Dudley Metropolitan Borough Council

Agenda Item No. 9

Shadow Dudley Health and Wellbeing Board – 23rd July,2012

Report of the Director of Operations, Black Country Cluster and the Primary Care Lead, Black Country Cluster

Development of NHS Commissioning Board Functions

Purpose of Report

The NHS Reforms are now being implemented with significant changes to responsibilities as the new bodies which will succeed the Strategic Health Authority and the Primary Care Trusts emerge and are established. This paper identifies the current expected range of responsibilities to be held by the NHS Commissioning Board (NHS CB), provides an update on Local Area Offices, and asks colleagues to note these and discuss the implications for the development of the Health and Well being Board.

Background

As members will be aware, the establishment of the NHS Commissioning Board is part of the very significant changes being made to how the NHS operates. The NHS Commissioning Board will hold responsibility for ensuring the delivery of better health outcomes for patients within the resources made available nationally for health. Its activities will be governed by a mandate, which is currently being developed between the Secretary of State for Health and the NHS CB, and this is expected to be published in the summer.

Within the NHS Reforms, the government has set out how it expects the NHS to operate, on a radically different basis from now. As indicated in 'Developing the NHS Commissioning Board', published in June 2011:

'The rationale for modernising the NHS commissioning system is clear. To preserve the essential character of the NHS we have to change how the service is organised. The NHS will need change to satisfy the increasing healthcare needs and expectations of our people. We also need change to ensure that the NHS remains sustainable in tighter financial circumstances, as it continues to strive to be the best health service in the world.

To deliver change on the scale required, the Government proposes to shift decision making as close as possible to individual patients by devolving power and responsibility for commissioning services to clinical commissioning groups. This change is intended to build on the pivotal and trusted role that GPs and other front line professionals already play. It will bring responsibility for management of care together with responsibility for the management of resources.

Effective commissioning will require the full range of clinical and professional input alongside that of local people. All clinicians, whether doctors, nurses, allied health professionals, pharmacists or others, will have a vital role in developing services and improving the health outcomes of local populations. Social care professionals will also play a key part.

The NHS Commissioning Board
It is not possible to devolve all commissioning to clinical commissioning groups. For example, it would be inappropriate to give them authority to commission their own member practices to provide primary care services. And it would be unrealistic to expect the clinical commissioning groups to take responsibility for services that can only be provided efficiently and effectively at national or regional level. So the Government proposes establishing an NHS Commissioning Board whose role will include supporting, developing and holding to account an effective and comprehensive system of clinical commissioning groups.'

Since that publication, detailed design work has been undertaken by government to identify in more detail what responsibilities will be carried at each level of the new system, and further guidance continues to be issued.

Current Understanding of NHS CB Responsibilities

The main responsibilities are now clear, although there remains continuing development of fine detail and what is identified below is therefore subject to further change.

The NHS CB will be responsible for the following commissioning responsibilities:

Direct commissioning of Primary Care services

The NHS CB will commission directly around £20bn worth of services nationally, holding around 35,000 contracts as set out in the list below:

- National and regional specialised services
- Primary care at general practice level
- Dentistry
- Community pharmacy
- Primary ophthalmic services
- High security psychiatric services
- Health care for the armed forces and their families
- Immunisation programmes *
- National screening programmes *
- HIV treatment *
- Children's public health services from pregnancy to 5 yrs, including health visiting *
- Public health services for those in prison or custody *
- Contraception (as part of GP contract) *

Some of the services above that relate to public health (as indicated with an asterix) will be funded from the national public health budget.

Direct commissioning of Specialised Services

The NHS CB will commission for 36 areas of the most specialised services provided by acute and other hospitals. While many of these services, which include cardiac surgery, renal transplantation, inherited metabolic disorders, neurosurgery and cancer care, are provided in large University-based regional centres, such as University Hospitals Birmingham, there are many services provided through hospitals within the Black Country, with elements of specialist care being provided at each of the four Black Country acute providers and the two mental health providers. For these services, the NHS CB will hold contracts directly with the provider trusts, rather than these services being commissioned through PCT involvement, as is currently the case. This means that the funding associated with all these services will be removed from CCG

allocations. While that is currently the case for 18 areas of service in 2012/13, this will increase to 36 in 2013/14.

The intention behind this approach is to provide consistency of provision of specialised services across the country. This will be organised on the basis of a hub and spoke principle, with one area of the NHS CB undertaking this commissioning on behalf of several areas.

Direct commissioning of some Public Health functions

While the majority of public health functions will transfer to local authorities, the NHS CB will be responsible for ensuring the commissioning and delivery of Immunisation and Vaccination services, Screening services and Child Health services for the population covered by a Local Area Office. In this context, child health is defined as those services provided in the community for children aged up to 5 years old and includes child health surveillance, the increase in numbers of health visitors and Family Nurse Partnerships. The responsibility for child health services will be held until 2015, at which time it is planned to transfer these services to local authorities.

Commissioning Offender Health

Health care for prisoners, including those held in custody and commissioning of the new sexual assault referral centres, will be commissioned by the NHS CB. This will be organised on the basis of a hub and spoke principle, with one area of the NHS CB undertaking this commissioning on behalf of several areas.

Commissioning for Military Health

Health care for serving military personnel and their families will be commissioned by the NHS CB. This will be organised on the basis of a hub and spoke principle, with one area of the NHS CB undertaking this commissioning on behalf of several areas. There is an unresolved issue about the responsibility for commissioning health care for veterans, and this may remain with CCGs.

Holding Clinical Commissioning Groups to account

The NHS CB will hold all CCGs to account for performance against the requirements placed on CCGs, and will actively monitor their performance against these statutory duties and targets, agreeing remedial action where necessary and being able to require CCGs to undertake this in circumstances of serious failure. The NHS CB is responsible for authorising Clinical Commissioning Groups as being fit to operate from September 2012 onwards, through to their assumption of full responsibility from 1st April 2013.

Emergency Planning

This will be a responsibility of the NHS CB, although details are not yet fully worked through. It is acknowledged that his needs to be developed in conjunction with local authorities, given the considerable existing responsibilities in this area, and with CCGs and provider trusts. It is expected that this will be clarified in detail over the summer and an exercise to test the new arrangements is planned for the autumn.

Hosting Services and Support

The NHS CB will host a number of services and networks:

- **Commissioning Support Services**

The Commissioning Support Services (CSS) currently being established within the NHS will be hosted by the NHS CB, until 2016 at the latest, by which date they are expected to be able to become free-standing organisations, as either commercial companies or social enterprises. Although development of CSS organisations is being undertaken by the Department of Health, through the Business Development Unit, until the autumn, the NHS CB will be responsible for issuing licences for CCS organisations to operate from October onwards.

- **Clinical Senates**

Clinical Senates will be the principal source of clinical advice to the NHS and its partners, across all its service provision. Senates are intended to be developed based on major patient flows, and therefore it is thought the local senate may cover the whole of the West Midlands. They will be able to offer advice proactively on areas of interest and will be available to provide advice in response to requests from CCGs, local authorities and Health and Well being Boards, on significant issues, such as service reconfiguration. It is not clear as yet how these will work, if at all, with existing clinical senates, such as that in the Black Country, which CCGs and provider trusts attend.

- **Clinical Strategic Networks**

These will be established, potentially on a similar basis to Clinical Senates, and will offer professional advice to clinical staff groups. The design of these, as well as Local Education and Training Boards and Academic Health Sciences networks and their inter-relationships, remains under national consideration.

Establishment of NHS CB

Nationally, there is currently an NHS CB Authority, headed by Sir David Nicholson, set up to establish the NHS CB. On 1st April 2013, this organisation will become the NHS CB.

The NHS CB will work through four regional offices, based on the current Strategic Health Authority boundaries (therefore Midlands and East for us) and Regional Directors were appointed in late May. The Regional Director for Midlands and East is Dr Paul Watson, previously PCT Cluster Chief Executive for NHS Suffolk.

It has now been confirmed, after a brief consultation process in early June, that there will be 27 Local Area Offices for the NHS CB, and there will be a Black Country and Birmingham Local Area Office, covering the boundaries of the current Black Country and Birmingham and Solihull PCT Clusters. It is intended that Local Area Directors will be appointed during July and will then appoint to their management team of a Medical Director, Nursing Director, Finance Director and general manager, who will hold a responsibility for performance. The rest of the structure will then be appointed, through to September.

The numbers of staff in each Local Area Office will depend on the range of functions undertaken by each, and therefore those Area Offices undertaking specialised

commissioning and military or offender health will be staffed to a higher level than those providing only the responsibilities required of each Area Office.

There is no decision as yet on physical location of Area Offices and it is thought this will be a decision for the Local Area Director, but the case continues to be made from health organisations for a physical presence in the Black Country.

It is understood that the role of the Local Area Director will be to represent the NHS locally, with the Area Office being the single channel of communication between the NHS and partner organisations, including crucially local authorities. It is acknowledged that communication about the changes has not been as robust or as frequent as it should have been, and the Local Area Director is expected to undertake an ambassadorial role in respect of engagement with stakeholders on a meaningful and continuing basis.

For Health and Well being Boards, the NHS CB acknowledges their leadership role in developing responses to health issues, through the Joint Strategic Needs Assessment, and in delivering improved health outcomes and wishes to work in partnership with them. This will require a senior member of the Local Area Office team being provided to attend and contribute to each Health and Well being Board.

Recommendation

The Dudley Health and Well being Board is recommended to:

- Note the update provided
- Discuss the implications for the Health and Well being Board

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