

# A G E N D A

## Health Scrutiny Committee

Date: **Tuesday, 14th August, 2007**

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Time: **10.00 a.m.**

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Place: **The Council Chamber, Brockington,  
35 Hafod Road, Hereford**

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Notes: Please note the **time, date** and **venue** of the meeting.

*For any further information please contact:*

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**County of Herefordshire  
District Council**



HEREFORDSHIRE  
COUNCIL



# AGENDA

## for the Meeting of the Health Scrutiny Committee

To: Councillor K Swinburne (Chairman)  
Councillor SPA Daniels (Vice-Chairman)

Councillors WU Attfield, MJ Fishley, AE Gray, KS Guthrie, P Jones CBE,  
G Lucas, GA Powell, AP Taylor and PJ Watts

	Pages
1. <b>APOLOGIES FOR ABSENCE</b> To receive apologies for absence.	
2. <b>NAMED SUBSTITUTES (IF ANY)</b> To receive details of any Member nominated to attend the meeting in place of a Member of the Committee.	
3. <b>DECLARATIONS OF INTEREST</b> To receive any declarations of interest by Members in respect of items on this agenda.	
4. <b>MINUTES</b> To approve and sign the Minutes of the meeting held on 28th June, 2007.	1 - 6
5. <b>SUGGESTIONS FROM MEMBERS OF THE PUBLIC ON ISSUES FOR FUTURE SCRUTINY</b> To consider suggestions from members of the public on issues the Committee could scrutinise in the future.	
6. <b>PUBLIC SERVICE TRUST FOR HEREFORDSHIRE</b> To consider a response to the public consultation on the development of enhanced partnership working between Herefordshire Council and the Herefordshire Primary Care Trust leading to the formation of a Public Service Trust for Herefordshire.	7 - 164



## **PUBLIC INFORMATION**

### **HEREFORDSHIRE COUNCIL'S SCRUTINY COMMITTEES**

The Council has established Scrutiny Committees for Adult Social Care and Strategic Housing, Childrens' Services, Community Services, Environment, and Health. A Strategic Monitoring Committee scrutinises corporate matters and co-ordinates the work of these Committees.

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The principal roles of Scrutiny Committees are to

- Help in developing Council policy
- Probe, investigate, test the options and ask the difficult questions before and after decisions are taken
- Look in more detail at areas of concern which may have been raised by the Cabinet itself, by other Councillors or by members of the public
- "call in" decisions - this is a statutory power which gives Scrutiny Committees the right to place a decision on hold pending further scrutiny.
- Review performance of the Council
- Conduct Best Value reviews
- Undertake external scrutiny work engaging partners and the public

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Please note that the Committees can only scrutinise items which fall within their specific remit (see below). If a matter is raised which falls within the remit of another Scrutiny Committee then it will be noted and passed on to the relevant Chairman for their consideration.

#### **2. Questions from Members of the Public for Consideration at Scrutiny Committee Meetings and Participation at Meetings**

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### **Adult Social Care and Strategic Housing**

*Statutory functions for adult social services including:  
Learning Disabilities  
Strategic Housing  
Supporting People  
Public Health*

### **Children's Services**

*Provision of services relating to the well-being of children including education, health and social care.*

### **Community Services Scrutiny Committee**

*Libraries  
Cultural Services including heritage and tourism  
Leisure Services  
Parks and Countryside  
Community Safety  
Economic Development  
Youth Services*

### **Health**

*Planning, provision and operation of health services affecting the area  
Health Improvement  
Services provided by the NHS*

### **Environment**

*Environmental Issues  
Highways and Transportation*

### **Strategic Monitoring Committee**

*Corporate Strategy and Finance  
Resources  
Corporate and Customer Services  
**Human Resources***

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## **COUNTY OF HEREFORDSHIRE DISTRICT COUNCIL**

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COUNTY OF HEREFORDSHIRE DISTRICT COUNCIL

**MINUTES of the meeting of Health Scrutiny Committee held at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Thursday, 28th June, 2007 at 10.30 a.m.**

**Present:** Councillor K Swinburne (Chairman)

Councillors: WU Attfield, MJ Fishley, DW Greenow, KS Guthrie, P Jones CBE, G Lucas and AP Taylor

**In attendance:** Councillors PA Andrews, WLS Bowen and PJ Edwards  
Mr J Wilkinson and Mrs A Stokes, Chairman and Vice-Chairman of the Primary Care Trust Patient and Public Involvement Forum were also present.

**1. APOLOGIES FOR ABSENCE**

Apologies were received from Councillors: SPA Daniels (Vice-Chairman) GA Powell and PJ Watts.

**2. NAMED SUBSTITUTES (IF ANY)**

Councillor D Greenow substituted for Councillor PJ Watts.

**3. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**4. MINUTES**

**RESOLVED:** That the minutes of the meeting held on 30th March 2007 be confirmed as a correct record and signed by the Chairman.

**5. SUGGESTIONS FROM MEMBERS OF THE PUBLIC ON ISSUES FOR FUTURE SCRUTINY**

There were no suggestions from members of the public.

**6. PRESENTATIONS ON BEHALF OF THE HEREFORDSHIRE PRIMARY CARE TRUST, THE HEREFORD HOSPITALS NHS TRUST AND THE WEST MIDLANDS REGIONAL AMBULANCE NHS TRUST**

The Chairman welcomed the representatives from the three Trusts and invited them to each give a short presentation on the issues and challenges facing their respective Trust.

**Herefordshire Primary Care Trust** – Julie Thornby – Director of Corporate Development.

Ms Thornby reported that the Herefordshire Primary Care Trust (PCT) had been formed in 2000 combining the Herefordshire Primary Care Group; NHS Community Trust and Health Authority. The PCT was responsible for patients registered with

Herefordshire General Practitioners (GPs), with 100 commissioning staff, 1200 provider staff, a budget of £233m and facilities throughout the County. The area covered by the PCT was co-terminus with that of the Council, an advantage of which was the joint working arrangements particularly in the area of Social Care and Health Care.

She highlighted the four key functions of the PCT namely: Commissioning (plan and purchase) health and care services – ranging from contracts for the community as a whole to an individuals specific care needs; Promote and protect public health – through initiatives against obesity, smoking or alcohol; Work with primary care (GPs, dentists, pharmacists, opticians), and the delivery of community and mental health services (provider services).

She outlined the structure of the PCT Board (Executive and Non-Executive Directors), a number of committees and the relationship with the Hereford Hospital Trust (commissioning services) and the West Midlands Strategic Health Authority (responsible for overseeing performance management).

She highlighted a number of challenges namely:

- Patient access to service target of 18 weeks wait (from first referral to treatment);
- Developing and modernising services e.g. unscheduled care and she gave examples of developments in mental health contracts and the use/delivery of A&E services,
- Reducing health inequalities further details of which may be covered by a future presentation to the Committee by the Director for Public Health.
- The national initiative to expand choice and diversity for patients and the need to ensure that local providers provide the sort of services expected. She suggested that the younger generation may more used to shopping around for services and therefore be more inclined to elsewhere for treatments.
- Ensuring financial balance.
- Working with local GPs to further develop practice based commissioning.
- Building on various options that may arise from the Public Service Trust and ensuring that there was a clear separation between commissioner and provider.

#### **Hereford Hospitals NHS Trust – Martin Woodford – Chief Executive.**

Mr Woodford reported that it was a small Trust when compared to Trusts nationally (317 beds serving 230,000 population in Herefordshire/Powys) with 1364 full time staff; £91m turnover (2006/07) and a significant overhead (£12m) of PFI hospital. He put this in the context of: providing patient choice; GP practice based commissioning; payment by results (based on a national scale); competition from independent providers and working towards a Foundation Trust in 2008. Operating from a PFI building the Trust had two main commissioners namely Herefordshire PCT (85.4% of income) and Powys Local Health Board (9.2% and increasing). The catchment area had a significantly higher population of over 65s than the national average (20% compared to 15%) and that upward trend was set to continue (with a 50% increase in over 65s by 2020). The Trust consistently exceeded national performance targets and he outlined performance in emergency medicine; elective surgery; maternity; out patient and local cancer services.

He highlighted a number of key achievements namely: attaining financial balance for the last three years with the aim of achieving a financial surplus in 2007/08; exceeding key access targets; through a jointly funded venture with Macmillan

Cancer Support the establishment of a state of the art Cancer Unit by 2009; being top performer in the West Midlands for a range of services; being recognised as one of the top 40 UK hospitals by independent benchmarking experts (CHKS) and achieving 'Practice Plus – Improving Working Lives' status.

He explained the key challenges facing the Trust, together with appropriate commentary under the following themes:

Involving patients:

1. Meeting the 18 week access target from referral to treatment by end of 2007 (a year ahead of the rest of the NHS). In conjunction with the Herefordshire PCT, the Trust had been chosen as an early achiever of the 18 week referral to treatment target. Attention was also being given to the system of capturing the relevant statistics.
2. Reducing or even eliminating the incidence of hospital acquired infection. This was being addressed through the implementation of a new anti-biotic prescription policy and initiatives aimed at educating staff, visitors and patients in the importance of infection control.
3. Engaging public and patients to improve the patient experience and developing a reputation for quality. The Trust would be both increasing their public membership base and working together with patient interest groups to help improve services. It also intended introducing a Quality Improvement Programme.

Involving the Trust:

4. Reducing the pressure on hospital beds by working more closely together with colleagues across the health and social care community. The Trust would focus on reducing the pressure of unscheduled care. He acknowledged that there was an upward trend in emergency need for beds and that three of the hatted wards were still in use. However, efforts were being made to re-shape the hospital to close the hatted wards but keep the bed numbers.
5. Using the potential of IT to improve care. This would be through developments to electronic discharge information and the completion of electronic health records. The GP online 'booking' service was in development.
6. Putting the Trusts finances on a firmer footing and working smarter. The Trust were working on creating a financial surplus, using the LEAN approach to working more efficiently.
7. Closing the hatted wards and improving the organisation of care. As mentioned earlier the Trust intend delivering a site Development Plan.
8. Collaboration with other stakeholders in Cancer Care. Through partnership working with Macmillan Cancer Support to open a new cancer unit and to resolve the debate regarding radiotherapy provision.

Working with stakeholders:

9. Promoting the Trusts services to GPs and providing improved out-reach services e.g. into Community Hospitals. The Hospital Senior Clinical Teams regularly met with GPs to improve services and further improvements in chronic disease management programmes were planned.
10. Working more effectively in partnership with commissioners / stakeholder organisations to deliver seamless care. The Trust would maintain and improve relationships and ways of working with partners to address the targets.

The Committee noted that the responsibility of the Care Pathway Officer would focus on the strategic issues rather than the mechanism of moving patients through the hospital system. Following a brief explanation of the working of the national scale of charges e.g. for a hip operation, the Committee noted that no problems had been experienced in financing care for migrant workers.

Responding to questions concerning the capacity of the hospital site, particularly with the expected growth in the over 65s population and the business expansion of the Edgar Street Grid, the Committee were informed that the Trust were already working with both the PFI Contractor and the Council's Planners to revise the site and ensure the optimum utilisation of space.

**West Midlands Ambulance Service** – Malcolm Price – Divisional Manager (Herefordshire)

Mr Price outlined the local management team for the service; the facilities served namely the Hereford Hospital and the four minor injury units in the County towns and the ambulance stations their staffing, vehicles and facilities at Hereford; Leominster; Bromyard; Ledbury and Ross-on-Wye.

He reported that the service was dominated by response targets namely Category A – 999 life threatening (target 75% of calls reached in 8 minutes) for which last year Herefordshire achieved 75.2%. Category B – 999 but may not be life threatening (target 95% reached in 19 minutes) for which last year Herefordshire achieved 91.9%. Category C - 999 but may not require hospital or ambulance and Category Urgent – request by GP at practice for patient transportation to hospital. He also provided statistics on pre hospital Thrombolysis and ROCS (Return of spontaneous Circulation) after cardiac arrest; attendance at incidents; hospital turnaround times and paramedic skill mix, of which Herefordshire had a high percentage of paramedics compared to nationally.

He further reported upon staffing issues namely: that staff may take career breaks; development reviews were undertaken; flexitime working and family leave was available, and alternative treatments e.g. the Bowen Technique, were being introduced along with 'C Max' chairs (motorised chair for stairs) and Bariatric stretchers (for larger patients)

The Committee noted that in relation to the positioning of vehicles when not on a call, it was explained that the vehicle may not return to a station but would be temporarily positioned at a strategic location to try to ensure the best coverage for the County.

Questioned on why Kington did not have an ambulance station the Committee were informed that the number of call outs per day did not warrant a station. The area did however, in addition to the local GPs have a number of Community First Responders (CFR) who were trained in the use of oxygen and defibrillator. Further CFRs were being trained throughout the County.

Responding to questions on the number of vehicles/personnel that may attend a call at a household the Committee were informed that where an ambulance may initially attend the situation was assessed and it may then be considered that the situation could be effectively dealt with by other means e.g. District Nurse or Emergency Care Practitioner, thereby negating the possible need for hospitalisation.

The Chairman thanked the presenters for attending and for informing the Committee

about the challenges facing the individual Trusts.

## 7. PUBLIC SERVICE TRUST FOR HEREFORDSHIRE

The Committee considered a report on the development of Public services Trust arrangements for Herefordshire.

The Director of Adult and Community Services presented a report, enclosed separately with the agenda, which outlined the background to the proposal and set out the current arrangements. Attached to the report at appendix 1 was a copy of the consultation document and appendix 2 set out the comprehensive communications strategy, agreed by the PST Steering Group, that underpinned the project and the consultation process. He highlighted that the Public Service Trust, which was still subject to the outcome of the consultation, would not be a legal entity but an innovative partnership that would make new and maximum use of existing legal powers for NHS bodies and Councils to work together in designing and commissioning improved services for local people. It was already apparent that both the Council and PCT were benefiting from the closer working relationships that were developing as a result of this work and he indicated a number of areas that had already been identified. He also reported that to ensure appropriate leadership could be in place following any decision in autumn 2007 to proceed, the post of Chief Executive had recently been advertised.

The Committee commented that it was important to ensure proper public consultation and noted that various public and staff meetings were programmed and that information was available in both printed and Website formats.

Following comment on the likely degree of change, particularly in view of the relatively small number of staff involved from the PCT side (approximately 100) the Committee noted that the PCT had a significant financial capacity (circ £233m) and therefore any arrangement should provide greater opportunities to influence outcomes and would be more strategic, to improve services, rather than cost cutting.

The Committee noted that a briefing on the Public Service Trust for Herefordshire proposals for all Councillors had been arranged and that the Chairman would consider holding a further meeting of the Committee to discuss specific issues on the proposals in due course.

**RESOLVED That progress and the next steps in relation to the establishment of a Public Service Trust for Herefordshire, as set out in the report, be noted.**

## 8. WORK PROGRAMME

The Committee considered its work programme, as set out at appendix 1 to the agenda, and a report on ongoing issues on which the Committee expected actions or outcomes, as set out at appendix 2 to the report.

The Chairman suggested that a short scrutiny review, involving all members of the committee, could be undertaken into "elderly falls" and that this should follow the patient through the whole of the system from the arrival of the ambulance, through treatment at hospital to their after care at home. The intention of such a review would be to ensure that there were clear pathways through the system and that each element/service provider linked in an efficient way to the next. It was also suggested that any case studies considered should include the winter months when falls were more likely.

A suggestion was made that the Committee could look at the long-term implications

for people in the County of having an inappropriate diet. While many people were aware of the need to ensure a proper balanced diet, and Herefordshire was acknowledged to be good in the regional league table for this, some for whatever reason continued to have a poor diet and it was suggested this may have long-term implications for both the well being of the person and resource implications for the care services in the future.

**RESOLVED That the work programme be noted and a scoping statement for a review of “elderly falls” be considered at the next meeting.**

The meeting ended at 1.15 p.m.

**CHAIRMAN**



**PUBLIC SERVICE TRUST FOR HEREFORDSHIRE****Report By: Project Director, Herefordshire Public Service Trust****Wards Affected**

County-wide.

**Purpose**

1. The Health Overview and Scrutiny Committee is invited to consider its formal response to the public consultation concerning the proposal to develop enhanced partnership working between Herefordshire Council and Primary Care Trust (PCT) leading to the formation of a Public Service Trust (PST) for Herefordshire for the benefit of people in the County.

**Background**

2. This report has been prepared to aid the Health Overview and Scrutiny Committee when considering its response to the consultation. Whilst it is designed to focus on the consultation itself, it includes background information to help inform and assist members in understanding the extensive process that has been undertaken by the Council and PCT since early 2006. It does not seek to pre-empt or anticipate ongoing work designed to provide the detailed information that will be available to the Council's Cabinet and Primary Care Trust Board later in the process. This is in accordance with the PST Steering Group's terms of reference that were agreed by the Cabinet and Trust Board. It is also in accordance with the Project Plan.

**Summary**

3. Members will be aware of the background to the proposal to develop a Public Service Trust for Herefordshire from previous reports. The impetus for this came early in 2006 after the Government proposed reorganising Primary Care Trusts in England. It was as a result of this and following local consideration of the options that a proposal was made by the PCT for Herefordshire to retain a Primary Care Trust that was coterminous with its Local Authority. This proposal was put forward with the full support of the Council, PCT and Health Scrutiny Committee on the understanding that they would work together to achieve a more integrated approach to public services within the County and to ensure that local responsibility and services were retained in the in the long-term. Indeed the PCT Board said in its formal response to the Strategic Health Authority in February 2006 "*The PCT supports the continuation of a Herefordshire PCT, on the basis of an integration of commissioning, planning and public health functions with Herefordshire Council,*

*rather than remaining as currently configured*". The Council's Cabinet reinforced this view in February 2006 when it recommended:

That

- *The proposals for a Public Service Trust for Herefordshire be endorsed as a basis for further discussion with the Primary Care Trust, if a Herefordshire Primary Care Trust continues as currently proposed in the consultation document.*
- *A joint project steering group be established to develop detailed proposals for further consideration by Cabinet in the event that the proposal for a Herefordshire Primary Care Trust is supported by the Secretary of State for Health.*

4. This resulted in a joint response to the Strategic Health Authority on behalf of Herefordshire Council and Herefordshire's Health Scrutiny Committee in support of retaining a PCT for Herefordshire and the development of the concept of a Public Service Trust for the County.

5. A key factor behind the Councils response related to its management of risk i.e. *"the comments on the consultation are aimed at minimising any negative impact of the proposed reconfigurations on the residents of Herefordshire"*. The paper to the Council in March 2006 explained, *"There are no Alternative Options"*.

6. The outcome following the public consultation between 14<sup>th</sup> December 2005 and 22<sup>nd</sup> March 2006 was that the Government announced that there would continue to be a separate Primary Care Trust for Herefordshire recognising that the proposal to establish a Public Service Trust could be beneficial.

7. The idea behind this was to revolutionise local public services by building on the existing individual strengths of the Council and Primary Care Trust to fulfil a vision for a single leading-edge organisation with three key aims:

- To deliver a wider range of excellent and integrated public services designed around the needs and expectations of individual patients and customers.
- To provide better value for money for local taxpayers, with savings on management costs as the Public Service Trust moved to a single management structure.
- To safeguard and enhance local health and public services in Herefordshire.

8. As a result of this and the successful case that was put forward to retain a Primary Care Trust that was coterminous with the Local Authority boundary; the Council and Primary Care Trust were compelled to initiate the work required to develop the concept from a vision to reality.

9. An independent consultant was subsequently engaged to work with the Council and Primary Care Trust to take this forward and to produce a scoping report. This report was published in August 2006 and was supplemented by a further report in September 2006. Following its consideration the Cabinet and Primary Care Trust

Board endorsed the recommendations set out in the report as the basis for continuing work.

10. A Project Director and Project Officer were subsequently appointed in January 2007 with the terms of reference to work with the Council and Primary Care Trust to build on the scoping exercise and to take forward the proposals. The priorities were to establish the project structure needed to develop the detailed work, to facilitate a public consultation and to support the Council's Cabinet and PCT Board decision-making process. The culmination of this should enable a decision "in principle" based on the outcome of the combination of the wide-ranging work and feedback from stakeholders as a result the consultation exercise.

11. A project Steering Group was established on behalf of the Council's Cabinet and Primary Care Trust Board from the beginning of February and the Project Initiation Document (PID) was agreed at its first meeting in February.

12. The Steering Group meets monthly and is jointly chaired by the Leader of the Council and Primary Care Trust Chair. Its membership includes both Chief Executives, Cabinet Member, Non Executive Director (NED), Chair of the PCT's Professional Executive Committee (PEC), Representative of the Government Office West Midlands (also representing the Strategic Health Authority) and PST Project Director.

13. It was also recognised that with local elections taking place in May 2007 it was imperative that the support previously given the Council to the retention of a Herefordshire based PCT should not become a party political issue. To that end the support of the four political group leaders has been confirmed at each stage of the proposal.

14. Eight working Groups were established by the Steering Group from the beginning of February with the terms of reference required to address a wide range of issues that were designed to support the objective to move the Council and Primary Care Trust from the scoping report to a public consultation regarding the creation of a Public Service Trust for Herefordshire. In doing so the Working Groups were required to address the six success criteria that were highlighted in the scoping report and approved by the Council's Cabinet and Primary Care Trust Board. The Working Groups include key people from within the Council and Primary Care Trust along with other key stakeholders including the Third Sector, Staff Representatives and the Patient & Public Involvement Forum (PPIF).

The Working Groups are:

- Change Management & Human Resources (CMHR).
- Integrated Governance (IG).
- Communication, Consultation, Involvement & Clinical Engagement (CCICE).
- Service Users (SU).
- Corporate Resources, Finance & ICT (CRFI).
- Planning, Commissioning & Performance Management (PCPM).
- Public Health & Health Improvement (PHHI).
- Environment Services (ES).

15. The Working Groups have met regularly, are well attended and have made good progress. All have produced regular reports to the Steering Group and are on track to conclude the work necessary to inform the Council's Cabinet and Primary Care Trust Board when they meet to consider a formal recommendation regarding the way forward. The response to the formal consultation "The Future of Public Services in Herefordshire" undertaken between 12<sup>th</sup> June and 31<sup>st</sup> July will form part of the portfolio of inform this. This will be complimented by other work including the response to the Success Criteria (Appendix 1) agreed by the Cabinet and Primary Care Trust Board, the Key Questions (Appendix 2) originating from the Project Initiation Document and the Partnership Agreement (Appendix 3) originating from the Scoping Report.

16. Other ongoing work will establish a financial framework for the Public Service Trust building on a paper produced for the Steering Group – The Emerging Financial Case (Appendix 4), an audit of the proposed Public Service Trust arrangements to be carried out by The Audit Commission as part of the due diligence work (Appendix 5) and a description of the proposed governance arrangements (Appendix 6) on which the detailed organisational framework will be built.

17. The PST Steering Group envisage a formal recommendation regarding the way forward based on the combination of the result of the public consultation and the detailed work being undertaken and being made to the Cabinet and PCT Board in September 2007.

18. Depending on the outcome of this process the timetable could see 'shadow' Public Service Trust arrangements in place later in 2007 and fully operational from the beginning in April 2008.

## **Consultation**

19. A wide-range of stakeholders have been engaged in the process in accordance with the Herefordshire Public Service Trust Communications and Consultation Strategy. The consultation has been viewed as a two-way process and consultees have been actively encouraged to comment on the proposal. This has been done in a variety of ways including feedback forms at the back of the consultation and summary documents, via a FREEPOST address, online via [www.publicservicetrust.info](http://www.publicservicetrust.info), by email to [consultation@herefordpct.nhs.uk](mailto:consultation@herefordpct.nhs.uk) or in writing to the Project Officer.

19. Assistance was offered to anyone who needed help understanding the consultation document or needing it in other format or language.

20. Significant work was done as a result of Communications and Consultation Strategy to raise awareness of the project in advance of the public consultation. A wide-range of opportunities were created for people in Herefordshire to engage and contribute to the consultation. This included publication of the full proposal and a summary document, access to a dedicated website ([www.publicservicetrust.info](http://www.publicservicetrust.info)), that included links from both the Council and PCT's own websites, the publication of a series of FAQ's and a series of events that were held throughout Herefordshire

where both staff and members of the community could hear more about the proposal and discuss it in more detail with those directly involved in the work. These events were led by the Leader of the Council, Chair of the Primary Care Trust and both Chief Executives with the support of a wide range of other senior colleagues all of whom played an active role. In addition to this there have been briefings for the local press, radio, key stakeholders and ad hoc publications or information e.g. members newsletter. The consultation also received coverage regional television news coverage, was reported in the national press and local government journals.

21. In addition to this the Steering Group has paid particular recognition to the importance of developing a prospective Public Service Trust in partnership with the Third (voluntary) sector whom it recognises has a vital and significant role to play in public services for people in Herefordshire.

22. The public consultation made it clear that the proposal was to form a Public Service Trust under the existing umbrella for developing partnership arrangements namely Section 75 of the National Health Service Act 2006 (previously Section 31 of the Health Act 1999). These arrangements have been specifically developed for the purpose of enabling NHS Bodies and Councils the flexibility to work together in developing co-ordinated services. It reinforced the fact that this provided the framework for the Public Service Trust and that whilst it would not be a legal entity it would be a novel and innovative partnership that made new and maximum use of existing legal powers for NHS bodies and Councils to work together in designing and commissioning improved services for local people. This would help overcome organisational boundaries and achieve a fundamental shift in thinking from a National Health Service that has traditionally addressed ill-health first and promotes well-being to one that places health and well-being first and addresses ill-health to the highest possible standard when required.

## **Response to the Consultation**

23. The detailed response to the public consultation can be found in Appendix 7 to this report. This includes a statistical analysis of the response to the consultation along with details of the methodology used, public consultation events, response themes and consultees. Members can see the replies grouped by themes and by those who supported the proposal and those who were against it, including where appropriate any accompanying letters. A media and promotions record has been included as part of the overall report to provide members with an insight into the extensive efforts that have been made to engage with stake-holder groups members of the local community. The headline response was that 56% of respondents have confirmed their support for the proposal.

## **Conclusion**

24. In essence whilst this proposal can be seen as innovative its uniqueness stems from the proposal to join the organisations at the top through the appointment of a single Chief Executive. Many models already exist whereby specific responsibilities are vested in a single post-holder e.g. Directors of Adult or Children's Services or as in Herefordshire Director of Public Health. The proposed approach

builds on this and affords the opportunity for much more effective integration of Public Services.

25. A truly integrated public service has the potential to achieve a step-change in local services that has long been sought after but has not yet been achieved through numerous reorganisations over many years. Beyond this it has the ability to reform the relationships between Public Service and the Third and Private sectors whose interest in a healthy and prosperous community and workforce is unquestionable.

26. The fact that this proposal is being driven by local people, their priorities and imperatives rather than national policy provides Herefordshire with a real opportunity to take control of its own destiny albeit within the framework already created by national policy.

27. The catalyst for this is already apparent as the Council and Primary Care Trust are benefiting from the closer working relationships that have been developing as a result of this work. There are many other areas that would benefit from an integrated approach to public services through a Public Service Trust for Herefordshire.

## RECOMMENDATION

**THAT the Health Overview and Scrutiny Committee considers the proposal and response to the public consultation and provides a formal reply to the proposition to establish a Public Service Trust for Herefordshire.**

## Appendices

1. **Success Criteria** - *Agreed by the Cabinet & Primary Care Trust Board and as set out in the Project Initiation Document.*
2. **Key Questions** - *Originating from the "Public Service Trust - Herefordshire, Scoping Report".*
3. **Partnership Agreement** - *Originating from the "Public Service Trust - Herefordshire, Scoping Report".*
4. **Finance** - *The Emerging Financial Case.*
5. **Due diligence** - *Performance Project Brief: A combined audit on behalf of the Council and Primary Care Trust by The Audit Commission that forms part of the due diligence work to be undertaken.*
6. **Governance** - *A Framework for Success*
7. **Public Consultation** - *Perception Matters, Views Count.*
  - i. *Statistical Analysis: Results of the survey by Herefordshire PCT and Herefordshire Council on the Future of Public Services in Herefordshire*
  - ii. *Response to the Public Consultation: Feedback*

## Background Papers

1. **Department of Health (2005)** – *Commissioning a Patient Led NHS.*
2. **Department of Health (2006)** – *Our Health, Our Care, Our Say: A New Direction for Community Services.*
3. **Department for Communities and Local Government (2006)** – *Strong & Prosperous Communities.*
4. **National Audit Office and The Audit Commission (2006)** – *Delivering Efficiently: Strengthening the links in public service delivery.*
5. **Herefordshire Council & Herefordshire's Health Scrutiny Committee (March 2006)** - *Response to the Reconfiguration of NHS Services in the West Midlands.*
6. **Alan Curless & Associates Ltd (August 2006)** – *Public Service Trust for Herefordshire: A Scoping Report.*
7. **Alan Curless & Associates Ltd (September 2006)** – *Governance & Leadership Framework.*
8. **Herefordshire Council (October 2006)** - *Summary of the deliberations of Cabinet.*
9. **Inter Agency Group (February 2007)** – *Working Together for Well-being: From Vision to Reality.*
10. **Herefordshire Public Service Trust Project (February 2007)** - *Project Initiation Document.*
11. **Herefordshire Public Service Trust (February 2007)** - *Steering & Working Group Terms of Reference.*
12. **Herefordshire Public Service Trust (2007)** – *Communications and Consultation Strategy.*
13. **Herefordshire Public Service Trust (2007)** - *Risk Register.*
14. **Herefordshire Public Service Trust (2007)** - *Legal Advice.*
15. **Sir Michael Lyons (2007)** – *Lyons Inquiry into Local Government.*
16. **Department of Health (2007)** – *Commissioning Framework for Health and Well-being.*
17. **Herefordshire Council (2006-2007)** - *Previous reports to Cabinet. The most recent report was published on 12<sup>th</sup> April 2007.*
18. **Herefordshire Council (2006-2007)** - *Previous reports to the Health Overview and Scrutiny Committee. The most recent report was published on 28<sup>th</sup> June 2007.*
19. **Herefordshire Primary Care Trust (2006-2007)** - *Previous reports to the Trust Board. The most recent report was published on 19<sup>th</sup> July 2007.*
20. **Herefordshire Primary Care Trust and Herefordshire Council (June 2007)** – *The Future of Public Services in Herefordshire: Consultation Document and Summary Document.*







HEREFORDSHIRE PUBLIC SERVICE TRUST PROJECT

**DECISION MAKING TOOLS**

**SIX SUCCESS CRITERIA**

**WORKING GROUP SELF-ASSESSMENT TEMPLATE**

**SIX SUCCESS CRITERIA**

**WORKING GROUP SELF-ASSESSMENT TEMPLATE**

	<b>Criterion 1:</b> <i>To improve services to the customer</i>	<b>Criterion 2:</b> <i>To improve utilisation of resources</i>	<b>Criterion 3:</b> <i>To meet expectations of key stakeholders</i>	<b>Criterion 4:</b> <i>To improve future viability of independent H'shire public sector bodies</i>	<b>Criterion 5:</b> <i>To satisfy HC and HPCT governance and delivery agenda</i>	<b>Criterion 6:</b> <i>Raises the H'shire profile at regional and national level</i>
<b>Change Management and Human Resources</b>						
<b>Integrated Governance</b>						
<b>Communication, Consultation, Involvement &amp; Clinical Eng</b>						
<b>Service Users</b>						
<b>Corporate Resources, Finance &amp; ICT</b>						

**Appendix 1**

Planning, Commissioning & Performance Mgt								
Public Health & Health Improvement								
Environment Services								

**Workings  
Document**



HEREFORDSHIRE PUBLIC SERVICE TRUST PROJECT

**DECISION MAKING TOOLS**

**TEN KEY QUESTIONS – GOVERNANCE ARRANGEMENTS**

Working Document

## TEN KEY QUESTIONS - GOVERNANCE ARRANGEMENTS

### Introduction

Good corporate governance will ensure the delivery of high quality, cost effective services, which embrace public trust and satisfaction with public bodies.

Good practice includes the following:

- A shared understanding of the roles, responsibilities and accountabilities of each partner.
- A shared ownership of the vision and strategy.
- Reliable financial data, with clear responsibilities for determining the financial liabilities of each partner.
- Reliable performance management arrangements between individual organisations and the partnership.
- More structural and comprehensive reporting on performance and finance.
- Improved risk management process.
- Robust systems and processes which produce timely and appropriate information for decision makers.
- Evidence of the value for money of the partnership arrangement.
- An agreed exit strategy in the event of breakdown.

The elected members of the Herefordshire Council have a unique role in carrying out responsibilities for the overall balance of governance in the county of Herefordshire and being directly accountable to its citizens. As such their support to the Public Service Trust process is crucial to achieving success. There is also a key role for the Overview and Scrutiny Committee.

For the Public Service Trust, Herefordshire Council and Herefordshire PCT to be effective and agree local priorities that improves local services, all parties need to be clear what is expected of them and deliver relevant actions. Strong positive leadership from the local authority is crucial, clarity of role and effective leadership alone will not ensure clear and transparent lines of accountability. Clear accountability requires:

- Mutual understanding and acceptable ways of working
- Internal performance management to check progress
- External scrutiny

**Key Questions** which need to be addressed as part of the overall governance arrangements are as follows:

<p><b>1) Rationale for the Trust</b></p> <ul style="list-style-type: none"> <li>- Why should the Trust exist?</li> <li>- What are its agreed aims?</li> <li>- How will they be published?</li> <li>- Is there a better way of serving the public?</li> <li>- How ambitious should the integration be?</li> </ul>	<p><b>Lead Responsibility: All Working Groups.</b>  <b>Aim:</b> to reinforce and build on the work carried out to date.</p>
<p><b>2) Added value from the Trust</b></p> <ul style="list-style-type: none"> <li>- How will the Trust add value?</li> <li>- How will it demonstrate added value to the public?</li> <li>- How will it know whether funds are being well spent?</li> <li>- How will the public know that trust funds are being well spent?</li> <li>- How will the success criteria be developed so that improvements in outcomes and value for money can be measured?</li> </ul>	<p><b>Lead Responsibility: All Working Groups.</b>  <b>Aim:</b> to reinforce and build on the work carried out to date</p>
<p><b>3) Governance arrangements</b></p> <ul style="list-style-type: none"> <li>- Who should be members of the Public Service Trust Board?* (* Steering Group)</li> <li>- How will they be accountable to their respective sponsoring organisations?</li> <li>- How do the Trust's corporate governance arrangements link to those of individual partners?</li> <li>- How will decisions be made?</li> <li>- How will decisions be recorded?</li> <li>- Who makes sure they are acted on?</li> </ul>	<p><b>Lead Responsibility: Integrated Governance Group, with support from all Working Groups.</b></p>

<ul style="list-style-type: none"> <li>- Who scrutinises the decision?</li> <li>- To who are they reported?</li> </ul>	
<p><b>4) Planning and Performance Management</b></p> <ul style="list-style-type: none"> <li>- How will we know which Trust targets it is meeting and which it is failing to meet?</li> <li>- Who manages and reports progress?</li> <li>- How will objectives and KPIs be established, measured, monitored and managed?</li> </ul>	<p><b>Lead Responsibility:</b> Planning, Commissioning and Performance Management Group, with support from all Working Groups.</p>
<p><b>5) Financial Management</b></p> <ul style="list-style-type: none"> <li>- Who provides the money and from which pot?</li> <li>- Who decides how to spend it?</li> <li>- What happens if one partner is overspending?</li> <li>- How will under spend or overspend be dealt with?</li> <li>- Can the money be reallocated?</li> <li>- What are the financial reporting arrangements?</li> <li>- What arrangements need to be put in place to ensure managers are accountable for managing within budget?</li> <li>- How can financial systems be streamlined and integrated into planning and performance management systems to save duplication of effort?</li> <li>- How will a joint accommodation strategy be developed?</li> <li>- How will a joint ICT strategy be developed?</li> </ul>	<p><b>Lead Responsibility:</b> Corporate Resources, Finance and ICT Group, with support from the Planning, Commissioning and Performance Management Group.</p>

<p><b>6) Risk Management</b></p> <ul style="list-style-type: none"> <li>- How will it know when things are going wrong?</li> <li>- Who can take action when things are going wrong?</li> <li>- How will it resolve conflicts of interest?</li> <li>- Are there clear protocols for managing conflict?</li> <li>- How is risk register determined and updated?</li> <li>- How will risk management be integrated into planning and performance management systems?</li> </ul>	<p><b>Lead Responsibility:</b> Integrated Governance Group, with support from all Working Groups.</p>
<p><b>7) Termination Arrangements</b></p> <ul style="list-style-type: none"> <li>- What are the arrangements for agreeing to bring the Trust comes to an end?</li> <li>- What would the procedures for winding down the Trust be?</li> <li>- How would resources be allocated back to partners?</li> </ul>	<p><b>Lead Responsibility:</b> Corporate Resources, Finance and ICT Group with support from Integrated Governance Group.</p>
<p><b>8) Serving the Public</b></p> <ul style="list-style-type: none"> <li>- How will the Trust communicate effectively with the public?</li> <li>- How can the public ask service users to obtain redress when things go wrong?</li> <li>- Can there be a centralised complaints and suggestions process? If so, how will it be established?</li> </ul>	<p><b>Lead Responsibility:</b> Service Users Group, with support from the Communication, Consultation, Involvement &amp; Clinical Engagement Group.</p>



<p><b>9) Accountability</b></p> <ul style="list-style-type: none"> <li>- What are the arrangements for annual reports and public meetings?</li> <li>- How will decisions be scrutinised?</li> <li>- What is the role of audit and inspection?</li> <li>- How will research and consultation be agreed and implemented?</li> <li>- What is the role of elected council members, cabinet, and board directors in scrutinising the partnership?</li> <li>- How will decision making link back to the Herefordshire Partnership?</li> <li>- What will be the links with Strategic Health Authority and Government Office?</li> <li>- How will complaints and challenges from the Ombudsman be dealt with?</li> <li>- How can the general public be engaged in the process?</li> </ul>	<p><b>Lead Responsibility:</b> Integrated Governance Group, with support from the Corporate Resources, Finance and ICT Group.</p>
<p><b>10) Joint Agreements</b></p> <ul style="list-style-type: none"> <li>-</li> <li>- How much will each partner contribute?</li> <li>- How will they deal with unanticipated demands during the year?</li> <li>- How will under spends/overspends be dealt with at the end?</li> <li>- How will the funding and the targets be monitored and reported?</li> <li>- What are the service and staff management arrangements?</li> <li>- What are the insurance arrangements?</li> <li>- is there a dispute resolution in place?</li> </ul>	<p><b>Lead Responsibility:</b> Corporate Resources, Finance and ICT Group, with support from the Planning, Commissioning and Performance Management Group.</p>

<ul style="list-style-type: none"> <li>- What are the termination arrangements?</li> <li>- have all sections of the section 31 agreement been addressed and jointly agreed?</li> </ul>	
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- SU - Services Users
- CRFI - Corporate Resources, Finance and ICT
- PCPM - Planning, Commissioning and Performance Management
- PHHI - Public Health and Health Improvement
- ES - Environment Services

# Working Document



HEREFORDSHIRE PUBLIC SERVICE TRUST PROJECT

**DECISION MAKING TOOLS**

Workshop  
Document

**PARTNERSHIP AGREEMENT (SIXTEEN ASPECTS)**

**Herefordshire Public Service Trust**  
**Partnership Agreement (Sixteen Aspects)**

Before the establishment of a Public Service Trust there is a need for a formal Partnership Agreement to be agreed and signed by both Herefordshire Council and Herefordshire PCT.

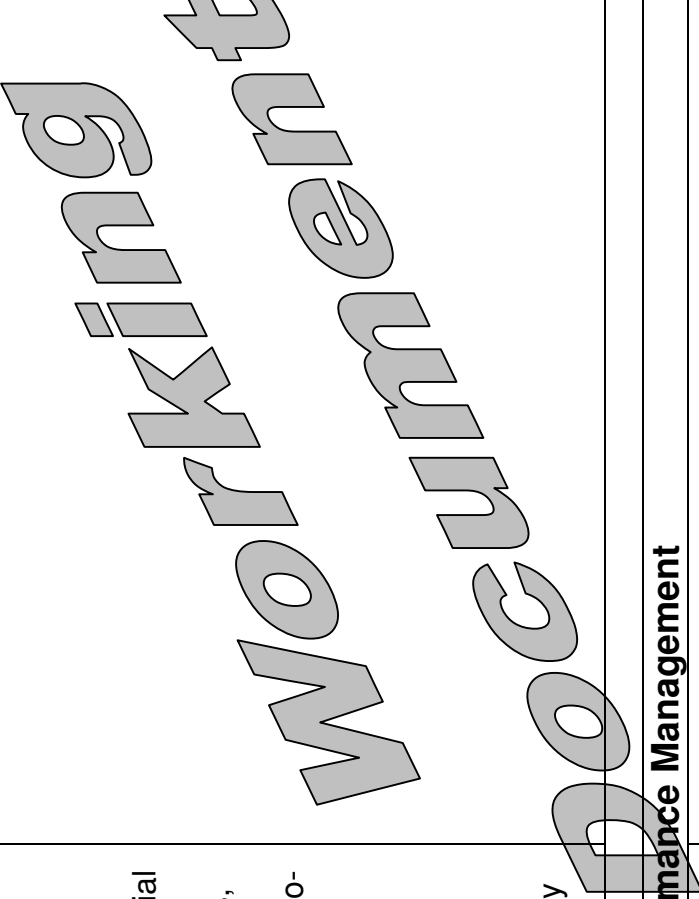
It is suggested that the following points be included in a partnership agreement:

<b>(1) Purpose of the partnership</b>	
<ul style="list-style-type: none"> <li>• Include background data on health and social care statistics (PHHI)</li> <li>• Alignment to current strategies and policies (PHHI)</li> </ul>	
<b>(2) Aims and objectives of the partnership</b>	
<ul style="list-style-type: none"> <li>• Details of organisational and business benefits (PCPM)</li> </ul>	
<b>(3) Partnership Governance</b>	
<ul style="list-style-type: none"> <li>• Role of Council and Role of PCT Board (IG) (Steering Group)</li> <li>• Partnership Board Composition and Terms of Reference (IG)</li> <li>• Partnership Management Board Composition and Terms of Reference (IG)</li> <li>• Professional Executive Committee Composition and Terms of Reference (IG)</li> <li>• Integrated Executive Team Composition and Terms of Reference (IG)</li> </ul>	

<ul style="list-style-type: none"> <li>• Agree joint vision statement (IG/CCICE)</li> </ul>	
<ul style="list-style-type: none"> <li>• Accountability structure (IG)</li> </ul>	
<ul style="list-style-type: none"> <li>• Delegated functions (IG)</li> </ul>	
<ul style="list-style-type: none"> <li>• Wholly retained functions (IG)</li> </ul>	
<ul style="list-style-type: none"> <li>• Hosting arrangements (IG)</li> </ul>	
<ul style="list-style-type: none"> <li>• Reporting arrangements (IG)</li> </ul>	
<ul style="list-style-type: none"> <li>• Relationship with Leisure, Housing, Environmental and Transport Services (IG)</li> </ul>	
<ul style="list-style-type: none"> <li>• Agree definition of key decisions – How will they be decided? (IG)</li> </ul>	

Worthing Document

<p><b>(4) Financial Arrangements</b></p> <ul style="list-style-type: none"> <li>• Governance (CRFI)</li> <li>• Local Agreements (CRFI)</li> <li>• Pooled funds (CRFI)</li> <li>• Any special accountability arrangements (CRFI)</li> <li>• Contribution calculations e.g. baseline funding (CRFI)</li> <li>• Grants made available to either party as appropriate (CRFI)</li> <li>• Agreeing Budget timetable – First year end of October 2006 (CRFI)</li> <li>• Underspend/Overspend e.g. who meets the cost (CRFI)</li> <li>• Set up costs (CRFI)</li> <li>• Funding for Integration Project Budget (CRFI)</li> <li>• Agree Financial year for both organisations (CRFI)</li> <li>• Agree Audit arrangements (CRFI)</li> <li>• Agree VAT arrangements (CRFI)</li> </ul>	
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<b>(5) Organisation and Structure</b>	
<ul style="list-style-type: none"> <li>• Agree level of integration (SG)</li> <li>• Agree key director roles (SG)</li> <li>• Agree functions and services to be included/excluded (SG)</li> <li>• Consider Health and Social Care Zones (local communities) i.e. (PHHI)                             <ul style="list-style-type: none"> <li>- How many (based on GP practices)</li> <li>- Agree services to be included/delivered in each zone e.g. Community Hospitals, Community Centres, Integrated Health and Social Care Teams, District Nurses, Social Workers, Community Care Workers, Occupational Therapist, Physiotherapist, Podiatrists, Care Coordinators, Housing and determine third sector involvement. (PHHI)</li> <li>- Some services to be provided on a Trust wide basis (PHHI)</li> <li>- Consider appointment of Community Partnership Managers (SG)</li> </ul> </li> </ul>	
<b>(6) Business Planning and Performance Management</b>	
<ul style="list-style-type: none"> <li>• Links to all the local strategic plans (PCPM)</li> <li>• Produce Annual Strategic Agreement – to include the following:- (PCPM)                             <ul style="list-style-type: none"> <li>- Describe any agreed strategic changes in relation to provision of services (PCPM)</li> </ul> </li> </ul>	

<ul style="list-style-type: none"> <li>- Set out agreed objective and targets (PCPM)</li> <li>- Indicate how partners anticipate that services will be affected by any growth or reduction in funding or other resources (PCPM)</li> <li>- Set out the changes that need to be made (PCPM)</li> <li>- Set out information requirements (PCPM)</li> <li>- Set out the partners financial contributions (CRFI)</li> <li>- Agree how changes can be made during the year (PCPM)</li> </ul>	
<ul style="list-style-type: none"> <li>• Agree accounts and reporting procedures (CRFI)</li> </ul>	
<ul style="list-style-type: none"> <li>• Agree links with Scrutiny Committee (SG)</li> </ul>	
<ul style="list-style-type: none"> <li>• Policy on VAT (CRFI)</li> </ul>	
<ul style="list-style-type: none"> <li>• Agree performance management framework (PCPM)</li> </ul>	

<p><b>(7) Information Technology and Management Information Systems</b></p>	
<ul style="list-style-type: none"> <li>• Audit and agree systems (CRFI)</li> </ul>	
<ul style="list-style-type: none"> <li>• Common information point (CRFI)</li> </ul>	
<ul style="list-style-type: none"> <li>• Information sharing protocol – comply with legislation (CRFI)</li> </ul>	
<ul style="list-style-type: none"> <li>• Freedom of information and confidentiality (CRFI)</li> </ul>	
<ul style="list-style-type: none"> <li>• Health and Social Care records to one location (SU)</li> </ul>	
<ul style="list-style-type: none"> <li>• Complete thorough needs assessments (CRFI)</li> </ul>	

<b>(8) Estates and Facilities Management</b>	
<ul style="list-style-type: none"> <li>Central Register – Capital Asset Management (CRFI)</li> <li>Agreement on Capital Expenditure and ownership (CRFI)</li> <li>Premises not transferred but on a lease (CRFI)</li> </ul>	

<b>(9) Care Governance, Quality and Professional Leadership</b>	
<ul style="list-style-type: none"> <li>Clinical Governance and Policies and Procedures (IG)</li> <li>Value for money analysis (CRFI)</li> <li>Agree code of conduct (IG)</li> <li>Agree values and behaviour (IG/CCICE)</li> <li>Agree measurement of partnership performance (IG)</li> <li>Dealing with complaints – Integrated complaints protocols (SU)</li> <li>Ombudsman (SU)</li> <li>Standards of Conduct and corporate governance (IG)</li> <li>Professional accountability (IG)</li> <li>Develop Protocols (IG)</li> </ul>	

<b>(10) Human Resources</b>	
<ul style="list-style-type: none"> <li>Joint posts – arrangements and protocols e.g. Director of Adult Social Services and Director of Public Health (SG)</li> <li>Determining the employing organisation (CMHR)</li> <li>Change management (CMHR)</li> <li>Recruitment (CMHR)</li> </ul>	



<ul style="list-style-type: none"> <li>• Funding arrangements for staff (CMHR)</li> </ul>	
<ul style="list-style-type: none"> <li>• Management arrangements (CMHR)</li> </ul>	
<ul style="list-style-type: none"> <li>• Harmonisation of HR policies and procedures (CMHR)</li> </ul>	
<ul style="list-style-type: none"> <li>• Terms and Conditions – TUPE – Harmonisation (CMHR)</li> </ul>	
<ul style="list-style-type: none"> <li>• Indemnities relating to transferring staff (CMHR)</li> </ul>	
<ul style="list-style-type: none"> <li>• Staffing costs and redundancy payments (CMHR)</li> </ul>	
<ul style="list-style-type: none"> <li>• Performance management of staff (CMHR)</li> </ul>	
<ul style="list-style-type: none"> <li>• Pension Issues (CMHR)</li> </ul>	
<ul style="list-style-type: none"> <li>• Produce Key Issues paper (CMHR)</li> </ul>	
<ul style="list-style-type: none"> <li>• Staff development (CMHR)</li> </ul>	
<ul style="list-style-type: none"> <li>• Competency framework (CMHR)</li> </ul>	
<ul style="list-style-type: none"> <li>• Job evaluation (CMHR)</li> </ul>	

**(11) Communications, Marketing and Consultation**

<ul style="list-style-type: none"> <li>• Corporate identity and public relations (CCICE)</li> </ul>	
<ul style="list-style-type: none"> <li>• Prepare detailed paper for consultation exercise (CCICE)</li> </ul>	
<ul style="list-style-type: none"> <li>• Public and patient involvement i.e. empower service users, carers and public to give their views (SU)</li> </ul>	
<ul style="list-style-type: none"> <li>• Need for a strategy on how to engage the public (CCICE)</li> </ul>	

**(12) Commissioning (definitions)**

<ul style="list-style-type: none"> <li>• Strategic commissioning (PCPM)</li> </ul>	
<ul style="list-style-type: none"> <li>• Market Management (PCPM)</li> </ul>	
<ul style="list-style-type: none"> <li>• Procurement (PCPM)</li> </ul>	

<ul style="list-style-type: none"> <li>• Purchasing (CRFI)</li> </ul>	
<ul style="list-style-type: none"> <li>• Brokerage (PCPM)</li> </ul>	
<ul style="list-style-type: none"> <li>• Contracting and novation of contracts (PCPM)</li> </ul>	
<ul style="list-style-type: none"> <li>• Getting people to understand the differences and to improve skills in these areas (PCPM)</li> </ul>	

<b>(13) Risk Assessment</b>	
<ul style="list-style-type: none"> <li>• Legal (IG)</li> </ul>	
<ul style="list-style-type: none"> <li>• Financial (CRFI)</li> </ul>	
<ul style="list-style-type: none"> <li>• Performance (PCPM)</li> </ul>	
<ul style="list-style-type: none"> <li>• Relationships (SU)</li> </ul>	
<ul style="list-style-type: none"> <li>• Changes in Legislation (IG)</li> </ul>	
<ul style="list-style-type: none"> <li>• Indemnity and Insurance (CRFI)</li> </ul>	
<ul style="list-style-type: none"> <li>• Expected constraints (IG)</li> </ul>	

<b>(14) Termination of Agreement</b>	
<ul style="list-style-type: none"> <li>• Agree termination reconciliation and process (IG)</li> </ul>	
<ul style="list-style-type: none"> <li>• Agree disputes procedures (IG)</li> </ul>	
<ul style="list-style-type: none"> <li>• Orderly wind down if agreement terminated (IG)</li> </ul>	

<b>(15) Key Milestones and Dates (SG)</b>	

<b>(16) Miscellaneous</b>	
<ul style="list-style-type: none"> <li>• Legal advice (IG)</li> </ul>	
<ul style="list-style-type: none"> <li>• Equality, Diversity and Equal Ops issues (SU)</li> </ul>	
<ul style="list-style-type: none"> <li>• Rural proofing (PCPM)</li> </ul>	

<ul style="list-style-type: none"> <li>• Access, Assessment (single assessment) and eligibility criteria (PCPM)</li> </ul>	
<ul style="list-style-type: none"> <li>• Charging policy (CRFI)</li> </ul>	

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**Working Document**

## **Finance**

### **The Emerging Financial Case**

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Further information on the subject of this report is available from  
Russell B. Hamilton, Project Director, Herefordshire Public Service Trust (01432) 383515



# HPST PROPOSAL

## Appendix 4

### THE EMERGING FINANCIAL CASE

#### **Introduction**

One of the three key purposes of the proposed Herefordshire Public Service Trust (HPST) is that it will *provide better value for money services for taxpayers, achieving savings on management costs as the Public Service Trust moves to a single management structure.*

The purpose of this paper is to make a start in fleshing out the financial case for the proposal by estimating the Value for Money gains that could be achieved. The figures outlined in this preliminary assessment are provisional. This is to be expected given the proposal is still at concept stage. The estimates are a guide to the potential costs and savings, and work will continue to further review and refine the figures. However, the indicative scale of the costs and savings demonstrate the affordability of the proposals.

#### **The Financial context**

At national level, the government has set the financial context for public spending within which the Comprehensive Spending Review 2007 (CSR07) will be conducted. The CSR07 is the first comprehensive review of public spending for ten years and will establish national priority outcomes and funding levels for the three-year period covering 2008/09 – 2010/11. The CSR07 is due to be published in autumn 2007.

The March 2007 budget confirmed the expected slow-down in growth in public spending which will be limited to just 1.9% in real terms. Within this overall target for growth, health and education services will be awarded real terms growth of 4% and 2.5% respectively. It's not as much as either service area believes is needed but is considerably more generous than the rest of the public sector can expect.

With education and health services getting a higher level of growth than the overall figure the government is planning on, the situation actually looks quite stark for all other public services. The government is likely to avoid headline cash reductions in spending in these areas by factoring assumed efficiency gains – of up to 3% - into their calculations and by including specific funding streams in general grant support. Whatever the headlines say when the local government finance settlement for 2008/09 – 2010/11 is announced in December 2007, a cash standstill is the best that can be hoped for in local government when all funding streams are taken into account.

Herefordshire Council has been preparing for the tougher times ahead through its corporate and financial planning processes. The Council's Medium-Term Financial Management Strategy (MTFMS) takes into account the national and local context in assessing the likely level of resources available, and ensures those resources are allocated in line with key corporate priorities. One of those key corporate priorities is a major business

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transformation programme called Herefordshire Connects that is already underway. Herefordshire Connects will ensure financial stability over the long term by releasing resources for investment in service priorities such as social care.

Whilst the financial outlook for health might appear less difficult than that for local government, the challenges ahead are still considerable. The health service has to contend with much less certainty on resource limits from year to year and indeed within year. This makes longer-term corporate and financial planning more challenging. Like local government, public expectations and demand for services continues to increase and the government has set tough targets for improving waiting times that could lead to significant pressure on financial resources given the Payment by Results regime.

The financial challenges that lie ahead for public service organisations in Herefordshire are exacerbated by the fact that their per capita funding is often well short of even the average for similar organisations. This happens because the resource allocation methods the government uses are generally good at reflecting cost drivers (such as demographics and deprivation) but not cost factors (such as additional staffing and transport costs in rural areas).

This is a particular issue for Herefordshire because the population is much more evenly dispersed throughout the entire county area than it is in most other rural areas. Herefordshire is almost at the bottom of the league table for funding per pupil (147<sup>th</sup> out of 149) and receives 21% less funding per head of population for other local government services than the average for a unitary authority.

Herefordshire has a relatively poor funding position with no sign of relief in the future given the national financial context outlined above. Making every public £ available for public services for Herefordshire citizens go as far as possible has to be a high priority for all the organisations within the Herefordshire Partnership umbrella. The Herefordshire Public Service Trust (HPST) proposal has the potential to achieve more in terms of improving Value for Money than the two organisations could achieve separately.

## **Policy context**

There are a number of government initiatives aimed at improving health and local government services that the Council and the PCT are responding to both separately and jointly. Examples include:

- Further Education & Training Bill;
- Offender Management Bill;
- Criminal Justice Bill;
- Climate Change Bill;
- Road Transport Bill (draft);
- Concessionary Bust Travel Bill;
- Border and Immigration Bill;
- Energy White Paper;
- Planning Reform;

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- Local Better Regulation Office Bill;
- Mental Health Bill;
- Statistical Reform bill;
- Our Health, Our Care, Our Say White Paper;
- The Choosing Health agenda;
- A New Ambition for Old Age: Next Steps for Implementing the Older People’s National Service Framework; and
- Welfare Reform Bill.

Sources: Herefordshire Council’s Medium-Term Financial Management Strategy 2007 - 2010 and Herefordshire PCT’s Local Delivery Plan 2007/08 – 2008/09.

One significant government initiative that affects both partners – and the wider Herefordshire Partnership – is the Local Government White Paper (LGWP). The key features of the LGWP are as follows:

- A new area based performance framework;
- An enhanced role for councils as strategic leaders and place-shapers;
- Further development of Local Area Agreements (LAAs);
- Stronger political leadership;
- An invitation to consider alternatives structures in two-tier areas;
- A strengthened role for frontline councillors;
- A wider and stronger role for scrutiny;
- Devolution of some powers; and
- Using community strategies to enhance community cohesion.

Whilst some commentators have noted that the LGWP is just one step short of a public services white paper, it clearly paves the way for innovative proposals such as the HPST, especially as cross-government funding streams are brought together in the next generation of Local Area Agreements (LAAs).

### **Meeting the challenges for public services in Herefordshire**

Given the financial and policy context set out above, the key challenges for public services in Herefordshire and how the HPST proposal will help address them are summarised in the following table:

<b>The challenges for public services in Herefordshire</b>	<b>Moving to one public service organisation for Herefordshire will:</b>
<b>Improving efficiency</b> – government has set cash targets as high as 3% a year for some public services at a time when planned growth in public spending is slowing down	Release further savings building up to £3.5 million a year for re-investment in priority public services
<b>Improving the quality of services</b> – meeting the specific needs and preferences of individuals in how they access and receive services	Allow further integration of service provision so services can be tailored to meet individual requirements



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<p><b>Improving customer satisfaction</b> – the public often think public service organisations are remote</p>	<p>Reduce the number of bodies commissioning public services in Herefordshire, improving access to services for individual members of the public and for GP services and public accountability</p>
<p><b>Improving Value for Money</b> – maximising the use of resources including assets, finances and ICT</p>	<p>Bring corporate, service and resource planning processes together to ensure resources are effectively allocated to priorities for the community</p>
<p><b>Responding to national and local trends in demography</b> – such as the increasing numbers of older and vulnerable people</p>	<p>Enhance the capacity each organisation has separately to deal with these challenges</p>

### **Main financial benefit – improving Value for Money**

Herefordshire Council scored three out of four in its Use of Resources CPA assessment for 2006. Herefordshire PCT scored two out of four in its Auditor's Local Evaluation for 2006. These assessments are essentially identical. The judgements are made by the external auditor against a set of detailed criteria covering financial reporting, financial management, financial standing, internal control and Value for Money.

On the Value for Money theme, the Council's external auditor commented that the Council still achieves a lot for its level of resourcing, noting in particular that:

- Spending on services is below average when compared with similar councils;
- Service outcomes in some areas are good and some improvements have been achieved; and
- The capital programme is linked to priorities and is reasonably well managed.

The PCT's external auditor commented that the PCT routinely delivers efficiency targets by top-slicing further budget allocations, noting in particular that:

- Budget constraints have led to new ways of delivering services in order to make efficiencies; and
- The PCT has considered opportunities for improvement in procurement and use of shared services.

Both organisations have an established and improving track record for achieving Value for Money by reducing costs and making improvements in efficiency and effectiveness. Moving from two organisations into one could enhance the quantum of savings and efficiency gains that could be delivered separately, and increase pace and capacity for further improvement in the longer term.

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The most obvious example of improved Value for Money offered by the HPST is the elimination of duplicated corporate management costs. Creating one senior officer management team to replace the two that currently exist would save money.

The PST Steering Group has agreed a set of principles for organising corporate resource management and other support services if the HPST proposal goes ahead. The aim at the moment is to aggregate such services where it makes sense to do so. This suggested arrangement could offer improved Value for Money by achieving economies of scale in services such as:

- Asset Management & Property Services;
- Finance;
- Human Resources;
- Information & Communications Technology (ICT);
- Legal; and
- Procurement.

Although there are significant complexities associated with the integration of ICT, the benefits could be considerable, especially when complemented with management savings.

Rationalisation will also lead to cash savings and efficiency gains. The Corporate Resource, Finance & ICT Working Group has already identified a quick wins in using existing office and training accommodation more effectively.

Exploiting service synergies – for example integrating health and social care support services for improving performance on hospital discharges - could lead to greater efficiency. The Council and PCT are already working together to develop the Integrated Community Equipment Store service. By working together as one organisation, the transition from health to social care services could be managed even more effectively and care packages agreed with the customer / service user that do more to meet their specific needs.

Increased effectiveness in procurement will also deliver cashable savings that can be re-directed to more and better frontline service delivery. The new organisation's combined purchasing power should lead to reductions in the cost to buy goods and services. A common purchase to pay system will reduce the transaction cost involved in buying goods and services from the ordering stage through to final payment. And, working together as one, the HPST could begin to intervene in key markets to get a better deal for our community and the public purse.

The Council has already embarked on a major business transformation programme called Herefordshire Connects. This programme involves a fundamental re-think of the way in which the Council supports its business functions and delivers services. The programme will unlock resources as it:

- Removes duplication of activity;
- Facilitates asset rationalisation;

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- Enables integration of customer facing and business support processes;
- Exploits service synergies;
- Improves efficiency and effectiveness.

Herefordshire Connects will release cash and generate efficiency gains that can be re-invested in the Council's frontline services. The return to investment ratio is estimated at 2:1 with annual savings building up to £11.75 million. Extending this programme to the new public service trust to could yield further cost savings and improvements in service provision and enhance the overall return to investment ratio.

## Setting the financial scene

### Revenue spending

The PCT's net revenue budget amounts to £233 million in the current financial year. A broad analysis of this figure is as follows:

Service area	PCT Net Revenue Budget (£ million)		
	HPST Services *	Other Services *	Total
NHS Service Level Agreements	105	-	105
Other Service Level Agreements	11	-	11
Primary Care Prescribing	28	-	28
Primary Care Infrastructure	4	-	4
General Practitioner Services	21	-	21
Dental Services	8	-	8
Mental Health Provision of Services	-	11	11
Community & Specialist Services	-	27	27
Corporate & Financing costs	6	6	12
Reserves & Developments	4	2	6
<b>Total budget (£ million)</b>	<b>187</b>	<b>46</b>	<b>233</b>
Percentage	80%	20%	100%

\* The analysis of budgets between HPST and other services is indicative only. HPST Services includes all commissioning activities.

The PCT's net revenue budget is supported by a resource limit provided by the Department of Health.

The Council's net revenue budget including schools amounts to £204 million in the current financial year. A broad analysis of this figure is as follows:

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Service area	Council Net Revenue Budget (£ million)		
	HPST Services *	Other Services *	Total
Children & Young People	91	16	107
Adult & Community Services	22	25	47
Corporate & Customer Services	2	5	7
Environment	22	5	27
Central Services & Financing Costs	1	15	16
<b>Total budget (£ million)</b>	<b>138</b>	<b>66</b>	<b>204</b>
Percentage	68%	32%	100%

\* The analysis of budgets between HPST and other services is indicative only. HPST Services includes all commissioning, customer service and regulatory activities.

The Council's net revenue budget is funded as follows:

Source of funding	(£ Million)
Dedicated Schools Grant	82
Council Tax	74
Formula Grant	48
<b>Total</b>	<b>204</b>

## Capital spending

The PCT receives an annual block allocation for capital from the Department of Health of approximately £900,000 a year.

The Council plans to spend £63.7 million on capital projects in 2007/08. Borrowing will finance approximately 57% of this spending with capital receipts and government grant being used to pay for the remainder. The main schemes are as follows:

- Riverside junior and infant school amalgamation (Hereford);
- The Minster High School replacement (Leominster);
- Sutton St Nicholas primary school replacement;
- Cattle Market relocation;
- Herefordshire Connects;
- Highways & bridge maintenance including Rotherwas access;
- Ross-on-Wye flood alleviation scheme;
- New crematorium (Hereford);
- Private sector & affordable housing grant;
- Friar Street museum resource & learning centre;
- Extra care housing development; and
- Disabled facilities grants.

The Council is also reviewing its accommodation strategy for the future as part of an asset rationalisation programme. This review will encompass discussion with all of the Council's strategic partners, including the PCT, to establish if there are opportunities for co-location. There is further potential to

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maximise Value for Money and improve service efficiency and effectiveness by considering HPST needs as part of the options appraisal process that is currently underway.

## Reserves

The PCT's net revenue budget for 2007/08 includes £6 million earmarked for Reserves & Developments, rising to £12 million in 2008/09 and £18 million in 2009/10. This represents 2.6% to 7% of the net revenue budget. The £6 million available in the current financial year has all been allocated to developments leaving nothing in reserve. The Reserves & Development funding for 2008/09 and 2009/10 has not yet been allocated to developments but the expectation is that they will be in due course through the Local Delivery Plan process.

The external auditor has scored the financial standing element of the Auditor's Local Evaluation for the PCT for 2006 as 3 out of 4. This reflects the fact that the PCT achieved the financial targets set by the Department of Health in 2005/06 without any support. Financial targets were also achieved in 2006/07 including a significant cost improvement programme.

The Council currently has approximately £10 million in its General Fund Reserve. This represents 8.2% of the net revenue budget excluding schools. The schools hold balances of approximately £8m and there are further specific reserves of approximately £10m being held for waste, Herefordshire Connects, social care and invest to save initiatives.

The external auditor has scored the Council's financial standing element of the Use of Resources assessment for 2006 as 2 out of 4. The external auditor noted that there was significant improvement in the approach to managing budgets and reserves in 2005/06 but felt there was scope for further improvement in reporting on the level of reserves needed and management of income streams.

The Council's unallocated reserve funding position is healthier than many local authorities. The PCT is currently operating without unallocated reserve funding, as is often the case in the health sector. Achieving financial stability for public services into the future is important to both partner organisations. As the external funding situation tightens, the temptation is to use available reserves to balance the budget rather than bring about changes in service delivery that will release cash and efficiencies for the future. More can be achieved by acting in concert through the HPST than could be separately. The reserve funding position should provide sufficient temporary funding to pay for any transitional costs.

## **The Emerging Financial Case**

The emerging financial case shows that savings building to over £3 million a year could be achieved by the end of year three by taking advantage of the various opportunities described above. It is important to note that the

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emerging financial case outlined below is a working hypothesis at this stage. It makes no allowance for the options included in the consultation paper on the future of health care provider services.

The Corporate Resource, Finance & ICT Working Group has looked at the potential financial gains from creating a single public service trust for Herefordshire. The figures are indicative only at this stage but appear to be realistic and prudent when compared to the outline benefit plans for the Herefordshire Connects programme and the current round of unitary authority bids in local government. The Working Group has also considered the 'quick wins' identified by each of the eight PST Working Groups to date.

It is estimated that the rationalisation of senior management structures would produce savings building to £450,000 a year as the HPST is established. This figure does of course depend on actual salaries and assumes that any reduction in the number of posts at the most senior level is not offset by an increase in posts at lower levels.

The outline financial case for the Herefordshire Connects programme has been used as a model for estimating the potential costs and benefits of establishing the HPST.

In calculating the potential benefits, a key assumption is that the PCT's cost structure resembles that of the Council. The likely level of savings on staffing, supplies & services, property and ICT budgets has however been scaled back from the level expected from the Herefordshire Connects programme. The resulting model produces eventual savings on the PCT's gross budget of 0.8% or £1.9 million a year.

The benefits of the Herefordshire Connects programme for the Council are expected to build to £11.75 million after three years or 4% of gross budgeted spending. Extension of the Herefordshire Connects programme to include the HPST should provide the capacity for further improvements in efficiency and effectiveness. This has been included in the outline benefits model as building to £1 million a year.

The following table gives a guide to the potential benefits of the HPST proposal:

Benefit stream	Saving (£000)			
	Year 1	Year 2	Year 3	Total
<b>Shared budgets</b>				
Elimination of duplicated management costs	150	300	450	<b>900</b>
<b>PCT budgets</b>				
Cash released from PCT budgets	500	1,200	1,900	<b>3,600</b>
<b>Council budgets</b>				
Further cash released from Council budgets	500	750	1,000	<b>2,250</b>
<b>Total</b>	<b>1,150</b>	<b>2,250</b>	<b>3,350</b>	<b>6,750</b>

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The Council has a cost model for Herefordshire Connects that covers the resources needed to deliver the programme (such as project management costs, organisational development, etc.) as well as the investment requirement in change management and technology. It has been assumed that the additional resourcing costs would be half that currently anticipated by the Council. As a guide, the additional investment needed to deliver the benefits has been included on a marginal cost basis and allowed for at 15% of the investment requirement currently anticipated by the Council for the Herefordshire Connects programme. The assumption is that the main focus of additional cost would be in change management support as opposed to the technology solution.

The following table gives a guide to the potential costs associated with the HPST proposal:

Transitional cost	Cost (£000)			
	Year 1	Year 2	Year 3	Total
Temporary additional resources	900	600	300	<b>1,800</b>
Investment requirement	1,000	800	600	<b>2,400</b>
<b>Total</b>	<b>1,900</b>	<b>1,400</b>	<b>900</b>	<b>4,200</b>

The benefit and cost model is intended as a guide only at this stage in the development of the HPST proposal. The following table summarises the net cash flow position for each year:

Cash flow (+ = benefit, - = cost)	Benefit / Cost (£000)			
	Year 1	Year 2	Year 3	Total
Benefits	+1,150	+2,250	+3,350	+6,750
Transitional costs	-1,900	-1,400	-900	-4,200
<b>Total</b>	<b>-750</b>	<b>+850</b>	<b>+2,450</b>	<b>+2,550</b>

The above table summarising the potential cash flow is highly indicative at this stage, both in terms of quantum and profiling. The figures are thought to be realistic and prudent given experience of business transformation programmes in local government. A very cautious view has been taken in bringing PCT budgets into the model.

The table shows however that there would have to be a considerable reduction in potential benefits and / or increase in transitional costs over the indicative 3-year period for a net deficit to occur. The table above demonstrates that the financial benefits could be significantly more than the cost of delivering them, making this an attractive invest to save proposition providing there is a strong focus on benefits realisation.

### Financial summary

The emerging financial case demonstrates the advantages of the HPST proposal in terms of value for money. It also shows that the proposal is affordable. Ongoing savings will be derived through achieving economies of scale, avoidance of duplication, rationalisation of staffing structures over time, achieving synergies in service delivery and applying best practice from within

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the existing organisations. Benefits will arise from improved service delivery and will ensure better public services at a time when the growth in public spending is slowing down.

The key projections, given that the financial model is just a working hypothesis at this stage, are as follows:

- Potential savings building up to a figure in excess of £3 million a year;
- Potential savings maximised possibly by year three; and
- Potential transitional costs in the region of £4 million.

The cash resource released would be reinvested in the new organisation's priorities that will be informed by:

- The Local Area Agreement (LAA);
- Service improvement programmes in the Council's corporate plan;
- Service improvements in the PCT's Local Delivery Plan;
- Actions being taken by the Council to address audit or inspection recommendations;
- Actions being taken by the PCT to address audit or inspection recommendations; and
- Development plans for Section 31 services.

The Planning, Commissioning and Performance Management Working Group is drafting a set of organisational priorities for the HPST for further consideration. Once this piece of work has been completed, it will be possible to assess how much cash resource can be released into each emerging priority.





## Due Diligence

### Performance Project Brief:

A combined audit on behalf of the  
Council and Primary Care Trust by  
The Audit Commission

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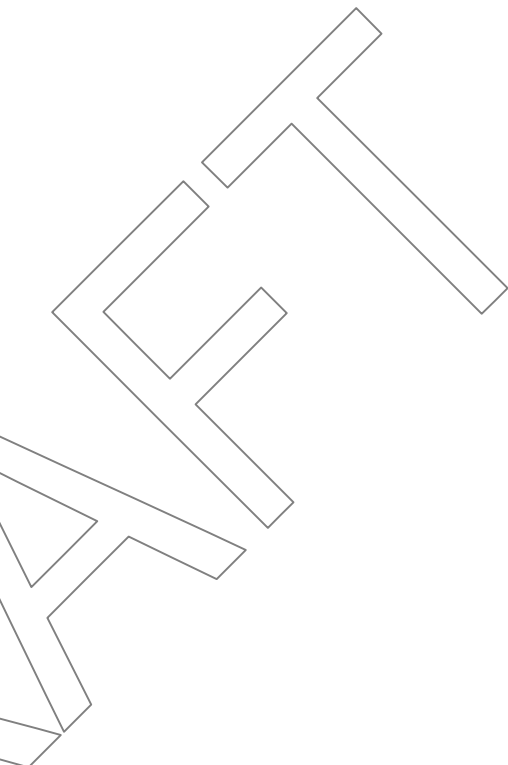
Further information on the subject of this report is available from  
Russell B. Hamilton, Project Director, Herefordshire Public Service Trust (01432) 383515



Performance Project Brief

Date

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# **Public Service Trust**

**Herefordshire Council and Herefordshire PCT**

**Audit 2007/08**

- Audit Commission descriptor to be inserted by Publishing-

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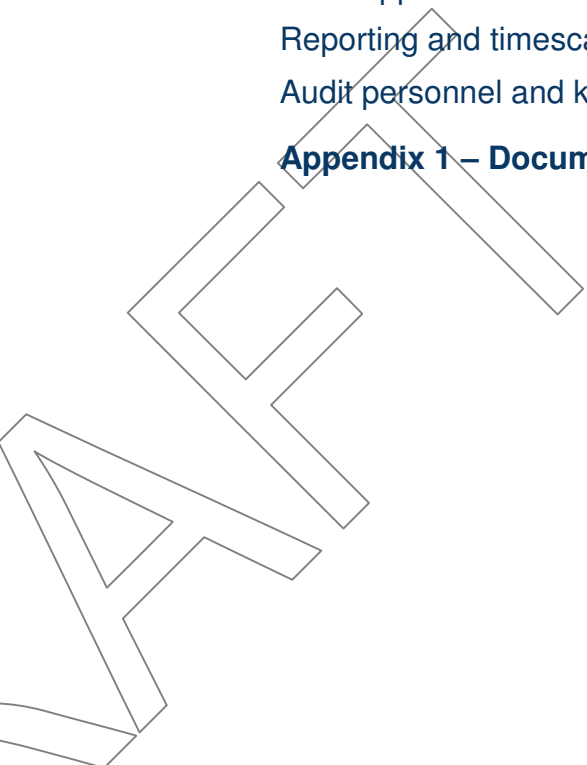
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## Introduction

- 1 This project brief sets out the background, scope and timescales for an audit of proposed Public Service Trust arrangements in Herefordshire.

## Background

- 2 Herefordshire Council and Herefordshire Primary Care Trust (PCT) are proposing an enhanced form of partnership working between the two organisations, aimed at using their joint resources to more effectively commission public services. They are proposing to set up a Public Service Trust, which would constitute a joint board, with a single integrated management team for both organisations.
- 3 The Public Service Trust will not be a separate legal entity. The PCT and Council would still remain as separate, statutorily responsible bodies, but they would in practice delegate their commissioning functions to the joint board. The proposal is to utilise powers contained in Section 75 of the National Health Service Act 2006 to significantly extend the current pooled budget and joint working arrangements. For services which fall outside the scope of statutory pooling arrangements, the intention is still to work wherever possible within the integrated management structure to commission these services.
- 4 The Public Service Trust would include the commissioning and public health functions of the PCT, along with a wide range of Council functions, such as adult and community services, children and young people's services, housing, leisure and environmental services. At this stage the 'provider' functions of the PCT - such as community hospitals, district nursing and mental health provision - would be outside the scope of the Public Service Trust.
- 5 The stated benefits of the Trust would be:
  - a more integrated and holistic approach to commissioning public services, focused around the needs of local people,
  - better value for money, by achieving savings on management costs via a single management structure, and
  - safeguarding local public services in Herefordshire.
- 6 The proposals are innovative and have already attracted national attention. The longer term aspiration is to support the development of legal powers which would enable the further integration of the two organisations.
- 7 The Council and PCT are currently (as at July 2007) undertaking a public consultation exercise on the proposals for the Public Service Trust, which ends on 31 July 2007. Depending on the outcomes from this consultation, the Council and PCT are planning to have interim arrangements in place before the end of 2007, with the Public Service Trust established from April 2008.

- 8 Whilst the proposals for the Public Service Trust represent significant opportunities for better local services, they also constitute significant risks for both organisations, particularly in ensuring that robust and legal governance arrangements are established, and in managing the transition effectively within the timescales. There are significant audit risks associated with the proposals, and we have accordingly agreed to undertake this early audit with both the Council and PCT.

## Scope and objectives

- 9 In order to discharge our duties under the audit Code of Practice, we will carry out a high level 'diagnostic' audit which will seek to answer the following key questions:

### Strategy and Leadership

- Are the Council and PCT clear about what they are aiming to achieve with the Public Service Trust ? Are the vision and objectives fully embraced by executive and non-executive leaders ?
- Is there clarity about the intended benefits for service users and for both organisations ? Have benefits and costs been quantified, for example on efficiencies and value for money?
- Is a robust partnership agreement being developed ?
- Do the Council and PCT have the strategic capacity and leadership to take the Trust forward ?

### Transition planning

- How effective are the programme and project management arrangements for developing the Trust ?
- Are the Council and PCT clear about what needs to be done, by when, to develop the Trust ?
- Do the Council and PCT have the capacity to effectively deliver the Trust on time ?
- Have the risks been fully evaluated and appropriate mitigation put in place ?
- Are the consultation arrangements appropriate, timely and inclusive of all groups including those difficult to reach ?

### Finance and Governance

- Are proposed governance arrangements clear and robust, and is there clarity about the legality of these arrangements ? To what extent will governance arrangements be streamlined ?
- Are proposed financial and performance management arrangements, and accountabilities, clear and robust ?



- Are clear arrangements being developed to ensure the Trust has access to robust and timely financial and performance management data ?

### **Information management and technology (IMT)**

- Are the Council and PCT clear about the implications for IMT systems ? Are robust arrangements in place for managing these implications, for example on information governance, sharing data, procurement and asset utilisation ?
- How will the Trust arrangements fit with existing ICT programmes, such as Herefordshire Connects and HIS ?

### **Staffing issues**

- Are the Council and PCT clear about which services will be affected and how they will be affected ?
- Is there clarity about how existing posts and existing staff terms and conditions will be affected, and how this will be managed ?
- Are legal issues relating to employment and responsible officers clear and robustly addressed?
- Is there effective communication and engagement with staff regarding the changes?

- 10 We will not be undertaking a detailed analysis of proposed arrangements at this stage. Also, we will not be undertaking any due diligence work on behalf of either the Council or PCT.

### **Audit approach**

- 11 We will carry out this audit by reviewing documents and interviewing key people from both the Council and PCT, including councillors and PCT Board members.

### **Reporting and timescales**

- 12 Given the proposed timescales for proceeding with the Public Service Trust, we will commence our fieldwork as soon as possible and we will aim to provide the Council and PCT with an interim report back by the end of August 2007. This will be dependant on the Council and PCT assisting us with timely access to key documents and ensuring access to relevant people for interviews.
- 13 It is unlikely that we will have completed our fieldwork by the end of August, and therefore our feedback at that stage will be interim. We will agree the format of this feedback with the Council and PCT Chief Executives.
- 14 On completion of the audit, we will provide a written report of our findings, and any recommendations, to both audited bodies.

## Audit personnel and key contacts

Audit Commission staff involved in the work will be.

Terry Tobin	Audit Manager
Zoe Thomas	Audit Manager
Ailsa Bell	Area Performance Lead
Clive Mitchell	Performance Specialist
Christine Colls	Principal Auditor

The contacts from the authorities will be.

Neil Pringle	Chief Executive, Herefordshire Council
Tamar Thompson	Acting Chief Executive, Herefordshire PCT
Sonia Rees	Director of Resources, Herefordshire Council
Marcia Pert	Acting Director of Finance, Herefordshire PCT

## Appendix 1 – Document request

- 1 We would be grateful if you could provide us with the following documents, **by Friday 3rd August 2007**. Wherever possible, please provide documents electronically. We may require additional documents as the audit proceeds, and we will advise accordingly:
  - Reports to Cabinet and Board regarding the Public Service Trust (PST)
  - Reports setting out intended benefits and costs of the PST, including anticipated efficiencies, impacts on service users and value for money
  - Details of any draft partnership agreements for the PST
  - Details of programme and project management arrangements for developing the PST, including progress reports
  - Documents showing how risks associated with the PST are being managed and mitigated
  - Details of consultation undertaken for the PST, and outcomes
  - Documents setting out details of the proposed governance arrangements for the PST, including decision making, responsible officers, financial and performance management, and scrutiny, and how these will relate to on-going governance of the Council and PCT
  - Documents clarifying the legality of proposed PST arrangements
  - Details of arrangements for information management and governance under the PST, including data quality, sharing data, procurement and utilising ICT assets
  - Documents setting out how the PST will fit with existing ICT programmes, such as Herefordshire Connects and HIS
  - Documents setting out how existing service and staffing structures will be affected and how the transition will be managed.

# Governance

## A Framework for Success

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Further information on the subject of this report is available from  
Russell B. Hamilton, Project Director, Herefordshire Public Service Trust (01432) 383515



## FRAMEWORK FOR SUCCESS

**Report By: Chief Executive, Herefordshire Council**

### Purpose

1. The purpose of this paper is to address the important issue of the future governance of the Public Service Trust.

### Background

2. As will be covered elsewhere in the papers for the Health Scrutiny Committee, the issue of governance of the Public Service Trust is an issue that has yet to be resolved. It is important, however, to remind Health Scrutiny that both the Council, the Primary Care Trust (PCT) and the Health Scrutiny Committee were all adamant in their support for a single coterminous Primary Care Trust for Herefordshire when consulted on the reconfiguration of PCTs in the early part of 2006. There was a clear understanding on the part of all the parties that that would involve much closer working between the primary care trust and the Council. Indeed, both the Primary Care Trust and the Council had to present to what was then the Strategic Health Authority (South) to convince the Strategic Health Authority of the viability of a single Primary Care Trust for Herefordshire through what was termed at the time a "Fitness for Purpose" test.

### The Challenges

3. There is a theoretical challenge to developing governance arrangements across two organisations that are differently constituted. It is important, however, to keep that challenge in perspective. The premise from which this paper starts is that those governance issues can be resolved. Indeed, it is self-evident that if the United Nations and the EEC can be made to function in governance terms then we must be capable locally of resolving what are admittedly quite complex governance issues locally. It is worthwhile analysing the respective governance arrangements of the Council and the PCT.

### The Council

4. The Council is governed by 58 Councillors who are directly elected on a geographic basis from across the County. Under the Local Government Act 2000, the Council operates on a Leader and Cabinet model which means that the Council is managed by an executive which consists of the Leader and eight Cabinet portfolio holders. The work of the executive is subject to scrutiny through a Strategic Monitoring Committee and four Scrutiny Committees. In addition, there is a statutory Health Scrutiny Committee for whom this paper has been prepared. The Leader is appointed by Council and it therefore follows that both the Leader and Cabinet can be removed by Council. The Council is also obliged to appoint officers to a number of statutory posts. Those posts are the Head of Paid Service (Chief Executive), the Section 151 Officer (Director of Resources), the Monitoring Officer (Head of Legal and Democratic Services), Director of Children's Services and, as from early 2008, a Director of Adult Services. Within those roles, there are specific rights for the officers to formally advise Cabinet. In practice, those roles are rarely exercised.

### Primary Care Trust

5. The Primary Care Trust functions through a Board which consists of a Chairperson and six Non-Executive Directors (NEDs). The Board is supported by five Executive Directors who serve as members of the Board. The Chairman and Non-Executive Directors are subject to a public appointments process under “Nolan principles” and receive an allowance. The Executive Directors are salaried employees. Despite those apparent differences, both bodies function in quite similar ways. In practice, most issues are resolved by discussion and consensus and it is rare for decisions to be put to the vote. Although the salaried officials of the PCT have voting rights within the Board, it is again rare for them to exercise those rights to secure a decision. In a similar way, although the statutory officers of the Council have the right to influence and in certain circumstances prevent decisions, it is absolutely exceptional for those powers to be exercised.

### Practical Considerations

6. The Council is required to prepare and publish a Community Strategy for the area. The PCT along with other public sector partners, the business sector and the voluntary sector is required to participate in the preparation of that strategy. That strategy is reflected in the corporate plans of both the Council and the PCT. The Local Government White Paper proposed the imposition of a duty on partners to co-operate and that duty is in the course of being made statutory. There are many different governance models that could be employed in the formation of a Public Service Trust. What is clear is that the statutory obligations of both the PCT and the Council will continue to rest with those statutory bodies. Both bodies do, however, have extensive rights to delegate their functions to other joint bodies or to officers. There are a wide range of bodies to which both the Council and the PCT already make appointments. A number of these are statutory or arise from statutory or ministerial direction. They include the Herefordshire Partnership, the Health and Well Being Partnership, the Valuing People Partnership, the Children and Young People’s Partnership (from April 2008, the Children’s Trust Board), Section 31/75 Agreements – Partnership Boards and Community Safety and Drugs Partnership. There is, therefore, already a framework for joint governance.
7. One of the early issues for consideration will be how far the Council and the PCT wish to continue to work through those existing arrangements and/or how far they want to go in the initial stages in establishing a different and more streamlined governance structure. It will be perfectly feasible in the short-term to oversee the work of the Public Service Trust through an Executive Board which typically would consist of a number of Executive representatives from the Council and the PCT together with the Chief Executive of the Public Service Trust. Care would have to be taken to ensure that the Public Service Trust continued to maintain engagement with customers and patients, the voluntary sector and other user groups. Those arrangements would need to be incorporated into any governance model.
8. As with any organisation, it is likely that the governance arrangements would be developed over a period of time and one of the issues for the parties in relation to the governance arrangements would be how far they wish to progress initially. It would be perfectly possible in governance terms to establish the Public Service Trust on the basis of a managerial delegation alone with managerial accountability back to the Council and the PCT. At the other extreme, governance could be integrated entirely around the principal functions of the Public Service Trust. That might see an alignment of Cabinet portfolios with specific responsibilities for Non-Executive

Directors of the PCT. It would be for the parties to determine as part of the Partnership document how far they want to develop the model as a first phase although it is realistic to anticipate that both parties are likely to favour a phased approach to the integration of governance.

## **Conclusion**

9. What this paper attempts to do is to address the issue of the deliverability of governance arrangements rather than to put forward a preferred model which will properly be constituted as part of the Partnership Document if the proposal for a Public Service Trust is approved in principal following the consultation.
10. A copy of the conceptual paper prepared by the Integrated Governance Working Group and presented to a seminar attended by Cabinet and the PCT Board is attached as Annex 1.





**HEREFORDSHIRE PUBLIC SERVICE TRUST- WORKSHOP**

**GOVERNANCE THE WAY FORWARD**

**19<sup>TH</sup> JULY 2007**

**Introduction**

‘ Most professionals want to do a good job for the service user. The organisation needs to empower them to do that’.

The Integrated Governance Working Group has looked at current governance arrangements. with Blue Sky thinking as to what the future governance arrangements could be.

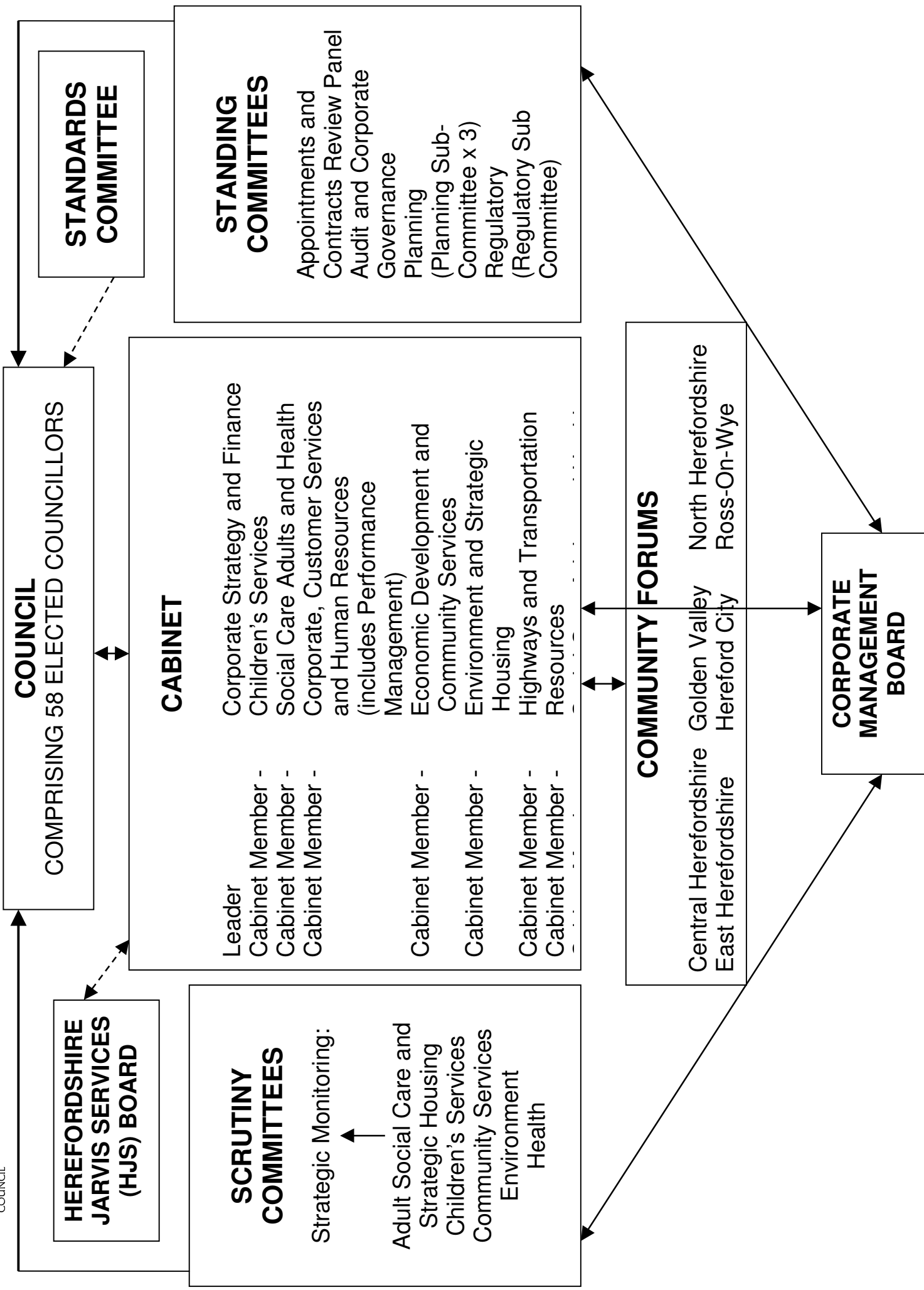
**Considerations**

- Do we agree the future vision for the Public Service Trust?
- If so how and when do we get there?

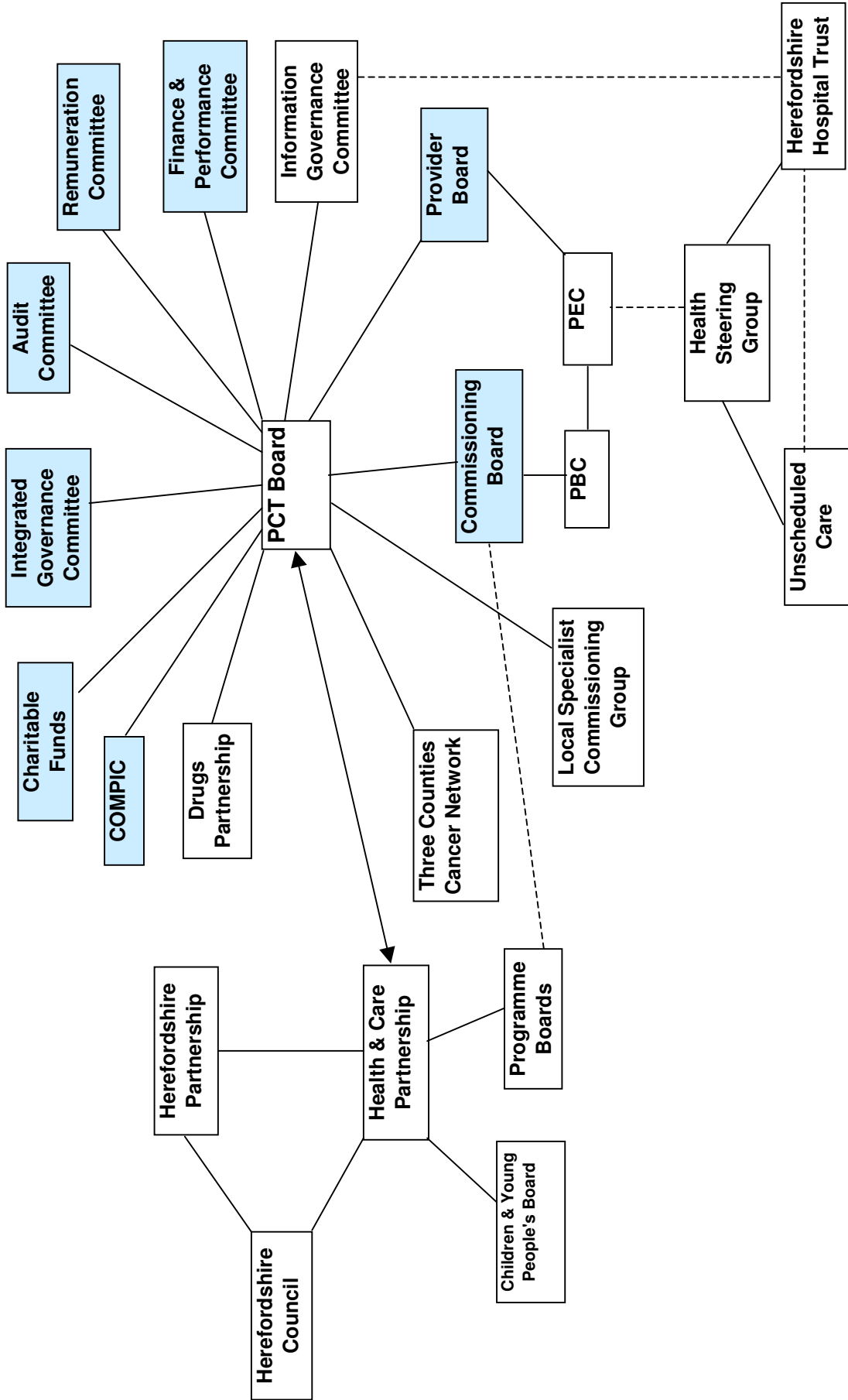
**Appendices**

Appendix 1	Herefordshire Council
Appendix 2	Primary Care Trust
Appendix 3	Current Herefordshire Commissioning Arrangements
Appendix 4	Blue Sky April 2008
Appendix 5	Shadow October 2007

Ian Tait  
Chairman Integrated Governance Working Group  
July 07



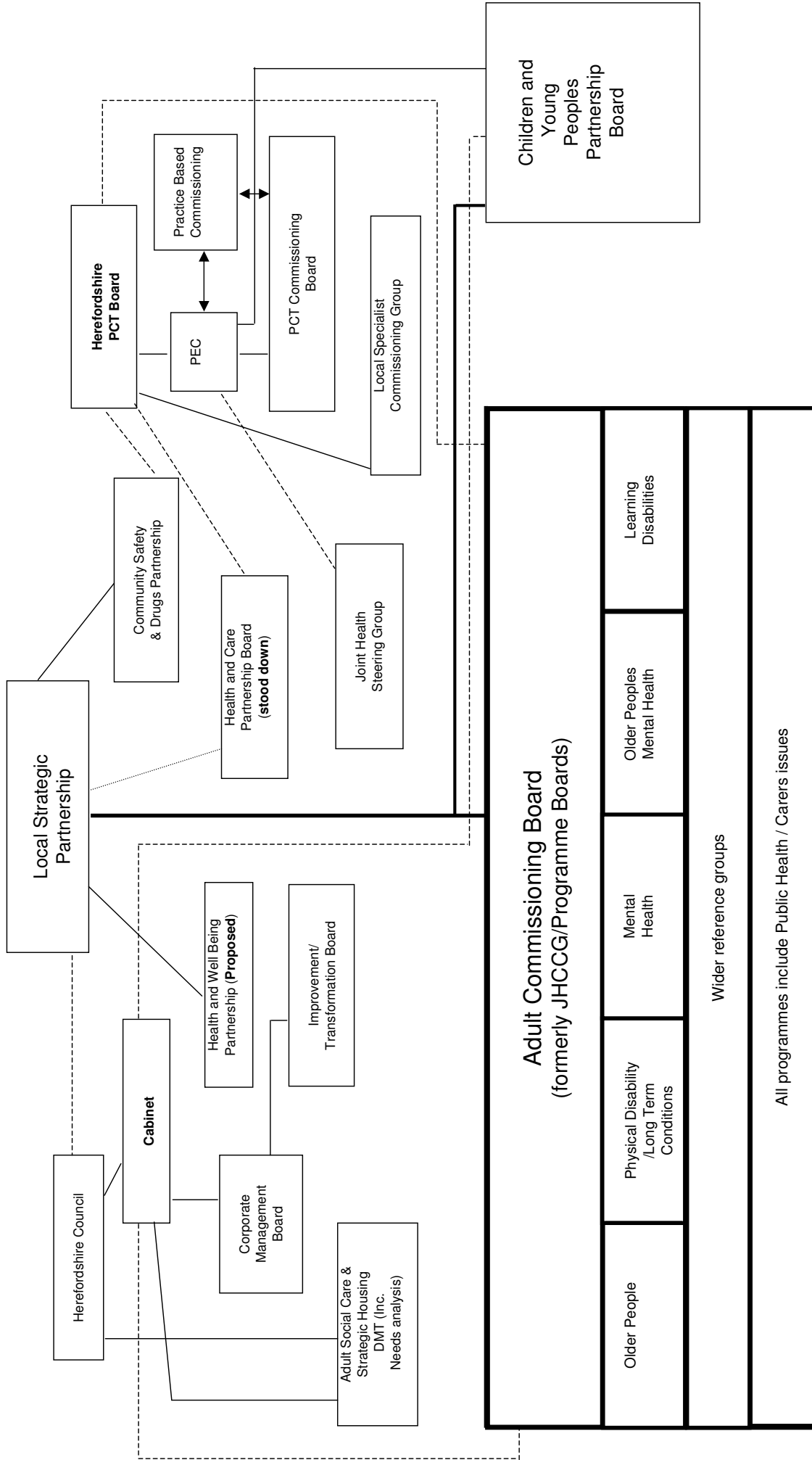






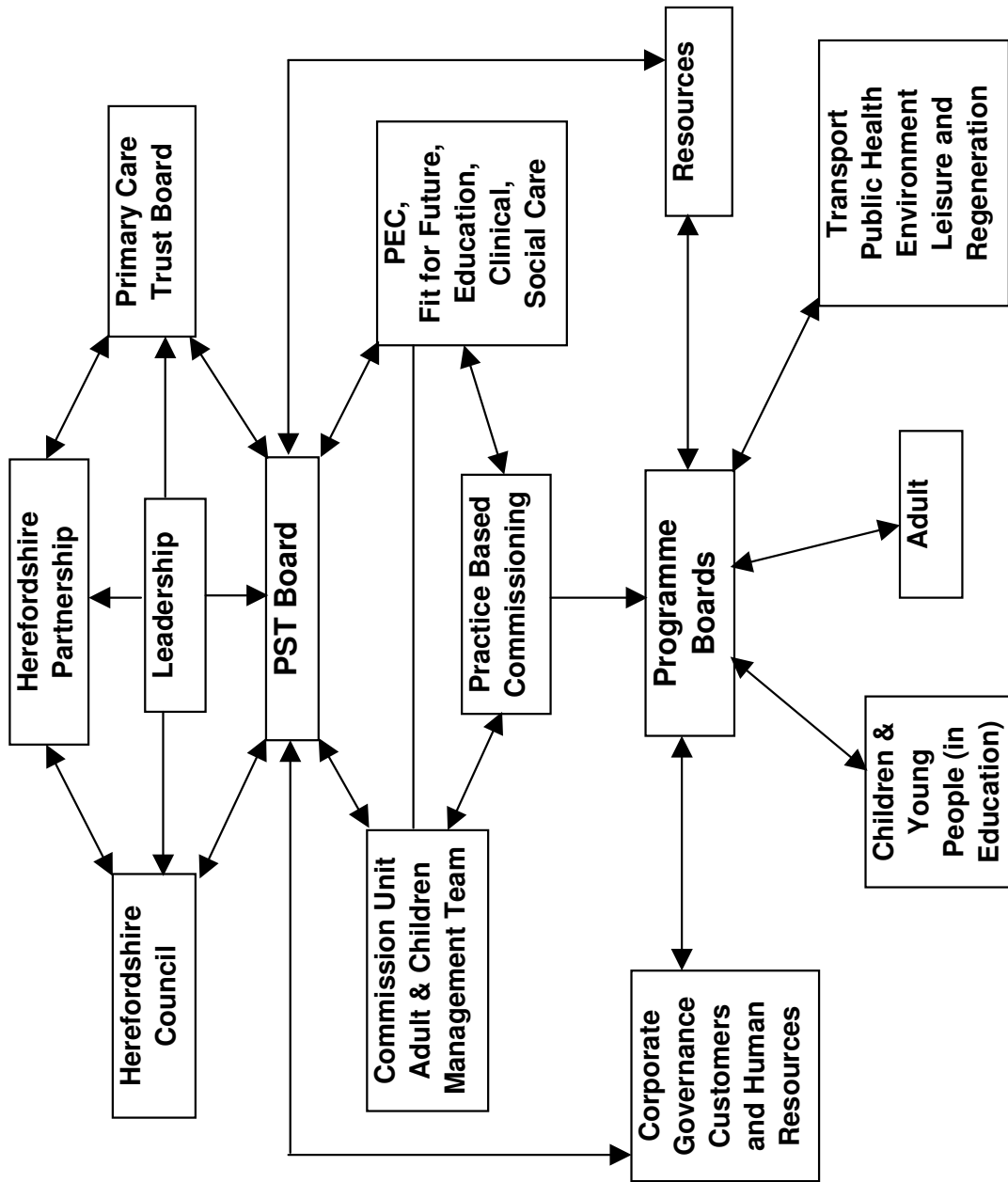
# Current Herefordshire Commissioning Arrangements July 07

## APPENDIX 3



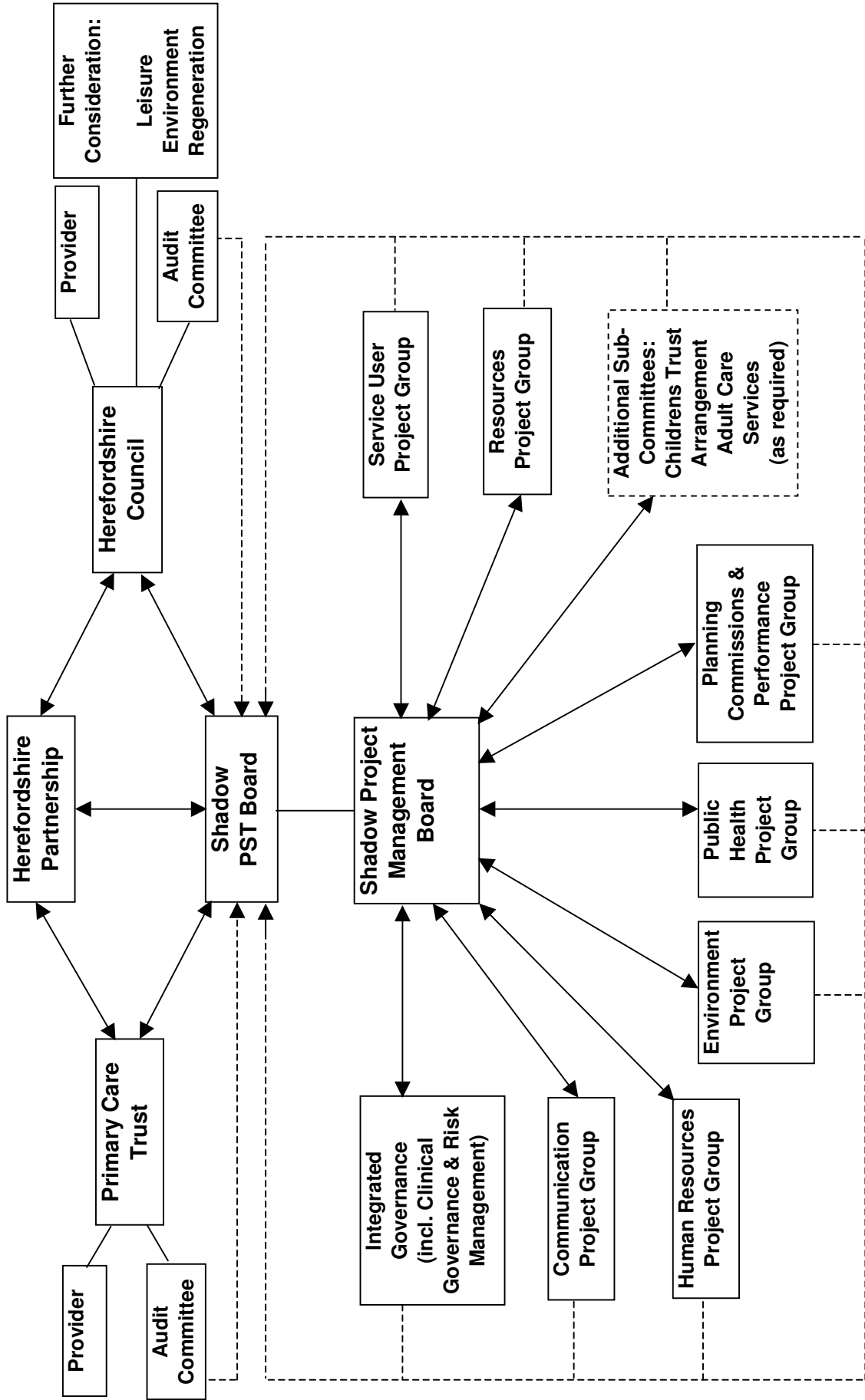








PST OCTOBER 2007 (FOR CONSULTATION)





## Public Consultation

### Perception Matters, Views Count

- Section 1** - Statistical Analysis: Results of the survey by Herefordshire PCT and Herefordshire Council on the Future of Public Services in Herefordshire
- Section 2** - Response to the Public Consultation: Feedback
- Annex 1 - PST Consultation – *Media and Promotion Record*
- Annex 2 - Staff Support for Public Consultation Events
- Annex 3 - Comments from Public Consultation Events
- Annex 4 - Comments from Individual Consultation Response Forms
- Annex 5 - Consultation Reply Comments – *In Support of the Proposals*
- Annex 6 - Consultation Reply Comments – *Not Supporting the Proposals*

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Further information on the subject of this report is available from  
Russell B. Hamilton, Project Director, Herefordshire Public Service Trust (01432) 383515



## **Perception Matters, Views Count**

### **Statistical Analysis: Results of the survey by Herefordshire Primary Care Trust and Herefordshire Council on the future of public services in Herefordshire.**

#### **Introduction**

This report describes part of the findings from the consultation on the future of public services in Herefordshire. It considers the responses to multi-choice questions in the paper and online questionnaires made available to the public from 12<sup>th</sup> June 2007 to 31<sup>st</sup> July 2007. These findings will be combined in another report with the free text comments from the questionnaires and the rest of the consultation feedback to provide a complete report.

Please see the full report for a description of the methodology and other information pertinent to the survey.

The questionnaire may be found in the appendix at the end of this report.

Issue 2 – correction to the categories in the gender table to read Male and Female, previously Yes and No.

#### **Results**

This report describes the results of the 176 paper questionnaires returned combined with the 19 online responses, making a total of 195 responses.

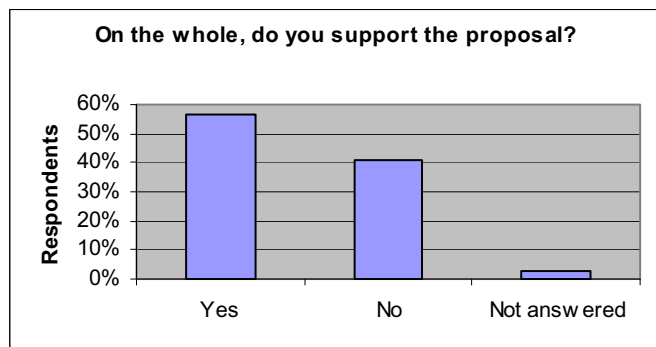
Whilst the report provides an accurate assessment of the views of the respondents, with a survey of this size and nature, it would not be appropriate to make assumptions that the results are necessarily representative of the population as a whole.

Unless otherwise specified, the percentages stated are calculated using the total number of respondents to the survey, i.e. 195.

**On the whole, do you support the proposal for the development of future public services in Herefordshire as outlined in this consultation document?**

	Number	% Respondents
Yes	110	56%
No	80	41%
Not answered	5	3%
Total	195	

The majority of the respondents (56%) were broadly supportive of the proposal compared with 41% who were not.



**Are you providing feedback to this consultation on behalf of an organisation?**

	Number	% Respondents
Yes	21	11%
No	155	79%
Not answered	19	10%
Total	195	

A large majority (79%) of respondents were responding as individuals, 11% on behalf of an organisation and 10% did not answer this question.

The organisations on whose behalf feedback was being provided included:

- Aconbury parish council
- Brampton Abbots parish council
- Eardisland Parish Council
- Humber, Ford & Stoke Prior parish council
- Learning disability service
- Monwell surgery, Bromyard
- Ocle Pychard Group parish council
- 3 unspecified Parish councils
- Weston Beggard parish council
- Yarkhill Parish Council

There was little difference in the level of support for the proposal between the people who were responding on their own behalf and those answering on behalf of an organisation.



**Are you professionally involved in the issues covered in this consultation?**

	Number	% Respondents
Yes	53	27%
No	112	57%
Not answered	30	15%
Total	195	

A little over a quarter of respondents were professionally involved with issues connected with the consultation – around twice as many, 57%, were not. The following tables summarises the nature of the involvement.

	Number	% survey respondents
Not professionally involved	112	57%
Member of Primary Care Trust Staff	14	7%
Member of Herefordshire Council	18	9%
Member of Voluntary (Third) Sector Organisation	8	4%
Other, please specify	7	4%
Not answered	36	18%
Total	195	

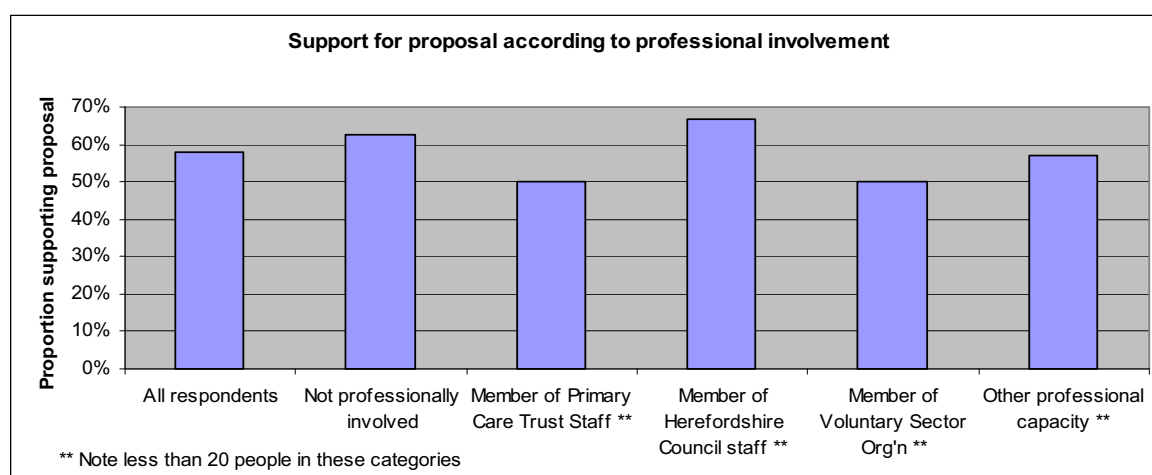
The following voluntary sector organisations were identified by a respondent as the nature of his/her professional involvement:

League of Friends, Aspire choices/living, Cancer Research UK, Clergy and League of friends of Bromyard community hospital.

The other forms of professional involvement specified included: GP (4 times), Head of school (2), Medical, Parish Councillor (4), PFI forum member, employed by PCT, recently retired pharmacist and “represent stakeholders among the elderly and rural population on various organisations”.

The following chart shows that there is some suggestion of variation of support for the proposal according to the professional involvement of the respondent. However, the number of people in each category is small (less than 20) and the evidence for this variation is weak.

67% of the 18 members of Herefordshire Council staff answering the questions support the proposal, a little higher than the 50% of the 14 members of the Primary Care Trust Staff. Clearly, with these small samples no inferences can be made about the level of support for the proposal across the two organisations.



## About the Respondents

### Gender

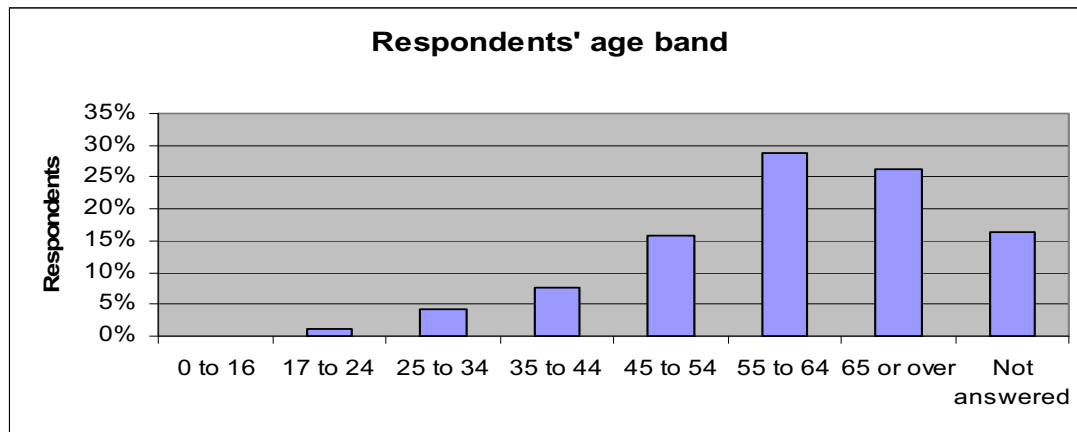
	Number	% Respondents
Male	99	51%
Female	60	31%
Not answered	36	18%
Total	195	

Around half the respondents were male, a little under a third were female and one in 5 chose not to answer this question. There was little difference in the level of support for the proposals between the genders.

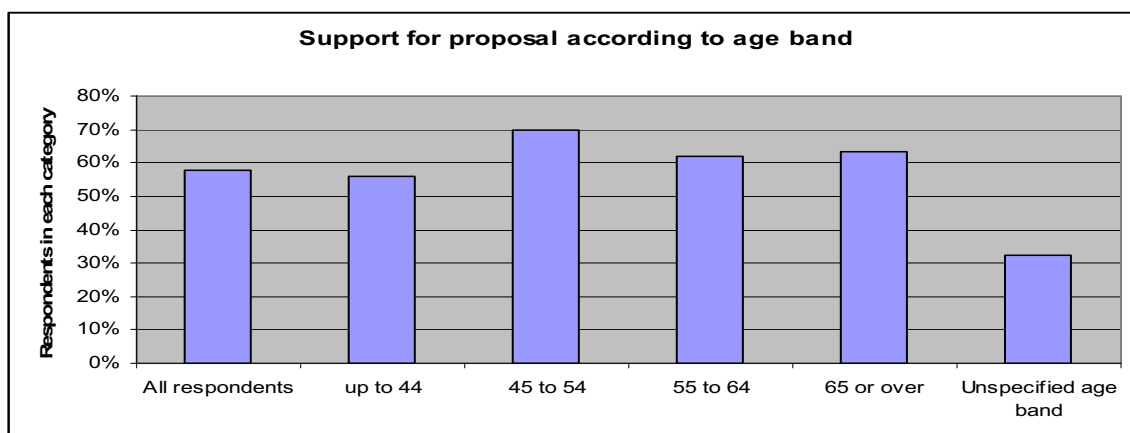
### Age-band

	Number	% Respondents
0 to 16	0	0%
17 to 24	2	1%
25 to 34	8	4%
35 to 44	15	8%
45 to 54	31	16%
55 to 64	56	29%
65 or over	51	26%
Not answered	32	16%
Total	195	

The majority, (55%), of respondents were aged 55 years or over. Only 13% were under 45 years of age.



As the chart below shows, there is a suggestion that the level of support for the proposal varies across the age band of the respondents. At 70%, the highest support level is seen with the 30 respondents in the 45 to 54 year band and the lowest, at 32% amongst the 25 respondents under 45.



**Do you have a disability, long term illness or health problem (12 months or more) that limits daily activities or the work you can do?**

	Number	% Respondents
Yes	29	15%
No	128	66%
Not answered	38	19%
Total	195	

One in 6 respondents had a disability or long term illness. No major difference was seen for the level of support between those with or without a disability or long-term illness.

**What is your national identity?**

	Number	% Respondents
British	91	47%
Scottish	0	0%
Welsh	7	4%
English	57	29%
Irish	1	1%
Other	1	1%
Not answered	38	19%
Total	195	

Around three quarters of respondents specified British or English as their National Identity and a further one in five chose not to answer this question.

**Ethnicity**

	Number	% Respondents
White - British	128	66%
Other white background	6	3%
Mixed - British	1	1%
All other backgrounds	1	1%
Not answered	59	30%
Total	195	

Two thirds of respondents considered their ethnicity to be White – British, while 30% elected not to answer this question. 5 of the 6 people indicating other white background stated “English”. The single “Other” background specified was “Jewish”.

\*\*\* end of main report \*\*\*

**Appendix – The Questionnaire**

# Questionnaire

The proposal is to develop enhanced partnership working arrangements between the Primary Care Trust and the Council in order to improve the way in which local public services are planned, purchased, designed and integrated around the needs and expectations of individual customers and patients, as well as providing better value for money for taxpayers and safeguarding services in Herefordshire for people in Herefordshire.

**Q1. On the whole, do you support the proposal for the development of future public services in Herefordshire as outlined in this consultation document?**

Yes  No

**If your answer is Yes, would you like to comment further:  
If your answer is No, could you please say why not:**

**Q2. Please describe any other ideas you have for how the Herefordshire Primary Care Trust and Herefordshire Council might better work together to improve public services? Please respond here or attach additional sheet:**

## About You

**Are you providing feedback to this consultation on behalf of an organisation?**

Yes  No

If Yes, please indicate which organisation

**Are you professionally involved in the issues covered in this consultation?**

Yes  No

If Yes, please indicate in what way

- Member of Primary Care Trust staff     Member of Herefordshire Council staff  
 Member of a Voluntary (Third) Sector Organisation, please specify in the box below  
 Other, please specify

**If you are providing feedback as an individual, whether professionally involved or not, please could you answer the following questions. These help us better understand what the survey is telling us about the views across the community.**

**Your gender:**

Male  Female

**Your age:**

- Up to 16                       17 to 24                       25 to 34                       35 to 44  
 45 to 54                       55 to 64                       65 or over

**Do you have a disability, long term limiting illness or health problem (12 months or more) that limits daily activities or the work you can do?**

Yes  No

**Your national identity (please tick one box only):**

British  Scottish  Welsh  English  Irish  Other (please specify):

--

**Please tick one box only:**

WHITE	<input type="checkbox"/> British <input type="checkbox"/> Irish Traveller <input type="checkbox"/> Romany/Gypsy <input type="checkbox"/> Other White background (please write in): .....
BLACK	<input type="checkbox"/> British <input type="checkbox"/> African <input type="checkbox"/> Caribbean <input type="checkbox"/> Other Black background (please write in): .....
ASIAN	<input type="checkbox"/> British <input type="checkbox"/> Indian <input type="checkbox"/> Pakistani <input type="checkbox"/> Bangladeshi <input type="checkbox"/> Other Asian background (please write in): .....
CHINESE	<input type="checkbox"/> British <input type="checkbox"/> Chinese <input type="checkbox"/> Other Chinese background (please write in): .....
MIXED	<input type="checkbox"/> British <input type="checkbox"/> White & Black African <input type="checkbox"/> White & Black Caribbean <input type="checkbox"/> White & Asian <input type="checkbox"/> White & Chinese <input type="checkbox"/> Other Mixed background (please write in): .....
OTHER	<input type="checkbox"/> Any other background (please write in): .....

Thank you for taking the time to complete this questionnaire and letting us know your views. Please return the completed form to:

**Consultation**  
**FREEPOST NATW599**  
**PO Box 64**  
**Hereford**  
**HR4 0BR**

(there is no stamp needed) or:

Email: [consultation@herefordpct.nhs.uk](mailto:consultation@herefordpct.nhs.uk)



## **Perception Matters, Views Count**

### **The Future of Public Services in Herefordshire**

#### **Response to the Public Consultation: Feedback**

##### **Introduction**

Herefordshire Primary Care Trust (PCT) and Herefordshire Council have recently consulted the public on the proposed development of a Public Service Trust. This development would bring together the commissioning functions of the two organisations with a view to streamlining the planning and purchasing of services, to increase efficiency and ensure the needs of the Herefordshire population are better met.

##### **Methodology**

Although the PCT and Council were advised that there was no legal requirement to consult on the proposal, the two organisations decided that it would be in the public interest to run a formal consultation to gain feedback from the local community.

The formal consultation period lasted seven weeks and ran from 12<sup>th</sup> June 2007 to the 31<sup>st</sup> July 2007.

Full and summary versions of the consultation document were developed and sent through the PCT readers panel for comments.

A variety of methods were developed to ensure people could make their views know; these included:

- A tear out response slip in the consultation document and freepost address.
- A dedicated consultation website with links from both PCT and Council web sites.
- A consultation e-mail address.
- An online staff discussion forum; open to all PCT and Council staff.
- Discussions with key third sector and statutory organisations.
- Public consultation events.

## Appendix 7 – Section 2

Public consultation events were set up; as detailed in the table below.

<b>Area</b>	<b>Date</b>	<b>Time</b>	<b>Venue</b>
Ross-on-Wye	Tuesday 26 <sup>th</sup> June	7.30pm – 9pm	John Kyrle High School, Ross-on-Wye
Leominster	Tuesday 3 <sup>rd</sup> July	7.30pm – 9pm	Leominster Community Centre
Golden Valley	Tuesday 10 <sup>th</sup> July	7.30pm – 9pm	Fire Station, Peterchurch
Bromyard	Thursday 12 <sup>th</sup> July	7.30pm – 9pm	Public Hall, Bromyard
Kington	Tuesday 17 <sup>th</sup> July	7.30pm – 9pm	Lady Hawkins Community Leisure Centre, Kington
Ledbury	Thursday 19 <sup>th</sup> July	7.30pm – 9pm	Burgage Hall, Ledbury
Hereford	Tuesday 24 <sup>th</sup> July	7.30pm – 9pm	Three Counties Hotel, Belmont Road, Hereford

Publicity for the consultation and events was arranged throughout the process via the following media outlets. This information is contained in Annex 1 to this report.

In addition there was an initial mail out of 390 full consultation documents with personally addressed letters to key stakeholders. This included voluntary sector organisations, schools, libraries, GP Practices, neighbouring statutory organisations, MP's, MEP's and members of the PCT's involving People Network.

This was followed by a further distribution of full and summary documents to all PCT and Council sites and individual mailing to Parish Council and Hereford Council members.

In total 3158 documents were distributed, as well as being available on-line via the consultation website. Documents were also made available at all the public meetings.

Promotional posters were produced in A3 and A4 sizes and were circulated to GP practices, PCT and Council sites, in addition they were displayed in community venues and on public notice boards in some areas to help with promotion.

The events were held in the evenings to maximise access to all sectors of the public and held at a variety of locations with no association to either the PCT or the Council.

All events were supported by PCT and Council Senior Managers, officers, Non Executive Directors and Councillors. Members of the PST working groups were present to provide information on the work already undertaken and to answer questions from the public. (Annex 2 to this report).



The number of public attendees at each event was as follows.

<b>Area</b>	<b>Attendees</b>
Ross-on-Wye	14
Leominster	25
Golden Valley	5
Bromyard	26
Kington	20
Ledbury	10
Hereford	45 (inc Cllrs)
<b>Total</b>	<b>145</b>

### **Feedback**

The total number of consultation responses was 195. 176 were paper copies and 19 were sent electronically. These show 110 (56%) in favour of the Public Service Trust Development and 80 (41%) against. There were 5 respondents who did not make a preference. The detailed quantitative feedback and demographic data is contained in a separate report.

All of the comments from each of the events (Annex 3) and individual consultation responses (Annex 4) have been grouped into themes.

The raw data supporting the response to the consultation including copies of letters responding to the consultation have been attached. Those in support of the proposal can be found at Annex 5 and those against Annex 6.

### **Response Themes**

This section of the report identifies the main themes from the consultation feedback and gives representative examples of the comments made.

For the people who **responded positively** to the proposal the main themes were as follows:

- **Concerns about increased bureaucracy**

Examples

- *It must be ensured that the new body delivers the expected saving and is not seen as yet another layer of administration.*
- *In most organisations, public or private, big is not always beautiful. While I like the “dream” of joined up services. I fear that the reality will be a huge cumbersome organisation where nobody knows what anyone else is doing and the ordinary public will remain ill-served.*

- **Concerns and confusion about impact on services.**

Examples:

- *What is the model for provision of Health and Council Services?*
- *What happens to Hereford Hospital?*
- *Why use mental health scenario, when mental health services not included*

- **Financial and cultural concerns**

Examples:

- *I am in favour of the idea. I can't quite see who is going to determine the amount of finance required by each of the respective bodies.*
- *The NHS and the Council needs to cooperate for peoples' benefit and not pass the buck.*
- *The intentions are good, an interesting presentation. There has not always been very good working relations between the County Council and the NHS since 1948.*

- **Improved access through joint working**

Examples:

- *Is it too much to hope for joined up thinking in prescribing – for example, despite NICE “guidelines”, to prescribe drugs for age related macular degeneration to patients in ALL stages of the disease. There are immense costs (in social terms, in social services budgets, and to informal family carers), if prescribing is rationed. Currently these costs are not shown in the NHS Budgets. Many patients in rural areas have unequal access to NHS services, and fund some of the costs themselves (taxis, running a car despite age and infirmity). This should be addressed by the new body.*
- *To support the proposed multi-surgery development – this is a vital step forward to improve the access/facilities for a large proportion (over 50%) of the city population.*

- **The value of joint working**

Examples

- *In principle the suggested changes should save time, energy and money – giving better services. There may also be less frustration for staff. Could drive efficiencies and retain services in Herefordshire and if well managed make life easier for the people who matter – the patients.*

- *Anything that can help things happen more quickly, without duplication, has to be better.*

- **Improving efficiency**

Example

- *Less waste of money spent on staff pursuing their own agenda in terms of advancement. Many paid for hours wasted every day with “study leave” meetings, travelling, diary mismanagement, poor accountability. Stop producing leaflets in seventy languages and wasting time and paper and achieving the opposite of what is needed.*

- **Locating staff together**

Example

- *Locate all commissioning and support staff in a single location and work on single (new?) culture to avoid ‘them and us’.*
- *The location of all staff in one building would be a major advantage, allowing easy communication and joint working. If housed separately, I suspect things will carry on pretty much as they are currently.*

- **Single access point for patient/public**

Example

- *There should be better and direct public access to services ie; one centralised phone number to answer all queries which is answered by a person (not a machine) who is actually present and knowledgeable*

For those who **responded negatively** the main themes were as follows:

- **Lack of evidence in document**

Examples

- *I cannot answer Yes or No from the level of detail provided here. I need to see the figures and cash savings and the budgets being brought into the trust.*
- *Your document makes frequent reference to cost savings in its proposals and ‘better value for money for taxpayers’ but there is scant evidence for how this will be achieved. When I was involved in similar studies, Treasury rules required all our reports to be supported by full investment appraisals detailing the precise cost savings and the method of achievement.*

*Without such evidence nothing received the sanction to proceed.*

- **Too Bureaucratic/costly/large**

Examples

- *Too large scale to begin with. Yes to health, social care and leisure but far too wide reaching to start this process*
- *We have talked of this proposal with some care and report the following; There are some clear areas of conjunction around Social Services that would be better served. There are many areas where we cannot find the benefits of reorganisation. Our experience of public bodies getting bigger and bigger is not encouraging. Your diagram on page five clearly shows the creation of an additional body rather than a reduction. In spite of your words we fear the creation of more layers of management, more bureaucracy, and more meetings of people sitting round drinking coffee, less useful results. While the NHS shows clear signs of obesity in it's affairs, we think deeper links can only be detrimental to Herefordshire Council. There is already the Herefordshire partnership which we think should be capable of most of what you propose. Periods of amalgamation are historically followed in time by periods of devolution.*

- **Could be achieved without the new structure**

Examples

- *Ensuring that each side works with the other, have joint working groups to understand each other's remits and working practices. Communication is the key to everything.*
- *They can enter into joint purchasing contracts without all this bureaucratic nonsense and work together as now where health and education needs intersect.*

- **Cultural differences between the organisations**

Examples

- *Concerned that a strategic body and a government appointed one will find it difficult to work together.*
- *Elected and unelected organisations do not mix. Bureaucracy covering GPs and Highways is ridiculous.*

- **Calls for an independent study**

Examples

- *In essence your proposals for a Public Services Trust Arrangement would institute a new tier of bureaucracy, with a high paid chief executive, to serve the PCT and Council. A better way forward would be to keep the PCT and the Council separate by to draw up a list of all the areas where they share services and responsibilities. An individual report, supported by an investment appraisal, should then be commissioned into each area of overlap with the aim of giving either the PCT or the Council the lead responsibility for the provision of that service for both bodies. If each body, for example, had 10 staff involved in the provision of a particular service, it may be that 15 staff could provide the same service for both from a single location. In sum, this way forward has been proved to work, would be less disruptive than your current proposals and the efficiencies and cost savings would be more transparent.*
- *A properly run joint study can come up with this answer after proper consultation and then any necessary “tweaking” for “joined-up” working can be addressed. An amalgamation is several steps to far. This is all to much of a tearing hurry.*

**Themes from consultation events**

Themes from the consultation events were similar across all the locations and were as follows:

- **Concerns about Bureaucracy**

Examples

- *Just to big and complex to start with – but could be good if start off properly working together. Start off small and prove it works. (Health and Social Care)*
- *The board will comprise of PCT members and Council members. PST has 8 NEDS and 58 Councillors, how will this fit and will it just mean more meetings?*

- **Evidence**

Examples

- *Could you illustrate the benefits more clearly? How will planning help this? How could you plan to improve services?*
- *PST as commissioners – how does this dovetail with practice based commissioning.*

- **Finance**

Examples

- *Can we be assured that Council tax will not increase as a result of this proposal?*
- *How much will integration cost and how long to pay cost back.*

- **Accountability**

Examples

- *Concern expressed over the need to run both a Herefordshire Partnership and a PST, is this necessary?*
- *Governance: we need to ensure that the new 'body' is accountable to both elected members and the public/service users*
- *Could there be a conflict of interest because of commissioning bodies being represented on the board of the PST?*

- **Third Sector Involvement**

Examples

- *Third sector, how will their service be integrated into the continuum of care, essential and integration with other providers.*
- *We hear a lot of making greater use of third sector – but funding is being reduced.*
- *How can we engage the voluntary/community sector in this proposal?*

- **Change issues**

Examples

- *Pace of change to fast – major change and implement by April 2008.*
- *We don't want to be left behind.*

- **Service issues**

Examples

- *Many services are not easy to see when they are split up.*
- *New PST would have to provide improved services*

- **Process**

Examples

- *More notice for consultation.*
- *Are we enabling enough people to take part in this consultation?*
- *Have the Council and the PCT discussed this proposal with the Unions?*

- **Closer joint working vs PST development**

Examples

- *Why do we not retrain staff to get the job done in a better way, rather than creating a PST in the hope that a new organisation can do the job better*
- *Why don't services work closely together now? How can savings on service delivery be made more efficient by this?*

**Conclusion**

Many of the questions raised and the comments made during the consultation process showed a good level of understanding of the issues.

The level of response and engagement has been good considering that it is a structural change. Past experience shows that people are keener to engage when the proposal affects local services or the services they use.

The main issues of concern raised between both those in support of the proposal and those who are not are regarding financial assurance and increasing bureaucracy.

Those who support the proposal are keen to see greater integration of PCT and Council functions and see it as a very positive development.

Many of those in opposition criticised the level of information and detail available in the document and at the events. This is always a difficult issue, if you consult early in a process you are unlikely to have all the answers people want, but if you consult towards the end of a project you are often criticised for having 'already decided'.

There would appear to be an ongoing need for information about the future of public services and a desire for people to be kept up to date with any future developments or options.

Euan McPherson  
PALS & Involving People Manager  
Herefordshire PCT





## Public Service Trust Consultation

### Media and promotion record

A chronological record of events and media coverage to promote awareness and understanding of the proposals for new public service trust arrangements among stakeholder groups.

#### **Employees**

October

A series of 'talking points' across the council briefing staff on the public service trust proposals and briefings in main PCT sites through the 'talking trust' – both processes were led by chief executives. This was followed up with a full transcript of questions and answers on the intranet.

#### **Council scrutiny committee**

24 Jan 2007

Briefing the chair with overview of the proposals

#### **Alliance (Third Sector)**

26 Jan 2007

Briefing the chair of the Alliance with an overview of proposals

#### **MPs**

Jan 2007

Briefing on the proposals before consultation

#### **Employees**

February 2007

Team brief updates throughout the month on the work on the PST proposals to staff in the council and PCT

#### **Hereford Times**

8 February 2007 – Page 4

*Massive re-think of way county's run*

Positive two-page article with quotes from the two chief executives outlining how the setting up of a public service trust would affect services in Herefordshire

#### **Western Daily Press**

9 February 2007 – Page 8

*Pioneering move by county*

Herefordshire is on course to become the first in the country to create a 'super trust' joining the health and council services together.

#### **Municipal Journal**

15 February 2007 – Page 1

Positive front-page article on the council's 'trailblazing bid' to combine with the primary care trust, which will make 'public sector history' - the MJ comment piece opines that this might be the best time for such a bold move.

**Hereford Times**

15 February 2007 – Page 13

*Merger proposal sparks concerns*

Report on cabinet discussions says that the creation of the public service trust could see council taxpayers subsidising health services and quotes concerns of a cabinet member.

**Leadership Forum**

19 February 2007

Key managers were briefed on the PST proposals and questions answered by the chief executive and weekly communications updates on PST progress were distributed thereafter to key managers

**Hereford Times**

22 February 2007 – P30

*Astonishment at health plans*

A letter from Ms Harvey who says she read 'in astonishment' the proposal to create a public service trust (follows the major article in Hereford Times the previous week).

**Community Care**

Feb 2007

Herefordshire Council is planning to fully merge with the area's primary care trust to create the UK's first combined public service trust. The new body, which would be established in shadow form in October and fully set up by April 2008, would have a budget of about £500m and 8,000 staff.

**Hereford Times**

1 March 2007 – Page 32

*No secrecy over merger proposals – public's views are welcome*

Joint letter from chief executives of the council and the primary care trust published as main letter with photographs (in response to letter the previous week).

**Society Guardian**

19 March 2007

The prospect of a conjoined county council and primary care trust took a step forward when Herefordshire county council released a timetable for its proposed combined public service trust (PST), to be created through the merger of the council with part of Herefordshire PCT.

**Children Now**

07 March 2007

Radical proposals to bring together a local authority and a primary care trust could push a broader range of partners into working more closely with children's services. Herefordshire Council plans to join with the commissioning function of the county's primary care trust to create a public service trust. The new body would commission services across the county, including those provided by the primary care trust.

**Care and Health**

21 March 2007

Herefordshire county council and Herefordshire PCT have released a timetable for their proposed creation of a combined public service trust. The idea, described by the council as "a radical and exciting option", is that the two bodies would share back-office functions such as HR and bring their commissioning closer together

**Society Guardian**

21 March 2007

Plans for a combined public service trust in Herefordshire are being closely watched elsewhere. Refers to previous article (19 March)

**West Midlands LGA News**

23 March 2007

Herefordshire could be set to make history with radical proposals to bring together the local authority and the primary care trust in a new leading edge organisation that will improve services, make better use of funds and safeguard local services in the county. This initiative supports the key recommendations for strategic leadership outlined in the local government white paper and will be the first of its kind in the UK

**Public Service Trust Online**

23 March 2007

An intranet report on the proposals and list of frequently asked questions is published for staff of the council and the PCT

**First Press**

23 March 2007

Monthly employee newsletters began promoting the forthcoming consultation and the importance of taking part.

**Members Newsletter**

26 March 2007

A basic guide to the public service trust is circulated to all members

**Local Medical Committee**

27 March 2007

PCT Chief Executive briefs the committee on the PST concept and timetable for consultation

**Health scrutiny**

30 March 2007

Report outlining the proposals and the consultation programme  
Hereford Hospitals Trust involved in presentations on PST proposals

**West Midlands Strategic Health Authority**

30 March 2007

Consultation documents and programme discussed and agreed

**Herefordshire Partnership**

30 March 2007

Council's chief executive briefs the partnership on proposed PST arrangements

**Key manager event**

26 April 2007

Key managers at the council and the PCT brought together for joint presentations on the public service trust proposals and consultation programmes

**Leadership Online**

26 April 2007

Electronic publication including PST proposals update for key managers

**BBC Midlands Today**

2 May 2007

Herefordshire's council and primary care trust are proposing to merge to form England's first public service trust. There would be one chief executive, councillors would make decisions on health, and the health and social services budget would be pooled. A consultation programme is due to start this month. Chris Ham, professor of health policy and management at the University of Birmingham, said: "This'll be a first for England and the government's clearly looking at this as an experiment to see if it works in one environment."

**Public Service Trust: presentation to all teams**

May 2007 (team brief)

Key managers from the council and the primary care trust came together for the first time last month to hear the specific proposals for the creation of a *Public Service Trust*, which aims to improve services, make better use of funds and safeguard local public services. The proposals are to bring together the functions of the two organisations that plan, regulate or purchase services. Depending on the results of the forthcoming consultation, the new organisation could start in April 2008.

**Public Service Web Site**

12 June 2007

Special consultation web site launched with the opportunity to download consultation documents and post views online

**Discussion Forum**

12 June 2007

Online discussion forum for council and PCT staff to raise issues

**BBC Hereford & Worcester**

13 June: The council and the Primary Care Trust go out to consultation on public service trust. Public meetings scheduled.

**E-Gov Monitor**

13 June 2007

In one of the most important consultation programmes ever embarked upon in Herefordshire, local people are to be asked their views on radical proposals to improve public services. Herefordshire Primary Care Trust and Herefordshire Council want to enter new partnership arrangements – which they are calling a public service trust. The consultation will run from Tuesday 12 June until Tuesday 31 July 2007.

**BBC News**

14 June 2007

A primary care trust is planning to join forces with a council to commission, plan and purchase services. Herefordshire Council and the county's primary care trust would form a body managing a £300m annual budget but remain separate legal entities.

**Hereford Times (Internet Edition)**

14 June 2007

Herefordshire Council and Herefordshire Primary Care Trust already work closely together on a range of services. Now they want to go further and extend this policy. It will involve removing the boundaries between who does what, bringing together the way public services are paid for, having a single management structure and combining or sharing services.

**Hereford Times**

14 June 2007

P6 & 7: The consultation kicks off with an in-depth two-page report on plans to revolutionise public services in Herefordshire go to consultation, written by health and local government correspondents. Included case studies, a diagram, a fact file and a breakdown of finances and details of forthcoming public meetings, including the first one at Ross on Wye

**Hereford Times**

14 June 2007

P31: Opinion column: reports on major proposals that will shape the county for decades to come as the council and PCT look at ways to provide services residents will need for the future. This is real consultation, says the Hereford Times, and at the right time, before the plans are set in stone.

**Parish Council Clerks**

15 June 2007

Consultation documents with covering letters forwarded to parish council clerks to pass on to parish councils

**Ledbury Reporter**

15 June 2007

The council and the Primary Care Trust are investigating the potential benefits of an integrated staff organisation under a Public Services Trust. This has the potential to reduce duplication, give increased buying power and the economies of scale could provide more money for frontline services. Currently staff from the council and the Primary Care Trust are examining every aspect and drawing up reports.

**Schools**

15 June 2007

Consultation documents forwarded to all primary and secondary school heads

**The Alliance**

19 June 2007

The voluntary (third) sector is consulted on the PST proposals, presentations from the council and the PCT

**Ross Journal**

20 June 2007

P3: Getting better services and value for money from the council and health authorities is the aim behind a new trust which hopes to be running from next April. Details of forthcoming public consultation meetings are published, including the Ross event.

**Leominster Journal**

20 June 2007

P3: Details of forthcoming public consultation meetings are published, including the Leominster event.

**Ross Public Consultation Event**

26 June 2007

Presentations and discussions at John Kyrle School, Ross

**First Press**

26 June 2007

Employees reminded they could attend consultation events and staff presentations

**MJ (Management Journal for Local Authorities)**

28 June 2007

Front-page lead on the council and primary care trust's 'trailblazing plans' to seek a new chief executive who will also head up the UK's first-ever combined health and local government top job. The council's plans have been praised by ministers who said it would dampen arguments over cost shunting of NHS bills to councils.

**Hereford Times**

28 June 2007

P2: Herefordshire needs someone to lead a revolution, as adverts go out for a joint chief executive to head the proposed public service trust

**Hereford Times**

28 June 2007

P31: The Opinion Column urges local people to participate actively in meetings, forums and the website in the consultation for the public service trust. If invitations meet with a 'yawning silence' there will be no grounds for complaint in future.

**My Herefordshire (Web Site)**

June 2007

In one of the most important consultation programmes ever embarked upon in Herefordshire, local people are to be asked their views on radical proposals to improve public services, to provide better value for money for taxpayers and safeguard services in Herefordshire for people in Herefordshire.

**Unison (Web Site)**

June 2007

Herefordshire Council and PCT are planning to merge to form a Public Services Trust, with a shadow authority due by October 2007, and another half-dozen proposals are close behind. PCTs will have aligned their budgetary cycles with local authorities by April 2008

**Public Finance**

June 2007

When Tony Blair and Ruth Kelly set out their vision of revitalised local authorities working with partners to 'reshape public services around citizens and communities', Herefordshire Council decided to act. Taking a cue from the warm words in the local government white paper six months ago, it set the pace for others by agreeing to combine health and social care in a groundbreaking public service trust. Along with its primary care trust partner, Herefordshire talked confidently of 'making history' in a new 'total wellbeing' organisation.

**Leominster Journal**

4 July 2007

Quarter page advert promoting all forthcoming consultation events (focus on Leominster)

**Hereford Journal**

4 July 2007

Quarter page advert promoting all forthcoming consultation events

**Hereford Times**

5 July 2007

Quarter page advert promoting all forthcoming consultation events (focus on Golden Valley, Leominster and Bromyard)

**Ledbury Reporter**

6 July 2007

Quarter page advert promoting all forthcoming consultation events (focus on Ledbury)

**Mid-Wales Journal**

6 July 2007

Quarter page advert promoting all forthcoming consultation events (focus on Kington)

**Leominster Public Consultation Event**

9 July 2007

Proposals presented and discussed at Leominster Community Centre

**The Guardian**

4 July 2007

Report into the proposals to create a public service trust, with quotes from Jim Wilkinson of the Patients Advice and Liaison group (copy to be sourced)

**Local Government Chronicle**

5 July 2007

Herefordshire Council needs a chief executive who will lead the first public service trust. Leader of the council Roger Phillips says this is a joint post for the two organisations and the aim is to have a chief executive in place at the earliest opportunity so preparations can be made for the trust to operate in April.

**Voluntary Sector Assembly**

9 July 2007

The VAS is consulted in an event at the Courtyard, Hereford

**Leadership Forum**

9 July 2007

Key managers of the council are given an update on progress on the public service trust and urged to participate in the consultation

**Golden Valley Public Consultation Event**

10 July 2007

Proposals discussed and presented at the Fire Station Peterchurch

**Presentation to Employees**

10 July

Proposals discussed with staff at council's Brockington offices and PCT Belmont offices

**Members Newsletter**

12 July 2007

Information on forthcoming consultation events promoted to members

**Hereford Times**

12 July 2007

Quarter page advert promoting all forthcoming consultation events (focus on Kington)

**Worcester News**

12 July 2007

People urged to have their say over plans for a Public Service Trust. Details of forthcoming public consultation events published.

**Bromyard Public Consultation Event**

12 July 2007

Proposals discussed and presented at Bromyard Public Hall

**Ledbury Community Portal**

July 2007

Ledbury will give its views on the public service trust at a consultation event on 19 July

**The Mid Wales Journal**

13 July 2007

Kington residents are asked their views on proposal for a Public Service Trust. The public consultation event is promoted.

**Presentation to Employees**

13 July

Proposals presented and discussed with staff at Ross Community Hospital

**BBC Hereford & Worcester**

17 July 2007

Prospective parliamentary candidate Jesse Norman expresses PST doubts

**Kington Public Consultation Event**

17 July 2007

Proposals discussed and presented at Lady Hawkins School

**Presentation to Employees**

17 July

Proposals presented and discussed with staff at Plough Lane, Hereford

**Hereford Times**

19 July 2007

Quarter page advert promoting all forthcoming consultation events (focus on Ledbury and Hereford)

**Herefordshire Partnership**

July 2007

Further joint presentation on the proposed public service trust arrangements

**Ledbury Public Consultation Event**

19 July 2007

Proposals discussed and presented at Burgage Hall, Ledbury

**Herefordshire Matters**

20 July 2007

The council's publication goes to every household in the county and urges local people to make sure they have their say on the public service trust consultation – either by attending the public meeting in Hereford or registering their views on the web site.



**Update for Members**

20 July 2007

The Service Update magazine provides an update on the consultation and the proposals

**Hereford Public Consultation Event**

24 July 2007

Proposals discussed and presented at Hereford Three Counties Hotel

**Hereford Times Internet Edition**

25 July 2007

The consultation on radical proposals to bring together how the primary care trust and the council plan and purchase public services in Herefordshire is drawing to a close. On Tuesday the consultation will end so people are being urged to make their views known. Seven public meetings have taken place across the county to discuss how the move might improve local services, provide better value for money for taxpayers and safeguard services in Herefordshire for people in Herefordshire. Now the best way for people to take part is to visit a special consultation web site, with extra information on the public service trust proposal, to post your views online. The address is: [www.publicservicetrust.info](http://www.publicservicetrust.info)

**Hereford Times**

26 July 2007

P15: Tory candidate Jesse Norman believes the proposals for a public service trust are good in theory but believes they are unlikely to work in practice. The council urges people to have their say on the consultation, which ends on 31 July.

**BBC Hereford & Worcester**

31 July: CE and Chair of PCT interviewed about public service trust consultation – public urged to make views known via the consultation web site [www.publicservicetrust.info](http://www.publicservicetrust.info)

31 July: Jo Newton comments that the PST will improve public services locally

31 July: Chief Executive says the PST would make better use of public money.



<b><u>Specialists</u></b>	<b><u>Workshops</u></b>						
	26-Jun	03-Jul	10-Jul	12-Jul	17-Jul	19-Jul	24-Jul
<b>Steering Group Members:</b>	John Kyrle High School, Ross on Wye	Community Centre, Leominster	Fire Station Peterchurch	Public Hall, Bromyard	Lady Hawkins Cmty Leisure Centre, Kington	Burgage Hall Ledbury	Three Counties Hotel, Hereford
Joanna Newton	✓	✓	✓	✓	✓	✓	✓
Tamar Thompson	✓	✓	✓	✓	✓	x	✓
Cllr Roger Phillips	x	x	✓	x	✓	x	✓
Neil Pringle	x	✓	✓	✓	✓	✓	✓
<b><u>Working Group Specialists:</u></b>							
Change Management and Human Resources	Julie Thornby David Johnson Elaine Lloyd	David Johnson Lesley Marsh	Julie Thornby Anne Davies	Janet Atkinson, Linda Marsden	David Johnson Julie Thornby Linda Marsden	David Johnson Linda Marsden	David Johnson Julie Thornby Lesley Marsh
Integrated Governance	Tony Ford	Wendy Huxley Marko, Tony Ford	Wendy Huxley Marko, Jill Sinclair	Ian Tait, Wendy Huxley Marko	Alan McLaughlin, Tony Ford	Ian Tait	Alan McLaughlin
Communication, Consultation, Involvement and Clinical Engagement	Robert Blower Euan McPherson	Robert Blower Euan McPherson	Euan McPherson	Euan McPherson Martin Heuter	Robert Blower Martin Heuter	Robert Blower Martin Heuter	Robert Blower Martin Heuter Jane Jones, Jim Wilkinson
Service Users	Jim Wilkinson	Jane Jones	Jane Jones	Jane Jones	Jim Wilkinson	Jane Jones	Jim Wilkinson
Corporate Resources, Finance and ICT	Marcia Pert	Sonia Rees	Sonia Rees	Sonia Rees	Marcia Pert	Marcia Pert	Marcia Pert
Planning, Commissioning and Performance Management	Steve Martin Yvonne Clowsley	Jean Howard Steve Martin	Yvonne Clowsley	Steph Canham Paul Edwards Paul Harris?	Yvonne Clowsley Ann Heath	Steph Canham Paul Edwards Paul Harris?	Jean Howard Ann Heath
Public Health and Health Improvement	Frances Howie	Frances Howie	Frances Howie	Frances Howie	Annie Brookes	Annie Brookes	Annie Brookes
Environment Services	Andy Tector	Andy Tector	Andy Tector	Andy Tector	Andy Tector	Andy Tector	Andy Tector
<b><u>Other Specialists</u></b>	SM/JR/PD	DJ/JR/PD	DJ/JR/PD	DJ/AC/PD	PA/JR	SM/DJ	DJ/AC/SM
<b><u>PCT Provider Services</u></b>	SD/JT	Sue Doheny	SD/JT	SD	SD/JT	SD	SD/JT
Organisation on evening	Euan McPherson	Euan McPherson	Euan McPherson	EM and MH	Martin Heuter	Martin Heuter	Euan McPherson
Reception	Euan McPherson	Euan McPherson	Euan McPherson	EM and MH	Martin Heuter	Martin Heuter	Euan McPherson
Scribes							

**All workshops start at 7.30pm and close at 9.00pm. Please aim to arrive by 7.15pm**



**COMMENTS FROM PUBLIC CONSULTATION EVENTS**

**MEETING NOTES – CONSULTATION 2007**

**Evidence**

Where did the idea come from?

Is it unique in the country?

Could you illustrate the benefits more clearly? How will planning help this?  
How could you plan to improve services?

Bare in mind we are all looking at purchasing not providing services – it's difficult to understand.

PST as commissioners – how does this dovetail with practice based commissioning.

Is this the only model you have looked at?

**Discussion points**

It's very important to people of Herefordshire to keep service together.

Explained role of boards.

Need to build confidence.

STARRS – Good example of care – could look at how it could be community wide.

Discussion about FT's and Social Enterprise.

Suggestion was made that it would have been better if Herefordshire Council/PCT hadn't split from Worcs County Council/PCT in the first place

Comment was made that keeping local services locally controlled was positive

**Finance**

Is it the case that you have to make savings and how far can you merge things like HR, Finance etc?

Are the finances currently being used to what is proposed for after April, or will it be a different amount?

Any opportunity to save money – the Central Government will see that you don't need it and use it as a model to save on what they may find.

How much savings will be made and what would happen to the money?

Can we be assured that Council tax will not increase as a result of this proposal?

Budgets, joint budgets are essential to have a central group of professionals to act as assessment group (experience from America).

How much will integration cost and how long to pay cost back.

How a more powerful trust will be in a position to bring in more money into the county? (West Midlands per Capita spend on education)

Social care budget never enough – when comes together would this be exaggerated – voluntary sector important support.

Two organisations with separate funding streams – if Council want to put up Council tax they are accountable at the ballot box. When combined could health cause Council tax rise? If so where is the accountability?

Assurances were sought that the creation of the proposed PST would not generate further costs

How do you suggest that the PST will make financial savings?

## **Questions**

HHT must be a big player in this – how are they involved?

What about the patients from Powys?

Is there some fundamental reason why the PCT can't become a department of the Council?

Can we develop the existing Community Forums/PACTs into user forums?  
Is this a project which others look at (sit on fence) to see how we are going to do?

Have we already have discussions with candidates for the joint CX post?

Can we still be merged with e.g. Worcester even if we go through with this proposal?

## **Accountability**

Electorate can get rid of Councillors but not people in the PCT – people on PCT should be elected.

Commissioning – doesn't guarantee the ethics of commissioner goes down to the people providing the services – the more outsourcing the more this could happen.

Concerned about assessment process – hopefully will lead to proper assessment process with needs of individual paramount.

Need to empower young people.

Council is accountable via elections – now does this sit with PCT members who are appointed. Half full or half empty?

People want to know what's happening – in advance.

Concern expressed over the need to run both a Herefordshire Partnership and a PST, is this necessary?

Governance: we need to ensure that the new 'body' is accountable to both elected members and the public/service users

Could there be a conflict of interest because of commissioning bodies being represented on the board of the PST?

Are we setting challenging targets as a benchmark for success

### **Bureaucracy**

Can see where you're coming from and it makes a lot of sense, but cannot see sense of an organisation that commissions GP and Highways they are too different. May save money.

Really complex decision making – where is the public input into the decision making?

Just too big and complex to start with – but could be good if start off properly working together. Start off small and prove it works. (Health and Social Care)

The board will comprise of PCT members and Council members. PST has 8 NEDS and 58 Councillors, how will this fit and will it just mean more meetings?

How will you resolve any 'stand offs' when there are major differences between these sides. Is this a Herefordshire idea or a Government idea we have been asked to trial.

When organisations integrate they often become very inward looking, how will this be avoided? Ensure current services are still being delivered well.

Been talking about joined up working/commissioning etc for years but always stopped by enforced reorganisation and another level of bureaucracy.

Partnership – not a new organisation as no legal structure in place? What support from Whitehall?

Worried that decision making will be very time consuming.

Is it not likely that one of the partners will become the dominant partner in this partnership?

Even if the PST proposal does not go ahead, PCT and Council will have to work together more closely in the future. However, the challenge is going to be to merge/change the cultures in both organisations, as they are different. Also, in the future the Government will not assess individual organisations' performance, but how an area performs – this makes closer cooperation through e.g. the PST even more important.

### **Possible under current arrangements**

Why don't services work closely together now? How can savings on service delivery be made more efficient by this?

Partnerships only work when they work together closely – unified rather than partnership decisions.

Why do we not retrain staff to get the job done in a better way, rather than creating a PST in the hope that a new organisation can do the job better

### **Change**

Pace of change to fast – major change and implement by April 2008.

We don't want to be left behind.

Worked on interface of health and social care for many years. Welcome idea, but concerned about merger of non-elected organisation with elected members. How is it not going to be remote – engagement of service users and how will complaints be handled?

Would require targeted local involvement – to ensure developments don't duplicate current services or the loss of them.

Quick timescale and we need to get on with it.

### **Process**



Concerns about the consultation process. Is it going to benefit the public – if so yes, but we need to find out from them what they can. Poor publicity locally. How many members of the Voluntary Sector organisations were made aware?

More notice for consultation.

Are we enabling enough people to take part in this consultation?

Have the Council and the PCT discussed this proposal with the Unions?

Do we expect any job losses?

### **Third Sector Involvement**

Third Sector. Safe houses, crisis houses – short fall in Herefordshire – would be good to see it supported in this development.

Without over 60s third sector is greatly reduced.

Third sector, how will their service be integrated into the continuum of care, essential and integration with other providers.

We hear a lot of making greater use of third sector – but funding is being reduced.

Where are volunteers going to come from? People now working longer and harder no time to volunteer.  
How will voluntary sector fit?

Don't always get a good reception from public bodies as volunteer/advocate.

Who is accountable now when things are not working?

Quite concerned that voluntary sector are all volunteers trying to do professional jobs. It is very diverse, many use employed staff – they have to train their staff and volunteers to provide services.

Voluntary sector brings in huge amounts of money into the county, not connected to health and social care.

Voluntary sector required to be more professional, but no security of funding.

PST may provide 'critical mass' to make contracts more attractive and viable for Voluntary Sector.

How can we engage the voluntary/community sector in this proposal?

### **Service issues**

Would hate to see services become less accessible.

Many services are not easy to see when they are split up.

New PST would have to provide improved services

New PST would have to look at how innovation can be generated and provided locally



**COMMENTS FROM CONSULTATION RESPONSE FORMS**

**Responses from those who support the proposal**

**Service Issues**

Should include mental health and district nursing provision.

What is the model for provision of Health and Council Services?

What happens to Hereford Hospital?

Why use mental health scenario, when mental health services not included

Dentistry? We live close to Ludlow and finding an NHS dentist is extremely difficult.

Better links with NHS and Private Mental Health Units – encourages wider understanding of available services.

As per rapid response arrangements from Hillside.

Better provision for children with mental problems.

I have only worked here a few months so have no strong views. I do wonder how Education will be linked in with regard to Children's Services and Extended Schools.

Keep health local so people know their GPs and Dentists. Keep local hospitals open (ward closed in Bromyard). Out of Hours cover is no longer local.

**Ongoing Concerns – Financial and cultural**

In principle, proposal good but huge change of approach to work required by many employees who have been used to "the old bottomless pit".

I am in favour of the idea. I can't quite see who is going to determine the amount of finance required by each of the respective bodies.

I very much approve of the idea, but will be interested to see how it works out in practice. In 1968 I was a founder member of the newly formed North Shropshire District Council, which merged five smaller authorities and therefore had much greater financial clout. However, I generally disagreed with the idea of a West Midlands Police Authority – I live 10 miles from Ludlow and an Officer there had no idea it was in the vicinity!

The intentions are good, an interesting presentation. There has not always been very good working relations between the County Council and the NHS since 1948.

After reading the consultation it seems a good idea. I just hope that it works out in practice so I do have some reservations. There must be internal ring fencing/financial sharing of revenue. Don't follow the revenue robbing that occurs in the new Natural England, for example DEFA, robbing English Nature.

On the condition that it can be revised if it goes wrong.

The NHS and the Council needs to cooperate for peoples' benefit and not pass the buck.

Yes, but please explain more clearly.

### **Improving Access Through Joint Working**

Is it too much to hope for joined up thinking in prescribing – for example, despite NICE “guidelines”, to prescribe drugs for age related macular degeneration to patients in ALL stages of the disease. There are immense costs (in social terms, in social services budgets, and to informal family carers), if prescribing is rationed. Currently these costs are not shown in the NHS Budgets. Many patients in rural areas have unequal access to NHS services, and fund some of the costs themselves (taxis, running a car despite age and infirmity). This should be addressed by the new body.

Some social workers still seem to be unaware of the Direct Payments scheme or are reluctant to tell clients all the information they need to know. This heightens the need to more appropriate training for all professionals concerned. Closer liaison between staff will mean that relevant information will be passed between them more quickly. Wheelchairs, and other aids and equipment should all be kept on the same site, similar to a Disability Living Centre, with an O T and physio on hand to offer advice and assistance.

To support the proposed multi-surgery development – this is a vital step forward to improve the access/facilities for a large proportion (over 50%) of the city population.

### **Bureaucracy Concerns**

I support the idea, without another layer of management – any change should provide economical – with a better service.

Yes, in principle. But I am concerned that rather than achieving savings the process could result in a further tier of bureaucracy to Service the Joint Commissioning Body and implement their decisions.

Only if it delivers! Better value for money for tax payers. Safe guard services in Herefordshire. Protect Herefordshire from political influences. Often the bigger the organisation the greater the waste.

It must be ensured that the new body delivers the expected saving and is not seen as yet another layer of administration.

The emphasis should be on front line services and less in bureaucracy.

Makes sense for one commissioning body, however, could create extra layer of bureaucracy.

Looks good on paper, time will tell, when and if it is put into practice.

In general terms OK but in practice could prove to be NON VIABLE – at extra cost to Council Tax payers.

Working together and telling the public about all that is going on.

Pity the politics did not allow more detail to the financial forecasts re staff and purchasing, savings and payback, period of project realisations costs and document somewhat verbose.

Providing another layer of administration is not put in place causing increase in costs.

I'm hoping the plan reduces cost in management and improves the service.

Single Management Structure should mean less people. There is major benefits in removing inter-departmental financial incentives, which can otherwise encourage bad practices.

My last wife had Alzheimers and broke her hip - I looked after her for 3 years. The division between the NHS and Social Services was a bureaucratic negligence. Better communication can only be an improvement.

In most organisations, public or private, big is not always beautiful. While I like the "dream" of joined up services. I fear that the reality will be a huge cumbersome organisation where nobody knows what anyone else is doing and the ordinary public will remain ill-served.

In support but hope this does not produce an additional head count. Having checked current vacancies on the web site there already are too many new jobs.

I think this should benefit the people of Herefordshire in providing a more patient focussed approach to care. I hope it will not result in increased bureaucracy.

But don't overpay GPs and keep admin to a minimum.

## **Improving Efficiency**

Less waste of money spent on staff pursuing their own agenda in terms of advancement. Many paid for hours wasted every day with “study leave” meetings, travelling, diary mis-management, poor accountability. Stop producing leaflets in seventy languages and wasting time and paper and achieving the opposite of what is needed.

Less levels of management, less chiefs and more ‘workers’ too many pen pushers with not a clue about caring for the elderly, sick or disabled people.

## **Value of Joint working**

It’s common sense to have all working together and should improve the health of those patients covered by the plan.

It will, hopefully, save money for use to provide additional (or extended) services.

I hope that this change in public service will make it easier for people to understand the services better and access them less stressfully.

Clear Management Structure, working closer together to improve care. Better use of limited resources.

Working together and telling the public about all that is going on.

Better co-ordination of ‘all care services’ from one source must be advantageous.

Staff who work with clients should, at best, share a building, if not an office. This will help with care of the elderly, children and people with disabilities etc.

In principle the idea is good. However, with the dreadful integration of the Learning Disability Service then it needs to be managed with people who are competent.

Anything that can help things happen more quickly, without duplication, has to be better.

Improved information and easier communications are an attractive proposition.

Yes I support the proposal for the development of future public services in Herefordshire, on the whole. There should be improvements all round; less time to wait to see services delivered and more money available where it is needed most. However, I am concerned that services delivery may not always be 100% reliable or achieved in the expected time. There should be

some kind of penalty if service delivery is not effective enough, in order to increase the motivation to succeed.

Savings from not duplicating services, more Shared Services providing better quality.

Encourages more varied service and will hopefully improve standards of care and level base regulatory system across the board/county for everyone involved to benefit from.

Safeguarding Hereford Service is a priority plus patients and customers.

It is an obvious way forward and will provide a closer relationship with customers and patients.

Having seen the way council departments currently communicate, I wonder if any real advantages of "joined-up" working will come to fruition.

Herefordshire would benefit from a more integrated consistent approach.

Would be a good use of financial and human resources and lead to fewer people slipping through the cracks when it comes to a complete care/healthy living package.

No they seem like good common sense!

PCT and Social Services need to work together to provide the correct "full" level of care – this would prevent a quadriplegic person being left with no care for nearly three years and also a gentleman in hospital for over twelve months due to no care or housing provisions.

The proposed development should allow more efficient planning and delivery of services especially for the elderly.

In principle the suggested changes should save time, energy and money – giving better services. There may also be less frustration for staff.

Could drive efficiencies and retain services in Herefordshire if well managed  
Make life easier for the people who matter – the patients.

### **Locating staff together**

Locate all commissioning and support staff in a single location and work on single (new?) culture to avoid 'them and us'.

The location of all staff in one building would be a major advantage, allowing easy communication and joint working. If housed separately, I suspect things will carry on pretty much as they are currently.

## **Single contact for patients/public**

There should be better and direct public access to services ie; one centralised phone number to answer all queries which is answered by a person (not a machine) who is actually present and knowledgeable.

Extend Councils “One Stop Shop” offices to include PCT information.

Have one telephone number for all Health and Social Services.

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## **Responses from those who do not support the proposal**

### **Lack of Evidence**

I cannot answer Yes or No from the level of detail provided here. I need to see the figures and cash savings and the budgets being brought into the trust.

Added value for the customer is not demonstrated

Information, particularly financial, is too inadequate to make a judgement. You will do what you want to do anyway regardless of what anyone may say.

1. The consultation document frequently refers to “savings” or “value for money” but nowhere is there any attempt at quantifying what savings are available. What is known is that costs are going up eg; a new Chief Executive at £175,000 plus employer’s NIC plus pensions plus office and at least one PA no doubt. A likely overall costs of at least £250,000 a year. This is probably more than the present two CE’s costs between them.
2. The “directors reporting to the new CE will undoubtedly argue that their new jobs are bigger so will call for and very probably get bigger salaries too.
3. The proposed PST has no legal status it is explained so it cannot employ anyone. So who employs the new CE?
4. At a public meeting it was explained that existing staff will continue to be employed by their existing employers so how can they co-operate when they will be constantly trying to find out what each earns and whether HCC or PCT employees are better paid.
5. The proposed management structure is absurd in the extreme, far too big so it will all be talking shop. No doubt it’s members will require support in organising meetings minutes etc so extra cost!
6. HCC and PCT have different reporting structures and are governed by different legislation so to the aforesaid talking shop will be added severe conflict of interests.
7. The discretionary spend available to either HCC or the PCT is limited in the extreme so that it is difficult to see what scope for re-ordering priorities exists.
8. There is already a timetable in place with a completion date of 1<sup>st</sup> of April and the new CE job already advertised thus “consultation” is a farce and an insult to the taxpayers who are forced to fund these schemes.



9. If the rationale relates to the point that both HCC and PCT outsource more and more of their work then consider that the Government led by Gordon Brown is already pressing for less outsourcing no more. Some PCT's are already cancelling deals with, for example, BUPA clinics (cf Surrey).

10. Finally why cannot the staff of both bodies co-operate already where it matters in social care? You won't ask doctors to mend roads or dustmen to be care assistants will you?

Your document makes frequent reference to cost savings in its proposals and 'better value for money for taxpayers' but there is scant evidence for how this will be achieved. When I was involved in similar studies, Treasury rules required all our reports to be supported by full investment appraisals detailing the precise cost savings and the method of achievement. Without such evidence nothing received the sanction to proceed.

Members of the Council have attended a Meeting and examined documents available for the proposed merger consultation process. The Parish Council wishes to express it's dismay at the way this has been presented. What are you proposing represents a major change in procedure, purporting to bring cost cutting, increased efficiency and major savings. Yet the amount of detailed factual information provided is minimal. There are no details of a properly evaluated and costed programme. A simplistic "yes/no" answer would be meaningless. This Council opposes the proposed merger. It can come to no other conclusion on the basis of the insufficient information provided. The Council would also like to question the detailed personal information your questionnaire asks for. What possible relevance can this have?

I cannot possibly say without considering more information. A brave idea but we lack enough detail to comment realistically.

This document says nothing – it's just window dressing – rubbish!

Herefordshire Council and the existing PCT are two totally separate organisations with separate aims and public responsibilities. No satisfactory case has been made to show that their amalgamation and joint working arrangements will benefit either the organisations themselves, or more importantly, the people they are intended to serve. Professional accountabilities differ between individuals and across organisations. Evidence to substantiate the level of savings required to support the scheme is largely unsubstantiated. The level and nature of costs incurred is contrary to the statement on savings from 'economics of scale' identified on page sixteen of the consultation paper. It is reported that officers have progressed the scheme without adequate reference to Councillors as public representatives. Introduction of a further layer of bureaucracy will do nothing to improve or streamline the services currently being offered. In addition, there is no evidence that the changes will achieve greater efficiency. There is no reference or evidence as to how other statutory responsibilities will be adequately fulfilled under this arrangement, for example the public scrutiny committee, responsibility for Governance. The move is premature, given the

guidance awaited on the provider side or primary care services outlined in section fifteen of the consultation paper. The stated purpose of moving the purchasing and provision of health services under the auspice of Primary Care is apparently intended to recognise that these were inextricably interwoven. To dismiss the Government's sentiment for the convenience of this consultation is unjustified and unacceptable. Statements made in this regard in sections nine and fifteen appear to be contradictory. Public presentations have been poorly made and inappropriately presented to promote understanding by lay personnel. This has prompted scepticism as to 'lip service' being paid to the public interest, and has undermined confidence in the consultation process. Councillors have asked that, at the conclusion of the consultation process, details of comments and feedback received should be published.

Little evidence available in the consultation document, or at the public meeting, that even basic planning has taken place. Even the few figures given do not add up for example, Council affordable revenue is £122m against Council contribution of £138m. 138 is not 70% of 122!

No information on costs/savings. No comparison given between current and proposed plans. Needs support of FHS practitioners – none of the dentists opticians or pharmacists I spoke to have heard of the PST.

### **Too Large/Bureaucratic/Costly**

Too large scale to begin with. Yes to health, social care and leisure but far too wide reaching to start this process

Costs will escalate significantly, Internal processes will increase, sloppy inefficient working will increase.

Far too top heavy from Executive point of view. I do not like political interference with suggested new Public Service Trust.

Another layer of bureaucracy does not deal with real issues ie; inadequate resources for the demand.

More people more trouble.

More bureaucracy. Heaven knows how many people in offices are paid colossal sums of money which would be better used where it is intended. Not in the Chief's pocket.

There are already too many administration staff within the NHS and Council. As this proposal does not involve community hospitals and mental health services I can see no benefit from it – apart from creating new posts.

Larger the organisation the less efficient it becomes.

NHS experience has proved large managerial structures do not improve service to the public.

A monolithic structure is hardly likely to improve services – in fact the reverse. Was it designed by a first year MBA student?

Another layer of bureaucracy!

Not all services integrated. An extra level of management together with Local Politicians on the Board which could change direction every four years on new elections.

This will introduce a further layer of bureaucracy into an already bureaucratic system. An abundant waste of public money.

It seems to me that it will lead to another layer of bureaucracy without any tangible benefits.

We have talked of this proposal with some care and report the following; There are some clear areas of conjunction around Social Services that would be better served. There are many areas where we cannot find the benefits of reorganisation. Our experience of public bodies getting bigger and bigger is not encouraging. Your diagram on page five clearly shows the creation of an additional body rather than a reduction. In spite of your words we fear the creation of more layers of management, more bureaucracy, and more meetings of people sitting round drinking coffee, less useful results. While the NHS shows clear signs of obesity in it's affairs, we think deeper links can only be detrimental to Herefordshire Council. There is already the Herefordshire partnership which we think should be capable of most of what you propose. Periods of amalgamation are historically followed in time by periods of devolution.

This proposal, if carried, will simply add another layer of offices to the already overstuffed PCT and County Council. Talk of a salary a year of £175,000 plus per year for another Chief Executive plus the cost of many more hundreds of Officers would not be sustainable. We are a small county in population with a growing old age percentage.

### **Too much change**

It is yet more reorganisation which I feel sure will bring more bureaucracy not less. I work for the PCT and many of my colleagues have low morale, feel undervalued and management seem incredibly remote. If the government changes in 2-3 years this could all change again. I have seen several reorganisations before the present PCT. What staff need and want is consolidation to give them chance to do their jobs without thinking what or when the next change will bring. I am not against change by think much more serious thought needs to be given to this. What I have heard and read so far is much 'High Thinking' but not very practical. Although the presentation on 25 July 2007 was well done, with eloquent speakers I think they do not realise

the huge amount of detail the staff would have to take on board to be able to operate and communicate effectively.

There are too many other, mainly central government inspired initiatives under way at present. We do not need yet another complication that offers no guaranteed benefits.

Government proposals regarding polyclinics specialist hospitals will involve re-thinking of Health provision. The role of PCT is not clear. No need for public service at present time.

The political influence, cost and there have been far too many changes imposed already.

Hereford DC has finally 'settled down' after severance from Worcestershire. Another reorganisation is the last thing that it needs. The proposal is untried and is likely to be costly. This is not the county to experiment with taxpayers money.

### **Cultural differences between the organisations**

Herefordshire Council is essentially a political body and should not be involved in commissioning healthcare.

I believe that Health Services should be provided by committed health professionals and not left to politicians.

Concerned that a strategic body and a government appointed one will find it difficult to work together.

The culture of the two organisations are too different. I fear an unmanageable structure will be developed. I don't think that enough detail is in place regarding practicalities.

The Council is an elected body and therefore subject to democratic process. The PCT has no such checks and balances. The proposal is against public interest.

Health professionals do their best for us. Social Services are always on the lookout for loopholes to do the least they can get away with and reduce services if they can. Vulnerable people should fear this partnership as we will lose the fact that we have someone "on our side" against social services.

Elected and unelected organisations do not mix. Bureaucracy covering GPs and Highways is ridiculous.

## **Can be achieved without new structure**

Ensuring that each side works with the other, have joint working groups to understand each other's remits and working practices. Communication is the key to everything.

They can enter into joint purchasing contracts without all this bureaucratic nonsense and work together as now where health and education needs intersect.

Work closely and co-operate as happens now to a large extent. Why change what generally works well. Will there be a pruning of management? I believe much could be done to reduce the huge amount of administration.

Partnership Working.

I have recently seen amazing co-operation between social services, hospitals, GP, rehab until and voluntary organisations in relation to the elderly in East Sussex and think this the way forward.

Have confirmed executive meetings regularly so that each body could better understand the operations and problems of the other.

Provide offices in common but not entire buildings.

Greater Co-operation in long term case. Social Services and PCT need clearly defined aims and roles. Needs of elderly and disabled citizens warrant greater resources.

Should remain separate by more joined up working especially in the case of mental health.

Better communication might help less self indulgence and I am syndrome will also help.

You don't need something new to improve your working relationships – just get on with it and stop prevaricating. How long is it since you last reorganised – yes well that says everything? It's a really good way of not doing anything – The benefits could easily and cost-effectively be achieved by co-operation between the organisations.

Just work properly together and stop reorganising.

Closer management committee with Officers with no consolidation budgets.

Do what they are paid to do in a more professional manner.

Implement existing community care plan properly and in a timely and efficient way with the needs of the individual foremost. Your proposal shows no evidence that any additional fund of resources will result.

I think they need to be kept as separate entities but agree there needs to be improvement in joint working practices. This could be achieved by looking at models from other areas or more consultation with employees at the workplace.

A co-ordinating committee should be sufficient.

Work more creatively within the existing provisions for joint commissioning. Managers need to talk to consult with and listen to those actually delivering services

### **Calls for an independent study**

In essence your proposals for a Public Services Trust Arrangement would institute a new tier of bureaucracy, with a high paid chief executive, to serve the PCT and Council. A better way forward would be to keep the PCT and the Council separate by to draw up a list of all the areas where they share services and responsibilities. An individual report, supported by an investment appraisal, should then be commissioned into each area of overlap with the aim of giving either the PCT or the Council the lead responsibility for the provision of that service for both bodies. If each body, for example, had 10 staff involved in the provision of a particular service, it may be that 15 staff could provide the same service for both from a single location. In sum, this way forward has been proved to work, would be less disruptive than your current proposals and the efficiencies and cost savings would be more transparent.

A properly run joint study can come up with this answer after proper consultation and then any necessary “tweaking” for “joined-up” working can be addressed. An amalgamation is several steps to far. This is all to much of a tearing hurry.

## **CONSULTATION REPLY COMMENTS – In Support of the Proposals**

### **On the whole, do you support the proposal for the development of future public services in Herefordshire as outlined in this consultation document?**

*'The proposals to integrate service planning are to be welcomed, but should also include mental health and district nursing provision.'* Y001

*'In principle, proposal good but huge change of approach to work required by many employees who have been used to "the old bottomless pit"'* Y002

*'It's common sense to have all working together and should improve the health of those patients covered by the plan.'* Y003

*'The risks of NOT following the proposal make it compelling to support it.'* Y004

*'The emphasis should be on front line services and less in bureaucracy.'* Y005

*'It will, hopefully, save money for use to provide additional (or extended) services.'* Y007

*'I hope that this change in public service will make it easier for people to understand the services better and access them less stressfully.'* Y008

*'Makes sense for one commissioning body, however, could create extra layer of bureaucracy. What is the model for provision of Health and Council Services? Will we see more contracting out?'* Y009

*'I am in favour of the idea. I can't quite see who is going to determine the amount of finance required by each of the respective bodies.'* Y010

*'I very much approve of the idea, but will be interested to see how it works out in practice. In 1968 I was a founder member of the newly formed North Shropshire District Council, which merged five smaller authorities and therefore had much greater financial clout. However, I generally disagreed with the idea of a West Midlands Police Authority – I live 10 miles from Ludlow and an Officer there had no idea is was in the vicinity!'* Y012

*'Clear Management Structure, working closer together to improve care. Better use of limited resources.'* Y014

*'Looks good on paper, time will tell, when and if it is put into practice.'* Y016

*'In general terms OK but in practice could prove to be NON VIABLE – at extra cost to Council Tax payers.'* Y017

*'Pity the politics did not allow more detail to the financial forecasts re staff and purchasing, savings and payback, period of project realisations costs and document somewhat verbose.'* Y019

*'This is a great opportunity to fully utilise third sector organisations and provide flexible services for clients. Third Sector organisations offer flexibility, fast response and value for money.'* Y021

*'Providing another layer of administration is not put in place causing increase in costs.'* Y022

*'Working together and telling the public about all that is going on.'* Y023

*'The intentions are good, an interesting presentation. There has not always been very good working relations between the County Council and the NHS since 1948.'* Y025

*'Better co-ordination of 'all care services' from one source must be advantageous.'* Y026

*'I'm hoping the plan reduces cost in management and improves the service.'* Y027

*'Staff who work with clients should, at best, share a building, if not an office. This will help with care of the elderly, children and people with disabilities etc.'* Y028

*'In principle the idea is good. However, with the dreadful integration of the Learning Disability Service then it needs to be manager with people who are competent.'* Y030

*'Anything that can help things happen more quickly, without duplication, has to be better.'* Y031

*'Improved information and easier communications are an attractive proposition.'* Y034

*'Single Management Structure should mean less people. There is major benefits in removing inter-departmental financial incentives, which can otherwise encourage bad practices.'* Y035

*'Yes I support the proposal for the development of future public services in Herefordshire, on the whole. There should be improvements all round; less time to wait to see services delivered and more money available where it is needed most. However, I am concerned that services delivery may not always be 100% reliable or achieved in the expected time. There should be some kind of penalty if service delivery is not effective enough, in order to increase the motivation to succeed.'* Y037

*'Savings from not duplicating services, more Shared Services providing better quality.'* Y038

*'Encourages more varied service and will hopefully improve standards of care and level base regulatory system across the board/county for everyone involved to benefit from.'* Y039

*'Safeguarding Hereford Service is a priority plus patients and customers.'* Y041

*'It is an obvious way forward and will provide a closer relationship with customers and patients.'* Y042



*'Having see the way council departments currently communicate, I wonder if any real advantages of "joined-up" working will come to fruition.'* Y043

*'Herefordshire would benefit from a more integrated consistent approach.'* Y045

*'My last wife had Alzheimers and broke her hip - I looked after her for 3 years. The division between the NHS and Social Services was a bureaucratic negligence. Better communication can only be an improvement.'* Y047

*'By joint together I think that we are more likely to keep local PCT therefore more control over our own affairs.'* Y050

*'Would be a good use of financial and human resources and lead to fewer people slipping through the cracks when it comes to a complete care/healthy living package.'* Y051

*'No they seem like good common sense!'* Y053

*'PCT and Social Services need to work together to provide the correct "full" level of care – this would prevent a quadriplegic person being left with no care for nearly three years and also a gentleman in hospital for over twelve months due to no care or housing provisions.'* Y054

*'I am always searching for a better service.'* Y056

*'In most organisations, public or private, big is not always beautiful. While I like the "dream" of joined up services. I fear that the reality will be a huge cumbersome organisation where nobody knows what anyone else is doing and the ordinary public will remain ill-served.'* Y057

*'In support but hope this does not produce an additional head count. Having checked current vacancies on the web site there already are too many new jobs.'* Y058

*'Although I do have reservations about the evidence of yet another decision making/commissioning group! Does this mean redundancies in current council/PCT in order to deliver the promised better value for money.'* Y059

*'I think this should benefit the people of Herefordshire in providing a more patient focussed approach to care. I hope it will not result in increased bureaucracy.'* Y060

*'But don't overpay GPs and keep admin to a minimum.'* Y061

*'After reading the consultation it seems a good idea. I just hope that it works out in practice so I do have some reservations. There must be internal ring fencing/financial sharing of revenue. Don't follow the revenue robbing that occurs in the new Natural England, for example DEFA, robbing English Nature.'* Y062

*'Have not understood what all this is about, all the coloured print is difficult to read. So disregarded anything in colour as some art work not important so gave up. Would have like all doctors seen to fill up a column in a type of record card, such details as blood condition etc. A comment of progress. Being alone, I did not like being made to travel by car (taxi) as bending down released some of the clips, thus scarring. Would like to have used a bus/rail station where seats are higher and more leg room.'*

*Shortage of nurses on heart ward at Birmingham. So far I have found the NHS excellent' Y063*

*'Although on the list of high influence, high interest groups to be consulted you have included Diocese of Herefordshire. It would be more equitable to have consulted religious bodies through Churches together in Herefordshire. On the condition that it can be revised if it goes wrong.' Y064*

*'The proposed development should allow more efficient planning and delivery of services especially for the elderly.' Y065*

*'I support the idea, without another layer of management – any change should provide economical – with a better service.' Y066*

*'Yes, in principle. But I am concerned that rather than achieving savings the process could result in a further tier of bureaucracy to Service the Joint Commissioning Body and implement their decisions.' Y067*

*'Only if it delivers! Better value for money for tax payers. Safe guard services in Herefordshire. Protect Herefordshire from political influences. Often the bigger the organisation the greater the waste.' Y068*

*'It must be ensured that the new body delivers the expected saving and is not seen as yet another layer of administration.' Y071*

*'In principle the suggested changes should save time, energy and money – giving better services. There may also be less frustration for staff.' Y074*

*'Why could this not have been done sooner?' Y078*

*'Could drive efficiencies and retain services in Herefordshire if well managed.' Y079*

*'People should judge there Councillors performance on health issues.' Y080*

*'The NHS and the Council needs to cooperate for peoples' benefit and not pass the buck.' Y082*

*'Reward the very best Chief Executive and Management Team.' Y085*

*'Excellent Presentation.' Y091*

*'Make life easier for the people who matter – the patients.' Y092*

*'Thank you for consulting.' Y093*

*'What happens to Hereford Hospital?' Y098*

*'Yes, but please explain more clearly.' Y100*

*'Sort out funding issues regarding bed blocking patients.' Y101*

**Please describe any other ideas you have for how the Herefordshire Primary Care Trust and Herefordshire Council might better work together to improve public service?**

*'Is it too much to hope for joined up thinking in prescribing – for example, despite NICE “guidelines”, to prescribe drugs for age related macular degeneration to patients in ALL stages of the disease. There are immense costs (in social terms, in social services budgets, and to informal family carers), if prescribing is rationed. Currently these costs are not shown in the NHS Budgets. Many patients in rural areas have unequal access to NHS services, and fund some of the costs themselves (taxis, running a car despite age and infirmity). This should be addressed by the new body.'* Y001

*'Why use mental health scenario, when mental health services not included? Less waste of money spent on staff pursuing their own agenda in terms of advancement. Many paid for hours wasted every day with “study leave” meetings, travelling, diary mis-management, poor accountability. Stop producing leaflets in seventy languages and wasting time and paper and achieving the opposite of what is needed.'* Y002

*'Dentistry? We live close to Ludlow and finding an NHS dentist is extremely difficult.'* Y003

*'Empower the people on the ground.'* Y004

*'There should be better and direct public access to services ie; one centralised phone number to answer all queries which is answered by a person (not a machine) who is actually present and knowledgeable.'* Y005

*'Extend Councils “One Stop Shop” offices to include PCT information.'* Y007

*'Working together may make service more accessible to residents living in the North of the county – particularly the rural elderly.'* Y008

*'Locate all commissioning and support staff in a single location and work on single (new?) culture to avoid ‘them and ‘us.’* Y009

*'Is the financing going to be worked out by unelected unapproachable civil servants who do not have to answer to their shortcomings?'* Y010

*'I enclose an article from the Times earlier this month. The story relayed is scandalous and adds support to the notion of Council and PCT confederation. Note particularly the paragraph I have starred.'* Y012

*'Smaller management teams, more resource to employ staff at other levels. More input from staff on the ground. Easier and more efficient decision making. Faster results.'* Y014

*'Social Services and NHS Care need to work together with Services they both provide to children.'* Y017

*'Spending the money correctly and cleaning up the hospitals of MRSA and other infections.'* Y023

*'Having been retired for twenty years I am not au fait with present day personnel so cannot offer useful ideas.'* Y025

*'An equal commissioning body that understand professionalism. Frequent reviews to document progress.'* Y030

*'Make sure that their wires of communication are not obstructed by red tape.'* Y031

*'Share sites and offices where possible.'* Y032

*'Some social workers still seem to be unaware of the Direct Payments scheme or are reluctant to tell clients all the information they need to know. This heightens the need to more appropriate training for all professionals concerned. Closer liaison between staff will mean that relevant information will be passed between them more quickly. Wheelchairs, and other aids and equipment should all be kept on the same site, similar to a Disability Living Centre, with an O T and physio on hand to offer advice and assistance.'* Y037

*'Better links with NHS and Private Mental Health Units – encourages wider understanding of available services.'* Y039

*'The location of all staff in one building would be a major advantage, allowing easy communication and joint working. If housed separately, I suspect things will carry on pretty much as they are currently.'* Y043

*'Improved communication and consultation with people and organisations who are directly involved in receiving/providing services.'* Y045

*'As per rapid response arrangements from Hilside.'* Y046

*'As a Cancer Research employee we know that over half of cancers could be prevented – thus saving the Health Service Money. Currently we are sending volunteer speakers into Primary Schools with a reduce the risk message. This work could be done globally across Herefordshire by NHS school health visits, in partnership with Cancer Research UK.'* Y048

*'To support the proposed multi-surgery development – this is a vital step forward to improve the access/facilities for a large proportion (over 50%) of the city population.'* Y050

*'Green issues – less energy, transport, reducing carbon footprint. Need co-ordination with leisure (to promote healthy living) and transport (issues of getting to/from locations) or use of cycling.'* Y051

*'Get the cultures of co-operation right.'* Y053

*'Less levels of management, less chiefs and more 'workers' too many pen pushers with not a clue about caring for the elderly, sick or disabled people.'* Y054

*'Better provision for children with mental problems.'* Y056

*'The subject is really too complex to discuss after one meeting on one night in one small town. This is not adequate consultation. My overriding idea and suggestion is that people are kept clearly and carefully informed of decisions, changes and available services throughout all the coming years. Y057*

*'Ensure quality communication between all stakeholders.' Y059*

*'I have only worked here a few months so have no strong views. I do wonder how Education will be linked in with regard to Children's Services and Extended Schools.' Y060*

*'Reduce the rate of Community Charge. This has reached an absurd level!' Y061*

*'Avoid violating information about applicants/patients. The information seems to become isolated to detriment of the problem. Why? To much confidence because there is a lack of motivation to pass it on and urge to protect own self. The policy of generic work especially in the inexperienced. Was disastrous in Social Services. Though I look back 25 years! Allow specialisation in youngsters but move them around with proper handovers.*

*'Co-ordinate public volunteer and ambulance transport so it is properly integrated. To get to NHS and Council sites where the appropriate treatment is available, is a logistic muddle. A lot of people can't sort out their own transport so they loose out on the treatment.' Y064*

*'Public health information and initiatives for example, Heart Disease prevention, Healthy workplaces, Walking for health etc.' Y065*

*'Keep health local so people know their GPs and Dentists. Keep local hospitals open (ward closed in Bromyard). Out of Hours cover is no longer local.' N068*

*'The outline of the proposals is far too vague to offer further comment of suggestions.' Y074*

*'Stop political appointments to PCT.' Y081*

*'Have one telephone number for all Health and Social Services.' Y082*

*'Improve Social Worker input for Community Hospitals.' Y101*

**Individual Responses from Companies/Organisations and Groups  
Covering both questions:**

**The future of public services in Herefordshire: Public Services Trust**

***Consultation Response from Herefordshire Centre of Independent Living***

In general HCIL supports the logic behind the proposals for more efficient and effective commissioning to be achieved through better use of resources, with a clear focus on 'joined up and responsive services that focus on the specific needs of local people'.

HCIL's concern is that the current context for the creation of the PST is not conducive to its ability to deliver real benefits to service users within an acceptable time frame. For example:

- Two accountable bodies and the diversion of time and resources into dealing with the arising process and personnel issues combined with the time and resources required to create a single accountable body
- Recent inspection reports (e.g. Learning Disability Service) point up the urgent need to improve commissioning and services immediately. The improvement programme for Adult Social Care and Integrated Services AND the creation of the PST, without additional resources, seems very ambitious. The benefits of the PST may not be realized for a long time, and in the mean time service users will not have the improved commissioning and services to which they are entitled.
- The possibility that resource may be diverted into Acute Care
- As the 3<sup>rd</sup> sector are not represented within the governance and commissioning arrangements, social care and the 3<sup>rd</sup> sector may have insufficient influence to steer commissioning towards citizenship and inclusion and away from the medical model.

If a PST is to be created the performance measures must focus on outcomes based on the original aims as stated on page 8 of the consultation document. For each of these stated aims/benefits there is arguably a lot that could be done within existing frameworks, therefore the performance measures need to focus on the added value of the integrated approach of the PST.

The performance measures should include a clear focus on increasing the voice of people who use (or will use) services within the commissioning and procurement processes, so that the purchased services are designed by the people who will use them and are based on concepts of inclusion, citizenship and human rights.

Traditionally the 3<sup>rd</sup> sector has been more responsive to service user needs, less bound by barriers and constraints than its larger statutory sector counterparts, and is more linked into communities in a number of ways; for the benefits of the PST to be realized HCIL regard it as essential that the 3<sup>rd</sup> sector is fully involved at all levels (governance and operational) in the PST.



## **Response to Proposals to create a Public Service Trust in Herefordshire from The Alliance**

### **1. Introduction**

The consultation on the proposed Public Service Trust, (PST) is welcomed by The Alliance, which has been actively engaged in putting forward third sector views on the proposed arrangements.

The Alliance has also provided the opportunity for a collective response to the consultation on behalf of its membership with a briefing paper and a confidential questionnaire. The information provided by individual member organisations through this process has informed this formal response to the proposals.

The Alliance has worked closely with colleagues in the third sector over the proposals and endorses the response of the Voluntary Sector Assembly.

### **2. Policy context**

The thrust of government policy since the *'Cross-cutting Review of the Voluntary and Community Sector's Role in Service Delivery'* in 2002<sup>1</sup> has been to enhance and extend the scale and scope of the third sector's role in service delivery.

Two key recent policy guidance documents, namely the *'Commissioning Framework for Health and Wellbeing'*<sup>2</sup> and the publication of *'Partnership in Public Services – An Action Plan for third sector involvement'*<sup>3</sup> clearly state the role of the sector in transforming and improving services by contributing to their planning, design and delivery, with desired outcomes of services which are locally responsive and person centred. The third sector's role in partnership with commissioners in terms of advocacy and engagement is seen as crucial in developing innovative and responsive services.

*'Partnership in Public Services'* sets out eight commissioning principles focused on putting outcomes for users at the heart of the strategic planning process and to ensure that services meet local needs. Accessing the specialist knowledge of third sector organisations is regarded as essential in developing an understanding of the needs of users and communities.

The devolution agenda has also been underlined even more in the 2006 Local Government White Paper and Bill, *'Strong and Prosperous Communities'*<sup>4</sup>, which has at its core the ambition to deliver more responsive services and to empower communities, with the third sector central to achieving this. This agenda links directly

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<sup>1</sup> 'The Role of the Voluntary and Community Sector in Service Delivery' HM Treasury September 2002

<sup>2</sup> 'Commissioning Framework for Health and Well-being' Department of Health March 2007

<sup>3</sup> 'Partnership in Public Services; an action plan for third sector involvement' Office of the Third Sector, Cabinet Office December 2006

<sup>4</sup> 'Strong and Prosperous Communities- the Local government White Paper' Department for Communities and Local Government October 2006

to the development and delivery of Sustainable Community Strategies, Local Area Agreements, Local Charters and Local Strategic Partnerships.

It is clear that government policy expects the full inclusion of the third sector in future local arrangements for the planning of local services as well as in their delivery. The Alliance would expect the proposed PST structures and processes to deliver on these expectations.

**Role of the third sector in Commissioning**

It is essential for the PST to recognise the role of the third sector in commissioning and what third sector organisations can offer to the commissioning process. In particular the sector is well placed to assist and advise on:

- putting people at the centre of commissioning – advocating with and empowering patients and users, particularly those who are hardest to reach
- understanding the needs of the population and individuals, providing information on needs (met and unmet) and gaps in service
- sharing and providing feedback on existing services and being co-producers of information with users
- assuring high quality providers for all services, building on acquA assurance of fitness for purpose, extending the kite-mark to be of use to practice based commissioners and adapting it for users in self-directed care.
- recognising the interdependence between work, health and wellbeing, providing information and advice and opportunities on volunteering and activities in the community
- proposing new service models and delivery mechanisms, including community based solutions, focusing on individuals and their needs in a holistic way.
- monitoring and scrutinising the performance of public sector services
- harnessing third sector skills and know how to apply to the task of defining the core competencies and skills of commissioners to commission effectively from the third sector.

It is crucial to understand and incorporate the benefits of involving the third sector in commissioning and to embed this relationship with third sector organisations within the proposed PST. This is a significant role for sector organisations, alongside their role as service providers.

**3. Partnerships in Health and Social Care in Herefordshire**

Significant progress has been made in Herefordshire over the past four years, with strategic investment in The Alliance producing the framework for an effective, dynamic and evolving partnership between the Council, PCT and the sector in the design and delivery of health and social care services.



The Alliance now has a membership of 73 organisations working collaboratively for improved health and care services in the county.

Three areas of development in particular have been undertaken by The Alliance in seeking to improve relationships in planning and delivering health and social care services in the County.

- The Compact and the Compact Code of Good Practice in Funding and Procurement spell out the detail of the relationship between the third sector and commissioners of services and the Compact Code Implementation Group is driving its implementation.
- acquA, the comprehensive accreditation scheme designed by The Alliance that provides third sector organisations with a kite-mark of good practice to confirm their fitness for purpose for delivering services and entitling their entry on the Register of Approved Providers, which is recognised by public sector commissioners and will come into full effect in April 2008.
- A *'Report and Action Plan on Strategic Planning and Joint Commissioning in Herefordshire 2006'* on effective third sector engagement in commissioning, which recommended the adoption of the "commissioning cycle" diagram with explicit explanation of the third sector's role at each stage within the cycle, and set out an action plan for achieving effective engagement.

These developments provide **robust foundations which can be built upon** in the next phase, as the Public Service Trust comes in to being. The Alliance would expect the PST to re-affirm the commitment to this work, and for this good practice in health and social care to be spread across the PST as it moves into other service areas later in its development.

The Alliance believes that the PST provides an important opportunity to refresh the partnership between the public and third sectors for the next period, based on a broader vision, with the sector fully integrated into the governance, planning and delivery of the commissioning cycle and with this engagement underpinned by continuing investment.

#### **4. Response to the proposal to create a Public Service Trust**

In general terms, The Alliance is positive about the proposed Public Service Trust. It is seen as an **opportunity to greatly improve** on the current position, particularly in:

- **Improving accountability**  
Processes for deciding service priorities, design and delivery should be more open, with more direct involvement of and accountability to users and communities.
- **Reducing duplication**  
In creating a single organisation, structures and processes within the two organisations must be seen to be streamlined
- **Strengthening commissioning capability**  
Commissioning capacity is weak; skills in commissioning need to be built across sectors.
- **Maximising expertise**  
Identifying strengths and building on these will be important along with a robust approach to addressing weaknesses and gaps in expertise.
- **Achieving savings on overheads to invest in front-line services**

The consultation document asserts that savings will be achieved. These should be made explicit, along with plans for the re-investment of savings in services.

If these benefits are realised, the PST could result in the provision of higher quality, better focused and more joined up services. The Alliance believes that this should be the ultimate test of the success of the PST, with **performance indicators, monitoring and scrutiny** in place to assess progress. The third sector has a role in that process.

In supporting the proposal The Alliance has an **expectation** that the PST will:

- deliver a seamless service across all services;
- demonstrate a real belief that the third sector can make a positive difference; and
- create more openness and an atmosphere of using each others' strengths to the best advantage of the people needing services

There are, however, real **concerns** about the scale of the challenge for the PST. These include:

- the length of time it would take to create the new organisation and to integrate the planning and purchasing of services;
- the possible detrimental impact of realising cost efficiencies in an environment of already stretched resources;
- the bias of resources directed to the provision of acute health care at the expense of providing community based and preventative services; and
- the need for a shared understanding of and approach to commissioning and building the capability and capacity to deliver.

While many members of The Alliance are hopeful that the PST would deliver real change, this is tempered by others with low expectations that this will be achieved. A period of stability with no further restructuring within the next five years is seen as fundamental to the success of the PST.

### **5. Third sector engagement in the PST**

The Alliance is concerned about the lack of clarity on the **engagement of the third sector as equal partners** in the new structure throughout the consultation, both in the document and at events. In particular, the consultation document does not envisage third sector representation on the governing Board of the PST.

The need for representation through The Alliance on the PST Board, building on the **positive experience to date** is important to member organisations, who value the influence The Alliance has brought to bear to ensure that the third sector is not sidelined nor regarded as an unequal partner. A firm commitment is sought to involve The Alliance in the governance of the PST with early input to ensure structures are established which are fully inclusive.

There must be **no diminution of representation and expertise** from the third sector in contributing to the strategic planning and joint commissioning of services in the new PST arrangements. It is particularly important to include The Alliance as the priorities for the PST in the early days are to be commissioning for health and social care and for children and young people. There are, however, strong arguments for

extending the involvement to include the wider sector, in order to reflect its diversity, and particularly as the scope of the PST is extended to cover other service areas.

In exercising its influence, The Alliance would be seeking to:

- Develop **trust and confidence** in relationships with commissioners and service managers;
- **Educate** the PST as to the positive impact of the sector's contribution;
- Ensure **effective two way communications** between third sector networks and the PST; and
- **Reach** a broader range of voluntary and community organisations promoting wellbeing.

More sophisticated relationships will be needed in future need that recognise the complexity, multiple roles and potential conflicts of interest for all involved. Future engagement should be backed up by an agreed **guidelines and protocols** between the PST and the sector. This would include understandings with the Commissioning Team about a clear separation between the planning and design of services from their procurement, and ensuring that all commissioning is Compact compliant.

The Alliance proposes that, subject to resources being made available, there should be a third sector **secondment into the Commissioning Team**. This is seen as vital for the credibility of the team in building capacity in commissioning from the third sector, in line with the Government's initiative to have 2,000 such lead commissioners across the country. The post-holder would strengthen links, improve communication, articulate the added value the sector can bring to service delivery, contribute to service design and ensure that commissioning and contract tendering are open and fair and consider the widest possible range of choice of provision.

### **6. Performance management**

The Alliance would like to see a range of performance measures for the PST including:

- Regular checks on equality of opportunity;
- Declared outcomes, which should also focus on inclusion, citizenship and human rights;
- Publication of unit costs, showing full cost recovery measures both within the PST and outside;
- Focus on increasing the voice of people who use (or will use) services within the commissioning and procurement processes;
- Regular monitoring of The Alliance and third sector representation; and
- Third sector inclusion in the ongoing scrutiny of the PST.

### **7. Herefordshire Partnership**

Clarification is needed about how the proposed PST will work alongside the Herefordshire Partnership and how the two will relate in terms of their relevant structures. The Health and Social Care Partnership, on which the third sector has been represented via The Alliance, has now been 'stood down', so there are real and immediate implications for the involvement of the third sector.

The Council is required to establish a Health and Wellbeing Partnership, although there is no commitment in the consultation document to do so. The Alliance would like to see this done as soon as possible, and for there to be Alliance representation

to address the current deficit in voice and accountability. The organisation would be pleased to participate in the preparatory work to set up this Partnership.

Clarification is also needed on how the proposed Children's Trust will develop in order to ensure that it is in line with the PST proposals in the commissioning of services. Clarification is also needed on the relationship of the Children's Trust with Herefordshire Partnership.

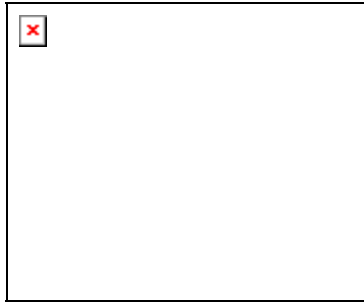
## **5. Conclusion**

There are particular concerns about the lack of recognition of the significant role of the third sector in planning and commissioning, particularly the lack of clarity for The Alliance in the proposed structures and the potential loss of momentum and progress gained to date.

The Alliance **supports the proposal for the PST subject to particular issues being resolved.** These are:

1. Third sector inclusion **at all levels in the governance of the Public Service Trust**, its Board and supporting structures, (for example the proposed Executive Group), and that this should be via The Alliance in respect of health and social care.
2. A commitment to the development of **protocols for engagement** to ensure clarity of roles and accountabilities across sectors.
3. Investment by the PST to secure effective third sector engagement, including an Alliance **secondment to the Commissioning Team.**
4. A commitment to third sector involvement in on-going **monitoring and scrutiny** of the PST and participation in the development of outcomes and performance measures which clearly demonstrate that the proposed benefits of the PST are being realised.
5. The early establishment of a **Health and Well-being Partnership**, with third representation via The Alliance in respect of health and social care.

We trust this response is helpful. We would be pleased to follow up any of the points made.



**Response to the consultation on the future of public services in Herefordshire**

Herefordshire Infrastructure Consortium is aware that the Voluntary Sector Assembly and the Alliance have made detailed responses to the consultation; the Consortium would wish to support these. However, the Consortium would like to underline the following points and trusts that they will be taken into account concerning the proposed development of a Public Service Trust.

The proposed development would appear to offer a positive opportunity to rationalise and streamline the commissioning structures around the majority of health and local authority services across Herefordshire. There could be a danger however that developing a new structure could distract from the importance of translating that into the effective integration of service delivery. The two provider agencies will need to learn to work closely together, otherwise what difference will integrated commissioning make to individuals? In addition, it will be important to define the likely savings made through combining these structures, ensuring transparency as to where savings are being reinvested for the increased benefit of those living in the County. At present, it is not possible to see from the consultation documentation what level of savings are likely to be seen or how and where these savings and reinvestments are likely to be made.

The aim of improving the health and well-being of the people of Herefordshire is clearly to be supported. Well-being however is wider than direct care services; the importance of prevention through leisure, learning and financial stability cannot be underestimated. The growing percentage of older people in the population will make increasing demands on care services; without investment in early intervention services and support in order to enable people to remain healthier longer, these demands will rapidly become unsupportable. In addition, the retired population provides a large proportion of volunteers within voluntary and community organisations, it will be increasingly important to encourage, in younger as well as older age groups, healthy and active lifestyles to ensure this vital resource is maintained.

The voluntary and community sector are specialists in providing well-being services, as well as prevention, maintenance and monitoring services for those living at home, but in need of low level support. The Infrastructure Consortium would like to underline the importance of maintaining and enhancing the capacity and capability of the voluntary and community sector through investment in services to support those front line organisations. Herefordshire benefits greatly from the rich variety of voluntary and community organisations developed over many years across the county, who have strong relationships with various groups of service users; it will be crucial to ensure stability and continuing support to the sector over what is currently an uncertain time for many.

Public service delivery spans a wide spectrum of services. The voluntary and community sector is a provider at mainly the lower level, whilst clinical and critical services are provided by the specialist statutory agencies. Whilst some larger more professionalised voluntary agencies would be interested in providing public services at a more critical level, the majority of voluntary and community organisations are smaller and yet excel at providing preventative and community-centred services and support; because of their capacity and often very local base, they are in danger of being excluded from formal commissioning processes. It will be important for a new commissioning body to be familiar with the opportunities available through developing integrated services across all agencies, including the voluntary and community sector; a patient's journey often moves several times between specialist services and support at home. In order for this to be facilitated, the Infrastructure Consortium would emphasise the importance of voluntary sector representation and involvement at all levels of the proposed Public Service Trust. Without the knowledge and intelligence around the needs of the voluntary and community sector, and the expertise in how to address this which the Consortium can bring to the discussion and the development of commissioning strategies, there is unlikely to be any real change in the way that public services are provided.

In conclusion, Herefordshire Infrastructure Consortium supports in principle the proposal to develop a Public Service Trust for Herefordshire, but would emphasise the importance of the following:

- Clarity and transparency about savings and reinvestment in public service delivery
- Encouraging the integration of services delivered by all agencies in order to improve the quality and effectiveness of support;
- Investment in prevention and well-being services
- Ensuring the support for voluntary and community sector organisations is available in order to build capacity and capability for front line service delivery;
- Effective representation of the voluntary sector at all levels within the Public Service Trust structures.

The Infrastructure Consortium has an important role to play in ensuring the voluntary and community sector is prepared for the opportunities which the development of the Public Service Trust could offer; the Alliance has the knowledge of those voluntary organisations specialising in health and social care service provision, and the Voluntary Sector Assembly provides the wider voice of the voluntary and community sector. It would seem crucial therefore that there should be representation by all three bodies within the Public Service Trust at all levels.

**‘THE FUTURE OF PUBLIC SERVICES IN HEREFORDSHIRE’  
Views of HALC (Herefordshire Association of Local Councils)**

At a recent meeting of HALC, the following views were expressed on the above document, concerning proposals for a Public Service Trust (PST).

**Consultation Exercise**

For whatever reason, the consultation document was not initially sent to Parish Councils via their Parish Clerk, but appeared to have been forwarded to individual Councillors in some but not all Parish and Town Councils across Herefordshire. Because of this initial delay, many Parish and Town Councils only received the document in mid July and therefore may not have been able to respond by the deadline of 31<sup>st</sup> July.

It is hoped that any future documents for consultation purposes would be sent direct to Parish and Town Clerks, which is the appropriate route into a Parish Council. If you wish to circulate to all Parish and Town Councillors, as well as the Clerk, that is an added bonus.

**HALC View on Consultation Document**

In principle, HALC is in favour of a Public Service Trust (PST). However, strong concerns have been raised about the absence of a Parish and Town Council representative on the proposed PST Management Board.

Unlike many other counties, Herefordshire is 100% parished. Parish and Town Councillors are volunteers who have been elected by their local residents to represent the views of those residents. The elected representatives form the ‘grassroots’ or first tier of local government.

On page 12 of the consultation document, it states that the proposed governance model of the PST would sit within the decision-making and performance management structure of the Herefordshire Partnership. As HALC plays an active part in all levels of the Herefordshire Partnership and has been excluded from the PST Management Board, it is suggested that this statement is incorrect.

**Conclusion**

HALC strongly recommends that the Primary Care Trust and Herefordshire Council, in setting up the proposed Public Service Trust for Herefordshire, recognise the value of working in partnership with Parish and Town Councils across Herefordshire.

Furthermore, that a place on the proposed Board of Management for the PST is made available for a representative from the 134 Parish and Town Councils which comprise the first tier of local government within Herefordshire.

HALC would be pleased to assist with that process.



**CONSULTATION ON THE FUTURE OF PUBLIC SERVICES IN HEREFORDSHIRE  
– THE PUBLIC SERVICE TRUST**

- This is a response from the Herefordshire Partnership Chief Executive Group. The Group includes Chief Officers from West Mercia Constabulary, Chamber of Commerce, Learning & Skills Council, Advantage West Midlands, Fire & Rescue Service, HALC, and the Voluntary and Community Sector.
- The Chief Executive Group welcomes the opportunity to comment on the proposals for the Public Service Trust. The Group is pleased that there are a range of consultation methods, including opportunities for local people to be involved, to ask questions, and to clarify points. The Group is pleased that this can be done face-to-face, and through the Internet.
- Given that the role of the Chief Executive Group's includes making strategic connections between local organisations and services, the Group welcomes the strategic linkages between the two key local agencies that the proposal describes. The Group acknowledges the innovative nature of the proposals, both regionally and nationally.
- The Chief Executive Group hopes that the Public Service Trust will enable strong linkages with other Partner organisations, and will be the catalyst for the delivery of joined up service delivery right across Herefordshire.
- The Chief Executive Group anticipates that the proposal will lead to improved value for money in designing and delivering services and that financial benefits from joint commissioning will be seen and clearly evidenced, thereby releasing greater resource to front line services.
- It would be useful for all partners to have feedback on improvements to service delivery as the new ways of working are developed and implemented between the PCT and the Council, including sharing examples of good and best practice and performance. This would also potentially highlight new areas for joint working.
- The PST proposal supports the Vision of the Herefordshire Community Strategy in 2020 where "people, organisations and businesses working together within an outstanding natural environment will bring about sustainable prosperity and well-being for all".
- The proposal also supports key outcomes within the Community Strategy, particularly those within the Healthy Communities and Older People theme, and in the Children's and Young People's Theme.
- Within the proposal documents, a diagram shows how the Public Service Trust can work with the PCT, the Council and Herefordshire Partnership. The Chief Executive Group will need to consider how this will work in reality. For example, will the PCT and Council be represented by the Public Service Trust arrangement?



The Chief Executive Group is aware that if it is through one person, the need for partnership working across organisations and sectors will be great.

- While the focus of the consultation is about how the PCT and the Council will better work together and the benefits this will bring, it would also be useful to see some discussion of how the new joint body will be able to work better with the services and agencies represented through the Herefordshire Partnership. For instance, in terms of community safety the new body may be able to help in improving access to key target groups – such as older people and isolated communities – particularly for partners like the Fire and Rescue Service and the Police, and enable a greater level of joint working and information sharing.
- The Chief Executive Group would like to work with the PST on ensuring that the commissioning role fits with that of the commissioning role for the Local Area Agreement and therefore Herefordshire Partnership. And, also the commissioning roles of the Community Safety and Drugs Partnership, the Children's Trust and the Statutory Health and Well-being Partnership.
- Similarly that the Performance Management functions sit within the LAA context and arrangements in place.
- The Voluntary Sector members of the Chief Executive Group would like to note that the consultation period has been relatively short, particularly for the Voluntary and Community Sector to input. Had the Herefordshire Compact been in place, this would have guided the consultation period. The Voluntary and Community Sector representatives also request that the Voluntary and Community Sector has a greater presence at the commissioning level of the PST.
- The VCS representatives wish to note the potential of the VCS, and that this should be reflected in the Public Service Trust arrangements.

**Herefordshire Voluntary Sector Assembly  
Response to proposals to create a Public Service Trust in Herefordshire**

**Introduction**

The consultation on the proposed Public Service Trust (PST) is welcomed by The Voluntary Sector Assembly (VSA). This response has been developed following a presentation on the proposed PST which included an open question and answer session for VSA members on the 6th July 2007 and further discussion with Voluntary and Community Sector (VCS) colleagues within the Alliance and the Herefordshire Infrastructure Consortium.

The Assembly would like to thank public sector partners Tamar Thompson and Joanna Newton (Herefordshire Primary Health Care Trust), and Neil Pringle and Roger Phillips (Herefordshire Council) for their presentation on the 6th July and for their willingness to field questions afterwards. The presentation and the following question and answer session were thought provoking and informative. However there are many questions and issues still to be resolved as is to be expected in such a radical and untested proposal.

**The voluntary sector in Herefordshire**

Herefordshire has a strong and growing Voluntary and Community Sector<sup>1</sup> (VCS), supported by Herefordshire Infrastructure Consortium (HIC)<sup>2</sup> and The Alliance<sup>3</sup>. Research commissioned by the Herefordshire Infrastructure Consortium highlights the growing importance of the sector to the well being of people in Herefordshire.

The sector consists of 1,580 VCS organisations, two thirds of which are registered charities. Over 2,700 people are employed by the sector, which is about 4% of the total local workforce. In 2005 the sector had an income of £95 million, £28m from voluntary activity; £63m from sale of goods or services and £4m from investments.

1. VCS is also referred to as 'The Third Sector'
2. HIC was formed in 2003 in response to governments ChangeUp agenda. Locally it consists of Age Concern; Community First; Community and Voluntary Action, Ledbury and District; Herefordshire Council for Voluntary Youth Services and Herefordshire Voluntary Action.
3. The Alliance grew out of Herefordshire Community Care Alliance. The Alliance supports Voluntary and Community groups working in the Health and Social Care field.

SUSTAIN Consultancy Ltd, who carried out the research also uncovered a strong volunteering base, with 18% of the population, (31,600 individuals) having volunteered an average of three hours a week in 2005. These volunteers make a huge contribution to the quality of life and prosperity of Herefordshire, being especially good at supporting 'hard to reach' groups and the most vulnerable in our society.

Traditionally the VCS in Herefordshire has worked closely alongside the statutory service providers, playing a complementary role, with 54% actively participating in partnerships. The sector is keen to rise to the challenge of playing a greater role in direct service provision, with 37% of organisations reporting growth in 2005.

However this new role should not be at the expense of the time-honoured support the sector offers communities and individuals, such as:

- a trusted source of independent advice and advocacy
- a niche provider of bespoke services
- strong local knowledge and
- access to diverse community networks

The sector has a proven ability to respond directly to community needs because it is expert in harnessing local skills and knowledge, as well as having a track record of raising additional funding, often for essential services. The VCS can only do this because of the high level of commitment, persistence and independence found within the sector, qualities which are essential to good governance and thriving communities.

### **Key principles and objectives**

The VSA would want to highlight the following key principles and objectives that underpin its response to this consultation:

- A commitment to the local 'Compact'
- A strengthened representational role for the sector at all levels within the PST
- A strong delivery role for the sector within the PST
- A desire to support the creation of effective structures and high performing people
- An effective and productive relationship with the statutory sector
- A strong belief in the independence of the voluntary and community sector
- A collaborative approach between VCS infrastructure organisations in relation to VCS support and representational activities.

### **Key Voluntary and Community Sector Networks and linkages**

Herefordshire Voluntary and Community Sector already has well developed links with both the PCT and Herefordshire Council.

- **The Alliance** has played a key role in developing the Health and Social Care Compact and the Funding and Procurement Code with the PCT and Herefordshire Council, and is a full partner in the current joint planning and Commissioning of health and social care services, providing representation on a multiplicity of service design, reference and project groups from among its membership.
- The **Voluntary Sector Assembly** elects and support representatives on the key management boards of Herefordshire Partnership and, following the success of the 2007 Assembly, has a growing role in enabling and supporting representation of the sector in all its diversity. The VSA has also worked closely with all parties involved in developing the wider local Compact
- **Herefordshire Infrastructure Consortium** works to make sure that The Community and Voluntary Sector has access to the full range of resources and support to increase the effectiveness and influence of the sector. The Voluntary Sector Assembly appreciates that given the current focus on Health and Wellbeing and the close contractual relationship The Alliance has with the PCT and Herefordshire Council, that it inevitably has a fundamental stake in the current Public Service Trust proposals. However many Voluntary and Community Groups, outside the Alliance's remit

also promote Wellbeing. The support provided by many small community organisations help individuals and communities to remain independent and viable. It is vital that the contribution of groups working at the grassroots level is recognised and nurtured.

### **The Consultation**

The Voluntary Sector Assembly considers that the consultation period on these important changes, which runs from 12 June 2007 to the 31 July 2007, a period of only seven weeks is not adequate, neither is it Compact compliant. Whilst it is appreciated that the timescales are very tight if the new Trust is to become operational in April 2008, the VSA believes that such an important proposal should have been subject to the fullest consultation. To curtail the consultation in this way at a time when the VCS and the Herefordshire Council are consulting on the adoption of a 'best practice' Compact seems unhelpful and perverse. The VSA would want to ensure that all future consultations are fully Compact compliant and that those involved receive full training on the Local Compact once that is in place.

### **The Proposal**

The VSA agrees that the creation of a Public Service Trust, uniting the commissioning aspects of the PCT and the Herefordshire Council, makes sense for Herefordshire. It is recognised that there are great pressures to make administrative savings in order to release resources to improve existing services and to meet the rising demand which will inevitably come as the population ages. The Assembly would want to see front line services improved and enhanced. It supports the drive to reduce cost wherever possible and to see any savings reinvested to enhance delivery. However it would be concerned if these resources failed to reach the front line and were, instead, returned to the Treasury.

It would be helpful for all stakeholders to have some indication of the approximate savings that are likely to be released to the front line as a result of the PST proposals.

The Assembly supports moves to remove duplication and barriers so that frontline services are delivered in accordance with patient needs. Whilst the Assembly would endorse the list of services to be included in the PST proposal it is surprised that more back office functions such as human resources, finance and ICT, which could release substantial additional efficiency savings, appear not to have been included at this stage.

### **The Structure**

The Voluntary Sector Assembly takes the view that the creation of a Public Service Trust offers an ideal opportunity to further strengthen links between the Voluntary and Community Sector and the statutory sector. Furthermore it considers it essential that the Voluntary and Community Sector is represented at every level within the PST including in all governance and commissioning arrangements.

It is noted that the current proposal for the PST Board does not include any voluntary and community sector representation. This omission seems illogical and entirely inappropriate.

Reflecting the diversity, breadth and specialisms of the third sector in partnership structures is of fundamental importance though also presents some challenges

for the sector. The VSA considers that in the interest of proper transparency, accountability and effectiveness 2-3 places should be allocated, as a minimum, to reflect VCS perspectives at every level of the PST. In addition it would suggest that consideration is given to alternate and observer status where it is not possible to offer 3 formal places.

The VSA would encourage the PST to ensure that all constituency representatives (private, public, voluntary and users) are recruited against specific role descriptions and skill specifications and are appropriately inducted, supported and trained. Where population of VCS places is concerned the VSA in partnership with other local VCS infrastructure would be keen to take a lead role in facilitating the recruitment process.

The Voluntary and Community Sector has an important part to play in planning and shaping services and in relation to advocacy in providing a voice for the most disadvantaged and excluded groups in society (recognised in the recently published final report of the Government's Third Sector Review). The cost implications for VCS organisations undertaking this representative/expert voice role needs proper recognition and resourcing. In some cases this may need to be reflected in a financial contribution, in others recognition that the role is a legitimate element of an existing contractual relationship with the public sector may be a more appropriate approach.

The Assembly supports The Alliance's proposal for a voluntary sector secondment to the Commissioning Team and believes that the Herefordshire Infrastructure Consortium and the VSA have a key role in helping to develop capacity in commissioning and monitoring within both voluntary and public sector partners. This should include training for staff, elected members and trustees to develop an appreciation of the Compact and Codes, what the sector has to offer, as well raising awareness of how the sector operates.

### **In Conclusion**

The VSA supports the proposal to create a Public Service Trust provided that the sector's role: -

- in being a voice for the most disadvantaged;
- in providing a way of reaching the socially excluded;
- in offering a valued independent source of advice;
- as a provider of support to the sector as a whole;
- are recognised, alongside that of a potential service delivery partner, at all levels of governance within the PST.

Furthermore the VSA would want to ensure that:-

- all savings generated by the creation of the PST are used to improve and extend local services and not just returned to the Treasury;
- wider non-statutory services and facilities provided by the voluntary and community sector as part of its important civil society role are protected;
- funding for the community and voluntary sector is not cut back to meet the ever increasing demands of Health and Social Care.

The VSA would welcome wider discussion with both the PCT and Herefordshire Council about how these recommendations can be taken forward.

**Letter from A Plummer, Fayre Oaks Park**

Following receipt of 'Herefordshire Matters' and the information on Public Services here are a few comments.

- We do not have enough 'social/public housing' especially for those that cannot find funds, even for the low cost housing market.
- We talk about the elderly remaining in their community and home, but where is the accommodation when easy access and mobility is required, no stairs, easy to clean and with some one visiting regularly, and a garden!?
- Ort a couple wishing to live and work locally on the minimum wage, reducing to one income when children are expected.
- Where are the 'clean/happy' nursing homes, sheltered housing for all groups of people not only the elderly.
- Improved 'Home Help', Community Services and Day Centres free or with much reduced rates would improve the quality of many people's lives.
- We need improved, more frequent and lower cost public transport. The 'new Edgar Street Grid' has to have parking access planned before building starts. Otherwise it will be a White Elephant as was the inner ring road and Tesco's Bus Station. Without realistic plans to deal with traffic flow, the working lives of those that come to the city and those visiting won't improve, nor will the cities finances.
- City managers talk of less hassle for police with the 'new' drinking laws, that DOES NOT extend to the local Health Service, A&E nor Ambulance Service. The short and long term affects of Alcohol on individuals, their families and the community is devastating with increased organ disease and morbidity. Increased teenage/unplanned pregnancies, sexually transmitted infections and diseases and physical/mental abnormalities for many babies born to Alcoholic dependent parents. Not forgetting the Adult and Child abuse that occurs when one or both parents and their families are 'sufferers' or require stronger 'medication'.
- Any partnership needs to recognise that Hereford has a very large 'Drugs' problem, with many young people considering that cannabis is mild and just a smoke, 'not harmful' while Methadone is 'their medicine' enabling them to have a 'normal' life or/and additional to their 'on side' drug use. Many do not recognise or even want to consider the affects these might have on baby pregnancy, unborn child or the physical/mental/environmental life of their children.
- To have a real impact on the Public Services of Herefordshire need the joining/work cooperation of the PCT/HC & HHT NHS.
- One wonders where the money will materialise from.
- When other services such as the Library and general environment services are also important and vital for ones standard of life.
- When the government state; 'all vulnerable pregnant women and their partners will have access to a support worker continuing for the first two year and which services are sacrificed for the 'new' initiative?
- And will there be a close liaison between different services or the guarding of ones clients and restriction of information that happens at present?

Y101

**Letter from Nunwell Surgery**

Thank you for sending comprehensive consultation documents about the future of public services in Herefordshire.

We have debated this at Nunwell Surgery. We see many potential advantages that might flow from the merger. We hope that it will for instance allow more effective planning of services for the elderly and do away with the sterile debate about whether care is “social” or “medical”. There will also be opportunities for raising awareness about public health issues and developing strategies for preventative medicine.

Herefordshire has been fortunate in recent years in the quality of primary care management. Unlike some parts of the country, there has been co-operative between the PCT and GPs and perhaps the high standards achieved in primary care – and acknowledged nationally – are testament to this. We do hope that any change in the managerial structure of the health service does not detract from this and that we can continue to work in a mutually supportive way.

Y102

**Letter from Herefordshire Local Medical Committee**

I am writing on behalf of Herefordshire Local Medical Committee of GPs regarding the Public Service Trust Consultation.

Our committee as you may expect had both positive and negative views on the proposal.

On the positive side it was felt that combining PCT and the Council gave Herefordshire more political clout and the future of these organisations may be safe guarded. Other advantages seemed to be a measure of closer working between health and social care.

Concerns included local politics being closely involved with health issues, greater bureaucracy, dilution of funding streams and a move of the social care model of means testing to health with possible increase in management costs.

I hope the comments are useful. Please don't hesitate to contact me should you have any further questions.

LMC Secretary

Y103





## **CONSULTATION REPLY COMMENTS – Not Supporting the Proposals**

### **On the whole, do you support the proposal for the development of future public services in Herefordshire as outlined in this consultation document?**

*'I cannot see what advantages there are. Groups can make a point of working together without the PST. I am also not convinced of the long term results.'* N001

*'Why has the new Chief Executive post been advertised before consultation is completed. Is this a farce? No democratic accountability. Repeive three tier bureaucracy. Destroys position of elated Council.'* N002

*'I cannot answer Yes or No from the level of detail provided here. I need to see the figures and cash savings and the budgets being brought into the trust.'* N003

*'Added value for the customer is not demonstrated.'* N004

*'It is yet more reorganisation which I feel sure will bring more bureaucracy not less. I work for the PCT and many of my colleagues have low morale, feel undervalued and management seem incredibly remote. If the government changes in 2-3 years this could all change again. I have seen several reorganisations before the present PCT. What staff need and want is consolidation to give them chance to do their jobs without thinking what or when the next change will bring. I am not against change by think much more serious thought needs to be given to this. What I have heard and read so far is much 'High Thinking' but not very practical. Although the presentation on 25 July 2007 was well done, with eloquent speakers I think they do not realise the huge amount of detail the staff would have to take on board to be able to operate and communicate effectively.'* N006

*'Information, particularly financial, is too inadequate to make a judgement. You will do what you want to do anyway regardless of what anyone may say!'* N007

*'Lets hope this Government will get rid of all these then perhaps closer working arrangements can go forward. It's all about democracy.'* N008

*'There are too many other, mainly central government inspired initiatives under way at present. We do not need yet another complication that offers no guaranteed benefits.'* N009

*'1. The consultation document frequently refers to "savings" or "value for money" but nowhere is there any attempt at quantifying what savings are available. What is known is that costs are going up eg; a new Chief Executive at £175,000 plus employer's NIC plus pensions plus office and at least one PA no doubt. A likely overall costs of at least £250,000 a year. This is probably more than the present two CE's costs between them.*

*2. The "directors reporting to the new CE will undoubtedly argue that their new jobs are bigger so will call for and very probably get bigger salaries too.*

*3. The proposed PST has no legal status it is explained so it cannot employ anyone. So who employs the new CE?*

4. At a public meeting it was explained that existing staff will continue to be employed by their existing employers so how can they co-operate when they will be constantly trying to find out what each earns and whether HCC or PCT employees are better paid.

5. The proposed management structure is absurd in the extreme, far too big so it will all be talking shop. No doubt it's members will require support in organising meetings minutes etc so extra cost!

6. HCC and PCT have different reporting structures and are governed by different legislation so to the aforesaid talking shop will be added severe conflict of interests.

7. The discretionary spend available to either HCC or the PCT is limited in the extreme so that it is difficult to see what scope for re-ordering priorities exists.

8. There is already a timetable in place with a completion date of 1<sup>st</sup> of April and the new CE job already advertised thus "consultation" is a farce and an insult to the taxpayers who are forced to fund these schemes.

9. If the rationale relates to the point that both HCC and PCT outsource more and more of their work then consider that the Government led by Gordon Brown is already pressing for less outsourcing no more. Some PCT's are already cancelling deals with, for example, BUPA clinics (cf Surrey).

10. Finally why cannot the staff of both bodies co-operate already where it matters in social care? You won't ask doctors to mend roads or dustmen to be care assistants will you?' N010

*'I do not "favour one size fits all." Is the Primary Care Trust board the same people that say there is no problem with national health dentists? N011*

*'Herefordshire Council is essentially a political body and should not be involved in commissioning healthcare.' N012*

*'Historically the Council has proved corporately inept.' N013*

*'Costs will become more important than care.' N014*

*'Not convinced co-ordination of commissioning requires PST.' N015*

*'I believe that Health Services should be provided by committed health professionals and not left to politicians.' N016*

*'Too large scale to begin with. Yes to health, social care and leisure but far too wide reaching to start this process.' N017*

*'I fear that, in the long run, the majority of funding would end up in the back of the Council. I also fear more political interference in the provision of health services.' N018*

*'Costs will escalate significantly, Internal processes will increase, sloppy inefficient working will increase.' N019*

*'Far too top heavy from Executive point of view. I do not like political interference with suggested new Public Service Trust.' N020*

*'Government proposals regarding polyclinics specialist hospitals will involve re-thinking of Health provision. The role of PCT is not clear. No need for public service at present time.' N021*

*'PCT have managed budget well and have kept things in the black. This is not the case with Herefordshire Council – therefore the Council will drain PCT funding.'* N022

*'Another layer of bureaucracy does not deal with real issues ie; inadequate resources for the demand.'* N023

*'More people more trouble.'* N024

*'There are already too many administration staff within the NHS and Council. As this proposal does not involve community hospitals and mental health services I can see no benefit from it – apart from creating new posts.'* N025

*'I believe that this will result in the deterioration and quality of services and care, and money becomes priority. I have seen this happen before.'* N026

*'Council tax money used to subsidise health service budget.'* N027

*'The track record of the Council is not impressive – I am unsure joining with the PCT will not be of any benefit to the people of Hereford.'* N028

*'What consultation? This is just an expensive list.'* N029

*'Concerned that a strategic body and a government appointed one will find it difficult to work together.'* N030

*'The culture of the two organisations are too different. I fear an unmanageable structure will be developed. I don't think that enough detail is in place regarding practicalities.'* N031

*'More bureaucracy. Heaven knows how many people in offices are paid colossal sums of money which would be better used where it is intended. Not in the Chief's pocket.'* N033

*'Your document makes frequent reference to cost savings in its proposals and 'better value for money for taxpayers' but there is scant evidence for how this will be achieved. When I was involved in similar studies, Treasury rules required all our reports to be supported by full investment appraisals detailing the precise cost savings and the method of achievement. Without such evidence nothing received the sanction to proceed.'* N034

*'Larger the organisation the less efficient it becomes.'* N035

*'NHS experience has proved large managerial structures do not improve service to the public.'* N036

*'A monolithic structure is hardly likely to improve services – in fact the reverse. Was it designed by a first year MBA student?'* N037

*'The document is poor. The case studies are fatuous – did you actually speak to real staff?'* N038

*'The Council is an elected body and therefore subject to democratic process. The PCT has no such checks and balances. The proposal is against public interest.'* N039

*'Personally, I can see no benefit to be gained by the individual, from the merge.'*  
N040

*'We wish to register our objections to the creation of the Public Service Trust for Herefordshire. Our objections are admirably described by Mr Jesse Norman in his comments printed in the Hereford Times of 26<sup>th</sup> July.'* N041

*'The overlap between the two services is very limited and the prospect of lead costs means savings are doubtful.'* N042

*'Members of the Council have attended a Meeting and examined documents available for the proposed merger consultation process. The Parish Council wishes to express it's dismay at the way this has been presented. What are you proposing represents a major change in procedure, purporting to bring cost cutting, increased efficiency and major savings. Yet the amount of detailed factual information provided is minimal. There are no details of a properly evaluated and costed programme. A simplistic "yes/no" answer would be meaningless. This Council opposes the proposed merger. It can come to no other conclusion on the basis of the insufficient information provided. The Council would also like to question the detailed personal information your questionnaire asks for. What possible relevance can this have?'*  
N043

*'The political influence, cost and there have been far too many changes imposed already.'* N044

*'Not enough thought is given to the Service User who in many instances is elderly and vulnerable. It all seems management and money led. I also think that you view service users as statistics and not real people.'* N045

*'Another layer of bureaucracy'* N047

*'More money, more waste – just get on with the job. We want better services.'* N048

*'This document says nothing – it's just window dressing – rubbish!'* N049

*'I cannot possibly say without considering more information. A brave idea but we lack enough detail to comment realistically.'* N051

*'Not all services integrated. An extra level of management together with Local Politicians on the Board which could change direction every four years on new elections.'* N053

*'This will introduce a further layer of bureaucracy into an already bureaucratic system. An abundant waste of public money.'* N054

*'We have talked of this proposal with some care and report the following; There are some clear areas of conjunction around Social Services that would be better served. There are many areas where we cannot find the benefits of reorganisation. Our experience of public bodies getting bigger and bigger is not encouraging. Your diagram on page five clearly shows the creation of an additional body rather than a reduction. In spite of your words we fear the creation of more layers of management, more bureaucracy, and more meetings of people sitting round drinking coffee, less useful results. While the NHS shows clear signs of obesity in it's affairs, we think deeper links can only be detrimental to Herefordshire Council. There*

*is already the Herefordshire partnership which we think should be capable of most of what you propose. Periods of amalgamation are historically followed in time by periods of devolution.’ N056*

*‘It seems to me that it will lead to another layer of bureaucracy without any tangible benefits.’ N057*

*‘Hereford DC has finally ‘settled down’ after severance from Worcestershire. Another reorganisation is the last thing that it needs. The proposal is untried and is likely to be costly. This is not the county to experiment with taxpayers money.’ N058*

*‘Health professionals do their best for us. Social Services are always on the lookout for loopholes to do the least they can get away with and reduce services if they can. Vulnerable people should fear this partnership as we will lose the fact that we have someone “on our side” against social services.’ N059*

*Herefordshire Council and the existing PCT are two totally separate organisations with separate aims and public responsibilities. No satisfactory case has been made to show that their amalgamation and joint working arrangements will benefit either the organisations themselves, or more importantly, the people they are intended to serve. Professional accountabilities differ between individuals and across organisations. Evidence to substantiate the level of savings required to support the scheme is largely unsubstantiated. The level and nature of costs incurred is contrary to the statement on savings from ‘economics of scale’ identified on page sixteen of the consultation paper. It is reported that officers have progressed the scheme without adequate reference to Councillors as public representatives. Introduction of a further layer of bureaucracy will do nothing to improve or streamline the services currently being offered. In addition, there is no evidence that the changes will achieve greater efficiency. There is no reference or evidence as to how other statutory responsibilities will be adequately fulfilled under this arrangement, for example the public scrutiny committee, responsibility for Governance. The move is premature, given the guidance awaited on the provider side or primary care services outlined in section fifteen of the consultation paper. The stated purpose of moving the purchasing and provision of health services under the auspice of Primary Care is apparently intended to recognise that these were inextricably interwoven. To dismiss the Government’s sentiment for the convenience of this consultation is unjustified and unacceptable. Statements made in this regard in sections nine and fifteen appear to be contradictory. Public presentations have been poorly made and inappropriately presented to promote understanding by lay personnel. This has prompted scepticism as to ‘lip service’ being paid to the public interest, and has undermined confidence in the consultation process. Councillors have asked that, at the conclusion of the consultation process, details of comments and feedback received should be published.’ N060*

*‘Little evidence available in the consultation document, or at the public meeting, that even basic planning has taken place. Even the few figures given do not add up for example, Council affordable revenue is £122m against Council contribution of £138m. 138 is not 70% of 122!’ N063*

*‘Didn’t understand the document, how will it work?’ N064*

*‘I am very unclear about how this is going to work in practice. I am also very concerned about the role of the GP in all this which appears to be pivotal.’ N066*

*'The idea is good but I have grave doubts as to whether amalgamation will work. The case has not been made for a successful working partnership.'* N067

*'This proposal, if carried, will simply add another layer of offices to the already overstuffed PCT and County Council. Talk of a salary a year of £175,000 plus per year for another Chief Executive plus the cost of many more hundreds of Officers would not be sustainable. We are a small county in population with a growing old age percentage.'* N068

*'Elected and unelected organisations do not mix. Bureaucracy covering GPs and Highways is ridiculous.'* N069

*'No information on costs/savings. No comparison given between current and proposed plans. Needs support of FHS practitioners – none of the dentists opticians or pharmacists I spoke to have heard of the PST.'* N071

*'Despite searching out the full discussion document on this proposal and reading it with care I can find no hard data to support your assertion that money would be saved or better allocated. The fact that significant parts of both organisations' work will not be commissioned jointly suggests that what will happen will be to add another layer of bureaucracy rather than save on management costs. There will also be a natural tendency to try and move (pinch) funds from one area to cover shortfalls in others that are funded from central government via another route. e.g. the recent 'top slicing' of PCT funds to cover shortfalls by other health trusts. In fighting between departments will continue particularly where little natural affiliation can be seen e.g. planning and highways vs dental services or dementia services etc separate. Possibly an interesting idea but as they say the devil is always in the detail---and nobody seems to be spelling any of this out. It should be noted that the idea was generated in great part as a political way of maintaining Hereford as a separate PCT. This has been achieved and with a change in 'regime' at No 10 management suggests that the NHS may be spared further changes in management structure for a while. Therefore I am of the opinion that this public service trust should not be continued with. The Questionnaire does not appear to be available on-line and even if it was I find some of the feedback sections offensive. There is no authorship of the document and no list of possible conflicts of interest stated nor ethnic backgrounds of those involved.'*

*'I would like to add my voice to oppose the proposed merger between the local council and PCT. While there may be some short term economic benefits, the shortfall in democratic accountability and further erosion of social capital is too high a price to pay'*

*'(Sent on Miss Reid's behalf) Miss Reid is concerned that combining PCT and Council spending will cause a drift away from health and education spending.'*

**Please describe any other ideas you have for how the Herefordshire Primary Care Trust and Herefordshire Council might better work together to improve public service?**

*'Ensuring that each side works with the other, have joint working groups to understand each other's remits and working practices. Communication is the key to everything.'* N001

*'They can enter into joint purchasing contracts without all this bureaucratic nonsense and work together as now where health and education needs intersect.'* N002

*'Work closely and co-operate as happens now to a large extent. Why change what generally works well. Will there be a pruning of management? I believe much could be done to reduce the huge amount of administration.'* N006

*'Concentrate on providing good essential services and on giving the voluntary sector the credit it deserves for making good facilities a statutory provision.'* N009

*'Some things need to be in the care of people on the spot for example; medical, hospital hygiene, housing and highways. People with technical knowledge of their subject not some faceless board.'* N011

*'Partnership Working.'* N015

*'I believe the PCT should negotiate with Health Service providers in surroundings counties.'* N016

*'I have recently seen amazing co-operation between social services, hospitals, GP, rehab until and voluntary organisations in relation to the elderly in East Sussex and think this the way forward.'* N017

*'Have confirmed executive meetings regularly so that each body could better understand the operations and problems of the other.'* N018

*'Provide offices in common but not entire buildings.'* N019

*'Greater Co-operation in long term case. Social Services and PCT need clearly defined aims and roles. Needs of elderly and disabled citizens warrant greater resources.'* N021

*'Should remain separate by more joined up working especially in the case of mental health.'* N022

*'The main problem is inadequate Social services provision in the community. Another tact shot does not solve this.'* N023

*'Health is health, living is living. One group mixes and gets half the job done.'* N024

*'Increased salaries for good health care workers. Hence increase numbers to provide more case in people's homes. Support more people in their own homes.'* N025

*'Keeping them separate would be of most value to the people – but not for those employed long term – no one benefits except of course Senior Management!'* N028

*'Find me an NHS dentist and I might believe you.'* N029

*'Better communication might help less self indulgence and I am syndrome will also help.'* N033

*'In essence your proposals for a Public Services Trust Arrangement would institute a new tier of bureaucracy, with a high paid chief executive, to serve the PCT and Council. A better way forward would be to keep the PCT and the Council separate by to draw up a list of all the areas where they share services and responsibilities. An individual report, supported by an investment appraisal, should then be commissioned into each area of overlap with the aim of giving either the PCT of the Council the lead responsibility for the provision of that service for both bodies. If each body, for example, had 10 staff involved in the provision of a particular service, it may be that 15 staff could provide the same service for both from a single location. In sum, this way forward has been proved to work, would be less disruptive than your current proposals and the efficiencies and cost savings would be more transparent.'* N034

*'Herefordshire has many dependants on its services and few to pick up the bill. Money therefore needs to come from the government.'* N035

*'You don't need something new to improve your working relationships – just get on with it and stop prevaricating. How long is it since you last reorganised – yes well that says everything? It's a really good way of not doing anything.'* N038

*'The benefits could easily and cost-effectively be achieved by co-operation between the organisations.'* N042

*'Keep health local so that people know their GPs, Dentist, Therapists etc.'* N044

*'Speak and listen to the people at ground level, for example Social Workers, homecare and even outside agencies, who provide assistance. They are the people who have to deal with the mess which is usually made.'* N045

*'Just work properly together and stop reorganising.'* N048

*'Stop wasting money.'* N052

*'Closer management committee with Officers with no consolidation budgets.'* N053

*'By concentrating on the needs of Council tax payers and patients first, their employees second and the career prospects of their managers not at all.'* N054

*'Do what they are paid to do in a more professional manner.'* N057

*'A properly run joint study can come up with this answer after proper consultation and then any necessary "tweaking" for "joined-up" working can be addressed. An amalgamation is several steps to far. This is all to much of a tearing hurry.'* N058

*'The partnership will be judge and jury. I note that aim two on page five admits that one of the aims is "achieving savings" without the support of their health professionals, vulnerable people will suffer even more than they are already, in order to keep Herefordshire Council costs down.'* N059

*'Stop closing hospitals and cut red tape.'* N061



*'Implement existing community care plan properly and in a timely and efficient way with the needs of the individual foremost. Your proposal shows no evidence that any additional fund of resources will result.'* N063

*'I think they need to be kept as separate entities but agree there needs to be improvement in joint working practices. This could be achieved by looking at models from other areas or more consultation with employees at the workplace.'* N066

*'It is obvious that the claims that Herefordshire Council and the PCT are the largest employers in the County does not mean that they are the most efficient. I spent 35 years of my business life improving the efficiency of many motor companies in the UK. I did not do this by taking on more staff.'* N068

*'A co-ordinating committee should be sufficient.'* N069

*'Work more creatively within the existing provisions for joint commissioning. Managers need to talk to consult with and listen to those actually delivering services.'* N071

