

BRIEFING NOTE

Agenda Item no. 7

TO: HEALTH SCRUTINY PANEL

DATE: 5 March 2012

RE: Health and Social Care Bill

Purpose

An update as requested on the changes to the NHS proposed in the Health and Social Care Bill and progress made locally on the process of transferring roles and responsibilities to the new structures.

Background

The Health and Social Care Bill was introduced to Parliament in January 2011. It set out proposals for major changes to NHS structures, monitoring and accountability.

Key proposals include:

- The abolition of Primary Care Trusts (PCTs) and Strategic Health Authorities (SHAs)
- The formation of GP-led Clinical Commissioning Groups (CCGs) to manage the bulk of the NHS commissioning budget and take on the role of local leaders of the NHS.
- Performance management of CCGs and some commissioning functions to be carried out by the national NHS Commissioning Board.
- The transfer of Public Health functions to local authorities and Public Health England
- Greater scrutiny and accountability through the establishment of Health and Wellbeing Boards and the creation of HealthWatch Groups.

In April 2011, the Bill was paused to allow the Government to carry out a two-month "listening exercise"

In June/July 2011, a number of changes were made to the Bill as a result of feedback from the listening exercise.

In September 2011 further amendments were tabled in the Lords.

Last month (February 2012) saw further debates in the Lords on the latest series of amendments.

However, in terms of impact on local structures and organisations, and the shape of the new NHS landscape in Walsall, none of the amendments tabled are likely to have any significant impact on the direction of travel in the areas set out below.

Recent Developments and Progress Towards the New Structures

The Black Country Cluster: The Black Country Cluster of PCTs (BCC) was formally established in April 2011, bringing together under a single management team NHS Walsall, NHS Dudley, Sandwell PCT and Wolverhampton PCT

In December 2011, the Cluster moved to a single board, chaired by Gill Cooper, with Non-Executive Directors drawn from each of the Cluster's four localities.

The PCTs will remain as separate legal entities until their formal abolition (expected to be the end of March 2013). The Cluster Board will oversee the transition to the new structures for the area, as well as ensuring that a focus on quality and safety of patient services is maintained through the transition period, as well as the delivery of a significant cost saving programme and oversight of the Cluster's System Plan (covered in a separate report).

Walsall CCG: Initially there were two GP Consortia (subsequently renamed Clinical Commissioning Groups) established in Walsall.

However, in late 2011, the two groups agreed to come together to form a single CCG for Walsall, securing the combined CCG a green rating from the SHA to progress to the next stage of the authorisation process.

A more detailed update on the development of Walsall CCG is given in a separate report to the March meeting.

National NHS Commissioning Board: The NHS Commissioning Board (NHSCB) was the first of the new 'receiver' organisations to publish a detailed structure and funding model (January 2012)

It will have an overall workforce of 3,560 people made up of:

- Around 2,500 in 50 local offices (similar to PCT Cluster footprint – but a very different organisation)
- Around 200 in four sector teams
- Around 860 in the centre, with a corporate base in Leeds and a small presence in London

The overall running costs budget confirmed by the DH (£492m) represents a 50% reduction on costs and staff, compared to the current costs of functions transferring to the Board.

In the Black Country, the function mapping exercise we have carried out suggests the need for a similar reduction in numbers.

Commissioning Support Service: Commissioning support includes a range of back office functions (for example HR and finance), transactional commissioning support (for example informatics, contract management, procurement) and clinical commissioning support (for example clinical pathway design).

Currently commissioning support is provided through a wide range of NHS organisations (PCTs, procurement hubs) and private providers but the requirements for commissioning

support will clearly change at the commissioning organisations change and new structures are developed.

Within the Black Country, the CSS project has concentrated on developing a client focussed, clinically-led, outcome based service as an offer principally to CCGs but also to other commissioning organisations.

Developing CSS organisations have to pass through a number of checkpoints to secure authorisation. Feedback from the last SHA checkpoint was that a CSS covering the Black Country was not big enough to be viable.

As a result of that feedback we are actively exploring closer working links with colleagues in the Birmingham and Solihull Cluster with the aim of developing a single CSS covering the Black Country, Birmingham and Solihull.

We believe this offers an opportunity to deliver a cost effective and viable service offer that has sufficient flexibility to sustain and develop its functions as the future NHS landscape

We want to start bringing staff and functions together as early as possible to explore the model for working and place people in the best position to explore future opportunities. .

Public Health: Plans for the transition of Public health functions from NHS Walsall to Walsall Council by March 2013 are progressing well.

Project planning is being led jointly by Jamie Morris, Executive Director, Neighbourhoods and Dr Isabel Gillis Director of Public Health NHS Walsall. Each workstream of the plan is has joint LA/ NHS leadership.

The transition is being overseen by the PH Transition Board with representation from Walsall Council, the Clinical Commissioning Group and Public Health, which will sign off the Transition Plan to be submitted to the NHS Strategic Health Authority on 9 March 2012.

National baseline spending estimates published in February (http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_132535) estimate that in 2012/13, the NHS will spend £5.2 billion on public health services, of which £2.2 billion will be on public health responsibilities which will fall to local authorities in the future.

For Walsall, the relevant public health baseline spend projected onto the local authority area is given as £13,430,000 for 2012/13 (£49 per head of population)

Health and Wellbeing Board: The Shadow Health and Wellbeing Board has been established and membership is now in place. Councillor Zahid Ali has been appointed Chairman. An initial Development Session has been held for Shadow Board members which has identified issues for future consideration by the Shadow Board. The first meeting is scheduled for 5 March 2012 and will primarily be discussing the work relating to the Joint Strategic Needs Assessment and the Health and Wellbeing Strategy

Estates/accommodation: As part of the major reorganisation of the way the NHS is managed the Black Country Cluster is carrying out a comprehensive review of what office space we need for the new organisations which will take over from Primary Care Trusts in April 2013.

There will still be a strong local presence of the NHS in all parts of the Black Country in the form of the GP-led Clinical Commissioning Group and the Public Health service.

However, we believe that staff in some of the other new organisations, including the Commissioning Support Service and the local office of the National Commissioning Board, could be accommodated in two of the four main office buildings we are currently occupying.

The preferred option, which we have shared with staff, is to base these organisations at Kingston House in Sandwell and Coniston House in Wolverhampton, which might allow us to fully or partly vacate St John's House in Dudley and Coniston House in Walsall.

No final decision has been taken and further detailed work still to be carried out. We are working closely with staff and other stakeholders, including local authorities, to make sure they are kept up to date with how this work is proceeding.

Next Steps

A function mapping exercise has been carried out to help us understand which of the new organisations will carry out the various pieces of work currently being delivered by the PCTs.

We hope to see an increase in the pace of change locally as staff are aligned with their new functions and senior managers appointed to move forward with the development of the new organisations, including the CCGs, CSS and local office of the National Commissioning Board.

This will involve changes in management arrangements and possibly physical relocation for many of our staff and we are working hard to provide them with the support they need during what we know will be a very challenging period.

Recommendations

OSC members are asked to note the current situation, local progress to date and next steps.

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