Creating NHS Hertfordshire

A Proposal for Merger of the Primary Care Trusts

Foreword

Over the last year the two Boards of NHS East and North Hertfordshire and NHS West Hertfordshire (previously known as East and North Hertfordshire PCT and West Hertfordshire PCT) have been considering a merger.

In February 2009, they undertook a survey of key stakeholders and in July at public board meetings, they made a recommendation to start the process of becoming a single primary care trust for Hertfordshire.

It is the strategic health authority’s responsibility to ensure that an appropriate period of consultation on the proposed merger is undertaken as set out under The Primary Care Trusts (Consultation on Establishment, Dissolution and Transfer of Staff) Regulations 1999.

To this end, we have sought the advice of Hertfordshire County Council Health Scrutiny Committee and it has been agreed that a six week consultation on a proposal to merge East and North Hertfordshire PCT and West Hertfordshire PCT will take place with community and NHS stakeholders between 30th September 2009 and 11th November 2009.

The consultation document sets out what is proposed and invites comments from you on the key issues. For ease of response, we have included a short questionnaire at the end of this document for you to complete.

It is worth emphasising that a merger will not affect the provision of health services or already agreed changes in those services; neither will it mean a management reorganisation as there already exists a single, integrated management team.

I look forward to receiving your views.

Sir Neil McKay
Chief Executive
Introduction

East and North Hertfordshire PCT and West Hertfordshire PCT (now known as NHS East and North Hertfordshire and NHS West Hertfordshire) came into existence on the 1st October 2006.

From the start, they have shared a single integrated management team working across the two organisations with one chief executive and one set of directors. Many staff work for both organisations although a number of staff also have local geographical responsibilities.

The establishment of two PCTs for Hertfordshire came about as a result of a nationally driven process launched in 2005 called Commissioning a Patient Led NHS which also accelerated the drive to introduce universal coverage of practice based commissioning (PBC). Under PBC, groups of GPs' practices take on responsibility for commissioning services that meet the health needs of their populations.

The functions of a PCT were set out as follows:

- improving the health of the community and reducing health inequalities;
- securing the provision of safe, high quality services
- contract management on behalf of their practices and public
- engaging with local people and other local service providers to ensure patients views are properly heard and coherent access to integrated health and social care services is provided
- acting as provider of services only where it is not possible to have separate providers – and with arrangements for separating out decisions on commissioning from provider management
- emergency planning

With reference to the fifth bullet point, the Hertfordshire PCTs retained responsibility for the provision of community health services employing around 3000 community nursing, health visiting and therapy staff.

So what has developed/changed since 2005?

- World Class Commissioning

The drive to improve commissioning of health services was given a major boost with the introduction of World Class Commissioning in 2008. This places PCTs in the spotlight, using a performance framework to work on strengthening the skills of commissioners with a clear focus on outcomes, competencies and governance in order to obtain high quality, cost effective services for their patients.

The first peer assessment of the Hertfordshire’s PCTs’ readiness to take on this challenge questioned whether a single Hertfordshire PCT might be better placed to improve commissioning through increased focus and reduced complexity.
The feedback prompted further discussion and debate within both PCTs resulting in a recommendation to both PCT Boards in July 2009.

- **Transforming Community Services**

The NHS Operating Framework for 2008/2009 published by the Department of Health set out a requirement for PCTs to

‘create an internal separation of their operational provider services, agree service level agreements, based on the same business and financial rules as applied to all other providers’

On April 2009, the Hertfordshire PCTs moved into a contractual relationship with its community health services based on a national contract template.

Hertfordshire Community Health Services (HCHS) now operates at arms length to the two PCTs and has its own managing director. It has declared an interest in progressing to become a completely separate organisation with its own Board and with an aspiration to become a Community Foundation Trust.

In line with Government policy this will mean that the PCTs’ role will focus on purely commissioning with no direct responsibility for providing services.

- **Local Issues - Partnership Working**

The geographical split of the PCTs in the county does not align with any partner organisations outside the NHS.

Joint commissioning of mental health services; specialist learning disability services; drug and alcohol services and child and adolescent mental health services is undertaken with Hertfordshire County Council; children’s services are now commissioned on a countywide basis.

Many of the major voluntary sector organisations are also organised on a countywide basis and are involved with the PCTs in partnership work. The Local Involvement Network (LiNk) is also a countywide organisation whilst the Local Medical Committee is organised across Bedfordshire and Hertfordshire.

- **Local Issues – PBC development**

There are currently 11 practice based commissioning groups providing local influence and input into commissioning. There is a rolling programme of establishing patient groups and with other stakeholders, facilitating their involvement in designing improved patient pathways and ensuring the provision of community based services that are more convenient for patients.
• **Local Issues - Cost savings**

It is estimated that it currently costs about £0.5m per year extra to support two PCTs and their Boards. This overhead would be reduced by merging the PCTs.

There are one off costs associated with moving to a merged structure which include:
- consultation process.
- notifying partners, stakeholders, contractors and staff and handling subsequent enquiries.
- Recruiting and training Non Executive Directors, which would be met by the Appointments Commission

Whilst the savings are smaller than if there were merging two management teams, it is felt these are not insignificant particularly at a time when the NHS faces a challenging financial future.

• **Local Issues - Delivering quality health care for Hertfordshire (DQHH)**

At a sequence of meetings in January 2008, Hertfordshire County Council Health Scrutiny Committee considered the outcome of public consultation on a series of proposed major changes to health services in the county. It took evidence and issued a report containing a number of recommendations. This included recommendations on the implementation of the local health service changes.

The Strategic Commissioning Topic Group was set up by the Health Scrutiny Committee and tasked with ongoing scrutiny of the implementation of Delivering Quality Healthcare for Hertfordshire. It recommended that the Department of Health should give urgent consideration to the merging of two Hertfordshire PCTs to provide for a single PCT covering all of Hertfordshire.

**Taking the Temperature**

Early in 2009, Hertfordshire PCTs commissioned Finnamore Management Consultants to undertake a piece of work with key stakeholders to test the feasibility of creating a PCT for Hertfordshire with a single board.

Views of MPs, local authority representatives, voluntary organisations as well as NHS bodies were sought.

45 responses out of 175 questionnaires were returned from a wide range of stakeholders. The overall response to a potential single PCT Board was neutral.

Countywide organisations such as the County Council were generally more in favour of one single board with Town and some District/Borough Councils less in favour. Stakeholders in East and North Hertfordshire were slightly more in favour of this potential change than those in West Hertfordshire.

Given that there is already an existing joint management structure, it was generally felt that the move to a single Board would be an improvement in terms of processes and use of resources. The main concern highlighted was a perceived decrease in focus on local issues and priorities.
PBC groups were felt to have an important part to play and had the potential to become effective vehicles for ensuring that local priorities are not lost within the larger geographical coverage of a single PCT Board.

**Moving Forward**

Key to a successful implementation of a single PCT for Hertfordshire is ensuring that local engagement is maintained and strengthened to deliver health improvement particularly for those people the NHS finds “hard to reach” and in those geographical areas with higher rates of deprivation.

Many of the PCTs’ staff have been and continue to be involved in locality work and with minority ethnic communities, homeless people, travellers and people with long term conditions. Much of this is undertaken as part of local strategic partnership work involving district councils, local voluntary sector and community organisations.

Practice Based Commissioning encourages local focus, putting local GPs and other clinicians at the forefront of commissioning and decision making on service priorities. Strengthening the role of practice based commissioning groups and their public engagement responsibilities lies at the core of the PCTs’ performance framework and will be stepped up over the coming months.

Efforts are being directed at co-ordinating the activities of PBC groups with those of local partnerships both at a strategic and operational level. Patient groups aligned with PBC are already well established in some parts of Hertfordshire and the intention is to roll these out to the remaining areas over the coming months.

The consultation will seek your views on how the PCT could ensure that it maintains its focus on local issues and priorities.

**Consultation Process**

The feedback from the independent feasibility study reinforced our view that this proposal to merge the Hertfordshire PCTs is about effective engagement and local responsiveness of the PCTs and its key partners in the community and the NHS. This kind of strategic change, as one respondent highlighted, should make no difference to the public, most of whom are not aware of the structure of the health service.

We are therefore inviting written comments from individuals and organisations to the proposal to merge and in particular a response to two key questions:-

- **How do you feel about the proposed creation of a single PCT Board for Hertfordshire?**
• What do you think a single PCT Board should do to maintain a clear local focus and sustain local relationships, both at a strategic and operational level, given the geography of Hertfordshire and its communities?

During the consultation period, the PCTs' Chief Executive will be happy to brief stakeholders on the proposal and will respond to any queries you may have about it. You can contact her:

By email at: Anne.Walker@herts-pcts.nhs.uk

By post to: Anne Walker, Chief Executive, East and North Hertfordshire PCT and West Hertfordshire PCT, Charter House, Parkway, Welwyn Garden City, AL8 6JL

Additional copies of this document can be obtained at www.enherts-pct.nhs.uk or at www.wherts-pct.nhs.uk or on request by email: lyn.hibbert@herts-pcts.nhs.uk

A response form is included at the end of the document for stakeholders to complete and return to james.bewsher@eeo.nhs.uk or post to James Bewsher, Head of Communications, NHS East of England, Victoria House, Capital Park, Fulbourn, Cambridgeshire CB21 5XB

Distribution

The consultation document has been forwarded to the following:

Hertfordshire County Council Health Scrutiny Committee
Hertfordshire MPs
Hertfordshire County Council
Hertfordshire District/Borough Councils
Hertfordshire Town & Parish Councils
Hertfordshire Police Authority
Hertfordshire Police Constabulary
University of Hertfordshire

Hertfordshire LINk
Stakeholder Forum (representatives of District/Borough Councils and the Voluntary Sector)

Councils for Voluntary Services
Voluntary organisations - Age Concern, Carers in Herts, MIND, MENCAP

Local Practitioner Committees
NHS Trust Boards
Practice Based Commissioning Group Chairs
PCT Professional Executive Committee
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RESPONSE FORM

Name:

Organisation:

Date:

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Please return your comments on the proposal to:

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email: james.bewsher@eoe.nhs.uk