

**Manchester City Council  
Report for Resolution**

**Report To:** Health and Well-being Overview and Scrutiny Committee – 4  
March 2010

**Subject:** NHS Manchester Update

**Report of:** NHS Manchester

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**Purpose of report**

To provide Members of the Committee with an overview of developments across the Primary Care Trust.

**Recommendations**

To note the report

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**Wards Affected:**

All

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**Background documents (available for public inspection):**

None



**Health and Wellbeing Overview and Scrutiny Committee**  
**NHS Manchester Update: March 2010**

This is the monthly update paper produced by NHS Manchester for the Health and Wellbeing Overview and Scrutiny Committee. NHS Manchester is responsible for ensuring funding for health services is targeted where it is needed the most, that NHS care is of the highest standards and ultimately that local people lead longer, healthier lives. The update covers a range of topics that may be of interest to the Committee.

**1. New GP service to open in March**

NHS Manchester has confirmed the opening of a new GP service at Fallowfield Shopping Centre in March. It is the third of four new services opening in the city to improve access to GPs and will be based in a renovated unit at the shopping centre, where there are good transport links for people in Fallowfield, Levenshulme and the surrounding areas. It will be known as Hawthorn Medical Centre and the service will be run by the not-for-profit organisation Hope Citadel, which also runs three other GP practices across Greater Manchester and won the contract following a tender process.

The service will have a potential list size of up to 4,000 registered patients and additionally offer appointments on a 'walk-in' basis to patients who are not registered there. It will also offer the flexibility of long opening hours, operating from 8am to 8pm Monday to Friday and 9am to 5pm at weekends.

This follows the opening of a GP practice at Moston last summer and the launch of the City Health Centre, which is both a GP practice and walk-in centre, in the city centre Boots store in December. A fourth new GP service is due to open in Longsight later this year, with construction of a new build premises currently underway on a site off Stockport Road/Linnet Close.

**2. Primary care mental health services**

The NHS Manchester Board has approved an approach to delivering improvements in primary care mental health services for which, as highlighted previously to the Committee, a new service model has been under development for some time. The Board has agreed that the preferred approach for delivering the service model is to contract with a lead service provider who may then sub-contract with other providers, including those in both the NHS and voluntary sectors. Further details on this matter are provided in a separate report at appendix 2.

**3. Swine flu**

The main service elements of the response to the swine flu outbreak have all now been closed or scaled down. It was reported last month that six local pharmacies had taken on the role of distributing antiviral medication and this continues to be the case. The more significant update is that the National Pandemic Flu Service closed on 10 February, meaning the internet and telephone based triage offered to patients throughout England is no longer in operation. Patients with suspected swine flu are now advised to contact their GP or NHS Direct by telephone (they should not attend in person) for assessment.

In many senses the current status of the swine flu response confirms that the outbreak has come to an end, however the risk remains of further outbreaks during the next year and beyond. NHS Manchester is currently leading a multi-agency review of the Manchester response to the swine flu outbreak, which will seek to identify learning points to inform our plans for handling similar outbreaks in future.

## Appendix 1: Forward Plan

The Forward Plan is an overview of forthcoming milestones for NHS Manchester.

<b>Timescale</b>	<b>Issue</b>	<b>Summary</b>
March 2010	New GP/walk-in service opens at Fallowfield Shopping Centre	Launch of third of four new GP services to improve access to appointments
End of March 2010	Future arrangements for PCT-provided services	Plans agreed in principle for the future organisational arrangements of services provided directly by NHS Manchester, as part of a national review of PCT-provided services.
April 2010	World Class Commissioning assessment panel	NHS Manchester Board interviewed by external assessors as part of a detailed review of progress on commissioning against national measures.
Summer 2010	New GP service opens at Longsight	Launch of final of four new GP services to improve access to appointments, in new premises on Stockport Road/Linnet Close
Summer 2010	World Class Commissioning results	Department of Health publishes its review of each PCT's effectiveness as a commissioner of NHS services

## **Appendix 2 - Report of the Associate Director of Joint Commissioning, NHS Manchester on New Primary Care Mental Health Service including Improving Access to Psychological Therapies**

### **Summary**

This report outlines the option appraisal process and preferred procurement quote for the delivery of a new primary care mental health service.

### **Recommendations**

1. To note the recommendations as approved by NHS Manchester's Board on 7<sup>th</sup> February 2010.
2. To support the recommendation for the procurement of a new primary care mental Health Service.

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### **Wards Affected:**

ALL

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### **Contact Officers:**

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### **Background documents (available for public inspection):**

**Primary care model**

## **1. Introduction**

This paper provides an update to the Health & Well being overview and scrutiny Committee on the progress of the various procurement and delivery options available to provide the most effective, efficient, equitable, and accessible and value driven mental health services for the population of NHS Manchester.

## **2. Background**

Over the course of the last 12 months a number of reviews and subsequent Board papers agreed the need for primary care mental health services to be redesigned into a service that will significantly improve service provision and positively impact upon the outcomes for people who use services.

Whilst there has been general agreement on these principles, the actual route and delivery mechanisms required to enable this to happen have not been confirmed.

Originally a market driven competitively tendered option was the favoured approach and a significant number of market engagement events took place to gauge both the level of interest from providers and to effectively encourage consultation. The engagement events were widespread and included both NHS organisations, the City Council and the Third sector.

However, subsequently both the National Clinical Advisory Team and Health Gateway reviews (DH) recommended a reappraisal of the procurement and delivery options available for provision of the service to also include a collaborative co-operative approach.

This is in line with the emerging policy context which focuses on a more collaborative approach to procurement with the NHS as 'preferred provider'. The new guidance (Secretary of State's letter 25<sup>th</sup> September 2009) means that this service development may be interpreted as a service re design rather than a new service. This is an important policy shift as part of the original business case, which recommended a full competitive process, was based upon the latter assumption. The original business case identified that the service was inequitable with three different service models operating across the city. The NCAT review identified that significant work had been undertaken already to address this issue. This new approach continues to put quality and best value at the heart of the agenda.

## **3. Progress and recent developments**

The September Board of NHS Manchester approved the decision to look at alternative methods of procuring/delivering the service rather than opting purely for a competitive tender.

Following further discussions internally and with the SHA, as commissioners we consider there to be a range of potential options. These are described below and were submitted to the Board in December where it was agreed a further detailed

analysis of the options would be tabled at Clinical Commissioning Committee for onward recommendation to the Board in February.

1. Do nothing
2. Contract with a lead provider who may then sub contract with other providers of their preference via a competitive process (including both NHS and Third sector providers) in order to fulfil capacity.
3. Contract with a lead provider who may then subcontract with other providers of our preference (including both NHS and Third sector providers) in order to fulfil capacity.
4. Competitively tender with a pre-determined restricted list of preferred NHS providers (in line with the recent communiqué regarding the NHS as a preferred provider)
5. Competitively tender as per the original intention
6. Consortia type approach with both a lead NHS provider and a lead provider representing the non NHS providers
7. Merger and acquisition approach between the current care provider and the provider arm of the PCT (This is a delivery not a procurement option).

#### **4. Option Appraisal**

The above options were worked up further and assessed in terms of the best fit for the primary care mental health service against a range of appropriate questions and criteria including:

- the ability to deliver, develop and sustain the desired service;
- various questions regarding how will patients benefit, how the options impact upon our people, processes, systems and reputation
- the risk (safety, legal, reputational, performance and financial) and benefits associated with any of these options
- delivery timescales (it is anticipated a new service to be up and running by April 2010). Whatever option is chosen this timescale is not now likely and a delivery commencement date of October is now the more realistic.

Despite the PCT looking at the advantages and disadvantages of the various options it became clear there was no particular clear cut option that the appraisal pointed toward. The option of doing nothing is not an option as it scored well below the recommended pass mark.

Whilst the PCT had been advised that competitive tendering is not a viable option there was a lot of stakeholder feedback from the voluntary and independent sector still supporting that option – it was still included as part of the option appraisal .

The two options that came out the strongest were options 3 and 6 (contract with a lead provider who then sub contracts with providers of our choice and the option of a consortia arrangement respectively).

The option appraisal was submitted to Commissioning Committee in January where it was decided the two highest scoring options would then be tabled at Board in February for further discussion.

The options were discussed at the February Board of NHS Manchester and option 3 was approved. This option appeals due to continuity reasons, timeliness and the ability of the PCT having some influence on the choice of sub contracted providers.

## **5. Conclusions**

Following the board decision, all providers have formally been written to outlining the preferred option. There will be series of meetings held between commissioners and the current providers to agree implementation of the preferred procurement route, working with all providers through lead arrangements to ensure successful delivery of the optimum model of service.

Following the Operating Framework 2010-11 and subsequent timetable from NHS North West regarding the future of PCT provider arms, NHS Manchester has submitted the preferred option for the future of Manchester Community Health. At the time of writing this report the outcome of the PCT's preferred option has not been communicated and therefore the final decision may affect the outcome of the procurement option and lead arrangements for this service.

The joint commissioning team will be appointing a specific project lead to manage this process and deliver the new model.

## **6. Recommendations**

1. The committee is asked to support the preferred procurement option.

**Craig Harris**  
**Associate Director – Joint Commissioning**  
**February 2010**