Southwark NHS
Primary Care Trust

Summary of the White Paper *Equity and Excellence: Liberating the NHS*

The White Paper sets out the Government's vision for the future direction of the NHS.

The key elements of the vision are that:

- The NHS will remain free at the point of use and based on clinical need not the ability to pay

- The Government will increase spending in real terms in each year of the current Parliament.

- Patient choice is at the heart of the NHS, with patients having increased information about quality and outcomes and increased control over their care records.

- The NHS will be held to account against evidenced-based outcome measures not process targets.

- Any provider meeting national quality standards and accepting national tariffs will be able to offer NHS funded services, and GP consortia will be able to buy in support.

- Providers will be paid according to their performance, with payment reflecting outcomes and quality goals not just activity.

- Power and responsibility for commissioning hospital and community health services will be devolved to GPs working in consortia. GP consortia will have a duty to work in partnership with local authorities. Primary medical care will be commissioned centrally. PCTs will divest their provider service functions by April 2011, in line with the existing policy direction. PCTs will be abolished from April 2013.

- The Government will not be determining the geographical extent of the GP consortia, that will be down to GPs themselves. However, certain principles have been set out in the White Paper such as that GP consortia must cover a contiguous geographical area and should be able to commission services jointly with local authorities, as well as that they should be of sufficient size to manage financial risk.

- A new NHS Commissioning Board will allocate resources to GP consortia and be accountable for delivery of outcomes and the use of NHS resources. The NHS Commissioning Board will have an explicit duty to promote equality and tackle inequalities in access to healthcare. It will

hold GP consortia to account. Strategic Health Authorities (such as NHS London) will be abolished during 2012/13.

- A further White Paper on public health will be published later in the year. Health protection functions from various bodies will move into a new national Public Health Service and PCT public health responsibilities will transfer to local authorities, who will employ the Director of Public Health (jointly appointed with the Public Health Service), with a ring-fenced budget with funds allocated according to relative population health need, from April 2012.

- The role of the Care Quality Commission as an effective quality inspectorate will be strengthened across health and social care. CQC and Monitor will jointly license health providers and CQC will inspect providers against the essential levels of safety and quality.

- Local authorities will promote the joining up of local NHS services, social care and health improvement. Through new statutory arrangements local authorities will establish health and well-being boards or through existing LSPs will promote integration across health and adult social care, children's services including safeguarding and the wider local authority agenda. These functions would replace the current statutory functions of Health Overview and Scrutiny Committees.

- The Government will establish a commission on the funding of long-term care and support, to report within a year. The commission will consider options including a voluntary insurance scheme and a partnership scheme. The Government will also reform and consolidate the law underpinning adult social care. The overall vision will be brought into a White Paper in 2011.

- The Government will seek to break down barriers between health and social care funding to encourage preventative action.

- A strategy for social care reform (covering personalisation, prevention and reablement) will be published in November 2010.

- The Health Bill will contain provisions to create HealthWatch England, a new independent consumer champion. LINks will become the local HealthWatch, to be funded by and accountable to local authorities, and will promote choice (e.g. helping people choose which GP practice to register with) and complaints advocacy. Local HealthWatch will have powers to recommend that poor services are investigated.

Summary of Supplementary Consultation Documents

Following publication of the White Paper the Government has published five consultation documents seeking comments on a series of questions relating

to the development of various aspects of policy. The five consultation documents are:

- Local democratic legitimacy in health
- Commissioning for patients
- Transparency in outcomes – a framework for the NHS
- Regulating healthcare providers
- Review of arms-length bodies

The following is a brief summary of each of the first four of these documents (the review of arms-length bodies has less impact on local services, decision-making and governance).

Local Democratic Legitimacy in Health

The document defines localism as one of the defining principles of Government policy and proposes local democratic accountability by which councillors and councils will have a new role in ensuring the NHS is answerable to local communities. The aim is that patients who need the help of both health and social care services can expect to get much more coherent, effective support. In this new role councils will have greater responsibility in four areas:

- assessing local needs by leading joint strategic needs assessments (JSNA) to ensure coherent and coordinated commissioning strategies
- supporting local voice, and the exercise of patient choice
- promoting more joined up commissioning of local NHS services, social care and health improvement
- leading on local health improvement and prevention activity.

The main specific proposals are that:

- Local Involvement Networks (LINks) will become the local HealthWatch, which will be given additional functions and funding to provide a signposting function to the range of organisations locally, an NHS complaints advocacy service, supporting individuals to exercise choice such as choosing a GP practice. Local authorities will fund HealthWatch and contract for their services and hold them to account for discharging these duties and ensuring the focus of local HealthWatch activities is representative of the local community. Local HealthWatch will be part of the Care Quality Commission (CQC) and will be able to report concerns about local health or social care services directly to HealthWatch England, within CQC.

- The Government prefers to specify a statutory role for local authorities to support joint working on health and well-being. A statutory partnership board – a health and well-being board – within the local authority would

provide a focal point through which joint working could happen. The four main functions of health and well-being boards proposed are:

- To assess the needs of the local population and lead the JSNA
- To promote integration and partnership including through joined-up commissioning across the NHS, social care and public health
- To support joint commissioning and pooled budget arrangements where all parties agree
- To undertake a scrutiny role in relation to major service redesign

It is proposed that the statutory functions of the OSC would transfer to the health and well-being board. Local authorities would need to ensure that a process was in place to scrutinise the functioning of the health and well-being board and health improvement policy decisions.

- When PCTs cease to exist responsibility and funding for local health improvement activity will transfer to local authorities (e.g. in relation to smoking, alcohol, diet and physical activity). A national Public Health Service will integrate and streamline health improvement and health protection functions. Local Directors of Public Health will be jointly appointed by local authorities and the Public Health Service, with direct accountability to both. They will have a ring-fenced health improvement budget allocated by the Public Health Service.

Commissioning for Patients

Most commissioning decisions will now be made by consortia of GP practices, held to account for the outcomes they achieve by the NHS Commissioning Board. It will be a requirement that every GP practice to be part of a consortium and to contribute to its goals. It is proposed that a proportion of GP practice income is linked to the outcomes that practices achieve through commissioning consortia and the effectiveness with which they manage NHS resources. Consortia will be able to employ staff or buy-in support from external organisations. Consortia will determine which aspects of commissioning require collaboration across several consortia.
The NHS Commissioning Board will be responsible for commissioning primary medical services, and also dentistry, community pharmacy, primary ophthalmic services and national and regional specialised services and maternity services.

The Secretary of State will set the NHS Commissioning Board an annual mandate, based on a multi-year planning cycle, covering the totality of what the Government expects from the Board. The Board will in term hold consortia to account for their performance.

Consortia will have a duty to promote equalities and to work in partnership with local authorities. Consortia will have a duty of public and patient involvement.

The economic regulator and the NHS Commissioning Board will ensure transparency and fairness in spending decisions and promote competition, including by ensuring that wherever possible any willing provider has an equal opportunity to provide services.

The NHS Commissioning Board will have a significant role in managing financial risk, including through oversight of risk pooling within and between consortia. The principles for managing overspends and underspends will be agreed between the NHS Commissioning Board, the Department of Health and HM Treasury.

The aim is that GP consortia will take on their new responsibilities as rapidly as possible. The timetable is:

2010/11	GP consortia begin to come together in shadow form
2011/12	A comprehensive system of shadow consortia in place, and the NHS Commissioning Board established in shadow form from April 2011
2012/13	Formal establishment of GP consortia, together with indicative allocations and responsibility to prepare commissioning plans, and the NHS Commissioning Board established
2013/14	GP consortia to be fully operational with real budgets and holding contracts with providers

Transparency in Outcomes – a Framework for the NHS

The Secretary of State will hold the NHS Commissioning Board to account through the NHS Outcomes Framework, which is concerned with how the performance of the NHS across the system will be judged at a national level. It will be made up of a set of national outcome goals that will provide an indication of the overall performance of the NHS.

The NHS Commissioning Board will in due course develop a commissioning outcomes framework that measures the health outcomes and quality of care achieved by GP consortia. It will develop a set of indicators to operationalise the national outcome goals set by the Secretary of State.

There will be separate frameworks for the NHS, public health and for social care. The NHS Outcomes Framework will therefore focus on the outcomes that the NHS can deliver through the provision of treatment and healthcare.

The consultation on the national NHS Outcomes Framework asks for views on:

- The principles that should underpin the framework

- A proposed structure and approach that could be used to develop the framework
- How the proposed framework can support equality across all groups and help reduce health inequalities
- How the proposed framework can support the necessary partnership working between public health and social care services
- Potential outcome indicators, including methods for selection, that could be presented in the framework.

The proposal is to structure the NHS Outcomes Framework around a set of five outcome domains that attempt to capture what the NHS should be delivering for patients:

Domain 1: preventing people from dying prematurely
Domain 2: enhancing quality of life for people with long-term conditions
Domain 3: helping people to recover from episodes of ill-health or following injury
Domain 4: ensuring people have a positive experience of care
Domain 5: treating and caring for people in a safe environment

There are specific proposals for outcome indicators for each of the domains and some very detailed issues on which comments are being sought.

Regulating healthcare providers

This consultation document seeks to accelerate progress towards all NHS provision being provided by NHS Foundation Trusts (FTs), considers potential additional freedoms for foundation trusts and proposes to establish an independent economic regulator for health and social care.

The core purpose of Monitor will change to take on the role of economic regulator, responsible for regulating prices, promoting competition and supporting service continuity. Monitor will carry out a range of regulatory functions currently delivered wholly or in part by the Department of Health. Monitor's principal duty will be to protect the interests of patients and the public in relation to health and adult social care by promoting competition where appropriate and through regulation where necessary.

It will not be an option for organisations to decide to remain as an NHS trust rather than become or be part of a foundation trust.

The Government's intention is that FTs will be regulated in the same way as any other provider in the private or voluntary sector.

Foundation trusts freedoms will be extended:

- The cap on the proportion of earnings from private income will be repealed
- The Government is considering whether to retain Monitor's power to limit the amount FTs can borrow from banks and other lenders

- FTs will be able to amend their own constitutions with the consent of their boards of governors
- There will be greater freedom for FTs to acquire another organisation or to de-merge (subject to merger controls to protect competition)

Monitor will be responsible for establishing funding arrangements to finance the continued provision of services in the event of special administration (to be triggered to protect additionally regulated services before the start of any insolvency process). It is likely that it will establish a funding risk pool raised from levies on providers.

NHS Southwark Response to the Consultation

The consultation on all four documents runs until 11 October. NHS Southwark will be making a response and is liaising with Southwark Council to discuss where our views may align. A draft of the response is not available at the time of writing but the content of the draft will be discussed at the Scrutiny Committee meeting by which time a draft will have been written.