**Introduction**
This paper details a set of proposals for implementing the Government's White Paper in Kingston.

The White Paper and its supporting documents have been issued by the Coalition Government for consultation. However, Kingston Leaders believe that we should not wait until consultation has ended and legislation passed before starting to implement changes. There are likely to be changes to the Government’s proposals following consultation but the proposals in this paper create a set of shadow arrangements which can easily be modified once legislation is passed. The greater risk is that we wait until legislation is passed before starting to change the way we work, which in the current economic climate is likely to create additional financial challenges for Kingston.

Subject to approval by the NHS Kingston Board and the Executive of the Royal Borough of Kingston, we will implement a set of shadow arrangements from the autumn of 2010.

Once legislation is passed by the Government we will need to review our shadow arrangements and adapt them accordingly.

**Background and Context**
The Government's white paper ‘Equity & excellence: liberating the NHS’ published on 12 July 2010, sets out a radical new vision for the health service in England. It has, at its heart, three key principles:

- Patients at the centre of the NHS
- Changing the emphasis of measurements to clinical outcomes
- Empowering health professionals, in particular GPs.

In addition to the White Paper, the Government issued consultation documents on:

- Transparency in outcomes – a framework for the NHS
- Local democratic legitimacy in health
- Commissioning for patients
- Regulating healthcare providers
- Establishing HealthWatch, consultation on the White paper runs until 5 October, and consultation on its supporting documents until 11 October.

The Coalition Government’s health white paper and its associated documents represent one of the most significant reforms of the NHS in its history. It proposes radical changes to where power sits in the system, replaces much of the existing hierarchy and moves from quasi-markets that were often really just managed systems to full market mechanisms with limited system management. It also represents an attempt to change the nature of political involvement in the detailed management of the system and the way that the NHS is held to account for its performance. Finally, it involves a very large structural reorganisation of the NHS.
Key elements of the Government’s proposals which relate to commissioning

The key proposals which relate to commissioning are set out below. In addition the Government has set out proposals for NHS Providers (all will become Foundation Trusts) and economic regulation (creating a powerful new economic regulator Monitor).

Commissioning for outcomes.
The white paper signals a change of emphasis from process measurement to outcomes. The consultation on a new outcomes framework for the NHS is the beginning of an attempt to develop a set of outcome indicators for the overall performance of the NHS. There will eventually be three outcome frameworks covering the NHS, social care and public health.

GP commissioning.
GP consortia will be created to take on the commissioning functions from PCTs and management of the bulk of the NHS budget. A new National Commissioning Board will hold GP consortia to account, ensuring that they deliver improved outcomes for patients and maintain financial balance.

Democratic Legitimacy.
This will be strengthened by creating statutory Health and Well-being Boards (HWBs) in every local authority. HWBs will have a statutory role to support joint working on health and well-being and are seen as a way of promoting greater integrated working between NHS commissioners and local authorities.

Patient and Public Engagement.
New arrangements for PPE include creation of a national body (HealthWatch England) to sit within the Care Quality Commission (CQC) and local HealthWatch, which will be based on existing Local Involvement Networks (LINks). In addition to LINk’s existing powers and functions, HealthWatch may take on responsibility for complaints, advocacy and promoting choice.

Public Health.
The Government will be publishing a separate Public Health White Paper in autumn 2010. The documents published so far propose a national Public Health Service with Directors of Public Health appointed by HWBs. These Directors will be responsible for health improvement funds within a ring-fenced public health budget.

As the public health budget will be separated from the NHS, it will be necessary for the HWBs, GP commissioners and providers and the public health service to work together to deliver health improvement within the NHS and population-level public health services across multiple GP consortia and local authority boundaries.

Impact and assessment of these proposals in Kingston
As a result of the transfer of commissioning to GP consortia and the transfer of the Public Health function to local authorities, PCTs will no longer have a role and will be abolished (subject to legislation) from April 2012.
Developing a Kingston response to the White paper

Whilst it is undoubtedly true that the proposals together represent one of the most significant reforms in the history of the NHS, many of the proposals are an extension (albeit in some cases a significant one) to much of the work we have been doing in Kingston. For example,

- Our direction of travel is OneKingston and joining health and social care together
- We already have a Health and Well-Being Board
- We have a Joint Director of Public Health and many shared public health posts and functions
- GP Commissioning is an extension to practice based commissioning

The Coalition Government’s agenda therefore fits well with the Kingston ethos and ways of working.

Since the publication of the White Paper and the supporting documents, many people in Kingston have been actively discussing how we can move ahead with implementing changes. A workshop with external facilitation was held on 3 September which brought together local GPs, RBK’s Leader and officers, NHS Kingston Board members and Kingston’s LINk members to shape our proposals. A broad consensus was reached on the key building blocks and the proposals emerging from this workshop are described in the following paragraphs.

Proposal 1 – to establish a new Health and Well-Being Board (HWB) in shadow form from 1 November 2010.

The HWB will have the following responsibilities:
- Assess the needs of the local population and lead the statutory joint strategic needs assessment
- Promote integration and partnership across areas including the promotion of joined up commissioning plans across the NHS, social care and public health
- Support joint commissioning and pooled budget arrangements, where all parties agree this makes sense; to undertake a scrutiny role in relation to major service redesign

We propose that the HWB is chaired by the Leader of the Council with the following membership:

- Executive Member for Healthy Living and Adult Support, RBK
- Representatives from GP consortia
- Chair of NHS Kingston
- Chief Executive of NHS Kingston
- Chief Executive of Royal Borough of Kingston
- Director of Community Services from RBK
- Joint Director of Public Health
- Chair of Kingston’s LINk (until HealthWatch is formed) in attendance

The HWB will operate in shadow form until legislation is passed by the coalition Government.

The membership will need to be revised when NHS Kingston is abolished and its responsibilities transferred to GPs and RBK; at this point there would be no PCT members.
The ‘Local democratic legitimacy in health’ paper proposes that the HWB undertake scrutiny of health services thereby assuming the role currently under the Health Overview Panel (HOP). Local authorities have a statutory role to scrutinise local health services through HOP and this role will continue until legislation changes this. We believe this is likely to create a conflict with members scrutinising themselves. Further discussions will take place on how scrutiny will take place under these regulations.

The White Paper proposes that HealthWatch will be members of the HWB. We believe that this would impact on the independence of HealthWatch if they are full members and therefore are part of the decision making processes. For this reason we believe that HealthWatch (Kingston’s LINk until HealthWatch is formed) should attend the HWB in a participatory observer capacity, offering advice and challenge to the Board but not being party to decision making.

Proposal 2 - to establish a transitional process from October 2010, with the development of a shadow GP consortium by April 2011, covering all 28 practices in Kingston

The Government’s consultation documents propose that the commissioning of NHS services will transfer from PCTs to new GP consortia. There is little detail available at present to describe the precise organisational form, size and responsibilities of the consortia and it is unknown how much of this will be prescribed by the Government and how much will be left to local determination. However the direction of travel is very clear.

Kingston GP practices have agreed to the transitional process and a half day workshop, involving all Kingston Practices, to commence the development of the Shadow Consortium and the inter-relationships amongst practices. We are also exploring the Indicative Budget setting with the GP Practices.

As part of the transitional process, we have agreed to revise the membership of the PEC and create a Clinical & Management Leadership committee. This new committee will bring together PCT directors with current PEC GPs, and KCI Commissioning Board members, with the polysystem GP leads attending when needed.

Proposal 3 – to transfer the Public Health function managed by NHS Kingston to RBK.

The White Paper proposes that a new National Public Health Service will be established and that public health functions will be transferred to local government. In Kingston we already have a Joint Director of Public Health and a number of joint public health posts, so this change can be seen as a next logical step.

The Government will be publishing a public health white paper in the autumn and clearly this will help us to shape how public health works in the future to support delivery of better outcomes for our residents. Some elements of public health may operate at a national level but it is clear that the local health improvement function will be transferred to local government. The function will also need to support GP commissioners in their commissioning of health services.

The future organisational structures and forms are unknown at present; however building on the way public health is currently delivered in Kingston we propose to transfer the function to
RBK in the autumn. This will be covered by extending the current Section 75 agreement which will specify the ring-fenced resource to be transferred. This will prevent any risk of public health resources being used for other purposes during the transition phase. The Joint Director of Public Health will lead a review of the public health function to ensure that it is “fit for purpose” to support GP commissioning and the delivery of its core functions.

Proposal 4 - to restructure the NHS Kingston Board.
The White Paper proposes to transfer the current functions of PCTs to GP consortia and to local authorities and therefore it is anticipated that PCTs will be abolished from April 2012. This is eighteen months away and PCTs have a set of statutory functions to meet until such time as they cease to exist. PCTs have a list of 78 statutory functions.

The purpose of the PCT can be divided into two groups:

- Doing the day job; i.e. managing financial and service performance; meeting all other statutory requirements; meeting non-statutory requirements determined by the NHS Chief Executive and NHS London
- Supporting the transition of the health system

These functions need to be delivered at the same time as we are reducing our management costs and the post 2012 health system will also have to operate at a significantly reduced management cost. For Kingston this amounts to a 65% reduction from the 2008/09 baseline and needs to be achieved by 2012/13. Proposals to reduce the management costs are being dealt with separately from the proposals in this paper.

There is therefore a considerable challenge for the PCT Board. On the one hand, we must continue to exercise strong control and governance because that is what we are accountable for; but on the other hand, we have to be changing the way we work in order to start to mirror the future. This is tricky territory because the White Paper and its supporting documents are still being consulted upon. However if we continue to operate as we have in the past, this is contrary to the spirit of the White Paper and to the direction of travel we have wanted to follow anyway.

The NHS Kingston Board is currently composed of:

- A non-executive Chairman
- 5 non-executive directors
- 5 executive directors. The executive directors include the Chief Executive who is the Accountable Officer; two statutory directors (the Director of Finance and the Director of Public Health), Director of Performance, Director of Clinical Development
- PEC Chair
- Co-opted Leader of RBK and the Executive Member for Healthy Living and Adult Support
- Representative from Kingston’s LINk is in attendance at the Board but is not a Board member

We propose to reduce the membership of the Board to the minimum number needed to discharge our statutory functions:

- A non-executive Chairman
• 3 non-executive directors
• 3 executive directors – the Chief Executive who is the Accountable Officer, the Director of Finance and the Director of Public Health

The Board would then delegate all decisions other than those which it has to reserve as the Accountable Body, to the Health and Well-being Board.

Underneath the Board there would be an Audit Committee (which is a statutory requirement) but this would be widened to take on the current roles of the Finance and Commissioning Committee and Integrated Governance Committee. With fewer non-executive directors it is clear that we cannot maintain 3 board sub-committees and whilst combining all 3 into one looks daunting, in practice some of these functions could be carried out by the full Board, the HWB or the Clinical and Management Leadership Committee as these develop.

The PEC will be reconstituted as a new Clinical and Management Leadership committee reporting to the Board and HWB.

A new Governance Framework will be written which will specify the respective roles and responsibilities of the new structures and individuals. This will need to be flexible to adapt to changes as they emerge following legislation.

Consultation on the proposals in this paper
The proposals in this paper were developed through the workshop held on 3 September. Further discussions have also been held with GP representatives who support the proposals in this paper. The proposals were also shared at a joint meeting between the RBK Executive and Kingston Strategic Partnership on 13 September and they also supported the direction of travel. A discussion with the SWL Sector Chief Executive is scheduled for 14 October 2010.

Summary
The White Paper and its supporting documents present a real opportunity for improving outcomes for our residents by bringing the NHS and the local authority much closer together. In a time of economic restraint closer working is essential if we are to respond to the challenge of delivering better public services with less money. Whilst the White Paper contains a set of proposals which are still being consulted upon, we can only implement changes in shadow form; however nothing in this paper is irreversible. There is much in the White Paper which is absolutely consistent with our stated direction of travel and OneKingston. The detail of the proposals in this paper will need to be worked on as we implement the shadow arrangements.
Recommendations
The Board of NHS Kingston and the RBK Executive are asked to approve the 4 proposals set out in this paper.

The Chief Executives of NHS Kingston and RBK are asked to develop an implementation plan to implement the proposals set out in this paper.

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