TELFORD & WREKIN COUNCIL

ACTIVE LIFESTYLE, LEISURE & CULTURE SCRUTINY COMMITTEE - 27 SEPTEMBER 2010

TRANSFORMING COMMUNITY SERVICES

REPORT OF: TELFORD AND WREKIN PCT COMMUNICATION MANAGER

1. PURPOSE

1.1 To inform Members of the progress in implementing transforming Community Services and consider the proposed consultation arrangements.

2.0 RECOMMENDATIONS

2.1 That Members note the progress in implementing transforming Community Services and consider the proposed consultation process.

NHS
Telford and Wrekin

Community Services Integration

Background: Why we are changing who runs community health services?

Under national guidance from the Department of Health, by April 2011 all Primary Care Trusts (PCTs) have to arrange for a new organisation to manage the community health services which the PCTs until now have managed themselves. The coalition Government has given PCTs a new option of exploring an NHS Community Foundation Trust (CFT) model for managing community health services.

The PCTs locally (NHS Telford and Wrekin and Shropshire County PCT) are keen to explore the potential of setting up a CFT. The new organisation would continue to be based in local communities, with the current community health staff - district nurses, community hospital nurses etc, delivering care and working closely with local GPs. It has the potential to focus completely on providing local patient care with greater involvement from staff – but it would remain an NHS organisation.

Consultation and engagement so far

NHS Telford and Wrekin and Shropshire County PCT have already, separately, conducted some staff, partner and public engagement. This has involved LINks, Patient Participation Groups, staff side representatives, plus the Local Authority Board observer, in the first stage of its work on 'Transforming Community Services'.

In early spring 2010, four organisations interested in taking on the running of the PCTs' provider services presented to the PCTs' Boards, and the stakeholder/patient representatives mentioned above. The conclusion was that three of the four interested organisations were invited to provide further information and continue to develop their proposals further.

There was further stakeholder engagement in the second stage through a series of staff focus groups, a staff ballot, and a public/patient focus group including Links and Patient Participation Group members.

Some staff expressed concerns about the social enterprise option, which was then being considered, especially because it was outside the NHS and raised questions about pensions for new staff. (At this stage, Community NHS Trust was not a nationally available option). These concerns were shared by a larger number of Shropshire County employees than NHS Telford and Wrekin employees.

Patients were more evenly balanced in favour of either the social enterprise option or integration of both PCTs' provider services with Shrewsbury and Telford Hospital NHS Trust. The main points important to them in any integration were that the new provider must demonstrate scope for innovation and improvement in the quality of patient services, that services felt 'joined up' for patients and that the management of staff through change was handled well, so the quality of patient services was not de-stablilised during change.

The views expressed, especially by staff, influenced the direction taken by the PCT when the new option of Staff Membership Community Foundation Trusts was made available by the new Coalition Government. This offered the benefits of the service model of the social enterprise – i.e. locally – based community health services working closely with GPs, but overcoming staff concerns by being part of the NHS.

NHS Telford and Wrekin had previously undertaken a greater amount of staff engagement at an early stage. Following a series of recent Shropshire County staff engagement events, both PCTs are now at the same stage, with staff, Boards, local authorities and user networks informed about the current direction of travel, the stage of development, the next steps and timetable. The PCTs, through the Project Team, are now working closely together on their joined-up engagement and communications activities.

Next steps for public and partner consultation and engagement

Our engagement will consist of a period of written consultation allowing the wider public to find out more and comment, running alongside a series of engagement events on specific topics. The latter are designed to gather views and help shape particular parts of the integration proposals as we work on them.

The programme will include:

a) Briefing the scrutiny committees for Telford and Wrekin and Shropshire and taking a paper to the joint HOSC. Progress reports will be provided as per point b) below, and a further analysis and evaluation paper will be taken back to the at the end of the year.

b) Update letters to all key stakeholders at key milestones, including launch of consultation, PCT Boards consider Integrated Business Plan (IBP), SHA feeds back on IBP, Transaction Board and CCP feedback.

c) Two half day pre-consultation engagement events, with an invited group of approx 20 service users or representatives:

Event One
Wednesday 22 September 2010
9.00am until 1.00pm
The Bentley Suite, Telford Whitehouse Hotel

Event Two
Monday 4 October 2010
1.30pm to 5.00pm
Wrekin Suite, ProStar Stadium, Oteley Road, Shrewsbury, SY2 6ST

d) Written consultation 11 October to 17 December (10 weeks) , supported by meetings proactively arranged in advance with stakeholders; public drop in sessions in Telford, Shrewsbury, Whitchurch for North Shropshire and Ludlow for South Shropshire.

Further information

NHS Telford and Wrekin would like to ensure that key partners are fully informed with regard to the process and progress of the pre-consultation and consultation engagement activities. PCT staff are available to attend meetings and events as required,

TELFORD & WREKIN COUNCIL

ACTIVE LIFESTYLE, LEISURE & CULTURE SCRUTINY COMMITTEE - 27 SEPTEMBER 2010

SCRUTINY RESPONSE TO THE HEALTH REFORM WHITE PAPER " EQUITY AND EXCELLENCE: LIBERATING THE NHS"

REPORT OF: SCRUTINY MANAGER

1. PURPOSE

1.1 To outline the key proposals of the white paper and to seek members views on the key questions from the consultation in order to prepare a response by deadline of 11 October.

2.0 RECOMMENDATIONS

That Members:

2.1 Note the key proposals contained within the White Paper.

2.2 Consider and agree responses to the key consultation questions highlighted in Section 4.4 of this report

2.3 That the Scrutiny Manager be authorised, in consultation with the Chairman of the Active Lifestyles Scrutiny Committee, to prepare and submit the final response.

3. SUMMARY

3.1 The Government published the White Paper 'Equity and Excellence: Liberating the NHS' the Government in July 2010 and subsequently produced four more detailed consultation documents with a required response date of 11 October. The documents not only present a major restructuring of the NHS but also contain significant implications for local authorities in particular the transfer of responsibility for health improvement and the introduction of the lead coordination role for health and social care. The document of primary relevance to the Council is 'Local Democratic Legitimacy in Health'. A further key document on detailing the transfer of public health duties will not be published until the autumn to allow for further work to be done determining the extent and scope of what will be transferred. There are 100 questions within the consultation documents –Appendix 1 of this report sets out the key questions Members may wish to respond to.

4.0 INFORMATION

4.1 In publishing the white paper the Government set out a timetable of implementation which required the production of more detailed information, consultation and subsequent legislative change and guidance. As part of this process four consultation documents have been published. These documents have been previously circulated to Committee Members:

- Local democratic legitimacy in health
- Transparency in outcomes – a framework for the NHS
- Regulating health care providers

- Commissioning for patients

An additional paper detailing the outcome of a review to reduce the number of health related arm's length bodies has also been published. A further key paper on the role and functions of public health and health improvement to be transferred to local authorities remains outstanding and will not be published until the autumn.

4.2 The key principles on which the proposals in the documents are based are:

- Putting patients first through greater choice, involvement and control and a more important role for clinicians in deciding health priorities
- Greater focus on improved health outcomes to replace process lead targets. Quality standards will be developed across health and social care
- Whilst maintaining NHS spending in real terms there will be efficiencies in the region of 45% of total NHS management costs to offset rising demographic demands
- Strengthened local democracy through local authorities taking on greater responsibility

4.3 The key proposals with implications for local government are:

- Responsibility for the majority of commissioning and budgets in the NHS will pass to GP practises working together in consortia who will be required to work closely with local authorities. Consortia will need to be of sufficient size to fulfil their duties and commission effectively
- An independent NHS Commissioning Board will be established to oversee GP commissioning.
- The subsequent abolition of Primary Care Trusts (PCTs) and Strategic Health Authorities (SHAs) by 2013. Although the new arrangements are expected to be operating in shadow form at least by 2012.
- Local authorities will be required to take a strategic lead in promoting integration across health and social care and the wider local authority agenda. This will involve the extension and simplification of powers to enable joint working between the NHS and local authorities
- Councils will be required to establish Health and Wellbeing Boards to promote integration, partnership and support joint commissioning and pooled budget arrangements with the GP consortia. The Board will also be required to assess the needs of the local population and to undertake a scrutiny role in relation to service redesign
- The statutory functions of the Health Overview and Scrutiny Committee would transfer to the Health and Wellbeing Board
- PCT Public Health Improvement functions will transfer to local authorities. Local Directors of Public Health will be jointly appointed by local authorities and a new National Public Health Service. A ring fenced public health budget will be allocated to local authorities to support their public health and health improvement duties

- Local authorities will be responsible for leading on joint strategic needs assessments for their areas. Currently the lead for this rests with the NHS.

- Separation of all provider services such as community nursing from the PCT must be completed by April 2011. This requirement is not subject to consultation. Consequently Telford and Wrekin PCT provider services are in the process of forming a joint foundation trust with Shropshire PCT provider services. A separate report will be prepared on the implications of this for the council.

- Local involvement networks (LINks) will become local Health Watch branches with a continued statutory duty to support patient and public involvement activity but will be accountable to local authorities. They will also link into a national Health Watch which will be the national voice of patients and the public. The brief may also be extended to social care

4.4 The Government poses 100 questions in relation to the four documents. The key questions with the most significant implications for local authorities are set out in Appendix 1. It is suggested that Members may want to consider the following issues and agree a view on these themes which can form the basis of the response agreed by the Scrutiny Committee Chairmen.

- Will Health Watch provide an appropriate way of involving patient and the public in health and social care?
- Should the current arrangements for local authority scrutiny of the NHS end i.e. Health Scrutiny Committees would cease to exist?
- Should the proposed Health and Wellbeing Board have a scrutiny role in relation to major service redesign?
- What should be the arrangements for the Governing Body of the GP Commissioning Consortia?
- What guidance should there be on the size of the area served by the GP consortia?
- What should the Membership of the Health and Wellbeing Board be?
- What should the role of the Health and Wellbeing Board be and should this be a statutory role?
- How should the Health and Wellbeing Board be scrutinised and held to account?
- How will the GP consortia work with local authorities?

4.5 Cabinet will consider the Executive response to the consultation on the 28th September and it is anticipated that a Council response representing the view of both Scrutiny and the Executive will be submitted to the Department of Health.

5. EQUAL OPPORTUNITIES

5.1 It is assumed that the Government's proposals have been subject to equality impact assessment. Implementation of the actual reforms locally will be subject to assessment.

6. ENVIRONMENTAL IMPACT

6.1 There are no environmental impacts at this stage arising as a result of this report.

7. LEGAL COMMENT

7.1 The White Paper "Equity and excellence : Liberating the NHS" was published on 12th July 2010 , with supporting documents ,including the current four consultation documents [closing date is 12th October 2010]. There are no legal comments to make at present in relation to the Local Authority. Further documentation will be published after the consultation close ,when the implications will be clearer"

8. LINKS WITH CORPORATE PRIORITIES

8.1 Adult Care and Support, Active Lifestyles and Children & Young People Priority Plans

9. FINANCIAL IMPLICATIONS

9.1 The White Paper was issued in July 2010 and it is too early to assess with any degree of detail what the implications of many of the proposals will mean for Local Government. However, including Local Government in an enhanced role in local democratic accountability for Public health and commissioning arrangements, and the drive for integration of Health and Social Care services and the transfer of responsibilities including Governance arrangements through the Health and Wellbeing Partnership Board will place resource burdens on the Local Authority.

9.2 The White Paper proposes transfers of responsibility for areas such as Public Health and the consequent transfer of funding to meet this new role, however in the current climate of reduced public spending it is important that new obligations come with appropriate levels of funding. Cost cutting including delivering efficiencies within the NHS and Local Government may impact in the overall funding package for new burdens taken on.

9.3 The consultation also addresses integration and closer working between Health services and Social Care services. There is already a culture of close working between the Council and the PCT and joint budget and commissioning arrangements already exist. Closer working may mean further integration of Council budgets. The proposals refer to the possibility of integrated working being a duty under statute. Caution may be needed in a climate of reducing spending where flexibility may be needed in order to manage cost pressures. It will also be important to ensure any future budget arrangements fit with the Council's overall budget strategy.

10. OPPORTUNITIES AND RISKS

10.1 The opportunities and risks associated with the white paper are being identified and assessed in formulating the Council's consultation response.

11. WARD IMPLICATIONS

11.1 Borough Wide

Report prepared by Fiona Bottrill, Scrutiny Manager 01952 383113

Appendix 1

Key Questions and Proposed Responses

From Local democratic legitimacy in health – A consultation on proposals:

Q2. "Should local HealthWatch take on the wider role outlined in paragraph 17, with responsibility for complaints advocacy and supporting individuals to exercise choice and control?"
Proposal is for Health Watch to replace LINks and the "wider role" includes becoming more like a "Citizens Advice Bureau for health & social care" and taking on additional responsibility for NHS complaints advocacy services commissioned by the Local Authority, supporting individuals to exercise choice.

Q3. "What needs to be done to enable local authorities to be effective commissioners of Health Watch?"

Q6. "**Should the responsibility for local authorities to support joint working on health and wellbeing be underpinned by statutory powers?"** -
This could be left to NHS Commissioners and Local Authorities to decide whether they want to work together or alternatively (preferred by Government) establish a statutory role to support joint working on health and wellbeing?

Q7. "Do you agree with the proposal to create a statutory health and wellbeing board or should it be left to local authorities to decide how to take forward joint working arrangements?"
Local partners could be left to design their own arrangements or should there be some minimum requirements set out in statute

Q8. Do you agree that the proposed health and wellbeing boards should have the main functions described in paragraph 30?
Main functions set out are: assess needs of local population, promote integration & partnership including joined up commissioning plans, support joint commissioning and pooled budget arrangements and undertake scrutiny role in relation to major service redesign

Q9 "Is there a need for further support to the proposed health and wellbeing boards in carrying out aspects of these functions, for example information on best practice in undertaking joint strategic needs assessments?"
The primary aim of the Board would be to promote integration and partnership working between NHS, Social Care. Public Health and other local services and improve democratic accountability. It is proposed that the Board will have 4 main functions:

- Asses the needs of the local population and lead on the JSNA
- Promote integration and partnership
- Support joint commissioning and pooled budget arrangements
- Undertake a scrutiny role in relation to major service reviews

Q10. If a Health and Wellbeing Board was created, how do you see the proposals fitting with the current duty to co-operate through children's trust?
The aim of the Board is to ensure coherent and co-ordinated local commissioning plans across…… [services including] children's care.

Q 12 Do you agree with out proposals for membership requirements set out in paragraph 38-41
Proposals are a Chair (appointed by LA members), Leader or Mayor, Commissioners (NHS/LA), user/patient champions, Director of Public Health (LA), GP Consortia representation, NHS Commissioning Board representative, Director of Adult Social Services, Director of Children's Services, local HealthWatch representative. LAs may also want to invite Voluntary Organisation and Provider representation.

Q13 "What support might commissioners and local authorities need to empower them to resolve disputes locally, when they arise?"

Paper suggests that Government will work with Local Authorities & NHS to develop Guidance on local resolution of disputes, with referral on only in exceptional circumstances.

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Q 14 "Do you agree that the scrutiny and referral function of the current Health Overview Scrutiny Committee (HOSC) should be subsumed within the health and wellbeing board (if boards are created)?"

The Paper suggests that HOSC will cease to exist.

Q16"What arrangements should the local authority put in place to ensure that there is effective scrutiny of the health and wellbeing board's functions? To what extent should this be prescribed?"

The local authority will need to ensure itself that it has a process in pace to adequately scrutinise the functions of the health and well being board.

<u>From Transparency in Outcomes – a framework for the NHS:</u>

1. **"How can we ensure that where outcomes require integrated care across the NHS, public health and/or social care services, this happens?"**

The paper recognises that to deliver against the Outcomes Framework the NHS will be required to work with "adult social care services, children's services and other local services". It recognises that in developing an approach to outcomes in adult social care the same principles will apply and wherever possible outcomes for social care should be aligned. The paper also recognises the key role Local Authorities will have in promoting "integration and partnership working", which is also recognised in the "Local democratic legitimacy in health" consultation paper particularly through responsibilities to be vested in the health and wellbeing board.

<u>From Commissioning for patients – A consultation on proposals:</u>

Q 10 what features should be considered essential for the governance of GP consortia?

It is proposed that the consortia will be statutory public bodies. Each consortia will appoint an Accountable Office and Chief Financial Officer but the Government does not intent to set out detailed requirements in relation to internal governance beyond essential requirements.

Q12"Should there be a minimum and/or maximum population size for GP consortia?"
Paper suggests there will not be a "blueprint" for the geography of a consortia or the size but the NHS Commissioning Board will need to satisfy itself that consortia are "of sufficient size to manage risk and allow for accurate allocations". The paper also recognises that GP Consortia will have to commission some services jointly with Local Authorities

Q19 What arrangements will best ensure that GP consortia operate in ways that are consistent with promoting equality and reducing avoidable inequalities in health?
The White Paper proposes that the NHS Commissioning Board will be responsible for developing an assurance process that enables consortia to be accountable for the outcomes they achieve. Subject to discussions with the BMA and the profession that a proportion of GP practice income should be linked to outcomes they achieve with collaboratively through commissioning consortia.

Q 20 How can GP consortia and the NHS Commissioning Board best involve patients in making commissioning decisions that are built on patient insight?
One of the principal aims of GP commissioning is to make decisions more sensitive and responsive to the needs and wishes of patients and the public. GP commissioning and the NHS Board will promote:

- Patient, carer and public involvement in decision making
- Responsiveness and feedback of patients, carers and the public
- Accountability to local people

We want to ensure that the prime focus is o n developing behaviours and cultures that will encourage and facilitate public participation and patient voice rather than being over reliant on the local framework.

Q24 How can GP practices begin to make stronger links with local authorities and identify how best to prepare to work together in the issues identified above?
The Paper sets out an enhanced role for local government in public health and a list of joint working activities for local authorities, GP consortia and partners (p32)

<u>From Regulating Healthcare Providers – A Consultation on Proposals</u>

Q 1 Do you agree that the Government should remove the cap in private income of foundation trusts? If not, why: and what practical basis would such a control operate?

Q2. Should statutory controls on borrowing by foundation trusts be retained or removed in the future?

Q3. Do you agree that foundation trusts should be able to change their constitution without the consent of Monitor?

Q8. Should there be exemptions to the requirement for [providers of NHS services to be subject to the new licensing regime operated by Monitor, as economic regulator? If so, what circumstances or criteria would justify such exemption?