

MINUTES OF THE HEALTH SELECT COMMITTEE
Wednesday, 6th December 2006 at 7.00 pm

PRESENT: Councillor Clues (Chair) and Councillors Ahmed (alternate for Fox), Baker, Farrell, Jackson (alternate for Dunn), Matthews and Moloney.

Apologies for absence were received from Councillors Detre, Dunn and Fox.

Also present were Councillors C J Patel, Castle and Crane (part).

1. Declarations of Personal and Prejudicial Interests

Councillor Crane declared a personal and prejudicial interest in Item 4, the update on the Brent Teaching Primary Care Trust (Brent PCT) Savings Programme 2006/07, given that he was a Non-Executive Director of the PCT.

2. Minutes of Previous Meeting - 4th October 2006

RESOLVED:-

that the minutes of the meeting held on 4th October 2006 be received and approved as an accurate record.

3. Matters Arising

Members were advised that Jean Gaffin OBE (Chair, Brent Primary Care Trust) would shortly be leaving the Brent Primary Care Trust (Brent PCT). Therefore, on behalf of the Health Select Committee, the Chair thanked Ms Gaffin for the work she had carried out in partnership with the Council over a number of years. In return, she extended her personal thanks to the current Chair, Councillor Farrell (Chair of the former Health Overview Panel) and James Sandy (Policy and Regeneration Unit).

4. Brent tPCT Savings Programme 2006/07 - Update

Representatives from the Brent Teaching Primary Care Trust (Brent PCT) attended the meeting to update members' on the Brent PCT Savings Programme 2006/07. Jean Gaffin (Chair, Brent PCT) noted that at the previous meeting of the Health Select Committee, it had been asserted that the Savings Plan had been implemented as a result of Department of Health (DoH) requirements to make savings rather than any deficit in PCT funds. However, it was now acknowledged that the situation was more complex, with the PCT itself being responsible for some of the current financial problems. Before handing over to colleagues, Ms Gaffin emphasised that these problems should not be allowed to overshadow the great deal of cooperative working that had taken place between the Council and PCT over the past four years. She further hoped that such joint working would continue in the future to achieve positive outcomes for the people of Brent.

Nigel Webb (Interim Chief Executive, Brent PCT) introduced himself to the Committee, noting that he had been in post for less than two weeks. He accepted that the PCT was currently in a very difficult financial situation, with cuts totalling 6 to 7 per cent required from the total budget of £400 million for the next financial year. In order for the organisation to get back on target by 2008/09, it was also highlighted that difficult decisions would need to be taken regarding health services.

Phil Church (Turnaround Director, Brent PCT) advised that savings worth approximately £29 million were required by 2008/09 and £14.2 million in the remainder of the current year. He emphasised the importance of implementing the proposed savings as quickly as possible in order that the full savings could be achieved. Aside from the savings required by the DoH, it was accepted that there were other factors within the PCT which had contributed to the current situation. These were outlined as a miscalculation in the budget estimates for the previous year totalling more than £6 million, as well as increased costs within the acute sector. It was noted that all parts of the organisation had been examined in relation to the savings required, although 50 per cent of the Plan was drawn from areas around commissioning.

Whilst consultation would be carried out with interested parties, such as partner organisations and stakeholders, it was stressed that if the current savings options were not implemented, others totalling the same amount would be necessary. It was also pointed out that the current problems could only be addressed through sustainable measures rather than one off cuts. Further to a question from the Chair about the potential impact on partner organisations, it was accepted that such organisations would be affected through reduced services. However, it was confirmed that where short-term savings might have a disproportionate effect or lead to long-term problems, these options would be reconsidered. Members were also advised that the PCT would continue to spend approximately £5 million working with a range of voluntary organisations to provide a variety of services. Further to the comments made by one member about the emphasis on risk rather than the patient in the Savings Plan document, Mr Webb accepted that lessons could be learnt about the use of such terminology.

Bashir Arif (Director of Integrated Services, Brent PCT) informed the Committee that within his service area savings would be focused on reductions in temporary staff and an examination of possible duplication of services. It was further emphasised that resources would need to be focused on provision of core health care services. Proposals to reduce the number of beds at Willesden Hospital were also outlined, though it was stressed that advances in acute care meant that 40 beds could provide the same level of care as could have been provided through 60 beds previously. One member queried whether efforts were taken to recover equipment provided for patients

once it was no longer required, and in response heard that this issue was currently being taken forward as part of the savings proposals.

Andrew Parker (Director of Commissioning) advised that the PCT would examine savings options regarding commissioning within the acute sector. Adding that some patients in continuing care had social as well as healthcare needs, he stressed the need for some of these costs to be reallocated to the local authority. Options for reducing the number of sites at which some services were provided were also being considered, as well as contract compliance issues and possible opportunities for the joint commissioning of services. Committee members were further advised that given falling patient numbers, it was possible that the Wembley Walk-In Centre would be closed in favour of increased services at Central Middlesex Hospital.

Martin Cheeseman (Director of Housing and Community Care) then outlined the Council's perspective on the PCT Savings Plan. Whilst acknowledging that in the earlier stages of the programme efforts had been made to reduce the impact of the savings required, it was felt that the Council was now being put in an extremely difficult position with regard to the anticipated level of additional costs that would be transferred. The Committee heard that additional information would be required on individual savings options, and that further discussions with the PCT were required. He considered that very little detail had been given to the Committee of the actual cuts and a lot more information would be required from the PCT for the Committee to properly scrutinise the proposed cuts. However, particular attention was drawn to costs relating to patients requiring long-term institutional care, which had previously been regarded as a health cost. Thus, Mr Cheeseman advised that the Council would make strong representations against taking on additional costs in this and other areas.

The Committee were informed that significant savings could be achieved in the area of GP referrals. The organisation was currently working with GPs to examine whether all current referrals were necessary, and options being examined included the use of specialists and community nurses. One member was concerned that a reduction of two referrals per GP each month might not take into consideration issues such as demographic variations and health inequalities. Whilst accepting that some areas had greater health needs than others, it was noted that a decision had been taken to set an overall target, which would subsequently be reviewed. Members were also advised that pioneering work was being carried out in the area of pathway services. Using the example of diabetes, it was outlined that where applicable, GPs now had the option of referring patients onto community services rather than a hospital setting.

In response to concerns raised, it was strongly asserted that employing consultants to examine the financial position of the PCT was a

justifiable use of public funds. Mr Webb advised that until recently the main problems within the Trust had included a lack of good management and little focus on efficiency and reminded that such costs were extremely low in comparison to the private sector. Members were also reminded that as an organisation with responsibility for approximately £400 million of public money, it was important to ensure that these funds were well managed. Emphasis was also placed on the fact that the savings proposals were about achieving greater efficiencies, and not just making cuts. It was also hoped that the current freeze on recruitment would be lifted in March 2008.

The Chair suggested that the issue of the PCT financial position would best be taken forward through the establishment of a task group to look into the matter further. It was noted that any task group would be open to the public and form part of the formal scrutiny process. Furthermore, partner agencies such as relevant voluntary organisations and other health trusts would be given the opportunity to contribute to the process and Nigel Webb confirmed the PCT's willingness to cooperate with any task group. He also circulated copies of the PCT *Turnaround Summary 2006-2008* to Committee members, which provided further information on the savings proposals. In answer to questions, Phil Church again emphasised the difficulty the PCT would be in if implementation was delayed, as every day they had to achieve savings of £150,000.

Finally, the Chair thanked all those representatives from the PCT who had attended to update members. However, he concluded by noting the grave concern of the Committee as to the potential impact of proposals. He also emphasised that there was now a formal process for the Committee to undertake to fulfil its scrutiny role, and highlighted the continued need for partnership working between the Council and PCT to ensure the best possible service for the people of Brent, .

RESOLVED:-

- (i) that the update on the current position regarding the Brent PCT Savings Plan 2006/07 be noted;
- (ii) that a task group be established to examine the Brent PCT Savings Plan 2006/07 and the impact that this may have on the Council.

(During discussion on this item, Councillor Crane declared a personal and prejudicial interest as he was a Non-Executive Director of the PCT Board, and subsequently left the meeting).

5. North West London Hospitals NHS Trust - Update

Sir Graham Morgan (Director of Innovation, North West London Hospitals NHS Trust) introduced the item by noting that Mary Wells (Chief Executive, North West London Hospitals NHS Trust) sent her apologies, as she was unfortunately not able to attend the meeting.

It was highlighted that whilst at the start of 2006 debts of £6 million had been forecast, the Trust was now expected to balance its finances by the end of the year. Savings would still be required in order to deal with the issue of the £24 million worth of historical debt that remained and, consequently, a recovery plan had been implemented examining all financial areas of the Trust. It was stressed that only a small number of redundancies had been required, with the majority of posts having been reduced through natural wastage. Sir Graham also sought to emphasise that the financial position of the Trust had significantly improved from the previous year.

Mansukh Raichura (Chair, Brent Patient and Public Involvement Forum) expressed concern that for the Trust to clear its deficit by March 2009, patient "shunting" might take place. In response, it was stated the Department of Health white paper, "*Our Health, Our Care, Our Say*", indicated a need to move healthcare provision where possible out of the acute sector and into primary care. Whilst in some areas the point of delivery might be subject to alteration, it was stressed that any changes were being made with the intention of providing the best care for the people of Brent. Particular attention was also drawn to the new day care facility at the Central Middlesex Hospital, which it was asserted was the best of its kind in the country.

One member sought assurances that current changes to healthcare provision would not adversely impact on maternity services, and was informed that specific plans for changes in 2007/08 had not yet been drawn up and agreed and, therefore, there was still an opportunity for further input into the consultation process. Those present were informed that a number of consultation meetings had taken place in community settings in both Brent and Harrow and that a major stakeholder event had been arranged for Monday, 11th December 2006. Mr Ian Slatter (Assistant Director of Finance, North West London Hospitals NHS Hospitals Trust) also confirmed that the formal consultation document would be produced shortly after the conclusion of the consultation process at the end of January 2007.

The Committee expressed concern about the long-term future of Central Middlesex Hospital. Whilst acknowledging that changes in technology meant a small number of very specific conditions would be better referred elsewhere, it was asserted that the majority of emergency care would continue to be dealt with at the hospital. Sir Graham advised that the Trust would make strong representations against closure of the hospital if this ever became a possibility due to external factors. Following a question about the possible reconfiguration of Northwick Park Hospital, it was further confirmed that

further formal consultation would be carried out if the Trust proposed to make changes. It was noted that the current consultation was aimed at exploring the best model for clinical care, and should be viewed within the wider context of a London wide review currently being carried out by the Strategic Health Authority for London.

RESOLVED:-

- (i) that the update on the North West London Hospitals NHS Trust be noted.

6. Healthcare Commission Annual Health Check

James Sandy (Policy and Regeneration Unit) introduced the item by noting that the Committee had before them a report outlining the Healthcare Commission's Annual Performance Ratings for 2005/06 for each of the local NHS trusts serving Brent.

RESOLVED:-

that the performance reports from the Healthcare Commission for 2005/06 be noted.

7. Central and North West London (CNWL) Mental Health Trust – Response of the Health Select Committee to the Foundation Trust Application

At the previous meeting, members had received a presentation from Dr Peter Carter (Chief Executive, CNWL Mental Health Trust) on plans for the organisation to become a Foundation Trust. Members now had before them a letter from the Chair to Dr Carter, which constituted the Committee's formal response to the application. It was noted that this letter incorporated the main points raised by members at the meeting and that, if successful, the CNWL Mental Health Trust would become a Foundation Trust in April 2007.

RESOLVED:-

- (i) that the formal response of the Committee to the CNWL Mental Health Trust application to become to become a Foundation Trust be noted;
- (ii) that updates on progress of the application and consultation process be included in the 2006/07 Health Select Committee work programme.

8. Local Involvement Networks (LINKs) – Task Group Update

At the previous meeting, the Committee had agreed to establish a task group to examine further issues around the development of Local Involvement Networks (LINKs). It had been established that this group would comprise of three members, as well as a representative from the Patient and Public Involvement Forum (PPIF). James Sandy (Policy and Regeneration Unit) informed those present that the initial meeting had taken place on Tuesday, 28th November 2006, and the group would report back to the next meeting of the Health Select Committee in February 2007.

9. Work Programme

Members were presented with a report detailing the proposed work programme for the Health Select Committee for the remainder of the municipal year 2006/07. Those present were reminded that two member training days had been planned for 5th and 28th February 2007, and it was hoped one of these would deal with the issue of NHS finance. Nigel Webb (Interim Chief Executive, PCT) indicated the willingness of the PCT to contribute to this training. The Chair further advised those present that a member training event would take place on Thursday, 19th April 2007.

Committee members heard that the work programme would require further revision in order to accommodate the PCT task group established at the current meeting (Item 4, p.1). Furthermore, attention was drawn to the need for the Committee to consider its formal response to the NWL NHS Hospital Trust "*Change for the Better*" consultation. Again, it was noted that there might be a need to alter the current programme to take into account the consultation timetable for this organisation.

RESOLVED:-

that the work programme for the municipal year 2006/07 be agreed as a rolling programme, subject to possible future changes to accommodate additional items or alterations to existing items, as necessary.

10. Date of Next Meeting

It was noted that the next meeting of the Health Select Committee would take place on Tuesday, 13th February 2007.

11. Any Other Urgent Business

There was none.

The meeting ended at 9.07 pm.

Cllr (The Revd) D Clues
Chair

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