

UPDATE BRIEFING FROM BEH CCGS FOR BEH JHOSC – 19 MAY 2015

1. Introduction

This short paper updates the Barnet, Enfield and Haringey JHOSC on the contracting and funding arrangements between the commissioning CCGs and BEHMHT for 2015/16. This paper has been approved by Barnet, Enfield and Haringey CCGs.

2. 2015/16 Contract with Barnet, Enfield and Haringey CCGs

Following the last BEH JHOSC, both the Trust and the commissioning CCGs continued with contract negotiations to agree a contract for 2015/16. Both parties have taken advantage of both informal and formal mediation processes to provide further support to agreeing a negotiated contract. ***This has now resulted in an agreed contract activity and financial plan for 2015/16. Other areas of the contract are due to be agreed this week.***

An activity plan, to underpin the contract, has been developed and agreed for 2015/16 which used high level data from month's 7-11(financial year so October to February) from 2014/15 as a baseline. 2.3% growth was applied across all services lines apart from adult inpatient beds where the CCGs will continue to work with the Trust to agree bed usage during 2015/16.

A financial plan (envelope) has been agreed for 2015/16 which includes additional funding for both demographic growth and activity growth.

There will be a further in-year work to agree the processes whereby activity monitoring, levels of tolerance, and pricing are developed to inform the contract from 2016/17. The work on pricing is being supported by an external partner and a brief for the work has been agreed between commissioning CCGs and the Trust.

The current timetable is that it is expected that the 2015/16 contract will be signed by all parties by Friday 8 May.

3. Trust's Ongoing Deficit

The contract between the commissioning CCGs and the Trust does not in itself bridge the overall deficit position for the Trust during 2015/16. During the contract negotiations, there have been a number of discussions with both NHS England and the Trust Development Authority as part of negotiating the contract. It is expected that once the contract has been signed, those discussions will continue in order to develop an agreed plan to manage the Trust's deficit position for 2015/16.

An external partner has been commissioned to support, over the next 3 months, work with the Trust to develop an activity and financial base case which is agreed by all parties. This will provide the basis for the scale and pace of any transformation programme which aims to provide long term clinical and financial sustainability. This work is supported by the commissioning CCGs, NHSE and the TDA.

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