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Our Ref: SPPr/sv

14 December 2009

County Councillor Janet Eagland
Chairman of the Health and Scrutiny Committee
Staffordshire County Council
County Buildings
Martin Street
Stafford ST16 2LH

Dear Councillor Eagland,

Thank you for forwarding a copy of the Review undertaken by the Health Scrutiny Committee recently on the Commissioning and Contractual Arrangements with the Midlands Treatment Centre in Burton upon Trent. South Staffordshire PCT and Sponsor PCTs welcome the opportunity to comment, and as NHS Representative for this contract I have been asked to respond on their behalf.

The report has been discussed at a recent Contract Management Board and a formal response received from NHS North Staffordshire.

The PCTs consider the report to represent a balanced view of the commissioning arrangements in place with the Midlands NHS Treatment Centre. The report makes several important observations and recommendations and I can assure the Health Scrutiny Committee that these messages will be given full consideration in the work the PCT is currently undertaking to ensure the services currently provided at the Midlands NHS Treatment Centre continue to be available to our population once the contract in place with Nations Healthcare (Burton) Limited ends in July 2011. A particular focus of the PCTs will be the detailed consideration of the capacity of health care services that will need to be commissioned for the years ahead and the importance of involving patients and members of the public in that decision making process.

The PCT is glad to note that the Scrutiny Review found evidence that supports our view that the Midlands NHS Treatment Centre offers high quality services.

There are a number of specific areas of the report that I would like to respond to in detail and I have set these responses out below. The responses are to the "Comments/Recommendations" sections of the report that can be found on the referenced pages.

Page 10 – Models of Care - The PCT is continuously striving to improve the models of care available to its patients from all providers commissioned by this PCT, including the Midlands NHS Treatment Centre, and this will heavily involve Practice Based Commissioning.

Page 16 – Future Contracts - The current contract ends in July 2011 and the PCT is currently undertaking detailed capacity planning modelling to ensure the commissioning arrangements in place to succeed the current contract are in able to deliver the best outcomes for the local health economy within the resources available.

Page 18 – Performance Management of Contracts - The Review Panel sought assurance that the SHA and PCT would ensure that contracts with the independent sector are performance managed robustly. The PCT is able to confirm that the current contract for the Midlands NHS Treatment Centre contains a robust performance management system that is managed effectively. In accordance with Department of Health guidance any future contracts with the independent sector will use the same terms and conditions as used with all acute providers throughout the NHS. This will ensure a nationally recognised performance management system is adopted to govern the services provided.

Page 21 – Delivery of Services - The Review Panel's desire that the independent sector should deliver services in accordance with the NHS Constitution is shared by this PCT. Nations Healthcare (Burton) Limited under their contract with the NHS are required to comply with certain national mandates, however, they are not required to follow all non-mandatory guidance that has a cost implication.

Page 28 - Capacity Planning for Future Demands - The PCT is currently undertaking a robust capacity planning exercise to ensure future demands are met and this is in line with the Scrutiny Review observation. To deliver this capacity planning work and to develop commissioning expertise, as the Scrutiny Review recommended, the PCT is following the World Class Commissioning principles in undertaking its commissioning activities.

The contract in place with Nations Healthcare (Burton) Limited is a very complex legal arrangement and I note that some areas of the report do not precisely reflect the nature of the contractual arrangements. I have not expanded further on this observation because the inaccuracies of this nature do not impact on the overall message the report delivers; however, I considered it necessary to bring this issue to the Health Scrutiny Committee's notice in case it was felt further clarification on the nature of the contractual arrangements to be necessary.

I am pleased to note that the Health Scrutiny Committee wish to be involved in the commissioning process going forward and I would welcome further dialogue to ascertain to what extent and in what way the Committee wishes to be involved.

I trust the above response is useful to the Health Scrutiny Committee and I look forward to future discussions to further our goal of improving health care services for our population.

Yours sincerely,

Mrs S E Price
Locality Director (East)

Cc Stuart Poynor, Chief Executive, South Staffordshire PCT
Tony Bruce, Chief Executive, NHS North Staffordshire