist Commissioning (for Item 4 only)
- Dr Vicky Pleydell – CCG representative
- Ms Linda White – Corporate Governance Senior Manager
- Ms Meri Leak – Corporate Governance Support Officer

The Chair welcomed members to the second meeting of this committee.

Item	
1	<p><b>Apologies for Absence</b></p> <p><b>Declarations of interest in matters on the agenda</b></p> <p>The Chair acknowledged apologies. There were no declarations of interest in matters on the agenda.</p>
2	<p><b>Minutes of the previous meeting</b></p> <p>The minutes of the last meeting were agreed as a correct record of the discussion.</p>
3	<p><b>Matters arising: Directly Commissioned Services Committee Terms of Reference</b></p> <p>The terms of reference for the Directly Commissioned Services Committee have been revised to reflect the discussions at the meeting held on 14 August 2013, and were approved by the Board on 13 September 2013.</p> <p><b>The Committee members accepted the revised terms of reference.</b></p>
4	<p><b>Recommendations from the Clinical Priorities Advisory Group meetings held on 25 September and 22 October 2013</b></p> <p>James Palmer presented the recommendations from the CPAG meetings and asked that the committee:</p> <ol style="list-style-type: none"> <li>a. approve the revised terms of reference for CPAG;</li> <li>b. endorse the recommendations of CPAG for formal adoption by NHS England of the following policies and specifications: <ul style="list-style-type: none"> <li><u>Specialised Services Clinical Commissioning Policies</u> <ul style="list-style-type: none"> <li>- Clinical Commissioning Policy: Plerixafor for Stem Cell Mobilisation</li> <li>- Interim Clinical Commissioning Policy Statement: Cytoreductive Surgery and Hyperthermic Intraperitoneal Chemotherapy (CRS and HIPEC) in Peritoneal Mesothelioma</li> </ul> </li> <li><u>Specialised Services Service Specifications</u> <ul style="list-style-type: none"> <li>- Hyperbaric Oxygen Therapy</li> <li>- Burns</li> <li>- Spinal Cord Injury</li> <li>- Cleft, Lip and Palate</li> <li>- Specialised Rehabilitation</li> <li>- Major Trauma</li> </ul> </li> <li><u>Armed Forces Interim Clinical Commissioning Policies</u></li> </ul> </li> </ol> <p>Adopt all the interim clinical commissioning policies, with the caveat that:</p> <ul style="list-style-type: none"> <li>- further work required to align the policy related to Cardiac Ablation with specialised services</li> <li>- IVF policy will state 2 cycles in the interim</li> </ul> <p>James Palmer stated that the biggest debate was around armed forces health and further work was needed regarding equality. Kate Davies put to the committee that the armed forces covenant may result in the need for different policies to</p>

	<p>cover the uniqueness of their situation.</p> <p><b>The committee agreed to accept the policies as interim.</b></p> <p><b>It was agreed that the Chairman and Dame Barbara Hakin would review the terms of reference further outside the meeting.</b></p>
5	<p><b>Verbal update: GP contract</b></p> <p>Given that there had been no change in the situation since the Board had been fully briefed this item was not discussed.</p>
6	<p><b>Primary Care Dental Contracts</b></p> <p>Ben Dyson introduced this paper, and asked the committee to approve the proposed negotiating remit for the improvements to General Dental Services (GDS) contracts and Personal Dental Services (PDS) agreements for 2010/15.</p> <p>Mr Dyson set out the proposed principles and objectives to underpin the dental contract negotiation and the specific efficiency and quality objectives proposed for discussion.</p> <p>Dr David Geddes commented that initial feedback from the DH pilots, which are testing aspects of the new contract in 100 dental practices across England, is that patients are happy with the preventative approach. However some dentists have expressed their concerns that limited capacity could undermine good patient care.</p> <p>Further conversations are planned with the BDA who have already started to talk about their own efficiency changes and may therefore put forward other proposals of their own. Mr Dyson asked the committee if he could bring back firm proposals following discussions with DH and BDA.</p> <p><b>The committee agreed to include the list of objectives in paragraph 17 in the negotiating remit, whilst also considering any proposals put forward by the BDA.</b></p> <p><b>The committee also agreed to accept a further report from Ben Dyson with firm proposals.</b></p>
7	<p><b>Verbal update : Public Health section 7a agreement</b></p> <p>Given that there had been no change in the situation since the Board had been fully briefed this item was not discussed. The Board had asked for regular updates to the DCSC re the Section 7a agreement, which this committee agreed to receive.</p>
8	<p><b>Directly Commissioned Services update and Assurance Report (including risk register)</b></p> <p>This report was presented in order to give an update and assurance on the broad range of activities in direct commissioning. The Chairman commented that this approach was very helpful and asked that all Board members' attention be drawn to the report. Specific areas discussed were:</p> <p><b>Cancer Drugs Fund</b></p> <p>The committee noted the difficulty in keeping this fund within the agreed limit given that new drugs were inevitably added and that whilst NHS England had a process in place for the removal of the least effective drugs this would always be a difficult task. Dame Barbara Hakin told the committee that discussions were ongoing with DH and the pharmaceutical industry on this issue and agreed to keep the Chairman and Chief Executive fully briefed.</p> <p>The postponement of the innovation fund was noted. The chairman stated that</p>

	<p>there should be some commitment to alternative funding sources for research and innovation</p> <p><b>Local Professional Networks</b></p> <p>It was noted that networks for pharmacy, dentistry and eye-health are now established.</p> <p><b>Public Health Commissioning</b></p> <p>The committee recognised the complexity of commissioning in the new system.</p> <p>It was noted that the Liaison and Diversity Business Case was being circulated for comment by the executive team and would be brought back to the next meeting of the Committee.</p> <p>Ann Sutton also pointed out that, in future there will be a full update report on the Primary Care Support Services Programme however this had also been considered by the full Board at its meeting on 8 November 2014.</p> <p>The Committee noted that there has been steady progress in establishing the direct commissioning governance arrangements with the oversight groups; each group having met twice since the last Committee meeting. The next priority is to introduce robust processes for effective matrix working to deliver effective commissioning.</p> <p>The Committee noted the attached risk register which highlighted areas of concern and were assured that there was a detailed register behind each entry.</p> <p><b>The committee noted the updates.</b></p>
9	<p><b>Financial Issues in Specialised Services Commissioning</b></p> <p>Ann Sutton introduced this paper, commissioned by the Operations Executive and authored by Dr Paul Watson, Regional Director Midlands and East and Chair, Specialised Commissioning Oversight Group.</p> <p>All recommendations had been fully endorsed by the Operations Executive who will monitor the delivery plan closely.</p> <p>The Committee had an in depth discussion on the issues and risks in order to give the Board assurance that the necessary action is being taken.</p> <p>For the first time in England there are national standards for specialised services. These have been produced by clinicians with patient and public involvement. An assessment has been made of provider compliance with the standards. Commissioning intentions for 2014/15 have recently been published.</p> <p>Although this progress has been made there are still significant challenges and risks in setting up these new and different commissioning arrangements.</p> <p>Members discussed the issues and mitigating actions. The twenty two recommendations range from mitigation of the financial deficit in the current year to the production of a wide ranging efficiency savings plan 14/15.</p> <p>The issue of separating out activity information between CCGs and Area Teams was discussed and Dr Vicky Pleydell said that from a CCG perspective this is a complex issue, validation of data is important and could not be relied upon at the moment. Joint work is needed to resolve the problems.</p> <p>Pia Clinton-Tarestad said that an added complexity was the mix of nationally mandated prices for some services and historically negotiated differential local prices for others.</p> <p>Dame Barbara Hakin stated that we need to see a better connectivity between</p>

	<p>clinical aspects and managerial maximising the impact of the total skill and resource. Sir David Nicholson suggested that there should be incentives developed between commissioners (CCGs and NHS England) to resolve the challenge together and this was supported.</p> <p>The Chair stated that this significant issue would continue to be a focus for discussion at future committee meetings. The committee agreed that the Board would be kept updated.</p> <p><b>The committee noted the recommendations in the report that have been accepted by the Operation Executive who will closely monitor delivery of the action plan.</b></p>
10	<p><b>AOB</b></p> <p>There were no items of further business to discuss</p>
	<p><b>Date of next meeting</b></p> <p>Scheduled for February 2014 but to be brought forward to January 2014.</p>