Executive
18th October 2010

Report from the Directors of Policy & Regeneration and Housing & Community Care

Wards Affected:
ALL

Council response to NHS White Paper *Equity and Excellence – Liberating the NHS*

1.0 Summary

1.1 The government white paper, *Equity and Excellence – Liberating the NHS*, was published on the 12th July 2010. The white paper sets out a radical set of proposals for change within the NHS, including significant structural change and an overhaul of health service commissioning arrangements in England. Primary Care Trusts and Strategic Health Authorities are to be abolished. GP commissioning consortia will be established as statutory bodies and will be responsible for commissioning the majority of health services.

1.2 GP commissioning consortia are to be overseen by an NHS Commissioning Board, which will allocate NHS resources to GP commissioners, hold GP commissioners to account for their performance and quality and also commission community services, such as dentistry and pharmacy as well as specialist services such as maternity services and prison health services.

1.3 Local government is to be given an enhanced role within health service commissioning. It is proposed that local Health and Wellbeing Boards, led by elected councillors, are created to ensure joined up commissioning of local NHS services, social care and health improvement. The boards will provide a strategic overview and promote integration between health and adult social care, children's services and safeguarding. Public health and health improvement functions are to be transferred to local authorities. Councils will become responsible for a ring-fenced public health budget of around £4bn a year. This will be allocated to authorities based on population health need.

1.4 Simplified and extended powers will be introduced to enable joint working between health commissioners and local authorities. Local authorities will lead on Joint Strategic Needs Assessments and on local commissioning plans. The council will also have powers to refer issues relating to service reconfiguration to the Secretary of State for Health and the NHS Commissioning Board if it does not feel the changes are in the best interest of patients or the borough.

1.5 The changes to the health service and the way that services are commissioned will inevitably have an impact on the council's services, particularly those jointly commissioned with the NHS. Officers have already begun discussions with GP commissioners to start building working relationships in preparation for changes to commissioning structures. It is important that the Executive is aware of the proposed changes to health services and responds on behalf of the council to the consultation documents released by the Government to accompany the white paper.

1.6 In addition to publishing the White Paper, the government has released four consultation papers. They are:

- Transparency in outcomes – a framework for the NHS
- Increasing democratic legitimacy in health
- Commissioning for patients
- Regulating healthcare providers

1.7 This report sets out the council's response to the consultation document *Local democratic legitimacy in health*, which has the greatest relevance for the council. There are elements within the *Commissioning for patients* paper which have also been addressed in the response, although this and the other consultation papers are primarily aimed at GPs and the wider NHS.

1.8 The Executive should endorse the council's response to the NHS White Paper. Members will be kept informed of developments within this area of policy in the coming months. A Health Bill will be put before parliament in due course, but Brent intends to be proactive and put in place arrangements that reflect the council's enhanced role in health service commissioning, not least by establishing a shadow health and wellbeing board. Further reports will be brought to the Executive when necessary.

2.0 Recommendations:

(i). The Executive endorses the council's response to the *NHS White Paper, Equity and Excellence – Liberating the NHS*, included at appendix 1 to this report.

3.0 Details

3.1 The white paper, *Equity and Excellence – Liberating the NHS*, published on the 12th July 2010, set out the coalition government's vision for the NHS in England. The proposals contained within it, if implemented, will deliver some of the most radical reforms to the NHS since its formation. The key proposals in the white paper are:

- Patients should be given greater choice over the provider of their treatment and the type of treatment they receive
- An independent NHS Commissioning Board will be established to oversee health commissioning in England
- All acute trusts will become foundation trusts by 2013, giving them greater freedoms
- Health service commissioning will be transferred to GPs. PCTs and SHAs will be abolished.
- Public health budgets and responsibilities will be transferred to local authorities
- Councils will be given the responsibility to promote integration and partnership working within health and social care services

3.2 These changes will be made at a time of unprecedented financial pressure. The NHS is going to have to make up to £20bn of efficiency savings by 2014, including reductions in management costs of 45%. The timetable for implementing the reforms to the health service is also very tight. Because of the fluid environment in which these changes will take place the council has already taken proactive steps to address some of the proposals, particularly the changes to commissioning arrangements. For instance, informal discussions have already been held with GPs to discuss the implications of the white paper.

3.3 Much of the focus since the White Paper was published has been on the changes to health service commissioning, creating GP commissioning consortia and abolishing Primary Care Trusts. This is understandable given the scale of the changes, but there are also considerable implications for local government that need to be understood and addressed. Local government will have a regulatory role with regard to health and social care commissioning through the establishment of Health and Wellbeing Boards that will be responsible for:

- Promoting integration and partnership across areas, including through joined up commissioning plans across the NHS, social care and public health, children's services and safeguarding;
- Assessing the needs of the local population and leading the preparation of the statutory joint strategic needs assessment;
- Supporting joint commissioning and pooled budget arrangements, where all parties agree this makes sense; and
- Undertaking a scrutiny role in relation to major service redesign

3.4 The government is consulting on the establishment of Health and Wellbeing Boards and whether there should be a statutory requirement for upper tier local authorities and GP commissioning consortia to work together on health and wellbeing issues. The council supports both proposals as it believes this will be the best way to ensure partners come together to deliver health services that people in Brent need. The boards should be considered a forum for mutual influence, giving local authorities influence over NHS commissioning and corresponding influence for NHS commissioners in relation to health improvement, reducing health inequalities and social care.

3.5 Assuming Health and Wellbeing Boards are set up as the government intends, GP commissioners will have a duty to be members. The boards would bring GPs together with elected members (who will decide who chairs the board), representatives from adult social care, children's services, public health and patient representatives. GPs might be unfamiliar with this kind of collaborative working, but it is something the council is keen to develop. Indeed, in the consultation response Brent has argued that there should be a mutual duty of cooperation between local authorities and GP consortia to ensure GPs work in partnership with local government. At present the proposals are too one-sided with local government being expected to ensure partnership working takes place. Clearly this has to be the responsibility of local government and GPs if partnership working is to succeed.

3.6 The Health and Wellbeing Board is one of the ways in which the council will influence health and social care commissioning. There are other levers open to the council to influence commissioning and ensure that there is collaboration with GPs. The Health and Wellbeing Board will be able to refer proposals for major service changes to the NHS Commissioning Board and the Secretary of State if it does not believe that the

changes are in the best interest of the borough. Whilst there will be mechanisms in place to try to resolve issues locally, it is an option open to Boards once they are up and running. GP commissioners will need to ensure that Health and Wellbeing Boards are supportive of their plans, that they meet the strategic needs of the borough and that they are in patients' best interests. Indeed, in the consultation response Brent argues that board approval for commissioning plans should be mandatory. The council hopes to develop strong working relationships with GPs to avoid situations where a referral to the secretary of state becomes necessary. Overall Brent Council supports the proposals within the White Paper for joint working and collaboration between health, social care and local government.

3.7 Before GP commissioning can begin, commissioning consortia need to be established and satisfy the NHS Commissioning Board that they are robust enough to take on the risks associated with commissioning. The council and NHS Brent are already working with local GPs to understand how they wish to do this in Brent. It is a concern to the council that GP commissioning consortia boundaries may not match borough boundaries. Brent has benefited from having a co-terminous PCT and it is important that the GP commissioning consortia established in the borough are consistent with our boundaries to ensure local population needs are met, whether this is by a single consortium or multiple consortia. Brent does not support the idea of Brent practices joining consortia based in another borough.

3.8 Councils will assume responsibility for public health functions once the Health Act is implemented. The transfer of public health and health improvement responsibilities to local government will strengthen links with other services that make a real difference to peoples' health such as housing, planning, regeneration, sports and leisure etc. However, local government will need funding to follow the function if it is to deliver a comprehensive public health service.

3.9 It could be argued that the separation of public health from the NHS will mean the NHS no longer sees 'health' as its responsibility, only health care, and it will focus on treating ill health, not preventing it. Brent Council believes that GPs will have a critical role in promoting good health, not just treating ill health. GPs have many opportunities to offer interventions to prevent ill health such as smoking cessation services, which are likely to be run by the local authority. Partnership working to ensure these services are delivered to the people who need them most will be crucial. GPs will see patients at times when they may be open to change – before an operation, after a health scare, when they are feeling ill, or are pregnant. Opportunities to deliver ill health prevention messages and services will only be taken if the NHS sees ill health prevention as part of its core business.

3.10 Overall, Brent's response to the White Paper consultation focuses on a number of key themes. We believe that integrated working and a whole system approach to health and social care is crucial. Genuine steps have to be taken to ensure health and social care services are integrated and are working together for mutual benefit. This means creating an outcomes framework that is requires local government and the NHS to work together to deliver. Statutory Health and Wellbeing Boards, with a duty for local government and GPs to work together will help to achieve these aims. Similarly, Brent supports co-terminosity of borough boundaries with GP consortia so that GPs have an interest in the outcomes of that borough and not diverted by the requirements of working in multiple boroughs.

Conclusions

3.11 The opportunities that the white paper, *Equity and Excellence – Liberating the NHS,* provides local government are multiple and there is little doubt that if implemented through the forthcoming Health Act as intended Brent's role in healthcare commissioning will be broadened and strengthened. This is to be welcomed. That said there are risks in the government's proposals that the council needs to be cautious of, not least the passing of £80bn of public money to untested GP consortia. Within every local authority area existing arrangements for joint commissioning and integrated services will be tested and services could suffer during the transition period. Work will need to continue with NHS Brent and GPs to manage the transition period as new commissioning arrangements are put in place.

4.0 Financial Implications

4.1 The financial implications of the NHS White Paper are still not completely clear. We are unsure whether funding for HealthWatch will be provided by central government. Without this there will be a cost to the council which is not currently budgeted for. At the moment, the budget for commissioning LINks is £185,000 a year and this is paid for from the Area Based Grant. This funding is in place until 31st March 2011.

4.2 Public health responsibilities are to transfer to local government but we are unclear as to the level of funding that will be given to each council. We know that £4bn will be shared between authorities, with allocations based on health need. NHS Brent will spend £2,443,000 on public health in 2010/11, and receive income of £563,000. However, it's not clear what services are included in these amounts and these figures are being clarified. The Public Health White Paper due later this year should have more detail on the services that will become the responsibility of local government.

4.3 Consideration also needs to be given to the financial implications of providing commissioning support to a GP commissioning consortia. Should be council choose to do this, we would need to demonstrate that this was revenue neutral, but preferably, that it generated income for the council or ongoing savings greater than the cost of providing commissioning support.

5.0 Legal Implications

5.1 The publication of the Health Bill with the detailed legal provisions is awaited shortly and this will set out the specific legal implications which are the Government seeks to implement. The Legal and Procurement Department will review the impact of the legislation on its Constitution and any existing contracts with the PCTs under the NHS Act 2006 once it is clear which provisions will pass into legislation.

6.0 Diversity Implications

6.1 None

7.0 Staffing/Accommodation Implications (if appropriate)

7.1 None

Background Papers

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