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Our ref: IC/JY/09122203

22 December 2009

To: Janet Eagland
Chairman of the Health Scrutiny Committee
Staffordshire County Council

Re: **Scrutiny Review of the Commissioning / Contractual Arrangements for the Midlands NHS Treatment Centre in Burton upon Trent**

Dear Janet Eagland

Thank you for the copy of your report on the review of the Midland Treatment Centre. As you are aware the development of the Treatment Centre was a part of the wave 1 Independent sector procurements, a Department of Health policy to introduce a broader range of providers in the delivery of healthcare.

It is pleasing that the work of the local PCTs and the new management of the Treatment Centre has been recognised in improving the utilisation of the contract and delivering new pathways of care to the local population across Staffordshire, Derbyshire and Leicestershire.

The SHA is appreciative of the fact that the Midlands Treatment Centre may not demonstrate the wider benefits of the role of the independent sector. However from a regional and national perspective there are many benefits of this policy that have delivered reduced waiting times and greater access to services. Additionally the challenge of another supplier has driven NHS providers to review access policies and increase opening hours, especially in the provision of diagnostics, thereby improving patient access to services that have not been achieved through other policy initiatives.

Chairman: Elisabeth Buggins CBE DL
Chief Executive: Ian Cumming OBE

The focus now for the local health economy in Staffordshire is to ensure that the progression of the current contract is effectively managed. Future contracts will be based on the NHS Acute contract and all providers, NHS, Independent Sector and where appropriate third sector will be entitled to bid for any services tendered for by the PCT. Within its role as Market Manager then the SHA has a key responsibility to oversee this process and to ensure the appropriate balance between competition and collaboration is achieved.

Through this process the SHA is keen to ensure that lessons are learnt from the existing contract. As you may be aware the PCTs are already reviewing their commissioning intentions for the end of the current contract through a Contract Progression Board which has representation from the relevant PCTs together with Practice Based Commissioners, GP's and the SHA. Whilst Burton Foundation Trust, as a potential supplier, cannot be present at these meetings both the SHA and South Staffordshire PCT have had discussions with the Trust on aspects of the progression where appropriate.

The PCTs are minded that future services would take into consideration

- Continuity of care, ensuring that complete pathways i.e. outpatients and surgery would be undertaken by the provider
- Provision of choice of provider being established or maintained
- Plurality of providers
- Service Specifications based on best practice, value for money and high quality outcomes
- Future population predictions
- Cost effective service models supporting care closer to home
- Achievement of current and future access targets i.e. 18 Weeks
- Evaluation of clinical thresholds and interventions of limited therapeutic impact

The SHA will continue to work with the PCTs, Burton Hospitals Foundation Trust, DH and providers in ensuring that future procurements meet the needs of the local population and the commissioning plans of the PCTs. Should you require any further clarification or detail please contact jan.yeates@westmidlands.nhs.uk in the first instance.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ian Cumming', written in a cursive style.

Ian Cumming OBE
Chief Executive