



Health Partnerships Overview and Scrutiny Committee 14th October 2010

Report from the Director of Policy & Regeneration

For Action

Wards Affected:
ALL

Proposals to merge PCTs in North West London

1.0 Detail

- 1.1 The Health Partnerships Overview and Scrutiny Committee will be aware that there are major changes taking place in the NHS. The white paper, *Equity and Excellence – Liberating the NHS*, sets out the coalition government's plans for the NHS in England, including the abolition of PCTs and the transfer of commissioning responsibilities to GP commissioning consortia. Before PCTs are abolished, the NHS has to make significant cost reductions – up to £20bn needs to be taken out of the health service budget by 2014. As a result, the NHS is taking steps now to reduce its costs and prepare for the transfer of commissioning responsibilities to GP consortia.
- 1.2 The eight Primary Care Trusts in North West London, meeting as the NHS North West London Joint Committee of PCTs (JCPCT), have agreed that North West London should operate as one sector with PCTs forming three clusters:
- Hammersmith & Fulham, Kensington & Chelsea and Westminster
 - Ealing, Hillingdon and Hounslow
 - **Brent and Harrow**
- 1.3 Each cluster would be supported by a merged management team with the Chief Executive of each coming together with the Sector Chief Executive to form a single sector-wide Executive. This recommendation is subject to approval by NHS London, which is expected shortly, and then approval by the individual PCT boards.
- 1.4 The PCTs in North West London have decided to form PCT clusters to:
- enable the delivery of the agreed management cost savings for commissioning (excluding community providers) across North West London by reducing costs by 67% from £71.4m in 2009/10 to £23.7m by 2012/13, in line with targets agreed in the Operating Plan

- provide a more stable platform upon which to manage short and medium term finances and service performance whilst continuing to improve both quality and patient safety
- enable NHS North West London's response to the outcomes of the consultation on the Health White Paper, *Liberating the NHS*, by releasing resources to support the development of GP consortia

1.5 Although these changes will not mean the abolition of PCTs any earlier than set out in the white paper (i.e. by April 2013), there will be one management team running NHS Brent and NHS Harrow. This should be in place by December 2010. Chief Executives are also working on the timelines for the reorganisation of other functions. This reorganisation is expected to be completed by the end of March 2011.

1.6 Throughout this transition period there will continue to be a strong borough focus through:

- Borough director
- Joint commissioning arrangements
- Borough Director of Public Health
- Local Partnership arrangements (LSP, Children's partnership, Adult Board etc.)
- Attendance at emerging Health & Well Being Board

1.7 The Health Partnerships Overview and Scrutiny Committee should question NHS Brent on these proposals, not least the implications for health service commissioning in the borough during the transition to GP commissioning. Officers from NHS Brent will be at the meeting to explain the rationale behind the formation of clusters and to answer questions on the implications for Brent.

2.0 Recommendations

2.1 The Health Partnerships Overview and Scrutiny Committee should consider NHS Brent's report on PCT mergers in North West London (appendix 1) and question officers from the PCT on the implications of these proposals on health services and commissioning in Brent.

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