

NHS Direct Services Transferring to HSCIC

Update for HSCIC Board

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Purpose

1. The purpose of this paper is to update the Health and Social Care Information Centre Board (HSCIC) on the progress of the services transferring to the HSCIC from NHS Direct.

Background

2. NHS Direct announced, at their Board meeting on Monday 28 October 2013, its agreement with the NHS Trust Development Authority that it will cease to operate at the end of the current financial year.
3. NHS England and local commissioners have appointed alternative organisations who will take over provision of NHS Direct's 111 patient facing telephone services and the 0845 contingency service will cease at the end of February 2014.
4. Some other existing services will cease to be commissioned by NHS England and will be closed by 31st March 2014.
5. The HSCIC Board on 04 December 2013 agreed to proceed with due diligence activities with a view to taking on delivery of the following services from NHS Direct:
 - a) 111 Repeat Caller Service – Ensuring 111 repeat callers are identified, so that appropriate safety procedures are implemented;
 - b) Digital Assessment Service (DAS) - Health and Symptom Checkers (HaSC) decision support software; and
 - c) Telephony Managed Service (TMS) – providing contact centre infrastructure services for 111 providers.
6. The following conditions apply to this agreement to proceed:
 - a) That all financial liability, both on budgetary shortfall (including the risk of assumed contract savings), legacy liability if any, and exit costs (including assets write offs, redundancies and contract break costs) is underwritten.
 - b) Clarity and agreement with the key parties on which organisation's balance sheet the fixed assets associated with TMS and HASC will sit.
 - c) Clarity that there will be a lead commissioner (for each service) and which organisation will take this role.
 - d) Agreement by 31/9/14 of commissioning intentions beyond 14/15, ensuring that HSCIC is clear on TUPE liability for staff under direct transfer or deferred TUPE and that appropriate handover activities can be completed.
 - e) That NHS Direct need to undertake a number of actions prior to transfer and that this will be encapsulated as part of the MOU development process.

Current position

7. The HSCIC conditions will be addressed by the “Service and Staff Transfer Workstream” that has been constituted between NHS Direct, HSCIC and NHS England as commissioner; and through the ‘Finance Workstream’ as relevant, and reported/escalated to NHS Direct Closure Board as appropriate.
8. Due diligence activity continues across all workstreams, specifically surrounding the TUPE transfer of staff.
9. Progress against the conditions stipulated by the HSCIC Board:
 - a) That all financial liability, both on budgetary shortfall (including the risk of assumed contract savings), legacy liability if any, and exit costs (including assets write offs, redundancies and contract break costs) is underwritten.

UPDATE: Service specifications are being developed for each of the three services. These specifications will provide an overview of costs, benefits and approach associated with migration of the services. The Repeat Caller Service specification has been approved by NHS England. TMS and DAS are under operational review. TMS has a reported £350k funding gap, which is being addressed at the NHS Direct Closure Board. The position on underwriting financial liability is still in progress.
 - b) Clarity and agreement with the key parties on which organisation's balance sheet the fixed assets associated with TMS and HASC will sit.

UPDATE: HSCIC staff have been working with DH and NHS England to address this issue and can now confirm that the fixed assets will sit on HSCIC's balance sheet. This has been agreed with DH, NHS England and HSCIC.
 - c) Clarity that there will be a lead commissioner and which organisation will take this role.

UPDATE: An MOU between the commissioner and providers will be developed following approval of the service specification(s).
 - d) Agreement by 31/9/14 of commissioning intentions beyond 14/15, ensuring that HSCIC is clear on TUPE liability for staff under direct transfer or deferred TUPE and that appropriate handover activities can be completed.

UPDATE: This has been discussed with NHS England, and will be incorporated into the MOU.
 - e) That NHS Direct need to undertake a number of actions prior to transfer and that this will be encapsulated as part of the MOU development process.

UPDATE: Outstanding actions are based around the structures and posts due for transfer. An updated position from NHS Direct is expected early January, at which point we can finalise the service specifications and planning for HR, estates and corporate governance related activities

Actions Required of the Board

10. The board are asked to note the progress against the above conditions, consider the risks associated with them and provide direction as to whether to continue progressing the transfer of the three services into HSCIC.