

BRIEFING NOTE

TO: Health Scrutiny Sub panel
DATE: 17 November 2008

RE: Development of Walsall Community Health

Purpose

To report on the development of Walsall Community Health, the community provider arm of Walsall tPCT (NHS Walsall).

Executive Summary

At its September 2007 meeting the tPCT Board (NHS Walsall) approved the following recommendation ***“That the Board establish an APrO (an arms length provider organisation) in line with the Department of Health and Monitor best practice guidance. This will provide the framework to enable the provider arm to develop into an organisation that will be ‘fit for purpose’. The proposed timescale for establishing an APrO that will meet revised requirements by 1st April 2008 whilst challenging, is considered to be achievable.”***

At the same tPCT Board the arms length provider was requested to establish further information about the options available to enable the Board to determine the preferred approach and proposals “for moving provider activities to an alternative organisation.”

The APrO – subsequently named NHS Walsall Community Health (WCH) – was duly established on 1st April 2008. An executive management structure, lay chair and members and a robust scheme of delegation were all put in place and since then the arms length provider has been taking forward work aimed at improving community services and the health of the local population in line with commissioning intentions. Details of the work are provided at section 3.

The outcome of this work is that WCH is now prepared to move to a new organisational form entirely separate from NHS Walsall. The work has indicated that WCH should move forwards with the aim of meeting all the standards that would be required of a Community Foundation Trust (CFT). Should national circumstances change (e.g. based upon the outcomes of the CFT pilots or changes to the rules surrounding social enterprises) the work would not preclude the consideration of WCH (or some of its services) becoming a social enterprise.

Progress and next steps

Work to date

The work to date has involved the following elements:

- Development of organisational vision and values;
- Development of strategic objectives;
- Development of a series of operating principles identifying how WCH will run its operations and achieve its objectives and vision;

- Identification of a series of organisational options to address the agreed functions, values and vision of the organisation;
- Identification of criteria to assess the appropriateness of the variety of organisational forms;
- Option appraisal process to identify the most appropriate organisational form;
- A series of stakeholder interviews with members of NHS Walsall (including the Chief Executive and Chair), practice based commissioners and members of the local authority;
- A patient and public involvement exercise with over 150 members of patient groups and the public to elicit views on services and organisational form;
- A service portfolio mapping exercise to identify core services that need attention in the short term and the interdependencies of these with other services, and
- A “market assessment” identifying the market environment in which WCH operates, including an assessment of potential competitors and partners.

The work has been supplemented by acknowledging and taking account of the work being undertaken by NHS West Midlands in provider development, the work undertaken by the NHS Confederation and the Department of Health (DH) in the development of the Operating Framework and the national work on transforming community services .

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This stage of the development process concluded with the development of a high level plan to take the organisation to complete autonomy.

Next steps

- At its meeting on 23rd October 2008 the Board of NHS Walsall concluded that this work needed to be set in the context of a wider commissioning model. The Board requested Walsall Community Health to:
- Continue the development work;
- Continue work on the financial and governance separation between WCH and NHS Walsall;
- Develop a costed plan to build a structural form that would meet the Monitor standards.

This work has already started with the initial emphasis on:

- Service improvement, concentrating initially on 9 key services, i.e:
 - District nursing
 - Adult Community Matrons
 - Intermediate Care
 - Healthy weight service
 - Physical activity service
 - Stop smoking service
 - Health visiting
 - School health services
 - Health led parenting)
- Development of a formal programme management structure;
- Development of an approach to deliver sound financial data on which to base decisions around the service portfolio and support discussions with commissioners. This work will include the development of a plan identifying the costs of separation and will be supplemented by a workforce review to ensure the organisation is correctly configured to deliver the service model.

Recommendations

The Health Scrutiny sub- panel is asked to note the contents of this report and also to note that, in the absence of national direction on organisational form, WCH is concentrating upon developing excellent services and robust financial and governance frameworks. This will stand the organisation in good stead for whatever organisational form it finally decides upon.

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