NHS REFORMS PLUS OTHER HEALTH & CARE ISSUES

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1. Introduction

Whilst the Council's primary statutory responsibility is the delivery of social care services for adults and children, what is happening in health and the NHS has significant implications for the Council (Social Care & other Council services) because:

- People's health and the health services they receive has inevitable consequences for their need for social care
- The population do not always differentiate between what is primarily a health need or a social care need or which organisation has responsibility for meeting it
- Increasingly the division between health and social care is becoming blurred as people receive less treatment in a hospital setting and what were once seen as clinical tasks are delivered by non-clinical staff
- Several of our services are delivered jointly in partnership with NHS providers
- We have developed a close working relationship with PCT health commissioners and have joint commissioning teams and have pooled some resources to commission joint services
- We also already work closely with PCT health colleagues around health promotion and health protection (e.g. Environmental Health, Leisure – Healthy Living)

The radical proposals set out by the Government about the future of the NHS and health services at a national and local level and changes in local health services will have a significant impact for the Council and the residents of Telford & Wrekin.

This briefing paper sets out the most significant proposals and considers the implications for the Council. The proposals are covered by the Health and Social Care Bill being resubmitted to Parliament following the 'Pause' and Government response which has not changed the approach that significantly but has affected some timescales.

2. Abolition of Strategic Health Authorities (SHA) and Primary Care Trusts (PCTs) by April 2013

The SHAs will now live on for an extra year to 2013 but will be clustered …we will be part of one for the Midlands and Eastern England…and they will form the regional footprint for the National Commissioning Board (See 3. below).

PCTs - The Council had developed close and good working relationships with T&W PCT which will need to be re-developed with new organisations in the future. T&W PCT will continue to carry out its functions with Cluster oversight while the new GP consortium…now termed a Clinical Commissioning Consortium…gets up to speed by April 2013. A new Community Trust for its provider functions (see 7. below) has been created. The Clusters will potentially feature as a 'local' footprint for the National Commissioning Board and could carry out the commissioning role post March 2013 if our local Consortium is not ready/authorised to commence its

commissioning role. In this area we are now part of a Shropshire, Herefordshire and Worcestershire cluster with its own executive now appointed, and below that a Shropshire wide sub-cluster has been created which is in the process of combining some of the administration of the 2 local PCTs to deal with capacity issues although their Boards will still remain. This could create the risk of a lack of focus on T&W specific health and social care issues which emphasises the need for us to support and work with our local GP/Clinical Commissioning Consortium which is now elected and becoming more visible.

3. Creation of new national and local health commissioning arrangements in shadow form from October 2011 taking on full functions from April 2013

Creation of an independent National Commissioning Board with regional presence, at arms length from ministers to undertake commissioning functions at a national and regional level and creation of Clinical Commissioning Consortia (CCC) to undertake health commissioning to improve health outcomes at a local level. One CCC has emerged covering T&W and they held elections in May. Following the 'pause' the consortia must now appoint non GP clinicians and a nursing rep to their boards along with local authority and patient representation. There is also now a more explicit presumption in favour of coterminous Consortia and local authority boundaries. Recognising the interface between health and social care commissioning it will be important to develop good joint working relationships with the CCC and explore support arrangements that could benefit both the CCC and the Council particularly given the relatively small population base of our area. Initial discussions are proceeding positively. T&W CCC has been granted "pathfinder" status by the Department of Health supported by the Council. Consortia do not now have to take on commissioning responsibilities until they are ready.

4. Statutory Health & Wellbeing Boards will be established to lead health and social care strategy at a local level in shadow form by April 2012 and formally from 2013

These Boards are the responsibility of the Council to set up and lead. They will oversee the joint strategic needs assessment, commissioning strategy, set priorities and monitor progress across the NHS, public health, social care and related children's services in order to secure better outcomes for people of all ages. They will adopt a Health & Wellbeing strategy for the area and monitor CCC performance against the agreed strategy. Membership will be prescribed and must include representation from Councillors, Directors of Adult and Children's Services, Director of Public Health (see below re public health), CCC, Commissioning Board and HealthWatch (see 6. below re HealthWatch). Pre-shadow meetings have been established and T&W Council has been granted "early implementer" status by the Department of Health supported by the CCC and PCT.

5. Creation of Public Health England (PHE) to undertake some public health functions and transfer of some public health functions and staff to Local Authorities by April 2013

At a national level, a new core public health service - Public Health England – will combine experts from public health bodies such as the Health Protection Agency

and the National Treatment Agency as part of the Department of Health. This will integrate leading expertise, advice and influence into one organisation. Public Health England will focus on national resilience against things like flu pandemics and other health threats, as well as being a 'knowledge bank' for the best and most up to date evidence on behaviour change techniques and monitoring data.

As set out in the Public Health White Paper, Healthy Lives, Healthy People published in November 2010 and the update following the 'pause'. The Council will be given a statutory duty to improve the health of our population by using a ring-fenced grant from PHE to commission health improvement services, exerting positive influence on health through wider services such as transport, planning and housing, working closely with the CCC to integrate services and maximise opportunities for prevention, empowering communities to improve health and citizens to make more healthy choices. The Council will be accountable to PHE for progress against public health outcomes and use of the grant. We will be required to appoint a Director of Public Health (DPH) though the post may be shared with other LAs. DPHs will be employed by LAs and accountable to the LA, the Secretary of State and professionally accountable to the Chief Medical Officer. There will be a responsibility to provide the CCC with population health advice and data.

Areas of some uncertainty and concern are the creation of PHE, the functions it will be responsible for, and how much of the current PH budget it may consume.

The Department of Health (DH) is committed to publishing shadow funding allocations for local authorities before the end of this year. These allocations will have no direct impact in 2012-13, when funding will continue to be allocated to Primary Care Trusts (PCTs) for these functions. However, the shadow allocations will be important in allowing local authorities to plan for the responsibilities they will take on from April 2013 and to begin to play an active role in 2012-13, working with PCTs. Shadow allocations will also support engagement and feedback to the DH, and allow fine tuning for 2013-14.

The Deputy Director of the Public Health Development Unit for Communities & Local Government wrote to LA Chief Executives on the 12th August stating:

"It is also critical that local authorities, who will in future be responsible for many of these services, understand how the public health expenditure is arrived at. The Department of Health has stressed to PCTs the need to involve local authorities in the process of making the return and to confirm that they are not aware of any issues that should be brought to the Department of Health's attention. We therefore request that the relevant local authority Chief Executive, working with the Chief Finance Officer, ***liaise with the PCT on the preparation of the return and, in parallel with its submission, confirm in writing to the Department of Health whether or not there are any issues they wish to bring to the Department's attention.***

It should be noted that this return will require some degree of estimation, but it is vital that we collect as robust a picture as possible. As well as supporting the development of shadow allocations, the estimates will allow PCTs to prioritise spending during 2012-13 taking account of the need to ensure a smooth transition to the new commissioning architecture.

The Department of Health is asking that PCTs make returns by 16th September. We realise that this allows only a short time for this exercise, but be assured that this information is key and the Department of Health is compressing the time available for the Department to complete its analysis to ensure you have as much time as possible."

T& W Council are in the process of liaising with the PCT about this.

6. Local Authorities will commission a local HealthWatch to represent the views of patients, carers and the public about health and healthcare strategy as well as to provide NHS complaints advocacy by October 2012

Replacement of LINk with HealthWatch and creation of HealthWatch England

HealthWatch England will be a committee of the Care Quality Commission (CQC) and will act independently of Government. It will provide leadership, support and advice for local HealthWatch. It will seek to advise the Secretary of State for Health, the NHS Commissioning Board, Local Authorities and Monitor. HealthWatch England will also advise CQC to investigate any serious concerns about poorly performing services

Currently the LA is responsible for commissioning a local involvement network (LINk – a network of local people) which undertakes a similar function. LINks have only been in existence for 3 years and their role has been an evolutionary one. LAs are tasked with working with their local LINk to jointly take forward the transition from LINk to HealthWatch. The Council and LINk have recently submitted a proposal to be a HealthWatch pathfinder and this has been successful. To enable the transition to be managed effectively the Council's contract with the LINk host, Staffordshire University has been extended. LINk and then HealthWatch will be represented on the Health & Wellbeing Board.

Building on the current LINks function there will be three core functions for local HealthWatch:

Influencing – Local HealthWatch will present the views and experiences of local service users to local budget managers and decision makers (as well as top HealthWatch England at the national level) and be part of prioritising conversation on the local health and wellbeing board, and also hold local service providers to account – October 2012

Signposting – providing information to service users to access health and social care services and promoting choice. Signposting is currently provided by Primary Care Trusts as part of their Patient Advice and Liaison Services (PALS) – October 2012.

Advising – focussing on providing complaints advocacy. At present, the Independent Complaints Advocacy Service (ICAS) provides support to people in England wishing to complain about the treatment or care they received under the NHS. The support offered ranges from helping the client with initial preparation,

through to attendance at resolution meetings and helping people with correspondence – April 2013.

The Department of Health are currently consulting on the funding allocation options to be used to allocate funding to LAs to commission local HealthWatch services. It is proposed to transfer to LAs funding which currently goes to PCTs to funds ICAS and PALS as well as existing LINks funding. The consultation closes 18 October 2011.

7. All health care providers will be independent NHS trusts by 2012 and reach Foundation Trust (FT) status by April 2014

Provider reforms are aimed at encouraging innovation by granting health providers greater autonomy. They build on the process started by the last Labour Government of health providers attaining FT status. However they go further and linked with the abolition of PCTs mean that all existing PCT provider services must move out of PCT control into Health Trusts in the current year and all such Trusts should still aim to attain FT status by 2014 or in some exceptional cases be working towards that status still with new management arrangements. There are implications for the independence of our own local hospital and community trusts should they struggle to satisfy the FT qualification requirements. These developments are part of wider "market based" reforms aimed at encouraging a greater diversity of supply, improving patient choice and stimulating innovation. It remains to be seen whether the benefits of promoting more competition are outweighed by a reduction in collaboration and integration of services.

Locally T&W PCT's provider service (Community Nursing, Health Visiting, other therapies, Community Equipment, Wheelchair Service, CAMHS (children's mental health service), etc has joined provider services run by Shropshire PCT (similar plus Community Hospitals) in to a county wide Shropshire Community Trust (as of 1 July 2011). These changes will have significant implications for the way community health services are delivered in T&W as well as for the joint provider services we currently run in partnership with T&W PCT (Substance Misuse, Intermediate Care, Joint Learning Disability Team).

Adult Mental Health services are delivered locally by the South Staffs & Shropshire Mental Health Foundation Trust. We are currently in discussion with this FT to strengthen the governance arrangements within our jointly run service in recognition of the different culture that exists in large FT organisations compared with previous smaller local NHS providers.

Shrewsbury & Telford Hospital Trust (SATH), our acute hospital provider will of course need to still aim for FT status by 2014 and currently faces significant clinical safety and annual funding issues which the SHA is monitoring closely. We need to check out the success of SATH in securing the £30m funding flagged as required for its hospital reconfiguration plans.

8. NHS budgets

Radical transformation is linked to a requirement to make the NHS more efficient, delivering better outcomes with a reduction in management costs. This is having

significant impact locally with the QIPP Plan proposing a reduction of £132m in the running costs of the Shropshire & T&W health system by 2015.

In T&W at a time when the Council's social care budgets are under pressure and grant funding reduced, any financial pressures in the local health service are likely to exacerbate these pressures. For example over the last 18 months T&W PCT has reduced access to continuing health care funding to individuals with high levels of health and social care need as part of a budget strategy as set out in the QIPP Plan, resulting in the Council spending over £1.5m more in 2010/11. The PCT is continuing this strategy in 2011/12 with plans to cut a further £2m+ from their CHC budget. The Council is therefore picking up additional funding commitments under its community care responsibilities.

Paul Clifford, Director of Adult Social Services has raised these concerns with the PCT's Chief Executive.

The 2010 Comprehensive Spending Review last October included allocation of some NHS funding to Council's social care services to support and develop those areas which impact on NHS funding –particularly through reablement and enablement to support people living in the community rather than institutions and also facilitate hospital discharges. For the Council this includes the allocation of £2.1m funding this year plus a further £0.4m specifically for enablement. Agreement has been reached to passport these monies to the LA under a Section 256 agreement. In addition there was a separate £400,000 allocated to T&W PCT to develop respite service for carers though as yet no agreement has been reached.

9. Update on passage of The Health and Social Care Bill 2011

The radical changes outlined above are subject to the passage of the Health & Social Care Bill

The Bill was originally presented to Parliament on 19 January 2011.

On 14 June 2011 the Health Secretary announced changes to the Health and Social Care Bill based on the recommendations from the NHS Future Forum as part of the listening exercise.

The Bill is due to have its report stage and third reading on 6 and 7 September 2011.

PT. NHS Reforms. August 2011