

Committee in Common – 29th November 2016 Planned Care: Elective Orthopaedic Centres Evaluation Group Report

Agenda Item: 4. Elective Orthopaedic Centres - Recommendation of the elective orthopaedic evaluation group

Lead Director

Jonty Heaversedge – Elective Orthopaedic Evaluation Group Voting Member, Chair Southwark CCG

Report Authors

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Attachments

1. Planned Care: Elective Orthopaedic Centres Evaluation

Summary

At the previous meetings of the Committee in Common (CiC) in March and June 2016, the CiC made the following decisions:

1. Approved the case for change for elective orthopaedic services (March 2016);
2. Approved a proposed model of care for a consolidated service on two sites within SEL (March 2016. Further information on two site model provided in June 2016); and
3. Approved evaluation criteria for assessing options against existing provider plans to improve care and efficiency (March 2016, signed off by CCG chairs April 2016).
4. Recommended that elective orthopaedic centre (EOC) proposals proceed to the next stage of development, whereby providers develop submissions to host one of the two EOCs in the south east London model and these submissions are evaluated by the Elective Orthopaedic Evaluation Group against the agreed criteria.

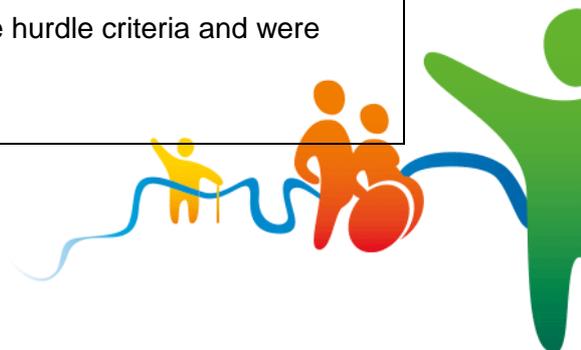
This paper is a report from the Elective Orthopaedic Evaluation Group which provides a detailed description of the process taken by the group in evaluating the provider submissions and potential EOC configuration options against the agreed criteria.

This process includes:

- The discounting of sites identified by providers as not suitable to host EOCs within the agreed south east London model
- The application of hurdle criteria to the sites that have been put forward by providers to be considered as EOC sites
- The application of the non-financial criteria, whereby configuration options were scored in comparison with existing provider plans to meet rising demand and deliver “*Getting it Right First Time*” (GiRFT) recommendations without consolidating.
- Receiving of the financial analysis of each configuration option, and comparison made of the financial implications alongside the non-financial scoring.

In applying this process, three configuration options passed the hurdle criteria and were evaluated against the non-financial and financial criteria:

- Option 1 (Lewisham and Guy’s)



- Option 2 (Guy's and Orpington)
- Option 3 (Lewisham and Orpington)

Following undertaking this process the Elective Orthopaedic Evaluation Group make the following recommends to the Committee in Common regarding the configurations of EOCs that could be taken forward to public consultation:

1. The following sites should not be considered for hosting an EOC in the SEL model:

- St Thomas' Hospital (GSTT)
- Queen Elizabeth Hosptial (LGT)
- Denmark Hill (KCH)
- Princess Royal University Hospital (KCH)
- Queen Mary's Hospital (Oxleas/DGT)

2. The assessment of the non-financial criteria showed that:

- All of the paired configuration options were considered better for patients in SEL than the scenario where providers plan to continue to meet growth in demand and deliver GiRFT recommendations without consolidating.
- Option 2 (Guy's and Orpington) scored the highest on non-financial criteria + 2.15 out of 5.
- The scoring of Option 1 (Guy's and Lewisham) and Option 3 (Lewisham and Orpington) was more comparable, +1.15 and +1.08 respectively.

3. The assessment of the financial implications of each configuration shows that:

- All configurations are cheaper over a 20 year NPV and have cheaper running costs in FY21 than the scenario where providers continue with plans to meet growth in demand and deliver GiRFT recommendations without consolidating.

4. Compared to the scenario where providers continue with plans to meet growth in demand and deliver GiRFT recommendations without consolidating:

- Option 2 (Guy's and Orpington) represents the lowest capital investment, roughly a quarter of the other two options.
- Option 1 (Lewisham and Guy's) has the fasted payback period of 6 years (i.e. by the end of FY21). Option 2 (Guy' and Orpington) will break even in FY26.
- All options' 20 year NPV are within c. 10% of each other with Option 1 (Lewisham and Guy's) offering the largest savings.

Therefore the evaluation panel recommends to the Committee in Common that all of the three configuration options put forward under the two site consolidated model should the CiC approve public consultation.

These three configurations should all be considered as preferred options when compared against the existing provider plans to develop services individually to meet demand and deliver GiRFT. This is due to all three having evaluated better than providers existing plans on both the non-financial and financial criteria.

The Committee in Common is asked to consider and approve this recommendation to take forward all three consolidated configuration options.

Actions:

CiC members are asked to agree the recommendation made by the Elective Orthopaedic Evaluation Group and thereby approve the following three configuration options as preferred options when compared against the existing provider plans to develop services individually to meet demand and deliver GiRFT:

- Option 1 (Lewisham and Guy's)
- Option 2 (Guy's and Orpington)
- Option 3 (Lewisham and Orpington)

Date Report submitted: 22nd November 2016