

AGENDA MANAGEMENT SHEET

Name of Committee

Cabinet

Date of Committee

8 September 2005

Report Title

Proposed changes in the NHS

Summary

The purpose of this report is to inform Cabinet of forthcoming changes in the way the NHS is structured and organised, and to provide an opportunity to consider the strategic implications for the County Council and its partnerships.

For further information please contact:

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Would the recommendation decision be contrary to the Budget and Policy Framework? [please identify relevant plan/budget provision]

NO

Background papers

- "Commissioning a Patient-Led NHS", Department of Health
- Green Paper "Independence, Well being & Choice"

CONSULTATION ALREADY UNDERTAKEN:-

Details to be specified

Other Committees

Local Member(s)

Other Elected Members

Cllr Jerry Roodhouse, Cllr Sid Tooth - Report noted. The proposals could have a profound effect on our services. Our own internal revisions will have to take account of any changes to external structures and responsibilities to ensure effective partnerships.

Cabinet Member

Cllr Colin Hayfield, Cllr Bob Stevens

Chief Executive

Legal

David Carter

- Finance
- Other Chief Officers Report to COMT on 5th September 2005
- District Councils
- Health Authority
- Police
- Other Bodies/Individuals

FINAL DECISION

SUGGESTED NEXT STEPS:

Details to be specified

- Further consideration by this Committee
- To Council
- To Cabinet
- To an O & S Committee Health O&S will need to receive reports as proposals develop.
- To an Area Committee
- Further Consultation

Cabinet - 8 September 2005

Proposed changes in the NHS

Report of the Director of Social Care & Health

Recommendations

- (1) That Cabinet considers the implications of proposed changes in NHS organisations and the impact on the Council's partnership working.
- (2) That relevant officers and members of the Council take an active role in the consultation processes regarding changes to local NHS arrangements.

1.0 National Picture

1.1 "Commissioning a Patient-Led NHS"

This policy document was issued by Nigel Crisp, Chief Executive of the Department of Health and NHS on 28th July 2005. It outlines the principles and timescales for re-configuration of NHS bodies with significant implications for the delivery of health care.

The full text can be obtained from the Department of Health (DH) website at www.dh.gov.uk/publicationsandstatistics. A Democratic Health Network briefing regarding these changes and the proposed White Paper has been made available to members.

The principles underpinning the document are :

- PCTs to become commissioning rather than provider organisations, reconfigured with a close relationship to local authority boundaries (by October 2006). By 15 October 2005 SHAs must submit proposals for future organisational configurations so that the DH can agree by the end of November 2005 for these proposals to proceed to consultation.
- The role of Strategic Health Authorities (SHA) to be reviewed and where possible aligned more closely with regional government offices (by April 2007).
- All NHS trusts move towards Foundation Status (by April 2008).
- Rolling out GP practice-based commissioning, with all practices involved to some extent (by December 2006).

- Modernising ambulance services.

1.2 Adult Social Care

The consultation period for the Green Paper "Independence, Wellbeing & Choice" closed on 28th July 2005. Following a member seminar, the Cabinet agreed WCC's response to the consultation, at its meeting on 21 July 2005. It has now been announced that the Green Paper will be followed by an integrated Health & Social Care White Paper "Your Health, Your Care, Your Say" expected in December 2005 but with a series of "deliberative events" between September and November.

1.3 Budgetary context

Spending on the NHS has doubled since 1997/8, but across England a shortfall of £750M has been identified, with 'better off' SHAs expected to assist in reducing the overall debt.

There is an expectation of significant efficiency savings from the reconfiguration, with new PCT structures required to deliver at least 15% reduction in management and administrative costs.

In respect of spend on social care, the Kings Fund commissioned Sir Derek Wanless (whose previous review of NHS spending resulted in significant additional budget allocation), to review resourcing of social care. This report is expected in early 2006 and will feed into the next Comprehensive Spending Review.

1.4 Annual health checks

The NHS star ratings issued for the last time on 27th July 2005 (see Appendix for local outcomes) are to be replaced by an 'annual health check' based on self-assessment against core and local standards and to be backed up by Healthcare Commission inspection. Local Authorities Health Overview & Scrutiny Committees will have an important role to play in scrutinising declarations regarding the annual health check.

2.0 Local Developments

2.1 Strategic Health Authorities (SHAs)

Within the West Midlands there are currently 3 SHAs (Birmingham and the Black Country (BBC), Staffordshire and Shropshire and West Midlands South (WMS). Following the appointment of the Chief Executives of the latter 2 to national NHS posts, it has already been announced that David Nicholson, Chief Executive of BBC SHA, will cover the 3 SHAs from 1st September 2005 with a view to merger by 2008. He has now appointed Managing Directors for each of the 3 SHA areas with Catherine Griffiths, current Chief Executive of South Warwickshire PCT being appointed as Managing Director of the West

Midlands South SHA (covering Warwickshire, Coventry, Worcestershire and Herefordshire) from 1st September 2005.

Her post at SWPCT will be covered by an Acting Chief Executive.

2.2 PCT Configuration

The proposals raise the potential for one PCT for Warwickshire to replace the current 3 which would have significant benefits for partnership working between the County Council and Health.

2.3 Provider Services

The WMS SHA has been leading a piece of work since late 2004 regarding the separation of 'provider' services from the PCTs. These are predominantly mental health and learning disability services but also cover areas such as substance misuse services, family planning and some areas of nursing and health visitor services.

The SHA work has resulted in a proposal for a Coventry and Warwickshire provider trust covering MH/LD and substance misuse services. These proposals will require formal consultation and the PCTs are at the stage of requesting permission to consult. The longer term model may see these services becoming a Foundation Trust.

2.4 Acute Hospital Services

The George Eliot Hospital (GEH) Trust previously applied for Foundation Status, presented its proposals to the Health O&S Committee, but was unable to proceed when its star rating dropped to 2 stars in July 2004. South Warwickshire General Hospital Trust (SWGHT) had hoped to make an application when it became a 3 star Trust in July 2004, but in the 2005 ratings both GEH and SWGHT were rated as 1 star and have considerable financial deficits. Rugby St. Cross Hospital has developed a close working relationship with University Hospitals Coventry & Warwickshire which gained 3 stars in July 2005 and whose new PFI development opens in 2006.

2.5 Ambulance Services

The local Ambulance Trust serves Coventry and Warwickshire, but recent proposals are for a West Midlands Service. The Health O&S Committee has received representations from the Chief Executive of the Coventry & Warwickshire Ambulance Trust and has committed its support to the maintenance of the current service boundaries.

3.0 Issues for consideration

3.1 Local Authority engagement in the change process.

Warwickshire County Council will need to become formally engaged in the consultation process at an officer and member level, as well as considering

informal influence that may be brought to bear. Other considerations involve joint work with Coventry City Council and the District and Borough Councils. The PCTs have already written to Warwickshire MPs regarding the proposal to consult on a Mental Health and Learning Disability Provider organisation across Coventry and Warwickshire.

3.2 Implications for Childrens Trust arrangements

Given that PCTs view services such as Child & Adolescent Mental Health Services, school nursing and health visiting as provider services, it is unclear how they propose these to be managed. It will be important for the Children Act Project Team to consider its stance in respect of childrens health services and whether Warwickshire's Childrens Trust arrangements should be a commissioning partnership or could also encompass 'provider services'.

3.3 Adult & Community Services

The forthcoming changes in the NHS have a relevance to the Council's modernisation agenda, most particularly the configuration of Adult and Community Services. It will be vital that the Action Plan resulting from the Strategic Review of Older Peoples Services, the establishment of Strategic Partnership Boards and the work of the Adult Project Team give due consideration to the fast-moving changes in the NHS when planning such matters as joint posts, pooled budgets, joint commissioning and how best to deliver on our strategic objectives.

It is planned to hold a joint meeting of COMT members, political group leaders and deputies and the Chairs and Chief Executives of PCTs to further discuss these proposals and a further report will be brought to Council.

Marion Davis
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15 August 2005