

**WEST LEICESTERSHIRE CLINICAL COMMISSIONING GROUP
BOARD MEETING**

8th of May 2018

Title of the report:	Thames Ambulance Service Ltd (TASL) Performance Report
Section:	Public
Report by:	Joanna Clinton, Head of Urgent and Emergency Care Contracts, LLR
Presented by:	Tamsin Hooton and/or Joanna Clinton

Report supports the following West Leicestershire CCG's goal(s):			
Improve health outcomes		Improve the quality of health-care services	✓
Use our resources wisely	✓	✓	

Equality Act 2010 – positive general duties:
<ol style="list-style-type: none"> 1. The CCG is committed to fulfil its obligations under the Equality Act 2010, and to ensure services commissioned by the CCG are non-discriminatory on the grounds of any protected characteristics. 2. The CCG will work with providers, service users and communities of interest to ensure any issues relating to equality of service within this report are identified and addressed.

Additional Paper details:	
Please state relevant Constitution provision	6.7.1 CCG may work together with other CCGs in the exercise of its commissioning function Section 5.2.4: Act with a view to securing continuing improvement to the quality of services.
Please state relevant Scheme of Reservation and Delegation provision (SORD)	
Please state relevant Financial Scheme of Delegation provision	N/A
Please state reason why this paper is being presented to the WLCCG Board	To update Board members as TASL have been under-performing against the LLR contract since mobilisation on the 1 st of October 2017. Whilst performance has steadily improved there still remain concerns with quality, financial stability and executive leadership.
Discussed by	Urgent Care Team
Alignment with other strategies	STP, Operational Plan
Environmental Implications	-

Has this paper been discussed with members of the public and other stakeholders? If so, please provide details	No
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EXECUTIVE SUMMARY:

1. In June 2017 the LLR CCGs awarded Thames Ambulance Services Limited (TASL) the LLR NEPTS contract which mobilised on the 1st October 2017.
2. Since contract award performance has been below expectation which has impacted upon the quality of the service and in particular patient experience. A recovery action plan is in place and is being monitored by the Urgent and Emergency Care (UEC) team.
3. The four main areas of concern have been in relation to operational performance, quality, financial stability and executive leadership.
4. The CCG contracting team has been monitoring performance closely since contract award and working with TASL to agree performance improvement plans

RECOMMENDATIONS:

- The Governing Body is asked to **RECEIVE** the report.

Report on TASL Performance

INTRODUCTION

1. TASL have been under-performing against the LLR contract since mobilisation on the 1st of October 2017. Whilst performance has steadily improved there still remain concerns with quality, financial stability and executive leadership.
2. The UEC contracting team have been closely monitoring and supporting the provider to improve via the fortnightly interface meeting with UHL and LPT where TASLs recovery action plan is being progressed. Performance trajectories have been issued by the UEC contracting team to set out expectations of performance improvement towards the levels expected in the contract.
3. To date TASL have been issued 3 contract performance notices (CPN); one has been closed which was issued in response to TASLs failure to notify the CCGs of their CQC warning notice. The two that remain open have been issued in response to TASLs failure to submit quality reports as per the contract schedule and their failure to submit monthly financial assurances as set out in the contract.

Operational Performance

4. Performance on the whole has gradually improved since the start of the contract, please see appendix 1 for a full review of performance over the first 6-months of the contract, showing performance against KPI and against the recovery trajectories agreed with TASL. February saw a dip in performance with weather cited as a contributory factor as well as high activity across the urgent care system in LLR. March performance has recovered however performance against trajectory has been impacted. Discharge KPIs, particularly at LRI, have seen the biggest improvement.
5. Performance for renal patients has also improved significantly since the start of the contract, with month by month increase in KPI performance – see Appendix 1. Monthly renal quality meetings between UHL clinicians/managers and TASL have deescalated as notable improvements had been evidenced and improving KPIs. A dedicated control has been established for patients with high priority needs (renal, oncology, chemotherapy), and a dedicated pool of vehicles and drivers has been established for Renal patients. TASL has introduced an App for patients to track their vehicles using their mobile phone, and is piloting the App with renal patients.
6. Call centre KPIs have continued to improve month by month and despite the dip in performance against other KPIs in February the call centre reached its highest performance to date; the % of call abandoned fell to 4.6% which is within target and although call answered in 60 seconds is still below target there was a 24% increase. Performance into March has declined but is still an improved position since the start of the contract – see appendix 1.
7. Commissioners have compared Arriva performance at year 1 and 4 (avoided year 5 due to Arriva closing contract down) with the first 6 months of TASL's performance. In both timeframes Arriva were performing better against the majority of KPIs than TASL but please note for some this only equates to a few % – see appendix 2. TASL are performing better than Arriva on discharge in year 1 and on some renal indicators. The biggest performance difference in year 1 was the call centre performance but note the continuous improvement highlighted above at 6.

8. Please note KPI penalties are now applicable, after a moratorium in the mobilisation phase of the contract. Penalties of £15K have been presented within the April challenge letter to TASL.
9. At month 5 (Feb) of the contract TASL are considerably under-activity against plan, a credit note (£133k) for the 1st quarter has been requested, with their monthly invoice on hold until this has been received. TASL have advised that they believe this under-activity is in relation to the non-capture of third party data however commissioners have not received verification.
10. In summary, performance has been improving month by month with the exception of February and the feedback from wider partners has been positive in relation to patient experience with arrivals and departures for both outpatients and discharges.

Quality

11. The CQC served a warning notice to TASL on the 26th of October 2017 under Section 29 of the Health and Social Care Act 2008. They were asked to take action under the following regulations:

- Regulation 12 HSCA (RA) regulations 2014 safe care and treatment
- Regulation 16 HSCA (RA) regulations receiving and acting upon complaints
- Regulation 17 HSCA (RA) regulations 2014 Good Governance
- Regulation 18 HSCA (RA) regulations 2014 staffing

TASL were asked to submit an action plan to address these concerns on the 1st of December 2017. CQC have completed further inspections to assess compliance and have noted that there has been some improvement with the quality of care provided for patients in some areas and note that there have been significant changes to the management structure including the recent appointment of the CEO who commenced on the 5th of March 2018. CQC have given TASL an extension to their notice (June 2018) as they feel that they are now in a better position to improve.

12. A CPN was issued to TASL in January 2018 for failure to submit any quality reports as per the schedule in the contract. Commissioners have only just received in April a satisfactory action plan which addresses all quality schedule requirements. TASL have advised that the delay was due to changes in the management team but now that the Director of Quality and Clinical Governance is in post they have provided assurance that this action plan will be progressed against the timeline required. The CPN will remain open until all of these actions have been completed.
13. The newly formed patient experience team took overall complaints handling for LLR at the end of March 2018. A report has been submitted which details 24 complaints from the 1st of February till the end of March (see appendix 3). This is a significant drop from the 115 reported for the month of January. The submission still lacks sufficient detail as per the quality schedule and this has been fed back to the TASL team.
14. NHSE has been holding regular risk review meetings with regional commissioners, CQC and TASL with the latest held on the 16th of April. It was recognised that there had been a significant turnover in their senior management team which has impacted upon their ability to improve more noticeably within quality. However members acknowledged that the newly appointed CEO should provide a platform to stabilise and bed-in the improvements required contractually. It was noted that there had been green shoots of improvement however there is still a significant amount of work to do to get the contracts to where they need to be across the Region. A further meeting will be held in June to update NHSE.

Financial Stability

15. Commissioners have attended two meetings (January and February) with TASL's parent company (HTG) and the equity loan firm (Investindustrial), at both meetings assurances were given to commissioners that they fully expected to make a loss in the first year of operations but that they were in the market for the foreseeable future and had money to invest to support service delivery
16. In January the UEC contracts team issued a further CPN to TASL for failure to submit monthly management accounts and cash flow forecasts. TASL have now submitted some of the information but there are still outstanding items required in order to provide full assurance. The WLCCG finance team are liaising directly with TASL's Director of Finance to set out our requirements and to seek assurances on the concerns outlined above. The CPN has been held until clarity provided on commissioner expectations and what TASL can/cannot provide as a matter of course.

Executive Leadership

17. The organisational capability of TASL was a concern prior to contract award due to their relatively small management structure given their rapidly expanding business. As a result the CCGs requested additional requirements as conditions prior to mobilisation.
18. Commissioners were notified in November 2017 that the CEO would not be returning to work due to ill health, shortly afterward the Chief Operating Officer resigned from post. Both of these roles were filled on an interim basis from existing staff (Director of Finance and Regional Manager) whilst recruitment took place.
19. The CEO post has been appointed to, Derek Laird took up post on the 5th of March and since then there have been a number of changes to the management structure, with permanent or interim appointments to the following posts:
 - Director of Quality & Clinical Governance
 - Director of Operations
 - Head of Patient Experience
 - Head of Quality & Governance
 - Associate Director of Corporate Governance

All of the roles above are filled with new appointments and at this time it is too early to assess how effective these individuals will be in their roles or as an executive board. It is envisaged though that these appointment will provide stability in order for the provider to focus on service delivery and improvement.

Media/Stakeholder/Patient Feedback

20. Media attention was prevalent during contract mobilisation highlighting poor patient experience in terms of delays and in some cases failed patient journeys. More recently and prompted by the termination of the NE Lincolnshire contract local media have regained interest and have been utilising patient experiences to highlight performance concerns. TASL have provided representation to media requests and have highlighted the improvement programme that they are executing across LLR noting the improvement in performance against the contract.

21. Stakeholder communication from both UHL and LPT has been positive, both noting the improvement in performance and the responsiveness of TASL in seeking solutions to problems that have arisen. There continue to be some operational interface issues with providers, particularly UHL. The UEC team have requested that UHL provide more dedicated management resource to work with TASL to resolve issues within their control, such as better communication with TASL particularly at times where there is pressure with hospital flow, and also support to use Healthcab effectively.
22. To date TASL haven't been able to provide patient feedback upon their service, it is expected that the newly formed patient experience team will be able to provide this information shortly. However, the UEC contract team has received substantial numbers of 'patient stories' from healthcare providers or directly from patients and patient groups, and this is being used to inform contracting discussions and the development of the recovery plans with TASL.

Summary

23. The UEC team will continue to work with TASL via the fortnightly interface meetings with UHL and LPT representatives where their recovery action plan (RAP) is being progressed. Many of the outstanding areas that require further work still remain the interface with hospital staff. In addition to this, formal monthly contract meetings will be held.
24. The main area of improvement since mobilisation has been the performance against KPIs and whilst there is still improvement to be made, in general, the provider is meeting the trajectory set by commissioners. It is imperative that TASL continue to maintain improvement in order to rebuild their reputation and provide the assurances to the CCGs on their ability to meet contractual requirements.
25. As stated previously within this report, quality and finance are the prime concern to commissioners. However, now that there is stability within the management structure commissioners expect rapid improvements in both areas over the next 3 months.
26. As noted in the finance section, commissioners are concerned about TASL's financial position particularly in light of the under-activity and KPI financial challenges being issued. Commissioners have received assurances from the parent company that they will continue to invest in the service as they plan to expand in the UK; they also advised that they did not expect to make a profit in the first year. Further assurance on financial stability needs to be provided and this will be sought via the discussion with the TASL Chief Executive, and at monthly contract meetings and the pursuance of the financial challenges.
27. Whilst there are clearly still some significant concerns for commissioners in relation to TASL's performance, this review of the first six months of the contract indicates that TASL have been able to demonstrate a fair degree of delivery against their Recovery Action Plan, with demonstrable performance improvement, largely in line with the agreed performance trajectory. TASL have also addressed their leadership and management capacity issues and our assessment is that they are now in a stronger position to address remaining performance and quality concerns.
28. The TASL Chief Executive, Derek Laird, has been invited to attend the CCGs' Collaborative Commissioning Board (CCB) in May to discuss contract performance and TASL's ability to deliver the contract to a satisfactory level. The CCB have also

committed to undertake a further performance review in three months' time, in August.

29. In order for commissioners to be confident in the continued delivery of the NEPTs contract with TASL there will need to be continued improvement against KPI's in line with the trajectories set, and CCGs should not accept any deterioration in performance in the next 3 months unless force majeure is requested and accepted. A further analysis of TASL's performance in comparison with Arriva will be undertaken; commissioners expect TASL to be performing better than Arriva against the majority of KPI's. The quality action plan will also need to be reporting delivery against expectations, with adequate information submitted by TASL for commissioners to reach assurance.

RECOMMENDATION:

The Governing Body is requested to:

RECEIVE the report.