REPORT TO: Executive Board

DATE: 28th March 2012

REPORTING OFFICER: Strategic Director - Communities

PORTFOLIO HOLDER: Health and Adults

SUBJECT: Health and Social Care Bill - Update

WARD(S): Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 To provide an update for Board Members on the progress of the Health and Social Care Bill.

2.0 RECOMMENDATION: That the Board note the contents of the report.

3.0 SUPPORTING INFORMATION

3.1 The Health and Social Care Bill was introduced in the House of Commons on 19th January 2011 and at the time of writing this report was still at its reporting stage within the House of Lords. Board Members can track progress of the Bill through the Parliamentary system at the link attached below :-

http://services.parliament.uk/bills/2010-11/healthandsocialcare.html

3.2 The Department of Health has produced a number of factsheets on various aspects of the proposed NHS reforms. These include the proposed NHS Commissioning Board, Public Health England, Clinical Commissioning Groups, Clinical Commissioning Support Services and Health Education and Training. These fact sheets give an indication of the work still to be done (subject to the passage of the Health and Social Care Bill) to create the proposed new system; and they provide useful links to other sources of information.

The latest information contained in the factsheets is outlined in this report, however further updates are available via the attached link below :-

http://www.dh.gov.uk/health/2012/02/bill-factsheets/

It is recognised that the Bill is complex, however the following attempts to provide a synopsis of the main features of the Bill.

3.3 **The NHS Commissioning Board (NHSCB) -** Strategic Health Authorities and Primary Care Trusts will be abolished and the NHS CB will take on its full responsibilities from 1 April 2013. It is proposed that the central headquarters of the NHS CB will be in

Leeds, with an office in London. There will be nine directorates, four sectors and 50 local offices around the country. The proposed nine director roles are:

- National Medical Director
- Chief Nursing Officer
- Chief Operating Officer
- National Director: Finance
- National Director: Commissioning Development
- National Director: Patient and Public Engagement, Insight and Informatics
- National Director: Improvement and Transformation
- National Director: Policy, Corporate Development and Partnership
- Chief of Staff

3.4 **Clinical Commissioning Groups (CCGs) -** Clinical Commissioning Groups will be developed to cover the whole of England. The Government aims to have the vast majority of CCGs fully authorised by April 2013. They will be responsible for commissioning the majority of healthcare for their local population.

Each CCG will decide the extent to which it carries out services in house, or shares or buys in support services especially from Commissioning Support Services (CSSs). It is expected that CCGs will start putting arrangements in place to identify their substantive appointments from April 2012.

3.5 **NHS Commissioning Support Services (CSSs) -** It is envisaged that the NHS CB will temporarily host commissioning support services (this means that the NHS CB will be the employer of CSS staff) that grow from PCT clusters from April 2013 where those services demonstrate, through the business review, that they will be viable. It is proposed that all these services will move to freestanding models by April 2016 at the latest.

Some of the national 'scale' offers for business intelligence, major clinical procurements, communications, and corporate or business support services, such as finance or HR, are likely to operate at a national and sub-national level with close links and working relationships with local CSS teams and CCGs. Early indications suggest there may be around 25 to 30 CSSs – this means that each will provide services to 10 or more CCGs (of which there are around 260 – 300 currently proposed). By the end of March 2012, it is expected that each CSS will have developed governance arrangements that allow it to operate at arms length from the PCT Cluster.

3.6 **Public Health England -** Public Health England (PHE), is to be established on 1 April 2013 as an Executive Agency of the Department of Health. Its overall mission will be "to protect and improve the health and wellbeing of the population, and to reduce

inequalities in health and wellbeing outcomes". It will do this in concert with the health and social care system, and with key delivery partners including Directors of Public Health, local government, the NHS and Police and Crime Commissioners, providing expert advice and services and showing national leadership for the public health system.

Further work to finalise the organisation design of PHE - including the number and location of staff and offices - will be conducted by the end of May 2012.

This work will be based on the overall functions and organisation structure as set out in the PHE operating model, which includes the following features:

- National office - PHE's senior management team will be based in a national office located in London. The national office will act as the service centre for the organisation, and provide national leadership, strategic direction and support the overall integration and coordination of the public health system.
- National centres of expertise and excellence for public health - PHE will build on and develop current arrangements for national centres which concentrate professional, scientific and analytical expertise to deliver a range of services and functions that support front-line public health activities.
- Hubs - some PHE national office functions will be distributed across geographic hubs, which will be part of the national office and act within a national framework. There will be four hubs that are coterminous with the four sectors of the NHS Commissioning Board and the Department for Communities and Local Government resilience structure: London, the South of England, Midlands and East of England, and North of England.
- Units - PHE will deploy expert and specialist advice capacity "at a level that allows it to understand and respond to local needs and support local leaders to tackle the health challenges they face". Units will be developed from the twenty-five current health protection units of the Health Protection Agency.

3.7 **Local Government and Public Health Services** - The Board has already received a number of reports on Public Health over the last few months and the expected date for any transfer of public health staff from the NHS to local government is 1 April 2013.

The provisions include a new duty on county councils, London borough councils and unitary authorities, to take steps to improve the health of their local population. One way those local authorities may fulfil their new health improvement duty will be through commissioning public health services. They will also work with clinical commissioning groups and representatives of the NHS Commissioning Board to integrate services.

3.8 **Health Education England and Local Education and Training Boards -** Health Education England (HEE) will be established as a Special Health Authority in June 2012 with a view to commencing operations from October 2012 and taking on full responsibilities by 1 April 2013. In due course the plan is to establish HEE in primary legislation as an Executive Non-Departmental Public Body (ENDPB).

The purpose of HEE is to ensure that the healthcare workforce has the right skills, behaviours and training and is available in the right numbers to support the delivery of excellent healthcare and health improvements. Its primary focus will be on professionally qualified healthcare and public health staff. However, HEE will take a wider leadership role in relation to the development of the whole healthcare workforce.

Local Education and Training Boards will take on the workforce planning and education and training functions of Strategic Health Authorities (SHAs), including post-graduate deaneries. LETBs will be hosted by HEE from April 2013

3.9 **NHS Property Services Ltd -** NHS Property Services Ltd will be a property company wholly owned by the Department of Health. The principal function of the company will be to hold and manage part of the estate that is currently owned by PCTs, together with surplus SHA and Arm's Length Bodies (ALB) estate. The abolition of PCTs and SHAs, and the transfer of their property, is however subject to the passage of the Health and Social Care Bill. This issue is of interest to local authorities as they may currently be occupiers or joint owners of or investors in some of the estate (for example through a Local Improvement Finance Trust) included in these provisions. Due to the complexities of the Estate, it is envisaged that properties and staff may transfer from PCTs in a number of waves, between September 2012 and March 2013. This is still to be confirmed.

3.10 **Department of Health -** The Department of Health (DH) provides strategic leadership for public health, the NHS and social care in England. It will be the place in government that leads the way on protecting and improving people's health. It will be the 'architect' for the new system of health and care and, in summary, will:

- continue to carry out its Department of State functions, supporting ministers, developing legislation, providing parliamentary accountability and liaising with Treasury for resources
- own the strategic design of the health and care system as a whole
- set the overall ambition for improvement in people's health and wellbeing
- have more responsibility for health and the prevention of ill health, and have national and local responsibility for public

health through Public Health England and the work of local Health and Wellbeing Boards
- set the strategic direction for the NHS, based on outcomes, and hold it to account for achievements
- set the vision, policy framework, and funding system for social care
- ensure that all parts of the health and care system work in partnership and collaboratively
- have an increased role in cross-government research and development
- act to ensure health is embedded into cross-governmental policy

It is expected that the Department will be reduced from its current 2,400 staff to around 1,700, including some staff leaving to join other new NHS organisations.

3.11 **Healthwatch** – The Government has tabled amendments to the Bill to make clear that local authorities, which will be under statutory duty to commission effective and efficient local Health watch organisations, will have some choice over the organisational form that local Healthwatch takes. The amendments to the Bill are designed to ensure local authorities have some flexibility and choice over the organisational form of local Healthwatch, so they can determine the most appropriate way to meet the needs of their communities. The key requirements are :-

- Local Healthwatch organisations must be corporate bodies carrying out statutory functions;
- They must be not-for-profit organisations;
- Local Health watch must be able to employ staff and (if they choose) be able to sub contract statutory functions

Local Health watch will need to be inclusion so that it operates for the benefits of its local community.

It will be up to the local authority to decide how they commission and fund local Healthwatch and although the final decision about how each local Healthwatch will look like is down to the local authority to decide, the decision should be made in consultation with local community stakeholders and the existing LINk.

4.0 POLICY IMPLICATIONS

4.1 As Members will note much of the Bill is still been developed and debated. It is recognised that the Bill is complex and complicated however in Halton we are engaging with the Clinical Commissioning groups regarding greater integration and potential partnership opportunities including commissioning. In addition over the last few months good progress has been previously reported to the Board on the emerging Public Health agenda.

5.0 FINANCIAL IMPLICATIONS

5.1 None identified at this stage.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children & Young People in Halton

A range of the areas will impact upon children's services in particular within Public Health and commissioning.

6.2 Employment, Learning & Skills in Halton

There will be a range of new and varied employment opportunities created within the new NHS structures.

6.3 A Healthy Halton

All issues outlined in this report focus directly on this priority.

6.4 A Safer Halton

None identified.

6.5 Halton's Urban Renewal

None identified.

7.0 RISK ANALYSIS

7.1 None identified at this stage

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 Any services provided which seek to address the health needs of the residents of Halton needs to be fully accessible.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None under the meaning of the Act.