



## Freedom of Information Requests on Block Contracts for Planned Elective Care in CCGs

### The request

A Freedom of Information (FOI) request was submitted to every CCG in England in order to establish what the trends in growth were across the country in the use of block contracts to deliver elective treatment. The request asked:

*“Whether any block or assured/risk share contract payment arrangements for planned elective care have been in place for each of 2013/14; 2014/15; and 2015/16, and if they have been in place what the value of those block contracts have been and with which providers of care those contracts have been placed with.”*

We received responses from 189 of the 209 CCGs in England. From the 189 responses it was ascertained that 90 CCGs had held some form of block contract for planned elective care for at least one of the years specified. One of the 90 CCGs – NHS Islington CCG – could not give information on the exact number of block contracts they held during each year, or their value.

Significantly, the total value of block contracts has grown from £1,785m in 2013/14 to £2,511m in 2015/16, representing a 40.6% increase. Within this period of growth NHS providers have seen the value of their block contracts rise by 44.9%, while independent providers have seen growth of 17.4%, despite beginning with lower levels of volume.

### The value of block contracts

74 of the 90 CCGs with block contracts gave some detail on the value of their contracts. The level of this detail varied greatly: while some CCGs could give the specific value of each contract and the various components of it, others provided only an approximate value or gave a total value for all of their block contracts without breaking it down by provider or service. Some CCGs also declined to give any detail of the value of the contracts, citing commercial sensitivity, thereby affecting the validity of the overall data.

The following table, demonstrating the total value of the block contracts to each commissioning region in each year analysed, is therefore incomplete due to an absence of data from some CCGs. It nonetheless suggests that London was the driver of growth behind block contracts between 2013/14 and 2015/16, as it saw a 354% increase in the value of its block contracts, and that the value of block contracts across England increased by 40.6% over the whole period.

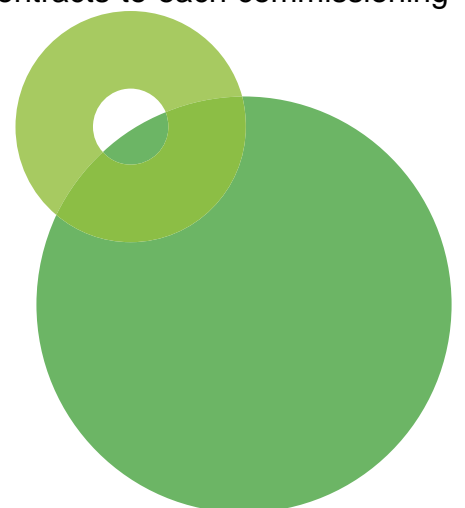


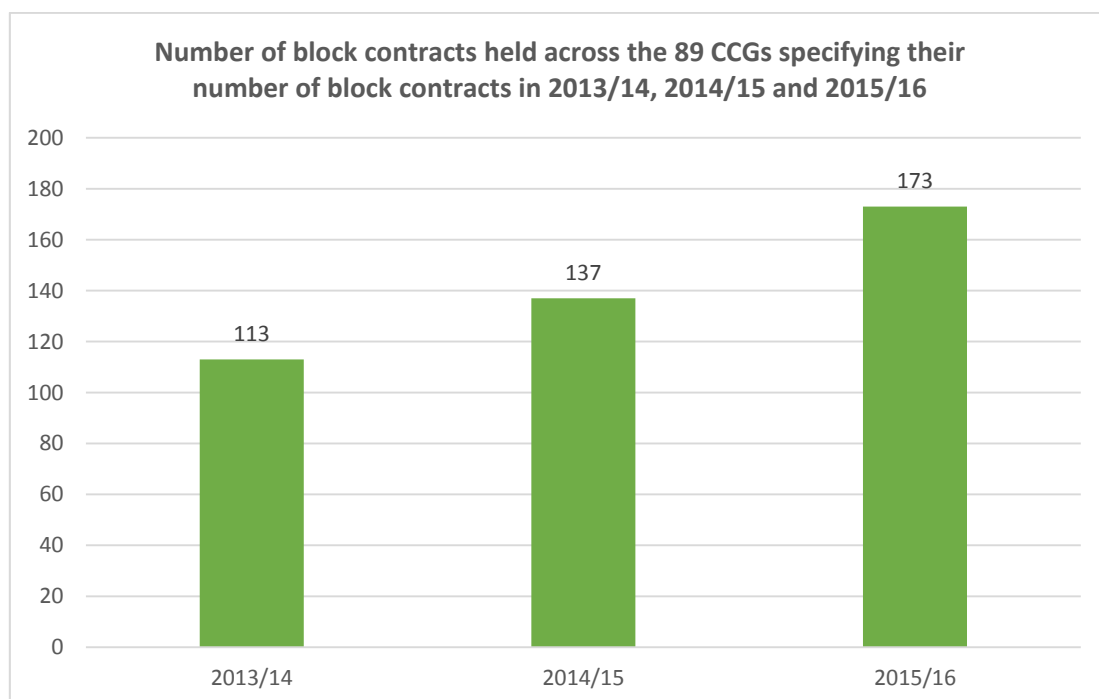
Table showing the growth in the total values of block contracts in each English commissioning region between 2013/14 and 2015/16

Commissioning region	2013/14 block contract total value (£m)	2014/15 block contract total value (£m)	2015/16 block contract total value (£m)	Difference (£m)	Percentage increase/decrease to contract values
North of England	£338m	£275m	£335m	-£3m	-1.1%
Midlands and East of England	£303m	£307m	£274m	-£29m	-9.6%
South of England	£980m	£1,072m	£1,155m	+£176m	+18.0%
London	£165m	£175m	£747m	+£582m	+353.8%
<b>Total</b>	<b>£1,786m</b>	<b>£1,829m</b>	<b>£2,5118m</b>	<b>+£725m</b>	<b>+40.6%</b>

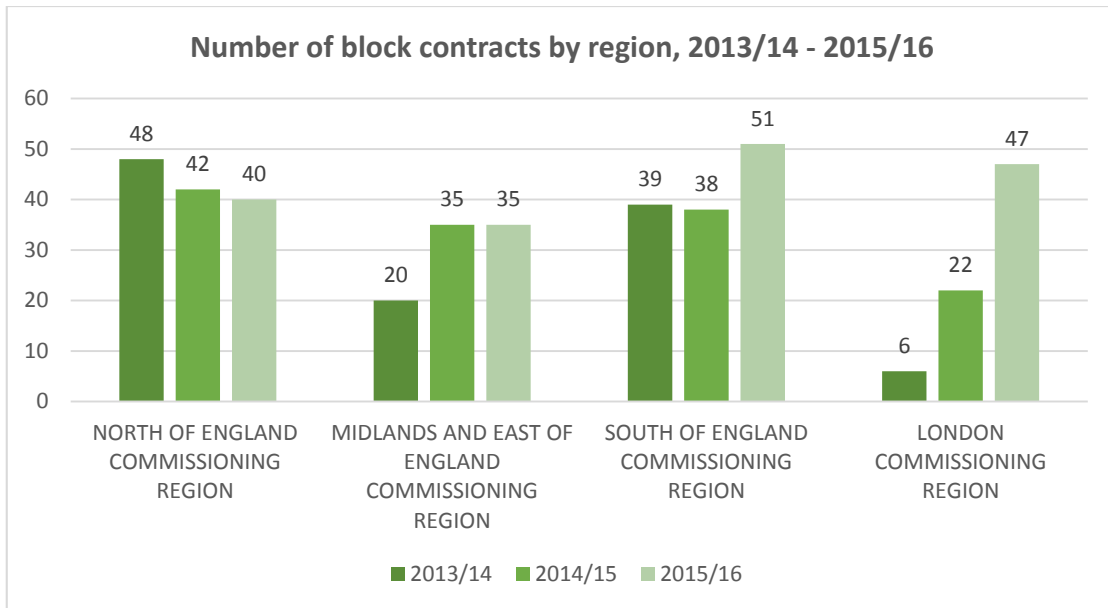
The value of block contracts held in the South of England commissioning region increased by 18% over this period, while the value of block contracts held in the London commissioning region increased by 353.8% during this time. This significantly contributed to an overall growth in the value of block contracts across England of £725m across the period, representing a 40.6% increase.

### The number of block contracts

The chart below shows the growth in the total number of block contracts held in each year in the 89 CCGs that could give information on either of these factors, demonstrating a 53.1% increase in the number of block contracts between 2013/14 and 2015/16.

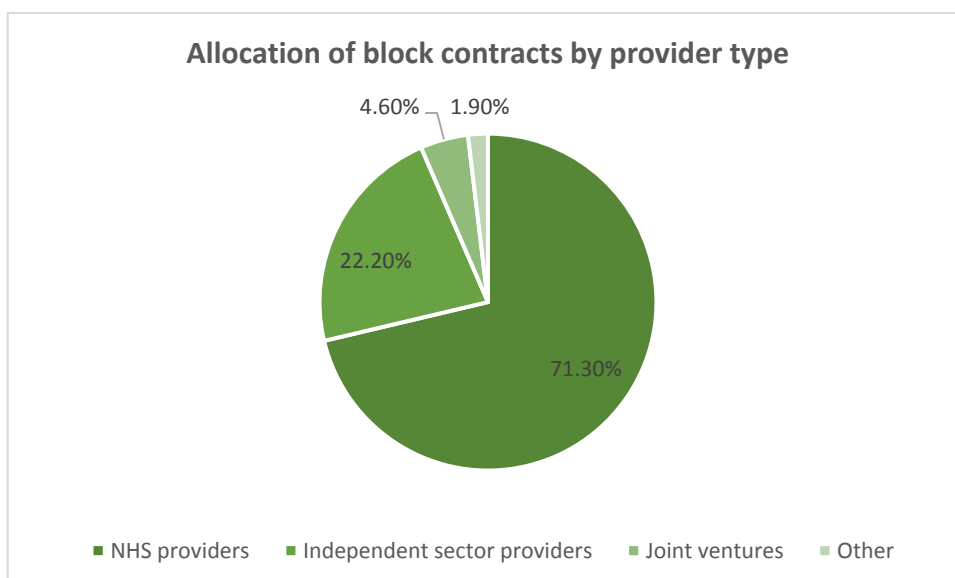


The data was then broken down into NHS England commissioning regions. The chart below shows how the prevalence of these contracts has grown in each region between 2013/14 and 2015/16, among those CCGs with block contracts. This indicates that London CCGs experienced the most growth of block contracts, while there was a drop in the number of contracts in the North of England.



### Breakdown by provider

The significant majority of block contracts were awarded to NHS providers, such as Hospital Trusts and Health Trusts, rather than independent providers or charities. In total 71.3% of block contracts went to NHS providers, while only 22.2% went to independent providers and 4.6% to joint ventures. These values are represented in the below chart.



The biggest provider of block contracts in England within the data is Oxford University Hospital, with a total income from block contracts of £834.7m over the three years considered. However, this income came solely from a single block contract in each year, demonstrating the lack of clear correlation between the number of contracts held and total value.

Of the provider names supplied, the top 25 providers by value were all from the NHS, and within the top 50 providers by value only 3 providers were from the independent sector.

Although there were wide variations among CCGs in the value of their block contracts, the following CCGs had the greatest value of block contracts in their commissioning region over the three-year period analysed, with Oxfordshire CCG spending the most.

**Table showing the CCGs with the greatest value of block contracts in each English commissioning region, between 2013/14 and 2015/16**

North of England	Total contracts value 2013/14	Total contracts value 2014/15	Total contracts value 2015/16	Total value over 3 years
NHS Sheffield CCG	£49.8m	£57.0m	£57.9m	£164.7m
<b>Midlands and East of England</b>				
NHS Basildon and Brentwood CCG	£55.6m	£56.8m	£39.8mm	£152.1m
<b>South of England</b>				
NHS Oxfordshire CCG	£263.4m	£279m	£292.3m	£834.7m
<b>London</b>				
NHS Lambeth CCG	None	None	£203.7m	£203.7m

## Summary

While there is significant variation in the uptake of block contracts across England, and some CCGs have not been able to provide complete data on their block contracts, the evidence demonstrates that the uptake and value of block contracts has increased between 2013/14 and 2015/16. This has largely been the result of growth in the value of block contracts in London and the South East.

Given the growth in the value of block contracts, there has been disproportionate growth for NHS providers who have seen the overall value of their block contracts rise by 44.9% while independent providers in comparison have seen a growth of 17.4%.