

**Report to:** Executive  
**Date:** 14 March 2006  
**Report of:** Executive Member for Health  
**Subject:** Response to the Consultation on the new Primary Care Trust Arrangements in County Durham and Tees Valley  
**Wards:** All

## **1. Introduction**

- 1.1 The purpose of this report is to consider a proposed response from the Council to the consultation from the County Durham and Tees Valley Strategic Health Authority on the proposed changes to the organisation of Primary Care Trusts in County Durham and Tees Valley. This proposes the formation of a single Primary Care Trust (PCT) for County Durham by the merger of the County's present five existing PCTs or a single PCT for County Durham and Darlington by the merger of the County's present five existing PCTs with the PCT for Darlington.
- 1.2 The proposed consultation response is attached at Annex 1 for the Executive's consideration. This argues for the retention of a Primary Care Trust for Easington District under the new arrangements.

## **2. Consultation**

- 2.1 This report has been prepared in consultation with the Management Team and informed by discussions between the Council and Easington PCT. Copies of the Consultation Document are available for inspection from the Chief Executives Office or can be accessed via the PCT's website.
- 2.2 It should also be noted the proposed changes were the subject of an Adjournment Debate in the House of Commons in which Rt Hon. John Cummings MP spoke on behalf of the implications for Easington District.
- 2.3 A consultation event led by the County Durham and Tees Valley Strategic Health Authority was held in the District on 20<sup>th</sup> February. The event was very well attended and demonstrated the importance of the arrangements for PCTs to the population of the District.

## **3. Background**

### **Consultation Proposals**

- 3.1 The proposals for the reorganisation of PCTs in County Durham form part of a series of consultations underway across the Region as part of the Department of Health's drive to create a patient led NHS as set out in its White Paper 'Choosing Health' in 2004. The consultations include:
  - Merger of the two existing Strategic Health Authorities (County Durham and Tees Valley and Northumberland and Tyne and Wear) to form a single Strategic Health Authority for the North East.
  - Alter the boundaries of the region's 16 current PCTs to form either:
    - Four PCTs covering North of Tyne and Northumberland; South of Tyne and Sunderland; County Durham and Darlington and Teesside; or

- Twelve PCTs sharing the same boundaries of the ten unitary council and the two County Councils in the region. This would mean a County Durham PCT and a Northumberland PCT, together with five PCTs for the Tyne and Wear area and five for the Tees Valley area including a stand alone PCT for Darlington.
- Changes to the North East Ambulance Service NHS trust to include Teesside in line with the recommendations of a national review of ambulance services.

3.2 The proposals for PCT reorganisation follow on from a short consultation exercise initiated by the Department of Health in July 2005 when the planned approach to create larger and commissioning based PCTs was set out along with a timetable that indicated that this transformation of PCTs would be planned to be completed by April 2008.

3.3 The current consultation programme requires the submission of representations by 22nd March 2006. The SHA will then by 12<sup>th</sup> April forward the results of the consultation with a recommendation on PCT re-configuration to the Secretary of State for Health. An announcement on the outcome of the process and the new PCT arrangements is expected by the summer.

#### **National Policy Context**

3.4 The national policy driver for these changes rests with the Government's vision to have a patient led NHS so that delivery of health services are designed around the needs of patients and that through a stronger commissioning capacity within PCTs to achieve greater 'contestability' in relation to quality and value for money for services that are provided. Linked to this is the concept of 'practice based commissioning' which gives GPs and their practice teams more say in how services are designed and delivered in local community settings. The outcome sought from this is not only more patient choice, but also to provide better and more integrated support for care of people with long term illnesses; a wider range of services in convenient community settings; faster and more responsive emergency and out of hours services; and more support to help people improve and protect their own health.

3.5 To achieve this, larger sized PCTs are seen to be essential to facilitate and co-ordinate improved design and planning of services, to work more closely with local government and effectively support general practice. The way forward is through a stronger commissioning role, which in simplest terms means the way the NHS plans and pays for services to ensure their quality, fairness and value for money. Such an approach is expected to stimulate the development of a wider range of services in response to preferences, lifestyles and the needs of local populations. Through this arrangement PCTs will be able to support their GPs develop and fund new community services (sometimes as an alternative to hospital based services) so they have a greater say in the services to be delivered to their patients.

3.6 To undertake such a role the Department of Health wishes to see put into place PCTs that area able to:

- Make the best use of their budgets when purchasing care and treatment from hospital trusts and other healthcare providers but are still able to work closely with local GPs to ensure the right services are available to meet patients needs.
- Improve the range and quality of local healthcare so patients get more choice and have better access to higher quality services.
- Develop ways of improving health and encourage healthy living
- Significantly reduce expenditure on management and administrative functions (£14m pa in the North East Region) so money can be re invested in local health services

3.7 To deliver this a 'fit for purpose' a PCT should be capable of meeting a number of criteria to:

- Secure high quality and safe services
- Improve health and reduce inequalities
- Improve the engagement of GPs and rollout practice based commissioning
- Improve public involvement
- Improve commissioning and effective use of resources
- Manage financial balance and risk
- Improve co-ordination of social services and other local authority services through greater congruence of PCT and local authority (Social Care Authority) boundaries.

#### **4. Implications for Easington PCT and Easington District**

4.1 Under the either of the proposed arrangements, Easington PCT would be replaced by a single PCT operating across the whole of County Durham so as to be co-terminus with Durham County Council as the Social Services Authority. There is no option offered of retention of existing PCTs.

4.2 The consultation document sees the single PCT arrangement for the County area as offering improved scope for joint commissioning with Social Care and GP practices, and in this context primary health care teams and other community based health professionals could play a better role in improving the health of local populations. Also this would ensure working with local authority partners on integrated commissioning of health and social care could be sustained along with the development of shared priorities in areas such as emergency planning, community safety, social inclusion and economic regeneration.

4.3 The report does though importantly recognise that a key issue for a County Durham PCT "will be to ensure that locality structures are developed that enable resources and activity that are locality specific, based largely on the district councils' boundaries, to remain so". It adds the locality structure developed by the County Council will support this approach.

4.4 A draft response to the consultation is attached at Annex 1. This seeks to challenge the lack of an option to retain a PCT for Easington as under the options for Tees Valley, areas such as Hartlepool and Darlington with similar population totals have the potential to retain a PCT. The response though also seeks assurances on a number of key issues should a single PCT for the County be introduced. These include seeking the embedding of the recent uplift in health expenditure to address the chronic health needs of East Durham in the locality, ensuring appropriate locality and linked governance arrangements are in place and that the link between the Council and public health improvement is not undermined by any structural organisational changes.

#### **5. Implications**

##### **Financial Implications**

5.1 The proposed consultation arrangements and the outcome of the proposals should have no significant financial implications for the Council.

##### **Legal Implications**

5.2 There are no legal implications in respect to the District Council.

### **Policy Implications**

- 5.3 The report has no direct implications on the Council's existing policy framework other than that noted below at paragraph 6.1 of the report in respect to the future delivery of the Council's priority to Building a Healthy Community.

### **Risk Implications**

- 5.3 As the report relates to a consultation exercise there are no substantive direct risks arising from the report.

### **Communications**

- 5.4 The Council's response to the consultation will be widely communicated to the local community and other key stakeholders with an interest in the well being of Easington District.

## **6. Corporate Implications**

### **Corporate Plan and Priorities**

- 6.1 There are no direct implications arising from this report but the outcome of the consultation process over PCT re configuration could result in the Council losing the close working relationship and shared vision with the Easington PCT for health improvement in Easington. Because of the uncertainty around future arrangements governing any relationship with a more strategic PCT for the County and the lack of detail over future locality arrangements this could lead to some difficulties in advancing Priority 8 'Building a Healthy Community' as envisaged in the current Corporate and Performance Plan.

### **Other Implications**

- 6.2 There are not considered to be any implications in connection with sustainability, human resources information technology, equity and diversity, crime and disorder, social inclusion or procurement matters arising from the report.

## **7. Recommendations**

- 7.1 It is recommended that the Executive agree the Statement at Annxe 1 to the Report as the Council's response to the County Durham and Tees Valley Strategic Health Authority consultation in respect to new Primary Care Trust arrangements in County Durham and Tees Valley.

<b>Background Papers.</b>
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- County Durham and Tees Valley Strategic Health Authority Consultation: January 2006

**A RESPONSE TO THE COUNTY DURHAM AND TEES VALLEY STRATEGIC HEALTH  
AUTHORITY CONSULTATION IN RESPECT TO NEW PRIMARY CARE TRUST  
ARRANGEMENTS IN COUNTY DURHAM AND TEES VALLEY.**

**March 2006**

**Introduction**

This Statement in response to the County Durham and Tees Valley Strategic Health Authority consultation in respect to new Primary Care Trust arrangements in County Durham and Tees Valley was agreed by the Council's Executive at its meeting on 14<sup>th</sup> March 2006.

The District Council would wish to see the Strategic Health Authority recommend to the Secretary of State for Health the retention of a Primary Care Trust for Easington under the new arrangements for the County Durham area.

**Context**

The District of Easington is situated along the coastal strip between the more urban centres of Sunderland to the north and Hartlepool to the south and has a population of some 94,000. The economic base for the area was previously associated with coalmining and has been the subject of considerable regeneration activity over the last 10 years to address the economic, health, social and environmental legacies of the loss of this predominant sector of employment. As a consequence of this structural economic change, the district has chronic levels of deprivation and disadvantage and is ranked as the 7<sup>th</sup> worst district (Rank worst for all shire districts) on the ODPM's IMD 2004. This is evidenced by the fact 14 out of the 20 wards in the District fall in the worst 10% nationally, with 8 wards falling in the worst 5%. Eden Hill ward is in the worst 1% of deprived wards nationally.

The Council has sought to provide a strong community leadership and advocacy capacity to address the District's future 'well being' and through this provide the communities of Easington with a more certain and sustainable future. As part of this role the Council has recognised its future prospects will in part be shaped by actively contributing to policy debates and consultations to ensure national and regional service organisations are well informed of the needs of Easington and by this to bring about a positive impact for the communities of Easington

The County Durham and Tees Valley Strategic Health Authority consultation on the proposed changes to the organisation of Primary Care Trusts in County Durham and Tees Valley is therefore of critical importance to the Council and the District's communities in terms of having an accessible and responsible health service.

As the Strategic Health Authority will be aware under the health domain of the 2004 IMD all of the District's wards fall within the 10% most deprived in the country and indeed 7 out of 20 wards feature in the worst 1% nationally. Indeed, Eden Hill ward in Peterlee is ranked as the 5<sup>th</sup> most deprived ward nationally on health indicators. Given these factors, the close and well established working relationship between the Council and the Easington PCT and the outcome of the well attended Strategic Health Authority consultation event at Shotton Hall on 20<sup>th</sup> February 2006, the Council would wish the following comments to be fully taken into account in your consideration of the recommendation on PCT re-configuration to the Secretary of State for Health.

## **Retention of a PCT for Easington District**

The District Council would wish to see the retention of a Primary Care Trust for Easington under the new arrangements for the County Durham area. It is accepted that this option is not one currently being considered by the Strategic Health Authority, but feels the options presented denies local communities a real say on how their local health services should be managed. The Council would therefore wish to see Easington PCT retained to provide a true local focus to address the specific health conditions of the District. The Council feels there are a number of significant factors relating to the communities of Easington that warrant the retention of its local PCT.

Easington PCT has developed during its short existence a strong record for improving access to health services for local communities who as the IMD indicators show have a far high incidence of ill health than the remainder of County Durham. A number of major service improvements are currently underway or are being introduced as are a number of capital programmes to improve the standard of accommodation for patients and their accessibility to these services, a major issue for East Durham communities. Many of these are being delivered and developed in partnership with other local service providers such as the District Council. The Council would not wish therefore to see these improvements in any way delayed or indeed put at risk by organisational change

There is also considerable disquiet as was demonstrated at the consultation event in the locality, that the commitment and hard earned reputation of the Easington PCT to articulate for the health needs of the area's communities and to tackle these needs in partnership with those communities could well be lost under the alternative and unsatisfactory options for organisational change. The PCT's good performance record with strong patient and community support should not be set aside to achieve greater financial savings that could leave East Durham with a lesser influence over a critical public service area for local communities in East Durham.

Easington PCT has only recently had its health needs better recognised in terms of the financial funding awards to the PCT. This major uplift in health spending for Easington District was hard won and represents a major opportunity to make the step investment change required to improve the quality and accessibility of health services for local people across the District. The planned changes are seen to potentially put the best use of these significant additional resources at risk. In the Council's view the most appropriate way to safeguard these resources to ensure they are used and for the benefit of the intended beneficiaries is to retain a self-standing Easington PCT.

It is also evident that the access to health services at tertiary centres for Easington residents is to the north in Sunderland and to the south in Hartlepool and Stockton and not to centres such as Durham and Darlington. This further demonstrates a distinctive nature of the health service patterns for Easington when compared with those evident for the remainder of the county. This factor further supports Easington PCT's retention in the Council's view.

The Council does recognise that having more and smaller PCTs will impact on the Health Services desire to achieve a required level of savings on management and administration functions to support patient care. The Council would however argue that this management and administration savings objective should not alone be a deterrent factor on the number and distribution of Trusts in County Durham. The Council would wish to see greater attention given to the 'real world' pattern of the health needs and demands of local communities and access to the services and particularly the suitability of the arrangements from local communities perspective by which those local communities can exert real and effective influence over their provision and be made readily accountable to them. In the Strategic Health Authority's consideration of the re configuration proposals greater weighting should, be given to the impact of these proposals on the Government's policies for localism and community empowerment over service provision. This is seen to be lacking by the Council in the current configuration options.

The Council is also confident that an Easington District based PCT would be able to meet the tests set for a PCT in being able to operate within a strong commissioning framework (in partnership with other PCTs as necessary); improve the engagement of GPs and rollout practice based commissioning; improve the range and quality of local healthcare; achieve improved public involvement; and develop ways off improving health and encourage healthy living. These are all actions Easington PCT is fully embracing currently. Through this there would be secured high quality and safe services, an effective use of resources and a means to improve co-ordination of social services and other local authority services.

It is felt that the savings target should be looked at as goal for the Strategic Health Authority to achieve overall, so as to allow greater local flexibility. It is also the case that the impact on the required savings would be lessened as the retention of an Easington PCT could be in part offset by savings in the planned locality arrangements as described in the consultation paper, not being required for Easington. There is in addition the option for greater internal NHS partnership and shared arrangements being put into place with an Easington PCT to assist to minimise unnecessary management and administrative costs.

A further rationale for the larger PCT areas is co-terminosity with local government social care authorities. However this over simplifies working arrangements with local government as there is a need and desire for Social Care Authorities to also work at a locality level and in the PCT configuration reasoning, no significant reference is made to the relationship with local authority housing services and the forms of housing support provided through District Councils as strategic housing authorities. The opportunities for improvement of care services by closer links to housing services would be supported by the retention of an Easington PCT..

It is also noted that by comparison in Tees Valley that the option of the retention of PCTs of a similar population size to that of Easington, as is the case for Hartlepool and Darlington is being considered as feasible option. As such the same consideration should be given to Easington residents.

It is also commented that current local government structures might also be the subject of change in light of the planned ODPM White Paper on Local Government due to be published by mid 2006. Again given the need to focus attention on the chronic health needs of Easington, retention of an Easington PCT would assist with any transition change of local government services and in particular the impact this will have on the arrangements for children and adult health care services as well as housing.

### **Recognition of Easington Districts Health Needs.**

Notwithstanding the views of the Council outlined above, if the Strategic Health Authority is minded to maintain its preference for a single County Durham PCT, then the Council would wish to see the recommendations to the Secretary of State include full safeguards and assurances for the new arrangements so that any new County Durham PCT is required to be able to publicly demonstrate a commitment to the communities of Easington to:

- Maintained a strategic focus on addressing the chronic health inequalities experienced by Easington residents. This should be achieved by maintenance of a commitment to increased provision of local and community based services, support for public health improvements and working to improve transport and ease of access to acute and specialist services in hospital trusts to the north and south of the district. Within this maintenance of local initiatives and service improvements such as the developing adult care services partnership and the established Intermediate Care Service.

- 'Ring Fence' the uplift in resources for Easington PCT to help address long term under funding of NHS services delivered in the District and the lack of capital investment in premises such as Community Hospitals and Health Centres.
- Establish 'fit for purpose' locality arrangements that will provide opportunities for local communities and stakeholders such as the District Council to participate in the governance arrangements for the locality and a continuation of the new PCT's active engagement in locality based partnership arrangements such as the East Durham LSP and close working relationships with the District Council, in respect to housing and public health improvement initiatives
- Maintain the current high level of community and patient involvement in the locality and at the county level in order that residents of Easington can have an influence on, and engagement with, the work of the new PCT for the County.

The Council would wish also to be assured that if the proposed changes are introduced with the inclusion of a greater number of PCTs in the Tees Valley area, the additional costs of management and administrative arrangements for this structure does not lead to the former County Durham PCTs having to provide any additional compensatory savings so that at the SHA level the overall target savings are secured.

### **Concluding Comments**

The District Council has as one of its nine corporate priorities to improve the health of the residents of the District. It seeks to address this agenda through tackling the determinants of health through all of its strategies and expenditure programmes and by most importantly having a close and strong relationship with Easington PCT. The Council sees the retention of an Easington PCT as justified on prevalent chronic local health conditions; the distinctive current configuration of service arrangements for East Durham residents both within and outside of Easington; and the current availability of additional NHS resources to offset previous years of under funding for East Durham residents and so more specifically target health service improvements and investments into Easington. For these reasons the Council would ask that the Strategic Health Authority recognises the health needs and patterns of health service provision in East Durham and recommends the retention of a Primary Care Trust for Easington under the re-configuration arrangements.

Representatives from the Council would be prepared to meet with the Strategic Health Authority to support our submission further if this would be of assistance.