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**Select Committee on Health and Adult Social Care – 27<sup>th</sup> January 2010**

**Report of the Lead Officer to the Committee**

**Update on the NHS White Paper: Equity and Excellence**

**Purpose of Report**

1. To highlight progress with the NHS White Paper, 'Equity and Excellence: Liberating the NHS' and preparation for its implementation within Dudley.

**Background**

2. The White Paper: Equity and Excellence published in July 2010 represents a major restructuring, not just of health services but also of councils' responsibilities in relation to health improvement, and coordination of health and social care.
3. The Committee considered an initial summary of the White Paper Consultation: Equity and Excellence at the November Committee meeting; this paper provides an update on subsequent developments touching on key themes identified in the previous report.
4. It should be noted that the Government has continued with decision-making relating to the White Paper and the Dudley GP Consortium has been approved as a "Pathfinder." This means it is taking quicker steps towards taking on its new responsibilities through a time of transition with NHS Dudley (PCT.)

**Government Response to 'Equity and Excellence: Liberating the NHS'**

5. Further to the above Consultation, Government has now set out the next steps in its plans to transform the NHS with the publication of 'Liberating the NHS: Legislative Framework and Next Steps'. It shows how the Government has developed its thinking in the light of the 6,000 consultation responses, and sets out a timetable for implementation.
6. In the main, the Government is going ahead with the changes proposed in the original Consultation including the move to GP commissioning and the transfer of the public health function to local government. However, the legislative framework indicates a number of proposed changes in response to the consultation. These include a longer transition period to GP commissioning and, of importance to local government, significant extra statutory powers and duties for the proposed health and wellbeing boards and abandonment of the proposal to remove the health scrutiny power from health scrutiny committees to these boards.

## How the original proposals have been modified

7. The effect of the changes will be to:
- phase in responsibility for local authorities for commissioning NHS complaints advocacy services and allow these to be commissioned from other organisations as well as from local HealthWatch
  - take a more phased approach to the introduction of GP commissioning, by setting up a programme of GP consortia pathfinders – this is covered in more detail further on in the report.
  - require all GP consortia to have a published constitution
  - allow maternity services to be commissioned by GP consortia.
  - give GP consortia a stronger role in supporting the NHS Commissioning Board
  - create an explicit duty for all arm's length bodies to co-operate through a new disputes resolution mechanism.
  - significantly strengthen the role of health and wellbeing boards in local authorities, and enhance joint working arrangements through a new responsibility to develop a “joint health and wellbeing strategy” spanning the NHS, social care, public health and potentially other local services.
  - require GP consortia to be members of the health and well-being board for “lead consortium” arrangements.
  - introduce health and wellbeing boards through a new programme of early implementers
  - abandon the proposal to move local authorities’ health scrutiny functions into the health and wellbeing boards – instead councils’ formal scrutiny powers will be extended to cover NHS-funded services and local authorities will be given greater freedom in how these powers are exercised, whether through a specific health scrutiny committee, or through a “suitable alternative arrangement”.

## Proposals relating to local government

8. Government has decided to expand, strengthen and adapt significantly its proposals in this area. It is introducing enhanced obligations in relation to **joint assessment of need** and development of strategy, and revised proposals on **scrutiny**, as indicated above.
9. In the new system, the joint strategic needs assessment (JSNA) process takes on much greater importance. In future JSNAs will be undertaken by local authorities and GP consortia through the health and wellbeing boards with the intention of ensuring that “GP consortia take commissioning decisions based on the overall needs of the in future rather than the needs of their current set of patients”. Responsibility for local pharmaceutical needs assessments will also be transferred to local authorities, through health and wellbeing boards.
10. It is intended that all health and wellbeing boards should have to develop a high-level “joint health and wellbeing strategy” spanning the NHS, social care and public health, and could potentially consider wider health determinants such as **housing**, or **education**.
11. Health and wellbeing boards will become statutory committees of local authorities at the same time as GP consortia take on responsibility for the NHS budget - April 2013 - although they will come into existence in advance of this, with ‘shadow’ boards being able to be established from April 2012.

12. In relation to health scrutiny, in addition to the provisions already indicated above, any decision to refer a substantial service change proposal will be required to be triggered by a meeting of the full council, except in the case of a joint scrutiny arrangement.
13. Health Scrutiny powers of local authorities will be extended to scrutinise **any** provider of any NHS-funded service, including, for example, primary medical dental or pharmacy services.
14. Local **HealthWatch** will continue the role of **Local Involvement Networks** (LINKs) in promoting and supporting public involvement in the commissioning, provision and scrutiny of local care services. Local authorities will be able to approach HealthWatch to provide advice and information to enable people to make choices about health and social care.
15. Legislation to enact the proposals in the legislative framework will begin with a Health and Social Care Bill to be introduced in Parliament in January 2011. In relation to the public health proposals which will affect local government, the Bill will go into more details about the respective roles of the Secretary of State, the NHS Commissioning Board and local authorities.

### **Public Health White Paper**

16. The transfer of many public health functions from the NHS (PCTs) to local authorities and the creation of a national public health body, Public Health England, were described in Healthy Lives, Healthy People: The Public Health White Paper (currently under consultation).
17. The government has now issued a number of documents describing how this will be implemented in practice. The outcomes framework for public health sets out how progress will be measured both nationally and locally. It is one of the three 'aligned' outcome frameworks, the others being for the NHS (now published) and adult social care (under consultation).
18. The framework is made up of five key areas representing high-level goals including health protection, promoting healthy choices and healthy lifestyles and the health of the most vulnerable.
19. Within each area there will be a number of indicators. A subset of indicators, agreed with public health and local government, will have a 'health premium' reward funding intended to 'incentivise' councils to make progress on health improvement priorities.

### **Members Seminar**

20. Following a request by the Chair of HASC, a Seminar for all Elected Members was held on 23rd November with a view to raise awareness of the NHS White Paper, learn more about the proposals and consider the implications for Dudley.
21. The Seminar was well-attended and included presentations from Directors of: Public Health; Adult Social Services; Children's Services; and Dr David Hegarty, Chair of the Dudley Commissioning Consortium (likely to emerge as Dudley's lead GP Consortium) enabling a rounded view of new structures. A further Seminar is envisaged at an appropriate time when more detailed Public Health and other proposals are clearer.

## **GP Pathfinder status in Dudley**

22. As mentioned above, following the Seminar it has been announced that the Dudley Consortium above has been granted 'Pathfinder' status (one of only three areas in the region) to progress with the transfer of commissioning from PCTs to GPs. This will help build on the momentum gained in the last few months to develop strong foundations for the new system in Dudley.

## **Timetable for Implementation – A Four Year Phased Transition**

23. It is emphasised that Leaders in local authorities, emerging GP consortia and PCTs need to work together **now** to consider and establish the right local arrangements. Implementation takes the form of a four year phased transition, the following key milestones are proposed:

### **2010/11 Design and early adoption**

- DH confirms the design framework and gives permission to pathfinders and early implementers referred to above to model new system.
- Refinement of HealthWatch role and transition plan for LINKs published
- Support for Councils role for supporting for and complaints advocacy

### **2011/12 Learning and planning for roll-out**

- Shadow design of NHS Commissioning Board and the Public Health England
- Plans drawn up for GP consortia and health and wellbeing boards
- Emerging consortia to identify which PCT staff be "assigned" to them
- NHS trusts to apply for foundation trust status

### **2012/13 Full dry run**

- April 2012, NHS Commissioning Board and Monitor come into effect
- Consortia system begins under delegated PCT arrangements
- Health and wellbeing boards in place and Consortia notified on
- 2013/14 allocations
- April 2012 Councils to fund Local HealthWatch to deliver it's functions

### **2013/14 First full year of the new system**

- From April 2013 PCTs abolished and all Consortia and H&WB boards assume new responsibilities learning from 2012/13 dry-run.
- From April 2013, Councils to have responsibility for NHS complaints.

## **Highlights for HASC**

### **Health Scrutiny**

24. The decision not to transfer responsibilities for health scrutiny from Local Authorities to the health and wellbeing boards has been noted. Moreover the extension of the scrutiny powers enhances democratic oversight of more health services for Dudley's communities, independent of the NHS.
25. However, this doesn't necessarily mean that health scrutiny will remain exactly as now. Wider government policy is to give local authorities greater freedom to carry out functions in different ways; including flexibility to use their scrutiny powers in a way which best suits– whether through continuing to have a specific Health Scrutiny Committee like HASC, or through a suitable alternative arrangement; HASC will clearly want to be involved in future developments.

### **Local HealthWatch**

26. Members will have an interest in ensuring effective transitional arrangements are in place to lead the Dudley's Local Involvement Network (LINK) into local HealthWatch learning from HASC's experiences with the LINK over the past three years. It will also wish to ensure Local HealthWatch operates effectively across the Health Economy with the aim of bringing a richness of patient/carer experience and attaining a deeper understanding of community priorities.

### **Finance**

27. Whilst there are no direct financial implications arising from this report at this stage there are likely to be significant resource implications for local authorities if the proposals set out in the Health White Paper are enacted through the Health and Social Care Bill. These include the transfer of the public health budget from primary care trusts to local authorities and the establishment of health and wellbeing boards.

### **Law**

28. Legislation to enact the proposals in the legislative framework will begin with a Health and Social Care Bill to be introduced in Parliament in January 2011. The proposals to deliver the new system are therefore subject to parliamentary approval.
29. In relation to the public health proposals affecting local government, the Bill will go into more details about the respective roles of the Secretary of State, the NHS Commissioning Board and local authorities.
30. Local configuration of health scrutiny should be seen in the context of the Localism Bill (introduced in December 2010) which provides for authorities to change their governance arrangements – including providing the power to return to the committee system or another prescribed system.

### **Equality Impact**

31. An Initial Equalities Impact Assessment of all the proposals has been carried out by the government.
32. The white paper also states that local authorities and boards will need to ensure that the health and wellbeing of all groups within the local population are taken into account in carrying out their work.

### **Recommendation**

33. It is recommended that Members note the contents of this report

Brendan Clifford

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**Background Papers**

34. The full Government Response to 'Equity and Excellence: Liberating the NHS' and supporting material can be accessed via the following Department of Health web-page [http://www.dh.gov.uk/en/Healthcare/LiberatingtheNHS/DH\\_122624](http://www.dh.gov.uk/en/Healthcare/LiberatingtheNHS/DH_122624)