

Commissioning Intentions/QIPP: Reducing Orthopaedic Surgical Capacity 2015/16

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- Vision and rationale for the future model of elective orthopaedic care
- Process of developing vision & commissioning intentions with stakeholders.
- Supporting evidence for the direction of travel
- Work programme (aka QIPP schemes) to deliver (including reduce elective orthopaedic secondary care surgical supply, releasing resources for investment upstream)
- Today's decision
 - Options appraisal and decision making process leading to today's decision.
 - Factors for consideration and rationale for why this is considered to be the right decision
 - Quality and equality impact assessment,
 - Feedback from Health watch & initial feedback from Overview and Scrutiny, Plymouth and Cornwall (10)
 - Capacity Plan & further work
 - Risk and Mitigation

Recommendation

It is recommended that:

- The Western Locality Board agree that replacement surgical capacity will not be commissioned when the current contract for the Peninsula Treatment Centre ends on 31st March 2015.
- The Board note that Kernow CCG have confirmed that they will abide by the decision of the Western Locality Board as lead commissioners on their behalf.

Section 1

Vision and rationale for the future model of elective orthopaedic care

Developing Commissioning Intentions and Vision for future Orthopaedic services

- Commissioners and providers across the Derriford footprint have been working together over the last couple of years, with input from patient representatives, towards an Integrated Model of Care for Elective Orthopaedic Services, in line with [national guidance](#), designed to provide more options for conservative management as an alternative to surgery.
- In developing the vision & commissioning intentions we have held two stakeholder events in April 2013 and May 2013. Those involved included:
 - a range of clinicians and staff from health service providers in Primary, Secondary and Community care.
 - Patient and Liaison services (PALS), Healthwatch and patient and service user representatives
 - Public Health
 - Commissioners (clinical and managerial)

Stakeholder events 2013

We heard what needed to be improved and agreed the 'system characteristics' we were looking for in the future:

- A need for efficient, value adding pathways with clear criteria for access to services
- Reduce duplication in the system
- Common referral pathways across Derriford footprint for all providers
- Virtual consultation - face to face with patients only where it adds value
- Direct access by patients to services where appropriate
e.g. Physiotherapy
- Restrictions to access are appropriately managed & clinically evidenced
e.g. LVP, BMI

Stakeholder events 2013 contd

We heard what needed to be improved and agreed the 'system characteristics' we were looking for in the future:

- Localised information from all providers of Orthopaedic Care to inform discussion in Primary Care – Shared Patient Decision Making
- A patient is only referred out of General Practice once discussion has taken place regarding the benefits of the different management options
- Direct referral to the community service for conservative management/ assessment and onward referral of 'prepared patient' for surgery when appropriate
- Uniformity of procedure/ most cost effective prostheses to be used/ uniformity of rehabilitation.

Commissioning Intentions and Vision for future elective orthopaedic services

The agreed community wide vision formed the basis of NEW Devon CCG Commissioning intentions 2014/15 onwards:

- We will implement an evidence based, integrated model of elective care, intervening at the optimum point for maximum benefit. This will improve value for patients, reduce costs and ensure future sustainability in the face of increasing demand.
- There will be an increasing focus on prevention; effective conservative management will be the cornerstone of care. Individuals will be empowered to make decisions and initiate care. GPs will be better informed to support patient choices.
- We will encourage direct access to services wherever appropriate and encourage the use of alternatives to the traditional face to face contacts and commission face to face contacts with patients only where there is demonstrable clinical value to patients.

Supporting evidence – more surgery than in comparative populations

- There is a widely held view that elective orthopaedic surgery should usually be “for people with severe symptoms who have tried other treatments first” as illustrated on the NHS Right Care website in shared decision aids for osteoarthritis of hip and knee [click for decision aid and go to 'compare options'](#)
- There is evidence to suggest that in our population people are having surgery at a relatively young age and when their symptoms are comparatively less severe (when compared to other similar populations). This can, unfortunately, mean that they then may have to undergo further replacement surgery later on as replacements do have a limited lifespan. Each time a joint is replaced, there is the risk of post-operative complication to consider. This is something we would want to avoid for our population.
- There is evidence to suggest that when comparing outcomes from surgery with the above less severe health state prior to surgery, the health gain is lower than in comparative populations and there is less VALUE for patients from that investment.
- Historically our population has a higher rate of surgery than would be expected when compared nationally. (Dr Foster Standardised Admission Rates –next slide)

Supporting evidence- NEW Devon spend on Orthopaedic and Ophthalmology procedures and SAR's

NEW Devon CCG has historically operated on more patients than would be expected nationally. The table to the right shows this. (Dr Foster Standardised Admission Rates).

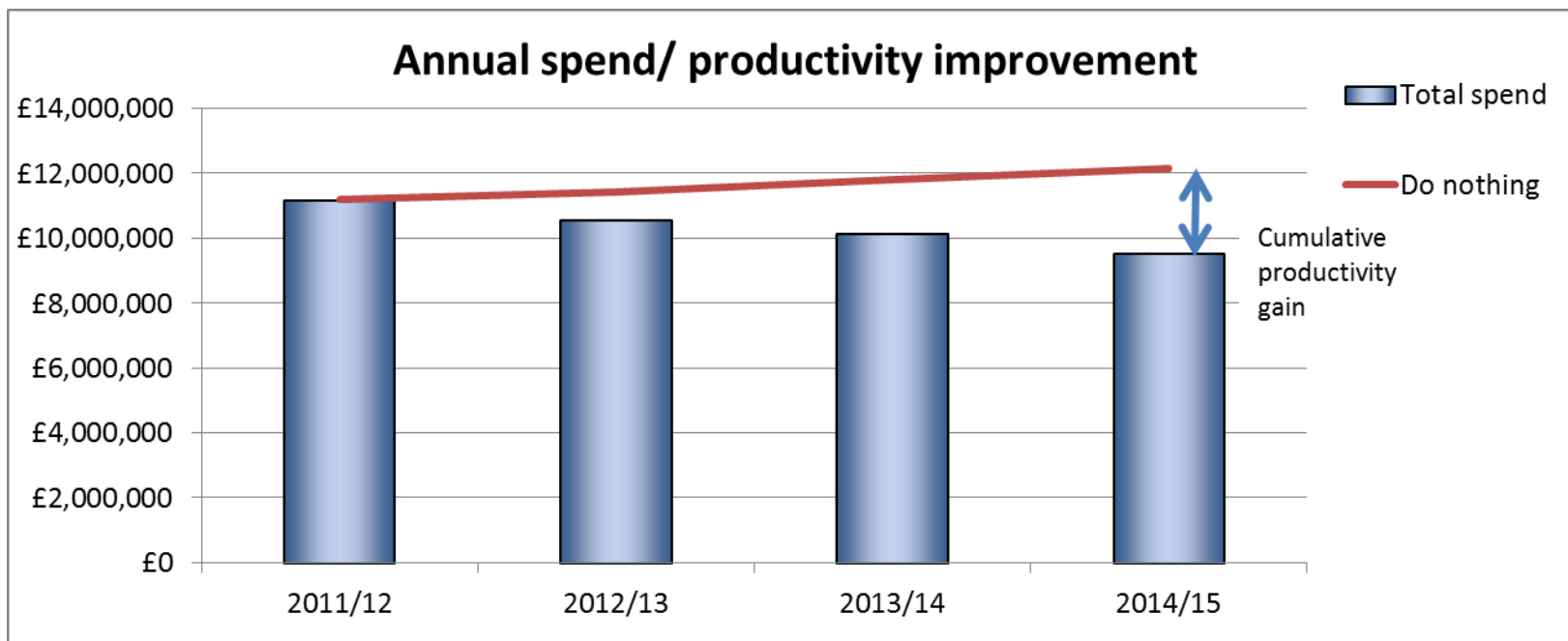
The evidence suggests:

- The potential for a reduction of 5.6% in activity (3,902 procedures) if we were in line with comparators
- Potential for £7,739,350 release for re-investment

Area	Locality	Baseline activity	Current SAR	Target SAR	% change	Activity Impact	Financial impact
Hip replacements	Eastern	801	122.4	107.3	12.40%	-99	-£587,015
	Northern	409	139	110.2	20.80%	-85	-£503,720
	Western	659	129.7	94.5	27.20%	-179	-£1,065,341
Knee replacements	Eastern	831	115	92.6	19.50%	-162	-£1,021,474
	Northern	318	95	94.2	0.60%	-2	-£14,085
	Western	682	118.8	89.2	24.90%	-170	-£1,070,888
Shoulder procedures	Eastern	650	115.1	85	26.20%	-170	-£603,997
	Northern	257	100.7	85	15.20%	-39	-£144,717
	Western	551	110.8	85	23.00%	-127	-£426,282
Arthroscopy	Eastern	764	95.2	85	10.60%	-81	-£152,348
	Northern	404	115.1	85	26.00%	-105	-£196,659
	Western	784	109.2	85	22.10%	-173	-£324,408
Carpal tunnel	Eastern	537	143.3	85	40.60%	-218	-£196,791
	Northern	143	84.3	85	0%	0	£0
	Western	458	143.1	85	40.40%	-185	-£167,235
Foot & ankle	Eastern	TBC	TBC	TBC	TBC	TBC	TBC
	Northern	TBC	TBC	TBC	TBC	TBC	TBC
	Western	599	122	100	18.03%	-108	-£207,538
Orthopaedics outpatients	Eastern	TBC	TBC	TBC	TBC	TBC	TBC
	Northern	TBC	TBC	TBC	TBC	TBC	TBC
	Western	20488	TBC	TBC	-18.45%	-3,781	-£410,185
Ophthalmology	Eastern	TBC	TBC	TBC	TBC	TBC	-£317,000
	Northern	TBC	TBC	TBC	TBC	TBC	-£117,000
	Western	60879	TBC	TBC	TBC	-1999	-£212,667
Subtotal by locality	Eastern	3,583	TBC	TBC	-20.37%	-730	-£2,878,625
	Northern	1,531	TBC	TBC	-15.09%	-231	-£976,181
	Western	64,612	TBC	TBC	-4.55%	-2,941	-£3,884,544
Total	CCG	69,726	TBC	TBC	-5.60%	-3,902	-£7,739,350

Supporting evidence - Decline in demand

Even in the face of the expected impact of demographic growth (red line) the numbers of people requiring elective orthopaedic surgery has fallen over the last few years and we expect this trend will continue. This amounts to spend of £2.6m less than might be expected and a 'real' reduction of around £0.5m year on year (see next slide).



Supporting evidence - Decline in demand (Pathway breakdown)

Orthopaedic non-trauma - acute spend

Annual spend (Western Locality)

Area	Indicator	2011/12	2012/13	2013/14	2014/15
		Final	Final	Final	FOT
Primary hip replacements	Total spend	£3,429,309	£3,309,886	£3,121,625	£3,552,035
	Do nothing	£3,429,309	£3,532,189	£3,638,154	£3,747,299
	Productivity gain (previous year)	£0	£222,303	£294,227	-£321,265
	Cumulative productivity gain	£0	£222,303	£516,529	£195,264
Primary knee replacements	Total spend	£3,853,278	£3,361,244	£3,204,394	£3,040,569
	Do nothing	£3,853,278	£3,968,877	£4,087,943	£4,210,581
	Productivity gain (previous year)	£0	£607,632	£275,917	£286,463
	Cumulative productivity gain	£0	£607,632	£883,549	£1,170,012
Arthroscopy	Total spend	£1,444,377	£1,531,504	£1,560,465	£1,196,326
	Do nothing	£1,444,377	£1,487,708	£1,532,340	£1,578,310
	Productivity gain (previous year)	£0	-£43,796	£15,671	£410,109
	Cumulative productivity gain	£0	-£43,796	-£28,125	£381,984
Shoulder procedures	Total spend	£2,012,844	£1,958,938	£1,891,273	£1,794,705
	Do nothing	£2,012,844	£1,958,938	£2,073,229	£2,135,426
	Productivity gain (previous year)	£0	£0	£181,956	£158,764
	Cumulative productivity gain	£0	£0	£181,956	£340,721
Carpal tunnel	Total spend	£442,586	£401,335	£375,812	£370,257
	Do nothing	£442,586	£455,863	£469,539	£483,625
	Productivity gain (previous year)	£0	£54,528	£39,198	£19,642
	Cumulative productivity gain	£0	£54,528	£93,727	£113,368
Total	Total spend	£11,182,394	£10,562,907	£10,153,568	£9,953,892
	Do nothing	£11,182,394	£11,403,575	£11,801,205	£12,155,241
	Productivity gain (previous year)	£0	£840,668	£806,969	£553,713
	Cumulative productivity gain	£0	£840,668	£1,647,637	£2,201,349

Work Programme / QIPP Schemes: NEW Devon CCG and Kernow CCG

- Improved and increased use of existing MSK Interface in Kernow CCG and MSK ICATs in NEW Devon CCG
- Expand MSK Interface Services, implement Hip ICAT in NEW Devon CCG November 2014, already available in MSK Interface Kernow CCG
- Direct Access Physiotherapy ,implementation to start in November2014 in NEW Devon CCG, already available in MSK Interface Kernow CCG.
- Increased focus on LVP's (Procedures of Low Clinical Benefit) to be implemented following policy review
 - Knee Arthroscopy- Nov 14
 - Carpal Tunnel – Nov 14
 - BMI – Arthroplasty – Nov 14
- Reduce elective orthopaedic secondary care surgical supply, releasing resources for investment upstream

Work programme / QIPP Schemes: NEW Devon CCG and Kernow CCG

- Step Forward (Education and Conservative Management) in NEW Devon CCG
This is already currently provided in MSK Interface Service in Kernow CCG
- Primary Care Integrated Provider HUB Model for MSK (e.g. Beacon Practice) in NEW Devon. Develop Primary Care arrangements for MSK
- Temporary increase in alternative provider usage in Kernow CCG
- Rapid Referral Review – rapid access to senior specialist opinion at the point of referral making sure patients get to the right place first time (clinicians supported by DRSS) for NEW Devon CCG and Kernow CCG
- Follow Ups – designing new sustainable models of follow up care empowering patients (CQUIN/Incentive Scheme) for NEW Devon CCG and Kernow CCG

QIPP: Impact of Schemes and Commissioning intentions

Set against the Care UK Contract we can see the impact of the schemes and commissioning intentions. The evidence suggests that across NEW Devon CCG there is enough capacity to cover all but the remaining 15.6% of demand.

- Delivery of QIPP activity western Locality opportunity to reduce spend by £4.3m = 84.7% Care UK contract covered by the QIPP programme
- Delivery of benchmark activity across NEW Devon CCG delivers 100% of the Care UK contract value covered by the QIPP programme.

Area	QIPP financial impact	Peninsula Treatment Centre (2013/14)	% covered by QIPP
Hip replacements	-£1,065,341	£1,199,021	-88.9%
Knee replacements	-£1,070,888	£1,229,979	-87.1%
Shoulder procedures	-£426,282	£491,060	-86.8%
Arthroscopy	-£324,408	£215,512	-150.5%
Carpal tunnel	-£167,235	£121,640	-137.5%
Foot & ankle	-£207,538	£417,891	-49.7%
Orthopaedics outpatients	-£410,185	£688,817	-59.5%
Ophthalmology QIPP	-£212,667	£716,943	-29.7%
QIPP Subtotal	-£3,884,544	£5,080,864	-76.5%
Ophthalmology including backlog	-£630,202	£716,943	-87.9%
Total	-£4,302,079	£5,080,864	-84.7%

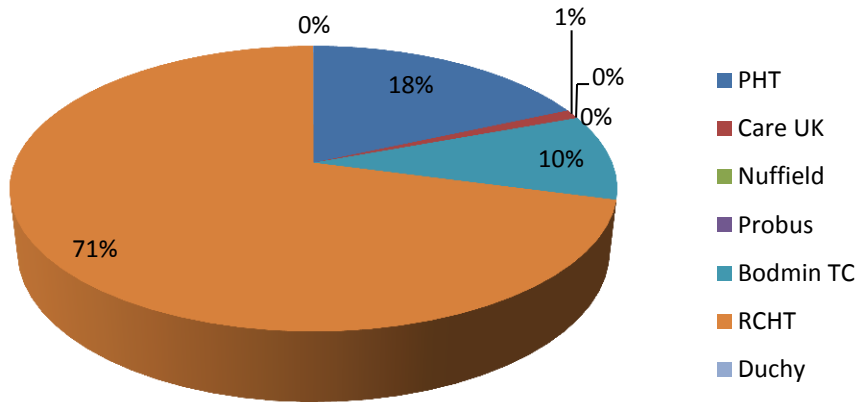
Note:

Ophthalmology based upon period Oct 13 - Sep 14

Care UK are helping clear PHNT ophthalmology backlog

Capacity Planning Market Share: NHS Kernow

Ophthalmology

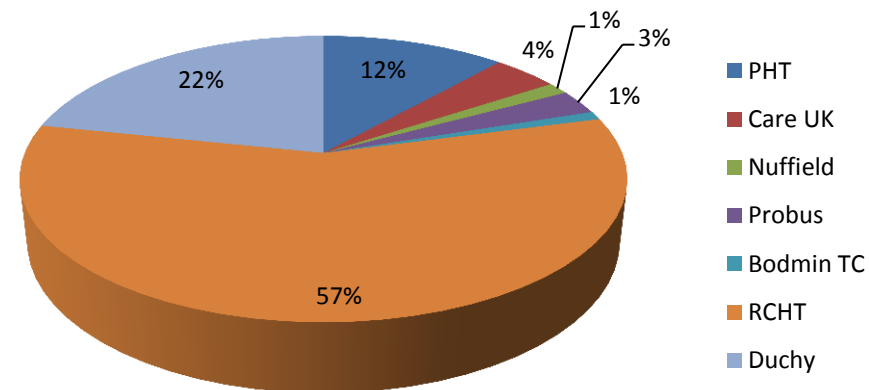


Care UK has provided 1% (188) of the total number of cataracts performed for NHS Kernow over the last 12 months. Bodmin Treatment Centre offers more capacity local to East Cornwall Locality.

Care UK has provided 4% (625) of the total number of orthopaedic procedures performed for NHS Kernow over the last 12 months.

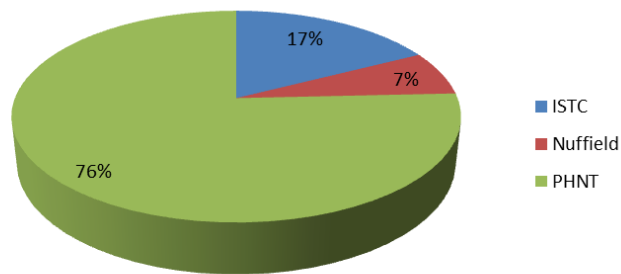
The market is changing in Cornwall with Probus and Duchy popular alternatives to the main acute centres.

Orthopaedic

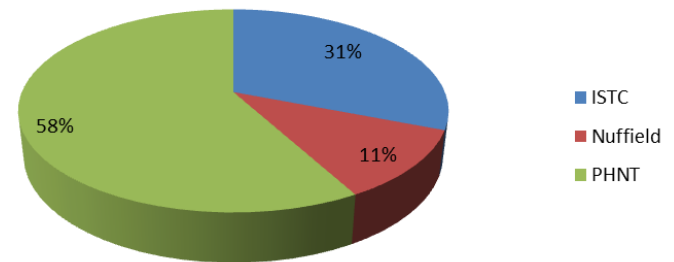


Capacity Planning Market Share: NEW Devon

H Total Orthopaedics



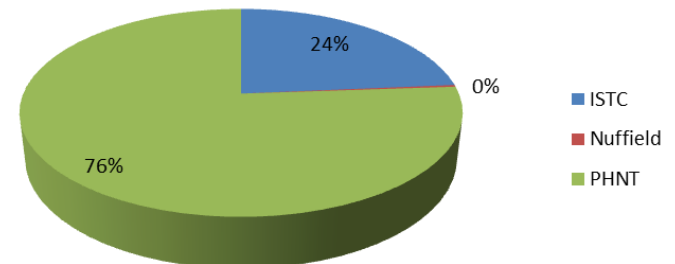
HB Orthopaedic Non-Trauma Procedures



Clockwise from above:

- Care UK provided 17% (1,857) orthopaedic procedures in 2013/14
- Care UK provided 31% of activity within it's limited case mix of elective orthopaedic procedures.
- Care UK provided 5% of the cataract activity in 2013/14 however the YTD effect in 14/15 is shown. To date Care UK are providing c. 24% of Western Locality's cataracts.

BZ Eyes and Periorbita Procedures and Disorders



Capacity Planning Care UK Case mix: NHS Kernow

2013/14 - Care UK Procedures Full Year				Activity
Specialty	OPCS	Primary Procedure Description	2013/14	
110	W401	(W401) PRIMARY TOTAL PROSTHETIC REPLACEMENT OF KNEE JOINT USING CEM	103	
110	W822	(W822) ENDOSCOPIC RESECTION OF SEMILUNAR CARTILAGE NEC	95	
130	C751	(C751) INSERTION OF PROSTHETIC REPLACEMENT FOR LENS NEC	68	
110	W903	(W903) INJECTION OF THERAPEUTIC SUBSTANCE INTO JOINT	64	
110	A651	(A651) CARPAL TUNNEL RELEASE	62	
110	O291	(O291) Subacromial decompression	49	
110	W381	(W381) PRIMARY TOTAL PROSTHETIC REPLACEMENT OF HIP JOINT NOT USING	37	
110	W371	(W371) PRIMARY TOTAL PROSTHETIC REPLACEMENT OF HIP JOINT USING CEME	35	
100	J183	(J183) TOTAL CHOLECYSTECTOMY NEC	27	
110	W941	(W941) PRIMARY HYBRID PROSTHETIC REPLACEMENT OF HIP JOINT USING CEM	19	

2014/15 - Care UK Procedures YTD				
Specialty	OPCS	Primary Procedure Description	2014/15	
130	C751	(C751) INSERTION OF PROSTHETIC REPLACEMENT FOR LENS NEC	134	
110	W401	(W401) PRIMARY TOTAL PROSTHETIC REPLACEMENT OF KNEE JOINT USING CEM	44	
110	W822	(W822) ENDOSCOPIC RESECTION OF SEMILUNAR CARTILAGE NEC	35	
110	A651	(A651) CARPAL TUNNEL RELEASE	25	
110	W903	(W903) INJECTION OF THERAPEUTIC SUBSTANCE INTO JOINT	22	
100	J183	(J183) TOTAL CHOLECYSTECTOMY NEC	22	
110	W381	(W381) PRIMARY TOTAL PROSTHETIC REPLACEMENT OF HIP JOINT NOT USING	19	
110	O291	(O291) Subacromial decompression	17	
110	W941	(W941) PRIMARY HYBRID PROSTHETIC REPLACEMENT OF HIP JOINT USING CEM	16	
110	T625	(T625) INJECTION INTO BURSA	8	

Capacity Planning Care UK: Case mix Devon

2013-14 - Care UK Procedures Full Year			
Specialty	OPCS	Primary Procedure Description	Volume
130	C751	Insertion of prosthetic replacement for lens NEC	315
110	W822	Endoscopic resection of semilunar cartilage NEC	242
110	W401	Primary total prosthetic replacement of knee joint using cement	217
110	W903	Injection of therapeutic substance into joint	155
110	A651	Carpal tunnel release	147
110	O291	Subacromial decompression	112
110	W381	Primary total prosthetic replacement of hip joint not using cement	112
130	C751	Insertion of prosthetic replacement for lens NEC	98
110	W371	Primary total prosthetic replacement of hip joint using cement	77
110	W791	Soft tissue correction of hallux valgus	59

Care UK Provide a range of Elective Orthopaedic and Ophthalmology procedures. The top 10 are highlighted here for 2013/14 and 2014/15.

The CCG commissioned an increase in Cataract procedures in 13/14 and this has continued into 14/15.

2014-15 - Care UK Procedures to Month 5			
Specialty	OPCS	Primary Procedure Description	Volume
130	C751	Insertion of prosthetic replacement for lens NEC	472
110	W401	Primary total prosthetic replacement of knee joint using cement	99
110	W822	Endoscopic resection of semilunar cartilage NEC	79
110	W903	Injection of therapeutic substance into joint	78
110	W381	Primary total prosthetic replacement of hip joint not using cement	77
110	A651	Carpal tunnel release	68
110	O291	Subacromial decompression	40
110	W941	Primary hybrid prosthetic replacement of hip joint using cemented fem	32
110	T625	Injection into bursa	23
110	T723	Release of constriction of sheath of tendon	20

Work-stream 5- Reducing secondary care capacity to free resources for investment.

Options appraisal and decision making process

Timeline and Update

- **November 2013** – presentation to Western Locality Board on the future model of care for musculo-skeletal services.
- **January 2014** – options for future commissioning of secondary care orthopaedic services presented to Western Locality Board in the light of the ISTC contract coming to an end in July 2014 including:
 1. A like for like (contract re-procurement) of current services and providers we consider future sustainability given commissioning intentions.
 2. The development of an Elective Care Hub
 3. An ISTC not to be re-commissioned
 4. Decommission over a phased approach
- **February 2014** – extension of peninsular Treatment Centre Contract to March 2015 (at risk) to enable time to further explore options and implement

Timeline and Update

May 2014 – Western Locality Board (part 2) identify option 3 as preferred option for the purpose of embarking upon appropriate and proportionate engagement dependent upon resulting change initiated by current provider. Factors in making this decision are:

- In 2005 the decision to commission additional capacity for elective orthopaedic surgery was aimed at cutting unacceptable waiting times.
- The Peninsula NHS Treatment Centre (PTC) opened in 2005 following an award of the contract to Care UK and this contract comes to a natural end on 31 March 2015. (Northern, Eastern and Western Devon Clinical Commissioning Group are the lead commissioners working with Kernow CCG and South Devon CCG.
- Risks considered at the time included:
 - Reduction in local competition,
 - Public perception of reducing local health service provision,
 - Extending contract further may attract legal challenge,
 - Risk of legal challenge from Care UK if another provider moved into current building providing similar services,
 - The need for detailed capacity planning to minimise the impact RTT standards.

Timeline and Update

- **June 2014** – Care UK (current provider) informed and asked to consider how they would respond. Agreed to Care UK request for ‘pause’ in process to enable them to explore their options on the basis that care UK agreed to accept this as ‘notice’ of intent (albeit final decision not yet made)
 - Options discussed at the time included demobilize on the basis of commissioning intent; partnership with other providers; continue to provide current services under existing licence to operate/ AQP
 - NB until clarity received on Care UK intentions not possible to define ‘appropriate and proportionate’ engagement as dependent upon scale and nature of change.
- **Sept 2014** – Care UK provided proposal to CCG to offer a range of services in areas where they were aware of current pressure in the system. CCG provisionally declined the offer subject to formal decision.
- **Oct 2014** – Western Locality Board confirmed decision to turn down Care UK proposal on the basis that it required long term investment and guaranteed volumes to be financially viable and majority of offer was in specialties which are expected to have RTT pressures resolved by April 2015.

Today's decision Factors for consideration

Factors for consideration

- Widespread clinical support for orthopaedic commissioning intentions and evidence based vision for elective orthopaedic care
- Evidence of declining need for elective orthopaedic surgical capacity
- Impact of commissioning plans on reducing surgical activity across all providers & specifically ,the vulnerability of the Peninsula Treatment Centre given the case mix that currently carried out .
- Choice for patients and competition maintained
- Quality and equality impact assessment & management (App 1)
- Feedback from the public / patients /Health watch (App 2 & 3)
- Initial feedback from Overview and Scrutiny Panel on behalf of Plymouth & Cornwall Councils
- Capacity and demand plan closing the gap in capacity over time (to be tabled)
 - Including contingency for short term capacity gap
 - Including management of cataract activity

Quality and equality impact assessment

This has been completed and is available at Appendix 1.

This document reflects our current understanding of impact and in line with good practice will remain 'live' and will continue to be revised as further information becomes available such as;

- Outcome of final decision taken by Western Locality Board on 26th November 2014
- Completion of demand and capacity assumptions
- Any further risks identified and mitigation actions

Public and patient feedback

Appendix 2 Overview of feedback from Health watch Plymouth

There are three appendices that provide detail of the individual feedback:

- A. Peninsula Treatment Centre Patient Feedback (Post Herald Article)
- B. Peninsula Treatment Centre Patient Feedback (Pre Herald Article)
- C. Derriford Orthopaedic Service Patient Feedback (Pre Herald Article)

Appendix 3 Kernow CCG have provided feedback

An extract of patient comments from Peninsular Community Health Musculoskeletal Interface Service Patient Experience Survey.

Feedback from public via Healthwatch Plymouth

Following the publication of the story in Plymouth Evening Herald Story posted on-line 28 October and in printed edition 29 October 2014:

Health watch Plymouth has received considerable comment from the patient population of Plymouth, the South Hams of Devon and S.E. Cornwall.

The main themes of these comments are:

- Excellence and efficiency of the service provided from initial referral to operation
- Concern over the service at the Peninsula ending/or closure of the Peninsula
- Concerns over the ability of Derriford being able to cope with future requirements

Feedback from public via Healthwatch Plymouth

Conclusions drawn from the feedback are as follows:

- Service Users see the Peninsula as an excellent facility that is part of the health care framework within Plymouth and neighboring areas
- Respondents view the Peninsula treatment pathway as highly efficient and hugely beneficial to their well-being and subsequent recovery from elective surgery
- The public understand from the media that the Peninsula Centre is potentially closing and not just a cessation of the orthopaedic contract when it is due to be renewed
- They do not understand the reasons behind the future decisions over the Peninsula contract

Overview and Scrutiny Committee's

- Verbal discussions have been had with our three OSC's in Devon, Plymouth and Cornwall.
- They have been fully briefed on actions taken and the supporting Information available to date and are in the process of formally responding in writing.
- Formal response from OSC Cornwall has stated they will be guided by OSC Plymouth, OSC Devon have not yet formally responded
- OSC Plymouth have requested that this is scrutinised at their next Plymouth OSC meeting on 11th December 2014, in order that they can reach a fully informed view on whether this could possibly constitute 'substantial service change'
- The OSC's are aware that a final decision will be taken by the Western Locality Board on 26th November 2014.

Capacity Planning - Cataracts

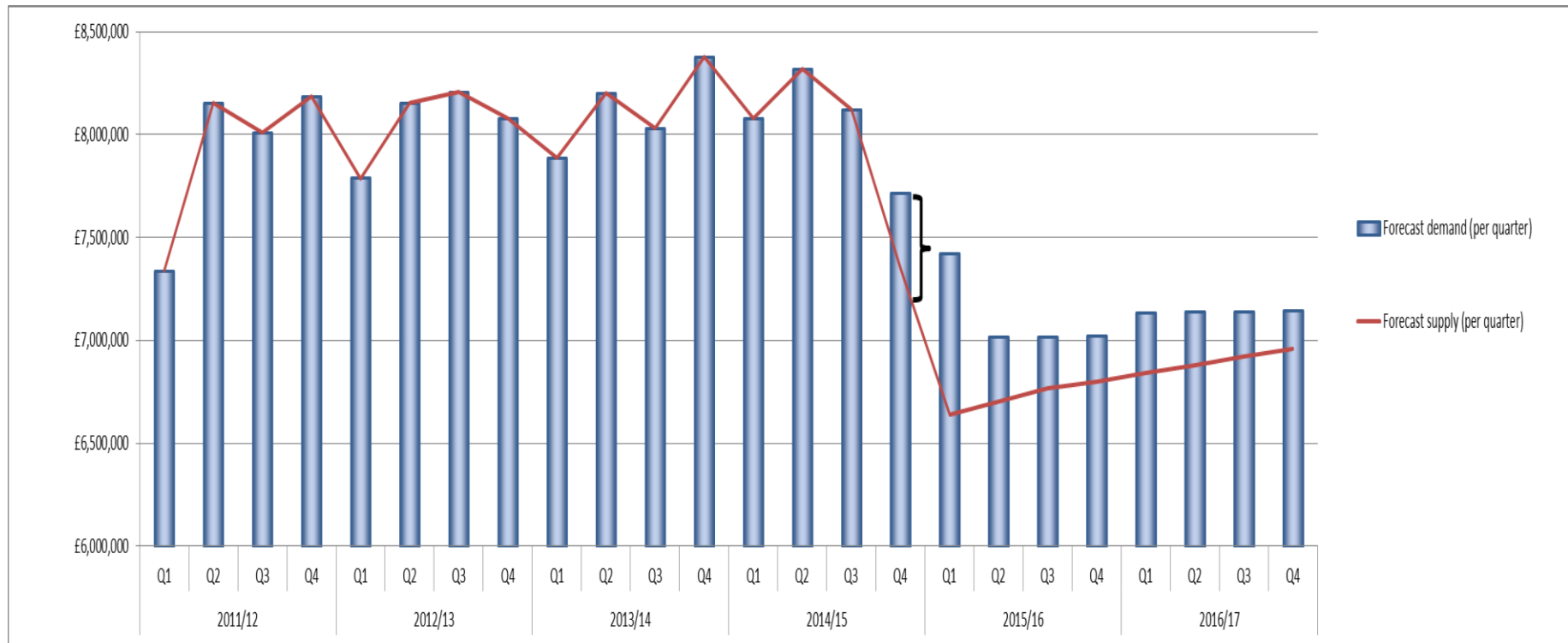
In July 2013 we commissioned a proportion of cataract activity at CARE UK the rationale for this was to pilot One Stop Cataract Service ,this was not part of the original contract with CARE UK only for 2013/14.

The One Stop Cataract Service was not achieved, therefore mainly continued with non-recurrent backlog clearance in 2014/15.

Capacity and Demand Plan

(Draft)

This is an illustrative draft which shows our expectation of reducing demand; the impact of commissioning work-streams, and at present identifies a small gap in the short term for which contingency planning is underway. Work continues on modelling demand and capacity and the capacity plan, along with planning assumptions, will be available to be presented at the Western Locality Board meeting.



Risks and Mitigations

Risks	Mitigation
<p>Short -term gap in capacity of c. 600 procedures and medium-long term of c 370 procedures. Whilst QIPP schemes are rolled out</p>	<p>Intra-trust conversation have begun to examine how the health economy can absorb the impact in the short-term.</p>
<p>Associate Commissioners: capacity required for 669 procedures</p>	<p>Intra-trust conversation have begun to examine how the health economy can absorb the impact in the short-term. Associate Commissioner's other are developing plans .</p>
<p>Legal challenge: Some issues have been raised although the contract will lapse in March 2015 unless the Locality Board decide to extend at risk of legal challenge.</p>	<p>Actions being taken, the decision making process is robust.</p>
<p>Assumption: Proportion of activity absorbed by other providers (and patient willingness to travel)</p>	<p>Intra-trust conversation have begun to examine how the health economy can absorb the impact in the short-term. Need to widen the discussion and improve modelling for 15/16 capacity plans.</p>
<p>Impact on RTT delivery</p>	<p>Intra-trust conversation have begun to examine how the health economy can absorb the impact in the short-term. The impact of QIPP schemes in reducing demand</p>
<p>Continuing over-capacity in the local health-system. When the CCG's commissioning intentions are realised it is likely that one of the local providers will become unviable. This has the potential to destabilise the local health economy .</p>	<p>Work with local and surrounding providers to ensure contingency plans are in place. Ensure all providers have up to date emergency resilience plans in place. Ensure robust demand/ capacity planning is complete.</p>

Risks and Mitigations

Risks / issues	Mitigation / management
Positive patient satisfaction with PTC reported in media may lead to an inaccurate perception of inferior quality and patient satisfaction in other facilities	Provide patient satisfaction information across all providers for balance.
Care UK may decide to continue to supply current services under the terms of their licence, limiting the health community's ability to deliver the vision for elective orthopaedic care sustainably	Continued clarity on forecast declining demand to enable Care UK to make an informed decision about viability. Accelerated delivery of commissioning mechanisms for ensuring patients access conservative management alternatives instead of surgery when appropriate
Overview and scrutiny panel may form the view that this decision constitutes significant service change & request further public engagement	Intended public information day (Dec/Jan.) Information supporting the decision, not previously available, to be made available to overview and scrutiny panel to inform scrutiny on 11 th December 2014

Recommendation

It is recommended that:

- The Western Locality Board agree that replacement surgical capacity will not be commissioned when the current contract for the Peninsula Treatment Centre ends on 31st March 2015.
- The Board note that Kernow CCG have confirmed that they will abide by the decision of the Western Locality Board as lead commissioners on their behalf.