

HILLINGDON PCT'S PROVIDER SERVICES

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Papers with report	None

REASON FOR ITEM

To enable the Committee to examine Hillingdon PCT's provider services, specifically vertical integration and the proposed appointment of Central & North West London NHS Foundation Trust.

OPTIONS AVAILABLE TO THE COMMITTEE

1. Receive the presentations from the witnesses
2. Question the witnesses on their presentations
3. Make recommendations as appropriate
4. Decide what further action is required

INFORMATION

Background

1. Primary Care Trusts (PCTs) are at the centre of the NHS and control approximately 80% of the NHS budget. PCTs spend this money in two ways. Firstly, they commission services for their local residents (e.g., from hospital and mental health trusts), and secondly, provide a range of healthcare services themselves. These are known as 'provider services' and include services usually provided in the community such as community nursing, health visitors and podiatry.
2. The Committee has generally focused on the issues surrounding the PCT's commissioning of services from other providers (e.g., Hillingdon Hospital NHS Trust and Central & North West London NHS Foundation Trust). This report seeks to provide the opportunity for Members to examine provider services, with particular reference to vertical integration and the proposed appointment of Central & North West London NHS Foundation Trust.

Governance arrangements for provider services

3. Government policy has sought to refocus the role of PCTs onto the commissioning of services from other providers and move away from providing services themselves. In 2005, the Government indicated its view that PCTs should divest themselves of provider services and only commission services. This was controversial and the requirement has

changed so that, at the very least, PCTs must create new governance arrangements for their provider services that maintain an internal separation from the commissioning function.

4. Hillingdon PCT has reformed its governance structure for provider services in order to meet Government requirements. Senior officers from the PCT will be attending the meeting to outline progress in relation to vertical integration and the proposed appointment of Central & North West London NHS Foundation Trust.

Vertical Integration and the proposed appointment of Central & North West London NHS Foundation Trust

5. 'Vertical integration' is the term applied in Healthcare to describe the integration of services across hospital and community boundaries. It is widely accepted that vertical integration has the potential to provide significant patient care whilst making economic sense.
6. On 30 March 2010, the Board of NHS Hillingdon endorsed a recommendation from the Community Services Externalisation Assessment Panel to integrate Hillingdon Community Health with CNWL (Central & North West London Foundation Trust).
7. CNWL and THH (The Hillingdon Hospital) were the two local NHS organisations short-listed to attend an assessment panel, which followed guidance from the Department of Health.
8. Members of the assessment panel included representatives of the Local Involvement Network (LINK), Practice Based Commissioning GPs, and Hillingdon's Chief Executive.
9. The PCT will need to be fully satisfied that the integration will serve the best interests of the local population, and the decision is subject to formal approval by NHS London.
10. Evidence submitted by CNWL demonstrated a good awareness of safeguarding and delivering the Transforming Community Services programme.
11. The separation of provider services from the commissioning arm of PCTs is designed to ensure that each part of the organisation will be able to focus exclusively on its core business.

Witnesses

12. Senior officers from Hillingdon PCT will be attending and are likely to include:

- Maria O'Brien: Managing Director, Provider Services
- Claire Murdoch: Chief Executive, Central & North West London NHS Foundation Trust

SUGGESTED SCRUTINY ACTIVITY

Members to question representatives from the Hillingdon PCT and Central & North West London NHS Foundation Trust on the developments regarding provider services and decide whether to take any further action.

BACKGROUND REPORTS

None.

SUGGESTED KEY QUESTIONS/LINES OF ENQUIRY

Governance reform

1. What has been the impact of the reforms on staff?
2. Have the governance changes impacted on the services provided to Hillingdon residents?
3. Have the changes to the governance of provider services affected relationships with the Council's social care services?
4. How has the PCT developed its provider services? Have these services grown in scope and provided an expanded range of services in Hillingdon and beyond? Are these services competing against a greater range of providers within Hillingdon?

Vertical Integration and the proposed appointment of Central & North West London NHS Foundation Trust

1. How do the proposals affect the level and quality of service provided?
2. Will people have to travel further to access these services?
3. Will the proposals result in a significant financial saving?
4. What will happen to the premises that no longer provide these services?
5. What plans are in place to deal with any increase in the demand on the service?
6. How will the PCT fully satisfy itself that the integration will serve the best interests of the local population?
7. How have staff been involved in the development of the proposals? How will staff be affected by the proposals?