

## WRITTEN STATEMENT OF A KEY DECISION CABINET

<b>ITEM:</b>	<b>PUBLIC SERVICE TRUST</b>
Members Present:	Councillors: RJ Phillips (Leader), Mrs LO Barnett, PJ Edwards, Mrs JP French, DW Rule MBE (Deputy Leader), RV Stockton, DB Wilcox, RM Wilson.
Date of Decision:	26th October 2006
Exempt:	No
Confidential	No
This is a key decision because	
It is likely to result in the Council incurring expenditure above agreed budgets for the service or function (shown as a line in the budget book) to which the decision relates but allowing for virements between budget heads and savings within budget heads of up to £500,000. It is significant in terms of its effect on communities living or working in Herefordshire in an area comprising one or more wards	
The item was included in the Forward Plan.	
Urgent Decision:	No
Purpose:	To consider further proposals for the establishment in principle of a Public Service Trust for Herefordshire designed to give effect to the Council's response to the West Midlands South Strategic Health Authority (SHA) consultations early in 2006 on the reconfiguration of Primary Care Trusts (PCTs) in the region. That consultation arose from the Department of Health's publication "Commissioning a Patient Led NHS".
<b>Decision:</b>	<ol style="list-style-type: none"> <li>1. <b>That Cabinet endorse the recommendations set out in the report as a basis for continuing negotiation and further report to the Council and Primary Care Trust.</b></li> <li>2. <b>That Cabinet recognises the risks of the original aggressive timetable which has been further affected by:</b> <ol style="list-style-type: none"> <li>a) <b>changes in leadership within the PCT.</b></li> <li>b) <b>an evident and understandable indication on the part of the PCT as a result that they wish to proceed rather more cautiously than had originally been intended.</b></li> <li>c) <b>the apparent lack of pressure from the Strategic Health Authority for implementation from 1st April, 2007.</b></li> <li>d) <b>the lack of availability of additional funding to</b></li> </ol> </li> </ol>

	<p>assist with the delivery of the initial phase of the programme.</p> <p>e) the differing levels of flexibility available in relation to the split of commissioning and providing and the inhibitions that may present to the realisation of the 1st April, 2008 phase.</p> <p>3. That Cabinet places on record its view that the model envisaged from 1st April, 2007 whilst providing an appropriate means of phasing and protection of service delivery is not financially or managerially sustainable for more than a year and that the parties should make every effort to reduce that period.</p> <p>4. Whilst maintaining its commitment to the proposed recommendation Cabinet authorises the Leader of the Council and the Chief Executive to examine with the PCT the advantages and disadvantages of moving more immediately to the proposed 1st April, 2008 model recognising in particular:</p> <p>a) the immediate pressures faced by the Council and PCT.</p> <p>b) the need for clear and unambiguous leadership.</p> <p>c) the need for clarity, speed and purpose in the delivery of change.</p> <p>d) the clear risks to both parties of the inability to move beyond the 1st April, 2007 model.</p> <p>e) the possibility of a start date which does not coincide with the financial year.</p> <p>5. That Cabinet further demonstrates its commitment to the recommendations by:</p> <p>a) making immediate provision to commit senior staff resources to provide capacity to develop the identified work streams subject to identifying resources.</p> <p>b) committing to its share of the resourcing of an interim Project Director</p> <p>to ensure that these work streams are project managed and subject to the agreement of the PCT to project manage these work streams within the PRINCE 2 methodology and select and commit to an appropriate Change</p>
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	<p><b>Management model.</b></p> <p>c) reaffirming its commitment to the involvement of the PCT in the appointment to the currently advertised statutory post of Director of Children’s Services ensuring:</p> <p>i) that the respective implications of the approval of these outline proposals by the PCT and the Council are drawn to candidates’ attention.</p> <p>ii) the Chairman of the PCT be invited to join the Member interviewing panel.</p> <p>d) specific arrangements be made for the recruitment consultants retained by the Council to see any suitably qualified applicants for post Director of Children’s Services from within the PCT.</p> <p>e) that the PCT be invited to indicate if and how they would wish to be involved in the recruitment of the post of Director of Environment currently advertised.</p> <p>f) protocols be established to ensure that future senior posts within both the PCT and the Council are only advertised when consideration has been given to how recruitment to those posts can further the model to which both parties have committed themselves.</p> <p>g) in recognising the statutory requirements on the PCT to undertake public consultation the Cabinet commits the Council to joint public consultation on these proposals within the framework of the Community Involvement Strategy adopted by the Herefordshire Partnership.</p>
<p>Reasons for the Decision:</p>	<p>To respond to Government consultation.</p>
<p>Options Considered:</p>	<p>In practical terms the alternative options were discounted when the Cabinet and subsequently Council adopted the response to the Strategic Health Authority set out in the Cabinet report of 23rd February, 2006.</p> <p>The alternative would have been to have supported the formation of a larger PCT although even such an arrangement would have placed considerable pressure on the Council to work</p>

	more closely with the PCT, particularly in relation to its commissioning role and across what would have been a much wider geographical area. It would also have involved some reconciliation of the priorities of the respective local strategic partnerships.
Declaration of Interest:	None.
Date the key decision is due to take effect:	2nd November 2006

<b>COUNCILLOR RJ PHILLIPS</b> .....Date: 26th October 2006 <b>LEADER OF THE COUNCIL</b>
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<p><b>To be completed by officer:</b></p>	
<p>Date consent received from Chairman of Adult Social Care and Strategic Housing Scrutiny Committee: And Chairman of Strategic Monitoring Committee.</p>	<p>Not called-in.</p>
<p>Subject to Call-in:</p>	<p>Yes</p>
<p>If yes was the decision modified?</p>	
<p>If yes Cabinet Member (.....) decision reference:</p>	
<p>Date original decision took effect:</p>	