

Patient Transport Services

Background

- The contract for patient transport services (PTS) is hosted by NHS West Kent CCG on behalf of all Kent and Medway CCGs.
- Historically PTS services were provided by a range of providers in Kent and Medway.
- The previous PCT cluster re-procured the service in 2011/2012 and NSL Care Services were appointed as a new provider for the whole of Kent and Medway.
- Two months before contract go-live the commissioner discovered that they had failed to advise all bidders of an additional 100 staff who needed to be TUPed to the new provider. Discussions were held with NSL who agreed to take on these staff, subject to the Commissioner paying the additional costs. These additional costs are c£0.6m per annum.
- NSL took over the contract in July 2013.

Contract performance

- Following implementation of the new contract in July 2013 it became clear that the mobilisation was running into difficulties. Patients were not being collected on time. This meant patients arriving late for appointments or the trust not being able to discharge patients on time.
- NHS West Kent CCG worked with NSL to support the mobilisation and performance started to improve over the summer.
- However, by September 2013 it was clear that performance had plateaued at about 60 – 65 per cent of contact KPIs and was not improving. Over the period September into October performance began to drift downwards.
- NSL were asked for a recovery plan and trajectory which they produced but failed to achieve.
- A review of the number and types of journeys showed that actual activity compared to activity estimates included in the ITT and contract were significantly different. Although total activity was comparable the profile was very different:

- The number of journeys needing a stretcher or one person escort was much higher and the number that could be transported by care much lower – this was having a significant impact of the type of vehicles needed.
- The number of short journeys was much higher than anticipated and the number of longer journeys far fewer – this was having a significant impact on NSLs income as they had priced against a different profile.
- The number of journeys needed in the late morning to early afternoon was peaking at a much higher level than anticipated – this was having a significant impact of staffing requirements and rostering.
- As a consequence NSL were incurring significant additional costs hiring vehicles and crews to cover peaks in demand and were losing significant money on the contract. NSL sought to recover their losses from the CCGs.
- West Kent CCG briefed the NHS England Area team about the issues with NSL and contacted other commissioner across England who use NSL as a provider of PTS services. Whilst a number of other CCGs are having performance issues with NSL, none were of the scale experienced by Kent & Medway. It is also worth noting that other CCGs with other PTS providers are having similar performance issues to those experienced by Kent and Medway.

Actions

- With the support of all Kent and Medway CCGs, NHS West Kent CCG took the following actions:
 - Requested NSL replace existing local management with a new local manager as we had lost confidence.
 - Brought in Alan Murray, an ex NHS Ambulance Trust CEO to review NSL's recovery plan and support the CCGs and NSL to turn performance around.
 - Negotiated a financial settlement for first six months (July – December 2013) to remove any risk of litigation or early contract termination. This settlement split the additional costs incurred by NSL 50/50 between commissioner and provider. The additional cost to the commissioner was £1m.
 - Allocated additional funding for December and January (£320k) to ensure capacity over these two winter months – this was funded for winter pressures money.
 - Commenced a formal activity review with NSL to rebase the contract activity, pricing and costings based on actual activity.

Current position

- NSL have brought in new management for the Kent and Medway service which is helping to re-build confidence in their local team.
- CCGs and NSL have concluded a re-basing of the contract and are signing the formal contract variation to conclude this. The additional cost for Kent and Medway CCGs is £1.6m per annum.

- NSL have recruited additional staff and leased additional vehicles to enable them to meet the revised demand estimates.
- A recovery plan has been agreed with NSL which will see performance hit most contract KPIs by Easter and all of them by June 2014. These are being monitored on a weekly basis and the early signs are that performance is beginning to improve in line with the trajectories.

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