

Subject:	The Sussex Orthopaedic Treatment Centre (SOTC)		
Date of Meeting:	14 July 2010		
Report of:	The Director of Strategy and Governance		
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Wards Affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 This is the third time that the Health Overview & Scrutiny Committee (HOSC) has chosen to focus on the Sussex Orthopaedic Treatment Centre (SOTC). The HOSC previously received reports on the SOTC in 2006 and 2008.
- 1.2 The SOTC is an 'Independent Sector Treatment Centre' (ISTC): a medical facility that specialises in a limited range of medical interventions – in the SOTC's case the centre undertakes elective orthopaedic surgery (e.g. hip and knee replacements). ISTCs treat NHS patients, but they are not owned or managed by the NHS. The SOTC is run by Care UK, a large 'for profit' independent sector health provider.
- 1.3 A paper on the SOTC, jointly prepared by Care UK and by NHS Brighton & Hove is included as **Appendix 1** to this report (**to follow**).

2. RECOMMENDATIONS:

- 2.1 That members:
 - (1) Note the contents of this report and the additional information supplied by Care UK and NHS Brighton & Hove;
 - (2) Decide whether it is necessary to further monitor the performance of the SOTC.

3. BACKGROUND INFORMATION

- 3.1 The Sussex Orthopaedic Treatment Centre (SOTC) opened in 2006 on the site of the Princess Royal Hospital, Hayward's Heath. The SOTC was part of a Department of Health initiative to encourage the growth of 'Independent Sector Treatment Centres' (ISTCs): specialist centres run by the independent sector but servicing NHS waiting lists. ISTCs were generally intended to augment existing NHS capacity in areas where there were capacity issues as well as encouraging more independent sector involvement in NHS-funded healthcare. However, unlike most ISTCs, the SOTC did not seek to augment existing NHS-provided services. Rather, it replaced the existing NHS elective orthopaedic surgical services for residents of Brighton & Hove and Mid Sussex (provided by Brighton & Sussex University Hospitals Trust: BSUHT).
- 3.2 The ISTC initiative has been a controversial one, with some critics adamant that it offers poor value for money and unfairly favours the corporate independent sector. It has also been argued that specialist treatment centres (whether or not they are run by the independent sector) can have a distorting effect on local health economies, effectively 'cherry-picking' relatively simple procedures, but leaving local NHS hospital trusts to deal with more complex, expensive and risky work (e.g. patients with complicating 'co-morbidities').
- 3.3 The SOTC itself has also attracted a fair amount of criticism, particularly in its first months of operation. (The SOTC was initially owned by Mercury Health, although later taken over by Care UK. Some of these issues may therefore predate Care UK's involvement.) This criticism ranged from doubts expressed about the centre's clinical safety to issues with the SOTC's ability to deliver its contracted workload. It was this critical comment which attracted the attention of the HOSC, at first in 2006 and latterly in 2008.
- 3.4 When the HOSC examined the SOTC in 2008, members were pleased to note that many of the specific performance and contractual issues which had been raised at the 2006 meeting had now been resolved (although some members nonetheless expressed significant misgivings about the general nature of the ISTC initiative, and particularly its impact on the finances of local NHS trusts). However, there were still some outstanding issues to be addressed, and members therefore decided to seek an additional update with regard to the SOTC's performance.
- 3.5 Members were particularly interested in questions including the number of procedures performed by the SOTC; whether the SOTC was now achieving the national 18 week target for waiting lists; whether a Clinical Audit of the SOTC had taken place; whether a Quality Report on the

SOTC had been undertaken; and whether the annual costs of running the SOTC could be provided.

4. CONSULTATION

4.1 No formal consultation has been undertaken in preparing this report.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

5.1 There are none for the council.

Legal Implications:

5.2 TBC

Equalities Implications:

5.3 None directly.

Sustainability Implications:

5.4 None directly.

Crime & Disorder Implications:

5.5 None.

Risk and Opportunity Management Implications:

5.6 None identified.

Corporate / Citywide Implications:

5.7 None identified.

SUPPORTING DOCUMENTATION

Appendices:

1. Information supplied by NHS Brighton & Hove and Care UK **(to follow)**

Documents in Members' Rooms:

None

Background Documents:

None