Key Decision Required:	NO	In the Forward Plan:	NO

CABINET

10 NOVEMBER 2010

REPORT OF ACTING HEAD OF ENVIRONMENTAL SERVICES

A.11 WHITE PAPER: EQUITY AND EXCELLENCE: LIBERATING THE NHS (JULY 2010)
(Report prepared by Chris Kitcher and Alison Amstutz)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To update Members of the Cabinet on the contents of the Governments White Paper "Equity and Excellence: Liberating the NHS" and how it may affect Tendring District Council with reference to the issues raised in comments in the response of the Local Government Group.

EXECUTIVE SUMMARY

The Government has proposed changes to the way the National Health Service (NHS) is organised. It plans to create an independent National Commissioning Board (The Board) for the NHS. The Board will allocate money to local GP (General Practice) consortia for them to use to commission local health services.

It is intended that current Providers of services will have new freedoms and that they will be more accountable. There will be greater competition in the NHS and greater cooperation.

It is intended that services will be more joined up, supported by a new role for Local Authorities to support integration across health and social care. Local authorities will take on responsibility for public health and health improvement, a function currently held by Primary Care Trusts. As a result of these changes, the Government expects Primary Care Trusts (PCT's) to cease to exist from 2013 in light of the successful establishment of GP consortia.

Included in the proposals is a statutory responsibility of upper tier authorities to create health and wellbeing boards (HWB's)

It is also planned that Strategic Health Authorities (SHA's) will no longer exist from 2012/13. In the meantime, these organisations will have important roles to play in supporting the NHS through a period of change.

With the Government emphasis on localism this is an excellent opportunity for TDC to build on its partnership working with ECC in order to deliver on health, health inequalities and wider determinants of health agenda.

There will be opportunities to jointly plan strategically and commission initiatives that will impact upon the health of the local community. TDC has a key role to play in terms of identifying local priorities and securing resources from a range of partners to address them.

A very important aspect for TDC will be the need to establish good working relationships with the local GP Consortia to explore how the commissioning intentions of the two organisations can be supportive of one another. Examples here suggest "back office" services as well as the direct provision of them.

Finally, the use of Overview and Scrutiny powers, an area that has been identified in the health Inequalities Strategy needs to be developed to maximise the effect that such a function can have on delivering improvements in the area.

RECOMMENDATION(S)

(a) That Members of the Cabinet note the contents of this report.

(b) That the Acting Head of Environmental Services reports again within the next three months as developments which have an effect on the Council occur.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

- The changes outlined in the White Paper should enable closer working between the District and County Council in respect of health inequalities having regard to the relocation of the public health and health promotion function within the local authority remit. This is an opportunity for Tendring district to play an increasingly important role in the reduction of health inequalities throughout the district by improving the services offered to those residents experiencing the worst health inequalities.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources
There are no immediate financial effects on Tendring District Council; however there may be opportunities in the future for different Services to tender for some of the initiatives that result from the new commissioning arrangements. In addition to which it is possible that personal health budgets could be used more flexibly in delivering some of the Councils statutory functions.

Risk
There is a risk that the current close working relationship between NEENHS and the Council could be put at risk from the main stream health improvement by the formation of the GP commissioning arrangements. Consequently it is important for the Council to play an active role in the development of GP Commissioning especially in the formation of the new bodies

However closer working between Essex County Council and this Tendring District Council in the public health and health improvement environment should deliver improved benefits for the residents of the district.

LEGAL

There are no effects from a legal perspective that affect the Council.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.
Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.

The majority of the implications relevant to this section have been covered in the above sections other than to note that the effects of this White Paper will affect all wards within the district.

PART 3 – SUPPORTING INFORMATION

BACKGROUND

There are two central themes in the White Paper that are concerned respectively with NHS Commissioning and the Future of Public Health. The synopsis below outlines the Papers direction on these.

NHS Commissioning
The government will devolve power and responsibility for commissioning services to GPs and practice teams working in consortia. Every GP will be a member of a shadow consortium by 2011/12. The consortia will start taking on duties from 2012/13 and full financial responsibility from April 2013.
As well as commissioning services from hospitals and other providers, they will also be responsible for commissioning out of hours services Each consortium will:

- Include an accountable officer
- Hold its constituent practices to account
- Agree local priorities each year, taking into account the NHS Outcomes Framework
- Need to involve patients and the public in commissioning process

The government will incentivise ways of improving access to primary care in disadvantaged area**.**

GPs locally are deciding on how many cluster groups there will be in North East Essex - two cluster groups based in Colchester and Tendring or one North East Essex cluster are among the options being considered.

The consortia will be answerable to an independent and accountable NHS Commissioning Board.

NHS Commissioning Board
It is intended that the Board will be a lean and expert organisation responsible for:

- Providing national leadership on commissioning for quality improvement
- Promoting and extending public and patient involvement and choice
- Ensuring the development of GP commissioning consortia
- Commissioning certain services that cannot solely be commissioned by the consortia such as GP, dental, pharmacy and ophthalmic services; national and regional specialised services and maternity services.
- Allocating and accounting for NHS resources

Patient and Public Voice
It is intended that patients will get more choice and control. The stated principle is "no decisions about me without me". Patients will be able to choose which GP practice they register with regardless of where they live.

Local Involvement Networks (LINK's) will become the local “HealthWatch” and will enhance the role of local authorities in promoting choice and complaints advocacy. HealthWatch will be funded by and accountable to Local Authorities and will be involved in their new partnership functions. It will have the powers to propose CQC investigations of poor services.

Delivering Public Health
A new Public Health Service is to be set up, to integrate existing bodies, take responsibility for vaccination and screening programmes, and manage public health emergencies. PCT's responsibilities for health improvement will move to local authorities, with local ‘health and wellbeing boards’ in local authorities to be responsible for joining up health and social care with health improvement, and giving‘ greater democratic legitimacy’ to services.

Further detail will be included in the Public Health White Paper due to be published late 2010.

It is intended that a Cabinet Sub-Committee on Public Health will be established to develop a strategy which recognises the wider determinants of health and is equipped within Government to tackle them in order to improve health outcomes.

It is envisaged that the Public Health Service will provide strong local leadership, supported by resources devoted to tackling cross-cutting causes of ill-health. Local public health budgets will be used to support local strategies and leadership.

Directives from Government will focus on outcomes as opposed to how they will be achieved. Whilst these outcomes are still being finalised, the Government has indicated that one of the critical measures of success must be a demonstrable reduction in health inequalities in local areas, building on the findings of Sir Michael Marmot's review and the six policy objectives he proposes.

Upper tier local authorities will be required to create HWB's that will have clear and sufficient powers to provide local leadership and a strategic framework for coordination of health improvement and addressing health inequalities in the local areas based on needs identified in the Joint Strategic Needs Assessment. (JSNA)

There is an intention to develop a new 'Health Premium' which will support local strategies which deliver measurable results, which will be consulted on later this year. It is envisaged that this system will recognises deprivation and reward improvement. However it is proposed to ring fence monies that are made available form central government for this purpose.

LOCAL GOVERNMENT GROUP RESPONSE (LG Group)

The LG Group has made a response to the White Paper and a copy of the Executive Summary of this response is included at Appendix 1 to this report.

In broad terms this response welcomes the commitment within the White Paper to move from a centrally based approach focussing on process and systems towards locally determined solutions focussed on achieving improved health outcomes as well as the proposal to transfer the role of Directors of Public Health (DsPH) to local councils.

The following summaries sections briefly summarise the main elements of the LG Groups response;

The role of councils in health improvement and public health
In general it support the proposals with respect to this area however it does raise concerns with respect to the roles of councils in health improvement and public health and seeks the removal of the proposal to ring-fence funding as well as clarification as to the level of resources that are to be provided.

Health and wellbeing boards
Support is given to the proposal for HWB to be a statutory requirement and suggests that the composition of these should be determined locally. The LG Group also suggests that HWB's should be required to sign off GP commissioning plans and that is should not therefore have scrutiny powers.

Commissioning capacity and integrated commissioning
Whilst supporting the integrated commissioning of many health and social care services the response does make a strong case for the local authorities to become involved in back office functions and seeks a recommendation that GP's should give consideration to working with local authorities to join up infrastructure and support.
Reference is made to clarification of the NHS Commissioning Board that appears counter to the government's rationale for local services.

Health overview and scrutiny
Mention is made of the need to separate clearly the functions of HWB's and health overview and scrutiny committees and a proposal is made that GP Commissioning consortia are under the same duties with respect to health overview and scrutiny

Health Watch
Concern is expressed with respect to the funding of Local Involvement Networks (LINks) and to the likely funding shortfall that will see the demise of LINks between April 2011 and March 2012. A time during which there would be no patient and public involvement.

Supporting Transition
The LG Group confirmed their commitment to work with the partners to ensure a smooth transition to the final model.

Supporting positive behaviours
This confirms support for people during the period of uncertainty that the changes will cause but confirmed that what matters most is securing "what is the most effective way of securing the best health outcomes for all local people"

The LG Groups five tests
Finally the response sets out five tests which underpin the LG Groups response. Generally the LG Group is in favour although the response does stress the need for local accountability especially of GP Commissioning in a local area and stresses the expertise of local government in commissioning services which could be of assistance to GP Commissioning Groups.

From Tendring's perspective with respect to health inequalities it stresses the benefits of this in respect of developing integrated support for vulnerable groups and in tackling health inequalities

CURRENT POSITION

It is important to examine the effects of the proposed changes, as far as they can currently be ascertained for the local authorities that affect Tendring.

Implications and Opportunities for Essex County Council

To the White Paper will strengthen the role of Local Government in improving public health and improving local accountability. It is envisaged that Local Authorities will work together with Public Health partners, through the critical role of Directors of Public Health, to develop strong local strategies to deliver health and well-being in individuals, families and communities.

After the abolition of Primary Care Trusts local DsPH, employed within Local Authorities but jointly appointed with the new Public Health Service, will be responsible for commissioning health improvement services, including healthy lifestyle services such as exercise, smoking cessation and weight management. They will use for this purpose a ring-fenced budget allocated by the Department of Health. Whilst the Secretary of State will set national objectives for improving health outcomes, it will be a matter for local decision how best to secure those objectives, and the particular services to be commissioned, in the light of local needs and circumstances.

Each LA will take on the following responsibilities.

- Promoting integration and partnership working
- Leading on Joint Strategic Needs Assessments
- Building partnership for service changes and priorities

Implications and Opportunities for Tendring District Council

The PCT in its present form is scheduled to be dissolved in 2013 and it is important for Tendring to take advantage of the opportunities that this will present to secure health improvement and more importantly ensuring that it is at the forefront of securing funding opportunities for the district to address health inequalities.

Whilst the new 'Health Premium' recognises deprivation, it will be rewarding results not poor outcomes. There is opportunity for TDC, in partnership with others, to demonstrate good outcomes in terms of addressing health inequalities, therefore attracting resources into the area.

This is a rare opportunity for TDC to take a leading role in securing funding for addressing health inequalities and for ensuring that funding is directed to the district for this purpose.

However it is crucial that TDC makes effective links with Tendring PBC & the new consortium in

order to ensure that mainstream health services are able to deliver on the particular health inequalities that Tendring experiences. There may also be some scope for joint commissioning although this will mainly be with ECC but there may be opportunities for TDC through their community services and the expertise currently within the Council in respect of “back office” functions could prove a valuable asset with the local knowledge of the district and the skills base that is extant within the authority in respect of commissioning and monitoring.

TDC will need to strengthen its partnerships with ECC in order to deliver on health, health inequalities and wider determinants of health agenda. There will be opportunities to jointly plan strategically and commission initiatives that will impact upon the health of the local community. With the Government emphasis on localism, TDC has a key role to play in terms of identifying local priorities and securing resources from a range of partners to address them.

TDC will need to establish relationships with the local GP Consortia to explore how the commissioning intentions of the two organisations can be supportive.

Finally the use of Overview and Scrutiny powers, an area that has been identified in the health Inequalities Strategy need to be developed to maximise the effect that such a function can have on delivering improvements in the area.

BACKGROUND PAPERS FOR THE DECISION

Equity and Excellence: Liberating the NHS, July 2010 Cm 7881 ISBN: 9780101788120
Local Government Group Response to NHS White Paper 5 October 2010
http://www.lga.gov.uk/lga/core/page.do?pageId=14116452

APPENDICES

Appendix A

Equity and excellence: Liberating the NHS

Local Government Group response

5 October 2010

Section 1: Executive Summary

The Local Government Group (LG Group) welcomes the opportunity to comment on Equity and Excellence: Liberating the NHS. This response has been informed by ongoing dialogue and consultation with the local government sector. Our engagement with the sector is summarised in Section 6.

We welcome the commitment within the White Paper to move from a centrally-based approach focusing on process and systems towards locally-determined solutions focused on achieving improved health outcomes.

Rather than address each of the specific questions, the LG Group response focuses on seven key areas that have been highlighted by local government. They are summarised below.

1. The role of councils in health improvement and public health

- We strongly support proposals to transfer responsibility for improving the public's health to local authorities. This is consistent with developments in many areas and the historic role of local government in health improvement, health inequalities and public health.

- On the ring-fence of resources for public health, we are pleased the Government recognises that councils will require additional resources to undertake the public health role. However, the imposition of a ring-fence is at odds with the **local budgeting approach** advocated by the LG Group. [1]

- We urge the Government to clarify the level of resource to be allocated to local authorities to meet the proposed public health duties and to remove the ring-fence to enable councils to use the resources to greatest effect.

- On public health priorities and outcomes, we welcome discussions with Government on clarifying how local and national priorities will be balanced.

- With regard to Directors of Public Health (DsPH), we strongly welcome the proposal to transfer their role into councils. We welcome discussions at both national and local level on the role of the DPH within the council, and the skills they will require to undertake their functions. The LG Group believes that it is for local authorities to determine what resources and workforce they require to fulfil their responsibilities to improve health and wellbeing. The LG Group would not support any centrally or regionally imposed transfer of public health staff from the NHS to local authorities.

2. Health and wellbeing boards

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[1] The LG Group's proposals on local budgets are outlined in *Local Budgets: Building the Big Society from the neighborhood up*, LGA, 2010.

- We strongly support the creation of health and wellbeing boards (HWB's) with clear and sufficient legal powers to provide local leadership and a strategic framework for coordination of health improvement and addressing health inequalities in local areas, based on local health needs identified by the Joint Strategic Needs Assessment (JSNA).

- The LG Group supports the proposal for HWB's to be a statutory requirement for all upper-tier local authorities. Though unitary or upper-tier authorities should be the basic building block for HWB's, they will need the flexibility to join together to work in sub-regional and supra-regional groupings and break down into smaller areas – neighbourhoods, parishes and districts - to more effectively engage with local communities.

- Although we believe that the composition of HWB's should be for local determination, membership will need to include chief officers, senior lead members, GP commissioning leads and representatives of patient and user groups as a minimum. Furthermore, they must have the statutory powers to be able to take decisions rather than being required to report back to nominating bodies. This will ensure that HWB's are agents of change and health improvement rather than 'talking shops'.

- The LG Group supports the functions proposed for HWB's outlined in the White Paper. We also propose additional powers and responsibilities: to sign off GP commissioning plans; for GP consortia to be required to contribute to the JSNA; for HWB's be required to publish an annual joint commissioning plan; and for local HWB's to have equality in statute with the National Commissioning Board.

- The White Paper clearly envisages the HWB as an executive body. As such it cannot also scrutinise its own commissioning function and should, therefore, not have scrutiny powers.

3. Commissioning capacity and integrated commissioning

- The LG Group supports integrated commissioning of health and social care. The LG Group proposes local authorities should take a lead role in commissioning for a wide range of services that, in some areas are in danger of becoming 'Cinderella services', including: mental health; health and wellbeing of homeless people; long-term conditions; drug and alcohol dependency; dementia services; services for children and young people; services for people with learning disabilities; HIV/AIDS services; carers' services, older people's services and the provision of free nursing care. Local councils have a strong track record in commissioning the complex mix of services that is necessary to support vulnerable people and improve their health outcomes.

- Local authorities can also offer GP commissioning consortia support through provision of 'back office' functions such as HR, payroll, IT support, expertise on aspects of quality assurance and risk management, data collection, performance monitoring and in consulting and engaging services users and local communities. We strongly recommend that GPs give consideration to working with local authorities to join up commissioning infrastructure and support.

- In relation to the role of the NHS Commissioning Board, the LGA Group seeks further clarification of the Government's rationale for the national commissioning of some local services. The most rational system would be for all services to be commissioned at the local level unless there are compelling financial or clinical reasons for it to be done at a regional or national level.

4. Health overview and scrutiny

- Councils will need to retain their health scrutiny functions to hold the executive to account for decisions affecting the health and wellbeing of local communities. The HWB, as proposed in the White Paper, is clearly an executive body with wide-ranging commissioning responsibilities and cannot, therefore, hold itself to account. The roles, powers, membership and accountabilities of HWB's and health overview and scrutiny committees (HOSCs) will need to be clearly defined and communicated and distinct from each other.

- With regard to the accountability of the NHS and GP commissioning consortia, the LG Group proposes that they should be under the same duties as all other NHS bodies in relation to health overview and scrutiny committees.

5. Health Watch

- The funding for Local Involvement Networks (LINks) ends in March 2011 and the White Paper proposes that Health Watch becomes operational from April 2012. We seek urgent clarification on the funding arrangements for patient and public involvement from April 2011 until March 2012.

- In order to give Health Watch the best possible chance of succeeding we need to ensure that it is built on strong foundations. The LG Group will be working with the Centre for Public Scrutiny (CfPS) to undertake an evaluation of LINks so that we can learn the lessons and build on the best practice.

6. Supporting transition

- The LG group is committed to working with our partners and with the local government sector to ensure a smooth transition. We will support councils and their partners to build on the existing examples of integrated working through sector-based improvement and development.

7. Supporting positive behaviours

- We recognise that there will be uncertainty for many people over their roles, jobs and local services. We must work together positively and constructively to find the best local answer to the question: "What is the most effective way of securing the best health outcomes for all local people?"

The LG Group's five tests

Our response is underpinned by five key tests. These are:

1. Do the proposals build on existing good experience and good practice?
2. Do they support a 'local budgeting' approach?
3. Do they promote a person-centred approach?
4. Do they ensure accountability and governance to local communities?
5. Do they ensure that public resources are directed to the areas of greatest need?

Section 5 of the LG response assesses the extent to which the generality of the proposals meet our tests.

We will discuss with Government how we can build on the existing base of excellent practice at local level to develop a new locally-based and outcome- focused approach to improving health and commissioning health and care services.