
Health and Social Care Scrutiny Board (Scrutiny Board 5)
Council

8th September 2010
14th September 2010

Name of Cabinet Member:

Councillor O'Boyle, Cabinet Member (Community Services)

Director approving the report:

Director of Community Services

Ward(s) affected:

All

Title:

'Equity and Excellence: Liberating the NHS' White Paper – City Council Consultation response

Is this a key decision?

No

Executive summary:

This report details the City Council's response to the public consultation on 'Equity and Excellence: Liberating the NHS', a White Paper published by the Government on 12 July 2010. The White Paper proposals represent the most radical restructuring of the NHS since its inception in 1948. Accompanying the White Paper are five detailed documents which address Transparency in outcomes, Regulating Health Care providers, Commissioning for patients, Local democratic legitimacy in health and a review of arms length bodies.

The Future

The proposals within the White Paper involve radical change, within ambitious timescales, and there are significant implications for local authorities. The majority of the reforms would come into effect in April 2012. The proposals include a complete overhaul of commissioning structures for health care in England that includes the abolition of Primary Care Trusts (PCTs) and Strategic Health Authorities, and replacing them with GP commissioning for all services except specialised services, primary care and maternity services which will be commissioned by a National Commissioning Board. The NHS Commissioning Board will also have responsibility for providing national leadership for commissioning quality services and for promoting and extending public and patient involvement.

Many of the changes will require primary legislation during the next 12 months. The consultation process is an opportunity for the City Council to comment on the planned changes ahead of Parliamentary approval via the Health Bill during the autumn of 2010. The consultation period closes on the 5 October 2010.

The Council's Health overview and Scrutiny function currently carried out by the Health and Social Care Scrutiny Board (Scrutiny Board 5) will need to broaden and change to encompass its new duties as a Health and Well Being Board to oversee local strategy and to ensure that the new HealthWatch is effective. The newly convened board will ensure that effective commissioning is planned and delivered across the city, and that the NHS is held to account, and understands and responds to the views and needs of the population.

The Government's plans strengthen the traditional public health role of local government and the City Council welcomes the proposal for Public Health's formal incorporation into the local authority. In Coventry this will not require any significant change from the current structure where the Director of Public Health is already a joint appointment between the City Council and NHS Coventry. The formal integration of Public Health into the local authority will support the commissioning, planning and delivery of integrated health and social care services across the city. The ring-fenced budget promised by the government will be essential in order to effectively run this function, and must be adequate to deliver the public health advice and support that the city requires.

There is also the opportunity for the local authority to work with the city's GPs, in conjunction with NHS Coventry to explore the potential for forming a strategic relationship to support the integrated commissioning of health and social care for children and adults across the city. This development would complement the current services commissioned by the council, including adult and children's social care services, education, planning and housing and allow a whole population, cross-city, system-wide strategy to be developed and delivered. This would represent a significant step for the authority in becoming responsible for commissioning healthcare in for the whole city, including services provided by University Hospitals Coventry and Warwickshire NHS Trust and Coventry and Warwickshire Partnership NHS Trust.

There is need to ensure that Coventry remains focussed on the health needs of the city and the principles of ensuring that safe and effective healthcare through the NHS continues to be provided to all, based on clinical priority, and free at the point of delivery. It will be important that the City Council takes this opportunity to provide leadership in ensuring a stable and orderly transition to the new future model of integrated commissioning, whilst maintaining stable and safe services for the city's population. Senior Officers from the local authority are working with, and are involved in, discussions with GPs and health colleagues across the city regarding the White Paper and future direction. For the local authority in the current financial climate a key issue will be whether the new role and responsibilities will be fully funded in practice.

Recommendations:

Health and Social Care Scrutiny Board (Scrutiny Board 5) is asked to note the consultation response and forward any comments to Council.

Council is requested to consider any comments from Health and Social Care Scrutiny Board (Scrutiny Board 5) and approve the consultation response.

List of Appendices included:

None

Other useful background papers:

Equity and Excellence: Liberating the NHS (Department of Health 2010)
Transparency in outcomes - a framework for the NHS (Department of Health 2010)

Commissioning for patients (Department of Health 2010)
Increasing democratic legitimacy in health (Department of Health 2010)
Regulating healthcare providers (Department of Health 2010)
Liberating the NHS: Report of the arms-length bodies review (Department of Health 2010)
Draft Structural Reform Plan (Department of Health 2010)

All the above papers are available on the Department of Health website.

<http://www.dh.gov.uk/en/Healthcare/LiberatingtheNHS/index.htm>

Has it or will it be considered by scrutiny?

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Has it, or will it be considered by any other council committee, advisory panel or other body?

No

Will this report go to Council?

Yes – 14 September 2010

Report title:

Equity and Excellence: Liberating the NHS White Paper – Consultation response

1. Context (or background)

- 1.1 The Government is seeking views on the proposals contained in the White Paper 'Equity and Excellence: Liberating the NHS' and accompanying consultation documents. The proposals represent the most radical restructuring of the NHS since its inception in 1948. The impact will be significant for both Local Authorities and the local health economy within the City. The main proposals in the White Paper are as follows:
- 1.2 It is proposed to undertake a complete revision of commissioning structures for health care that includes the abolition of Primary Care Trusts (PCTs) and Strategic Health Authorities, and replacing them with GP commissioning for all services except specialised services, primary care and maternity services which will be commissioned by a National Commissioning Board. Local GPs will be required to form consortia which commission by “partnering” with a strategic commissioner, who may be a local social enterprise, a Local Authority or an independent or voluntary sector organisation. The consortiums will need to engage patients and local communities and will be held to account by a new NHS Commissioning Board. GP consortia are expected to be in place in shadow form by the end of this financial year (2010/11), and strategic commissioning relationships in place by 20011/12.
- 1.3 Health Scrutiny and Local Involvement Networks (LINKS) are to be revised, strengthening the responsibility of the local authority by the requirement to set up Health and Well Being Boards to oversee local strategy, increasing the oversight duty of the authority for co-ordinating commissioning for health and social care across the area, health improvement and prevention, undertaking a Joint Strategic Needs Assessment (JSNA), and transforming the Local Involvement Networks (LINKS) function into a new organisation, to be known as HealthWatch.
- 1.4 The current public health system is to be revised, embedding public health in local authorities, whilst maintaining a “command and control” system for managing communicable disease control and other similar matters in conjunction with the Health Protection Agency, and a regional Director of Public Health. It is important to note that there is a Public Health White Paper due in the late autumn which will lay out the required legislative framework.
- 1.5 Local Authorities will be significantly impacted by the proposals. Under the proposals Local Authorities will be given a range of new responsibilities; including the responsibility for local health improvement, public health and a greater role in the health scrutiny function through the requirement to set up Health and Well Being Boards
- 1.6 The consultation document is accompanied by five further documents which are summarised as follows:
- 1.7 **Transparency in Outcomes: a framework for the NHS**

This document sets out how the Secretary of State will hold the NHS to account for delivering better outcomes, through the establishment of a national framework. It will be structured around five outcome goals which are:

- Preventing people from dying prematurely

- Enhancing the quality of life for people with long term conditions
- Helping people recover from episodes of ill health or following injury
- Ensuring people have a positive experience of care
- Treating and caring for people in a safe environment and protecting them from harm.

The outcomes, payment by results and tariff systems are likely to be significantly revised, within the context of limited resources. Significantly extended choice is a core element of this and the commissioning frameworks, including mental health and community services.

The outcomes are designed to be clinically relevant and reflect patient priorities. For each of the five domains there would be an outcome indicator, a small number of specific improvement areas and quality standards, to be developed by the National Institute of Health and Clinical Excellence (NICE).

1.8 Commissioning for patients

This document develops the proposals for GP commissioning, and how consortia would be held to account by an independent NHS Commissioning Board. It is intended that through the development of the proposal decisions on how funding is spent are both clinically led and responsive to local need. It seeks views on how GP consortia could best involve patients, and work closely with other services to design joined up and responsive solutions.

1.9 Increasing democratic legitimacy in health

This document is seeking views on how patients, Councillors, local authorities and others will work with GP consortia. Local authorities will have a strengthened leadership role, and input into local strategy to ensure that commissioning is aligned and undertaken in an accountable way. Additionally, the public will have a stronger voice through HealthWatch, which has been described as a 'citizen's advice bureau' for health and social care. This will enable its members to influence local plans, ensuring they are reflective of the communities needs.

1.10 Regulating Health Care providers

A key aspiration of the Government is to extend patient choice over providers and treatment. All health trusts will be required to achieve Foundation Trust status by 2013 thus giving them greater financial and organisational freedoms. The Government will allow any provider to deliver services to NHS patients, provided that they are delivering high quality standards of care. All NHS providers will be regulated by an economic regulator called Monitor. Proposals include removing the private income cap from foundation trusts enabling them to expand the services they offer to patients, with all profit to be reinvested in patient care. Monitor will be developed into an economic regulator, with new powers to regulate prices, promote competition, and ensure that services for patients are secure if providers fail. It will sit alongside the Care Quality Commission (CQC).

1.11 Liberating the NHS: Report of the arms length bodies

This document sets out proposals for the future of arms length bodies in the light of current financial challenges and the over arching strategy that has been set for the NHS. A broad principle is that functions will only be carried out nationally where it makes sense to do so, and that organisations will be kept to a necessary minimum. This includes the abolition of the General Social Care Council (GSCC) and the incorporation of the National Treatment Agency (NTA) into an expanded and broadened National Institute for Health and Clinical

Excellence (NICE) which will also be responsible for standards in social care. These proposals are aimed at simplifying the national landscape, reducing duplication and bureaucracy and better aligning arms length bodies to the rest of the health and social care system.

2. Options considered and recommended proposal

- 2.1 The City Council recognises that the proposed changes are extensive, and afford both challenge and opportunity.
- 2.2 Coventry City Council will work with the GP consortia, the people of the city, and local NHS organisations in order to develop the best possible structures for planning, commissioning and delivering the health and social care that our population need in a coherent and effective manner with a lead role for the local authority. We will do this founded on the values and principles of a publicly run and delivered NHS, with access for everyone to services based on clinical priority, and free at the point of delivery.
- 2.3 The Council welcome the proposals to incorporate responsibility for Public Health into the local authority.
- 2.4 Coventry Labour Group have submitted their response to the consultation which details their political views and which accompanies this response from the city council.

3. Results of consultation undertaken

- 3.1 This response to the consultation is from the City Council and therefore wider consultation has not been undertaken.

4. Timetable for implementing this decision

- 4.1 Responses to the White Paper consultation are required by 5 October 2010. The closing date for the accompanying consultation documents is 11 October 2010.

5. Comments from Director of Finance and Legal Services

5.1 Financial implications

At this stage, whilst it is clear that the financial implications will be significant, involving the potential transfer of ringfenced Public Health budgets to the Local Authority as well as the potential for "health premiums" to fight health inequalities, the detail of this is not yet clear.

As the detail emerges, further analysis will be required to better understand the potential financial impact to the authority. In a time of reducing budgets, the Local Authority would need to be confident that any changes would not place any further pressure on organisational resources.

5.2 Legal implications

Many of the changes in the White Paper require primary legislation. The Queens Speech included a major Health Bill in the legislative programme for this first Parliamentary session. The Government intends to introduce this in the autumn.

The principle legislative reforms proposed that impact directly upon the Council could include:-

- Transferring local health improvement functions to the local authorities with ring-fenced funding and accountability to the Secretary of State for Health;
- Giving local authorities new functions to increase the local democratic legitimacy in relation to the local strategies for NHS commissioning, and support integration and partnership working across social care, the NHS and public health.

Further consideration will be required of the legislative framework as it emerges.

Any new extension to the remit of the Council's Health and Social Care Scrutiny Board 5 (Designated as the Council's Health Overview and Scrutiny Committee) will require secondary legislation to effect these changes.[ref. The Local Authority (Overview and Scrutiny Committees Health Scrutiny Committees Health Scrutiny Functions) Regulations 2002.]

6. Other implications

6.1 How will this contribute to achievement of the council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / LAA (or Coventry SCS)?

These proposals will potentially support the continued provision of a range of health services to the people of Coventry but within completely different organisational structures. The plans to embed public health within the Local Authority will support the aims of the Sustainable Communities Strategy of helping Coventry citizens live longer and healthier lives. The creation of a Health and Well Being Board would provide the Local Authority with greater influence on the commissioning of services, promoting greater integration and partnership working over greater geographical areas. Any approach of this nature would need to be considered to be the best way of meeting the needs of the citizens of Coventry.

6.2 How is risk being managed?

The radical structural changes within these proposals combined with the ambitious implementation timetable presents significant risks to the stability of the local health economy. The Council will be recommending to the Government that it is imperative that there is an orderly transition to the new structures. In order to minimise any instability in the local health economy the Council will work with both existing and developing partnership to ensure the needs of local people are met.

6.3 What is the impact on the organisation?

The impact on the Council is significant as the proposals bring a range of new responsibilities into the remit of the Local Authority, including the transfer of Public Health budget and local health improvement responsibilities back into local government. The Council supports this proposal and sees health improvement as a key function of the local authority.

The White Paper will also require the local authority to establish a Health and Well Being Board. This Board will ensure decision making on health care is taken at a local level and within local communities, and that governance arrangements will be placed at an appropriate democratic level. The Council welcomes the opportunity to play a key role in the proposed health and well being board.

6.4 Equalities / EIA

An equalities impact assessment is included within the Government's proposals.

6.5 Implications for (or impact on) the environment

N/A

6.6 Implications for partner organisations?

The impact on partner organisations is significant as Primary Care Trusts (PCTs) and Strategic Health Authorities (SHAs) are to be abolished. The review of Arms Length Bodies has also been included within the White Paper and will have some relevance for the authority including the abolition of the General Social Care Council (GSCC) and the incorporation of the National Treatment Agency (NTA) into an expanded and broadened National Institute for Health and Clinical Excellence (NICE) which will also be responsible for standards in social care.

The proposals also require the Council to develop a range of new partnerships including the GP Consortia, the NHS Commissioning Board and HealthWatch through the proposed Health and Well Being Board.

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