

# Agenda Item 7

		<b>THE HEALTH SCRUTINY COMMITTEE FOR LINCOLNSHIRE</b>	
Boston Borough Council	East Lindsey District Council	City of Lincoln Council	Lincolnshire County Council
North Kesteven District Council	South Holland District Council	South Kesteven District Council	West Lindsey District Council

Open Report on behalf of NHS Lincolnshire West Clinical Commissioning Group

Report to	<b>Health Scrutiny Committee for Lincolnshire</b>
Date:	<b>21 March 2018</b>
Subject:	<b>Non-Emergency Patient Transport Service – Contract Management and Performance Update</b>

## Summary:

Thames Ambulance Service Limited (TASL) took over as provider for the non-emergency patient transport service (NEPTS) on 1 July 2017 following a competitive tender process. Lincolnshire West Clinical Commissioning Group (LWCCG) is the lead commissioner for non-emergency patient transport services on behalf of the four Lincolnshire CCGs.

TASL is a national company with a number of contracts, and at the date that the service started in Lincolnshire had been already been delivering services in Hull, and in North and North East Lincolnshire. TASL secured a further contract for NEPTS for Northamptonshire that commenced on the same day as the Lincolnshire service and subsequently secured a further contract for Leicestershire and Rutland which commenced in October 2017.

Concerns related to the performance and delivery of each of the NEPTS contracts held by TASL have been raised by each of the lead CCGs and the issues related to delivery in Lincolnshire have been the subject of reports to and discussion at the Health Scrutiny Committee for Lincolnshire. The issues in Lincolnshire are not dissimilar to those arising in contracts held by neighbouring CCGs.

This report has been written to provide the Health Scrutiny Committee for Lincolnshire with a summary of the actions that Lincolnshire West CCG has been taking in order to seek to secure improvement by TASL. At the date of submitting this report, the latest monthly performance position for February 2018 was not available as data is scheduled to be available to the CCG on the 15<sup>th</sup> of the month following the month to which the data relates. A supplementary report detailing the February performance position will be prepared and circulated to the Committee in advance of the meeting.

The Committee is asked to note that whilst this paper states that financial penalties have imposed on TASL in line with their Contract, the specific value of the penalties has not been included in the report as this is considered to be commercially sensitive information.

**Actions Required:**

The Health Scrutiny Committee is asked:

- (1) To consider this report including the commentary on the current performance and delivery position and contract and other actions being taken to manage the provision of the patient transport service in Lincolnshire.
- (2) To consider when and how further updates on the position are required from LWCCG.

**1. Background**

Lincolnshire West Clinical Commissioning Group (LWCCG) is the lead commissioner for non-emergency patient transport services on behalf of the four Lincolnshire CCGs. Thames Ambulance Service Limited (TASL) took over as provider for the non-emergency patient transport service in Lincolnshire on 1 July 2017 following a competitive tender process. TASL is a national company with a number of contracts, and had been already been delivering services in Hull, and in North and North East Lincolnshire. TASL secured a further contract for NEPTS for Northamptonshire that commenced on the same day as the Lincolnshire services and subsequently secured a further contract for Leicestershire and Rutland which commenced in October 2017.

NEPTS is a complex service. It is a service that needs to be right as the impact on patients, hospitals and community services of getting it wrong is hugely significant.

In Lincolnshire, as with other areas where TASL operate, TASL have not been delivering the level of contract performance required by their contract and have in too many instances failed to deliver an acceptable level of service to patients. TASL have also seen frequent changes to their senior and middle management teams resulting in a lack of demonstration of grip and lack consistency of instructions and operational actions. This has been further compounded by a lack of robust governance and operational systems and processes with this issue being recognised in the recently published CQC report following inspection at TASL's Grimsby, Scunthorpe and Canvey Island sites (see below).

TASL recognised these shortcomings in their attendance at the February meeting of the Committee and outlined the steps they had taken and further steps they expect to take to deliver improvements in their service.

**2. LWCCG Commentary**

Performance and wider service delivery associated with the Lincolnshire NEPTS contract has been unsatisfactory since the date that the contract started. In addition to significant complaints from patients and hospitals, TASL failed to meet any of their performance targets for each of the months from the date of service commencement in July 2017 to January 2018. Improvement was recorded for each key performance

target from July 2017 to August 2018, but this improvement was not maintained for September and performance for each indicator for October 2017 was worse than the September 2017 position. TASL have accepted that a contributory factor in the drop in performance from October 2017 was as a result of the start of the Leicestershire contact diverting attention from Lincolnshire.

The most recently available performance information which is up to January 2018 is attached as Appendix A to this report. As noted above, performance information for the month of February 2018 is not scheduled to be with the CGG until 15 March 2018 and a supplementary report with this information will therefore be prepared and circulated to the Committee in advance of the March Committee meeting.

Financial penalties for failure to meet key performance targets are included in the contract and have been applied by the Lincolnshire CCGs each month since service commencement to date. The maximum value of financial penalties allowable under the Contract for a failure to meet key performance targets is 2.5% of the quarterly contract value.

LWCCG has engaged significant in dialogue with TASL regarding poor performance and service delivery including establishing weekly director level meetings and escalation to the TASL parent company and investors. In Lincolnshire, the concerns over the performance of TASL have been escalated to the System Executive Team, A and E Delivery Board and Winter Task Force.

TASL performance and delivery issues were fully reported by the lead CCGs for Lincolnshire, Northamptonshire and Leicestershire to NHS England Midlands and East. NHSE in put in place an assurance process through a series of risk review meetings which included the lead CCGs, hospital representatives, members of Healthwatch, NHS Improvement and TASL. The next NHSE risk review meeting is scheduled for 16 April 2018. The NHSE risk process and contract management process in Lincolnshire are complimentary and are designed to work together to seek to secure improvement. NHSE, LWCCG and representatives from Leicestershire CCGs have held two escalation meetings with the TASL parent company and investors who have stated that they are committed to improving the service and achieving performance standards

On the back of September data being made available in Mid-October and due to increasing comment from patients, hospitals and others, on 7 November 2017, LWCCG issued to TASL a formal Contract Performance Notice (CPN) under General Condition 9 of the NHS Standard Contract. The contract management processes in the NHS Standard Contract are relatively complex but in essence the CPN gives the provider a reasonable time to restore and sustain performance and deliver to the level set out in the Contract. The process provides for added financial penalties in addition to KPI penalties, and ultimately allows termination of the Contract if the required improvements are not made.

A formal meeting to discuss the Contract Performance Notice was held with TASL on 17 November 2017 and a Remedial Action Plan (RAP) setting out improvement actions and planned completion dates together with a performance improvement trajectory was required by the CCG. The RAP was received on 24 November 2017. This was reviewed by LWCCG and suggestions were made on how it could be made more robust and targeted. A revised RAP was received on 1 December 2017 and was agreed by the CCG. The trajectory put forward by TASL and agreed by the CCG set out phased

improvement for TASL to meet the key performance standards included in the Contract for the month of March 2018 and to sustain these thereafter. The performance improvement trajectory included in the RAP and actual performance against this is attached as Appendix B to this report.

LWCCG closely monitors the achievement of the RAP milestones and improvement trajectory. The key milestones actions in the RAP are for improved call handling, capacity, journey planning and control. The action plan is too long to be attached to this report but is monitored monthly by LWCCG. The February update on achievement against the milestones in the recovery plans indicated that 10 milestones had not been achieved by the due date. TASL have also recently updated and shared their internal improvement plan which is also reviewed by LWCCG.

For the months of December 2017 and January 2018, TASL failed to achieve the level of performance improvement they had put forward in the RAP and in accordance with the process set out in the Contract, LWCCG therefore issued formal contractual Exception Notices for December and January. These Notices give TASL 20 operational days from the date of the Notice to meet the performance standard to which the Notice relates and in the absence of this achievement a penalty of up to 2.0% of the monthly contract value is retained by the CCGs. This penalty has been applied for the December failure and will be reviewed for the January failure once February performance data is available.

LWCCG has made it clear to TASL that it will consider exiting the Contract if the required improvements in the RAP are not made by the end of March. This decision will not be taken lightly and will have due regard to improvements made by TASL, the potential for them sustain performance and delivery at the required level, the impact on staff, and the disruption that would be caused by a potential change to a new provider. In making a decision to exit the contract and appoint a new provider or providers, the CCGs would need to have due regard to procurement law and guidance.

Whilst TASL still have a way to go to meet the required performance standards and provide a robust service to patients, there are signs of some steps in the right direction with unvalidated weekly performance data received for February and early March showing improvement for some performance measures. This has been supported by the recent appointment of a senior lead manager for Lincolnshire and direct support in the UK of executives from TASL's parent company. ULHT operational staff have also been complimentary of the support from TASL during the recent bad weather with TASL staff being complimented for going above and beyond their roles during this time.

Currently, it is too early to judge whether the measures put in place by TASL will achieve the required improvements by the end of March deadline set out the RAP. It should also be noted that LWCCG expects to maintain the current level of monitoring and management of the TASL contract for some time after full achievement of performance and delivery standards.

## **2.1. Care Quality Commission Inspection**

The Care Quality Commission CQC inspects patient transport services but does not provide a rating for these services as it would do, for example, for hospital services. The (CQC) inspected TASL's sites in Grimsby, Scunthorpe and Canvey Island in September and October 2017. The CQC report for this inspection was published on the

CQC website on 20 February 2018. The main areas of concern highlighted in the report related to:

- TASL’s lack of systems and processes for reporting, investigating, and learning from, incidents and safeguarding concerns;
- TASL’s lack of a means for assessing, monitoring and mitigating risk;
- a lack of clear structure for reporting and escalating concerns;
- a risk that the service was not identifying and highlighting areas of concern and actions for improvement in relation to specific aspects of safety and quality.

Following the inspection and in advance of the publication of the report CQC issued a Section 29 Notice to TASL requiring TASL to make a number of immediate improvements in their system of governance and submit an action plan to the CQC detailing how and when these improvement would be made.

The CQC undertook an inspection at TASL’s Lincolnshire sites on Friday, 9 March 2018. At the date of writing this report details of the findings from this inspection were not formally available although LWCCG understands from TASL that the CQC were positive about the progress being made towards the required improvements set out in the Section 29 Notice. A further update will be provided to the Committee once the findings of the inspection in Lincolnshire are confirmed.

The Lincolnshire CCG’s have undertaken a number of quality assurance visits to TASL premises and hospital sites and met with crews and patients. Findings from the visits are similar to those set out in the CQC report and are being discussed with TASL through the Contract Management process.

### **3. Conclusion**

LWCCG, as the lead commissioner for non-emergency patient transport is actively addressing the concerns with regards the quality of services being provided to Lincolnshire residents.

Contract management and escalation processes continue in place and include the use of financial penalties as well as site visits and informal meetings.

LWCCG continues to work closely with the lead commissioners in Hull, North and North East Lincolnshire, Northampton, Leicester and Rutland and NHSE in order to secure improvements.

### **4. Consultation**

This is not a consultation item.

### **5. Appendices**

These are listed below and attached at the back of the report	
Appendix A	Operational KPI Summary
Appendix B	TASL performance against Remedial Action Plan trajectory

## **6. Background Papers**

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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**Key performance indicators**  
**Performance against target – July 2017 to January 2018**

			Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18
Indicator	Description	Target	Actual	Actual	Actual	Actual	Actual	Actual	Actual
KPI 1	Calls answered within 60 seconds	80%	Not reported	77%	66%	56%	42%	44%	43%
KPI 2	Journeys cancelled by provider	0.50%	2%	1%	1%	2%	0%	1%	1%
KPI 3a	Same day journeys collected within 150mins	95%	74%	84%	91%	78%	74%	68%	78%
KPI 3b	Same day journeys collected within 180mins	100%	78%	85%	93%	82%	80%	72%	83%
KPI 4a	Renal patients collected within 30 mins	95%	53%	65%	65%	52%	62%	64%	71%
KPI 4b	Non-Renal patients collected within 60 mins	95%	53%	64%	82%	66%	73%	68%	76%
KPI 4c	All patients collected within 80 mins	100%	59%	67%	85%	71%	79%	78%	85%
KPI 5	Fast track journeys collected within 60 mins	100%	85%	95%	79%	71%	52%	58%	72%
KPI 6a	Renal patients to arrive no more than 30 mins early	95%	41%	50%	53%	42%	44%	54%	56%
KPI 6b	Patients to arrive no more than 60 mins early	95%	47%	74%	74%	59%	65%	65%	68%
KPI 7	Journeys to arrive on time	85%	52%	77%	80%	68%	72%	74%	78%
KPI 8	Patients time on vehicle to be less than 60 mins	85%	60%	70%	73%	66%	69%	72%	75%

### Performance against Remedial Action Plan Trajectory

Indicator	Description	Dec-17		Jan-18		Feb-18		Mar-18	
		RAP Target	Actual						
KPI 1	Calls answered within 60 seconds	60%	43.6%	68%	43.0%	74%		80%	
KPI 2	Journeys cancelled by provider	0.50%	1.4%	0.50%	0.8%	0.50%		0.50%	
KPI 3a	Same day journeys collected within 150mins	90%	67.6%	95%	78.2%	95%		95%	
KPI 3b	Same day journeys collected within 180mins	95%	72.4%	100%	82.8%	100%		100%	
KPI 4a	Renal patients collected within 30 mins	70%	63.6%	80%	71.1%	90%		95%	
KPI 4b	Non-Renal patients collected within 60 mins	75%	67.7%	80%	76.3%	85%		95%	
KPI 4c	All patients collected within 80 mins	85%	78.3%	90%	84.8%	95%		100%	
KPI 5	Fast track journeys collected within 60 mins	90%	58.3%	100%	72.4%	100%		100%	
KPI 6a	Renal patients to arrive no more than 30 mins early	50%	54.1%	60%	55.6%	80%		95%	
KPI 6b	Patients to arrive no more than 60 mins early	75%	64.6%	80%	68.3%	85%		95%	
KPI 7	Journeys to arrive on time	80%	74.1%	82%	78.4%	84%		95%	
KPI 8	Patients time on vehicle to be less than 60 mins	75%	71.8%	80%	75.3%	85%		85%	