



## Background

On 12th July 2010 the Secretary of State for Health Andrew Lansley published a White Paper setting out the Government's significant plans to radically change the NHS in England. **The White Paper 'Equity and Excellence: Liberating the NHS'** includes proposals which are intended to put patients at the centre of health care decisions, give greater focus to clinically based patient outcomes, empower health professionals and reduce bureaucracy. More radically it proposes passing responsibility for spending a large part of the NHS budget to GP consortia and that all NHS Trusts will be required to become NHS Foundation Trusts. It also proposes a number of steps to increase choice and competition in the NHS as well as signalling encouragement for local pay and a review of the NHS Pension Scheme.

The NHS White Paper is the start of an important consultation, covering a wide remit of activity across the NHS – every aspect of the NHS will be affected by this change agenda. The consultation is taking place over the summer and autumn of 2010 through a series of consultation documents, which will seek views on more detailed proposals related to the Government's vision for the NHS.

This process is intended to lead to primary legislation including the publication of a Health Bill in the autumn. The consultation period for the NHS White Paper and associated documents is three months and the RCN will be responding before the deadline of 5th October 2010. The Coalition Government has emphasised that the White Paper sets out its core vision for the NHS and it will not produce another long term plan during the current Parliament. Overall the Coalition Government's has set out a programme for one of the most radical changes in the health system since the NHS was established. However the White Paper is being introduced as the NHS faces the biggest financial challenge in its history – including the need to find up to £20 billion in efficiency savings.

The purpose of this **factual briefing** is to provide a **summary to RCN members of the key themes in the NHS White Paper** and **highlight the key questions for nurses and the nursing profession as a whole**. The RCN will be raising these questions with the Secretary of State and Ministers as part of the consultation process. This briefing is not intended as an RCN analysis of the NHS White Paper. The full White Paper document can be found here – <http://www.official-documents.gov.uk/document/cm78/7881/7881.pdf>

This briefing is intended to help RCN members understand the key themes of the NHS White Paper and to support the ongoing consultation process with members. For further details on the RCN engagement process please see the final section of this briefing.

As further publications and details relating to the NHS White Paper emerge the RCN will be analysing these and consulting with members to develop our response.

# Overview of the NHS White Paper

The key changes proposed in the NHS White Paper are as follows:

## Key structural changes

- Abolition of Primary Care Trust (PCT) and Strategic Health Authority (SHA) organisations.
- Creation of the Independent NHS Commissioning Board.
- Creation of GP commissioning consortia.
- Every NHS Trust to be required to become a Foundation Trust with extended freedoms and autonomy.
- Creation of new consumer health body – Health Watch England and transformation of Local Involvement Networks (LINKs) into local Health Watch organisations.
- Strengthening of CQC as a system regulator.
- Developing Monitor as the economic regulator for the NHS.
- Public health responsibilities to transfer from PCTs to local authorities as well as the local Health Watch.
- Efficiency savings of £20billion, which includes significant reductions (up to 45%) in NHS management costs.

## Key values

- Patients at the centre of the NHS – shared decision making, personalisation, and choice to become core principles in patient care.
- Quality measures to be based upon outcomes, supported by NICE developed quality standards.
- Pro market - supports competition and a role for new providers in delivering health care and supporting commissioning.
- Increased information about providers, treatment choices, quality scores to be made widely available to patients.
- Patients to be given control and management of their own health record.

## Timetable

A series of additional consultative publications are scheduled for **July 2010**:

- Framework for transition (already published);
- NHS Outcomes Framework (already published);
- Commissioning for patients (already published);
- Local democratic legitimacy in health (already published);
- Freeing providers & economic regulation;
- Patient choice.

The Health Bill is scheduled for publication in **Autumn 2010**.

The Public Health White Paper is scheduled for **late 2010**.

Further consultative publications are scheduled for **late 2010**:

- Vision for adult social care;
- Information strategy;
- A provider-led education & training;
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# Chapter 1 - Liberating the NHS

The first chapter sets out how the Government plans to uphold the values and principles of the NHS in the future.

## Values for the NHS

This section includes the following commitments:

- To support the existing Government commitment to an NHS that is available to all, free at the point of use, and based on need, not the ability to pay;
- NHS to be an integral part of the Government's desire to build a 'Big Society'. This is intended to reflect the social solidarity of shared access to collective healthcare, and a shared responsibility to use resources effectively to deliver better health;
- To promote equality and implement the ban on age discrimination in NHS services and social care to take effect from 2012;
- To publish by 2012 the first statement of how well organisations are living by the letter of the NHS Constitution and its spirit;
- Secretary of State for Health to be clear about what the NHS should achieve but will not prescribe how it should be achieved.

## Vision for the NHS

The vision is for an NHS that provides the following:

- An NHS that is centred on patients and carers, achieves quality and outcomes that are among the best in the

inequalities and reforming adult social care; this will result in a significant reduction in the current size of the DH;

- To set out a full programme for public health in a White Paper later in

## Implementing the NHS vision

The chapter also outlines important detail in terms of implementation:

- Government strategy to be about making changes for the long-term; not just for the current Parliament, but beyond;
- Commitment to evidence-based policy-making and a culture of evaluation and learning;
- The new financial context will require difficult local decisions in the NHS, irrespective of this White Paper;
- Once the reforms are in place, it will not just be the responsibility of Government, but of every commissioner, every healthcare provider and every GP practice to ensure that taxpayers' money is used to achieve the best possible outcomes for patients.

## Key Questions for nursing and nurses

1. What does transferring power to the 'frontline' mean for nurses?
2. The NHS White Paper indicates that 'other health care professionals' involved in primary care will be involved in the GP consortia. How will nurses be involved?
3. How will Government ensure that the values and principles of the NHS set out in Chapter 1 are consistently applied across both the commissioning and providing of patient services?
4. If healthcare professionals are to be held more to account how will this happen?
5. What are the issues of these proposed changes for nurses and the nursing leadership? Where should nursing leaders be positioned?
6. How will the NHS meet the increasing demands for health services when money is being cut back?
7. How will the NHS seek to save 45% on management costs without these responsibilities being passed to front line staff? How do we ensure that these functions are not simply transferred to matrons, wards sisters and other nursing staff?
8. How will nurses be able to influence what is in the public health programme at a national and local level (for example infection control nurses)?
9. How far will the changes result in greater integration between health and social care?
10. How will Ministers be fully accountable under the new reformed NHS?
11. How can we maximise the opportunity for nurses to influence these reforms?

## Chapter 2 - Putting patients and the public first

This chapter outlines how the Government intends to put patients at the heart of the NHS, through an information revolution and greater choice and control. 'Shared decision making' will become the operame



- A national choice offer for end-of-life care to be developed;
- Every patient to have a right to register with any GP practice of their choosing;
- The development of a coherent 24 hour urgent care service across England, to incorporate GP out-of-hours services, and urgent care for people registered out of area;
- Further pilots to be created on personal health budgets, with the possibility of the creation of a right to a personal budget for certain areas of NHS care, following the planned 2012 evaluation.

## Patient & Public Voice

Key statements on the patient and public care voice include:

- Creation of 'Health Watch England' (through primary legislation), an independent health consumer champion, lodged within the Care Quality Commission, and with the power to propose Care Quality Commission investigations of poor services;
- Local Involvement Networks (LINKs) to be reformed as local Health Watches, and mandated to work more closely with local authorities and ensure that patients' and carers' views are integral to local health and social care;
- Local authorities to be able to commission local Health Watches, or Health Watch England, to provide advocacy and support services;
- Local Health Watches to support Health Watch England with intelligence, and reports on poor quality service provision;
- Health Watch England to advise the Health and Social Care Information Centre on the most appropriate information for patients, and to provide general advice to the NHS Commissioning Board, Monitor, and the Secretary of State for Health.

## Key Questions for nursing and nurses

1. What specific and tailored support will be put in place to ensure that the needs of the vulnerable parts of the community are met effectively?
2. What does shared decision making mean for nurses and nursing practice?
3. What is the impact of the NHS White Paper proposals on the legal duty of candour for nurses? Could it affect nursing practice?
4. How will Health Watch England's autonomy be guaranteed if it is to sit within CQC?
5. What will be the relationship between nurses and Health Watch England?
6. How do we ensure that this does not result in greater inequalities i.e. a two

## Chapter 3 - Improving healthcare outcomes

This chapter describes how improving quality and healthcare outcomes will be enshrined in the NHS so that clinicians will drive the NHS forward based on evidence-based measures.

### Outcomes framework

- There will be separate Outcomes Frameworks for the NHS, public health and social care;
- The Secretary of State will set local authorities national objectives for improving population health outcomes through the Public Health Service;
- The NHS Outcomes Framework will include a set of national outcome goals against which the NHS Commissioning Board will be held to account;
- A consultation will be launched on the development of the national outcome goals.

### Quality standards and research

- The Health Bill will strengthen the National Institute for Health and Clinical Excellence (NICE) and extend its remit to include social care;
- The NHS Commissioning Board will work with clinicians, patients and public to develop NHS Outcomes Framework to reflect the quality standards developed by NICE;
- NICE will expand its ongoing work programme to develop a 'library' of quality standards;
- Commissioning contracts and financial incentives will take into account NICE standards.

### Incentives for quality improvement

The future payment structure will:

- Implement a set of currencies for adult mental health services (by 2012/13), child and adolescent services. Also mandate national currencies for adult and neonatal critical care in 2011/12;
- Review payment systems to support end of life care, including exploring options for per-patient funding;
- Accelerate the development of pathway tariffs for use by commissioners and the development of currencies and tariffs for community services;
- Implement incentives to reduce avoidable readmissions in 2011/12;

- Link quality measures in national clinical audits to payment arrangements;
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## Chapter 4 - Autonomy, accountability and democratic legitimacy

This chapter sets out how the Government intends to 'empower' professionals and providers, giving them more autonomy and, in return, making them more accountable for the results they achieve:

### GP commissioning consortia

- Responsibility for commissioning services to be handed to local consortia of GP practices, transferring the responsibility of around £80bn of taxpayers' money to GP practices/consortia. This is based on the belief that primary care professionals are best placed to coordinate the commissioning of care and health services;
- GP consortia will vary in size and geographic coverage and the Secretary of State has indicated that these will be formed by negotiation between GPs;
- Commissioning by GP consortia will mean that the redesign of patient pathways and local services is clinically-led and based on dialogue and partnership with hospital specialists and local people., This is intended to increase efficiency, by enabling GP consortia to dispense with activities that do not have "appreciable benefits for patients' health or healthcare";
- PCTs future role over the next two years will be in supporting practices to prepare for their new role, and ensuring their experience and expertise is used.

### Autonomous NHS Commissioning Board

An independent NHS Commissioning Board will be set up that will be "free from day-to-day political interference". The Board will:

- Provide/develop leadership for quality improvement through commissioning. This will involve commissioning guidelines and standardising good practice;
- Promote patient and carer involvement and choice, by involving patients "as a matter of course" in its business, for example in developing commissioning guidelines;
- Manage some national and regional commissioning;
- Allocate and account for NHS resources;
- Promote involvement in research and the use of research evidence.

## Freeing existing NHS providers

- The Government's ambition is to 'create the largest and most vibrant social enterprise sector in the world';
- Monitor will take the responsibility as the economic regulator for the NHS;
- Patients will be able to choose their provider;
- All NHS trusts to become Foundation trusts within three years; with the ability to set local pay and conditions;
- A new unit in the DH will drive progress and oversee SHA's responsibilities in relation to providers;
- There will be a further consultation on options for increasing foundation trust freedoms, including abolishing the cap on how much private income trusts may earn;
- Trusts becoming Foundation Trusts will have the opportunity to become employee led social enterprises;
- There will be further consultation on options for increasing Foundation Trusts freedoms, including abolishing the cap on private income Foundation Trusts may earn;
- The separation of commissioning and provision within community health services will be complete by April 2011;
- There will be a move to an 'any willing provider' approach for community services as soon as possible.

## A new relationship between the NHS and the Government

This section sets out the new, reduced sc

## Local democratic legitimacy

Local authorities will take on two roles that currently fall under PCTs:

- Local authorities will take on PCTs current health improvement role. Local Directors of Public Health will be jointly appointed by local authorities and the Public Health Service. Local Directors of Public Health will also have statutory duties for the Public Health Service. A Public Health White Paper will set out the model for this new service;
- Local authorities will have influence over NHS commissioning. NHS Health and well-being boards will be created in local authorities or local strategic partnerships to take on the function of joining up the commissioning of local NHS services, social care and health improvement. By extending and simplifying joint working processes, it is hoped that the NHS and local authorities will work better together in commissioning and providing local services.

## Valuing staff, training and education

- The Government states that employers should be given the freedom to plan and develop their workforce locally, whilst the role of DH in deciding and allocating resources for training and education will, in time, be diminished;
- The NHS Commissioning Board will provide national oversight on healthcare providers' plans for training and education and GP consortia will provide local oversight.

## Pay and pensions

- As announced in the Emergency Budget pay will be frozen for 2 years for those earning more than £21,000. The Government will ask the Pay Review Bodies to make recommendations on pay for those earning below this threshold, with a minimum increase of £250 for each year of the freeze;
- The Government intends to extend the right to all NHS employers to be able to determine their own staff pay. Importantly, the Government acknowledges that "it is likely that many providers will want to continue to use national contracts as a basis for their local terms and conditions" but the paper signals that they wish to explore "appropriate arrangements for setting pay";
- The pensions section notes that John Hutton will chair the Independent Public Service Pensions Commission. The commission will undertake a fundamental structural review of public service pension provision by the Budget in 2011. It will produce an interim report in September 2010 ahead of the Spending Review. The Commission will make recommendations on how public service pensions can be made sustainable and affordable in the long-term.



## Key questions for nurses and nursing (competition and new providers)

1. What are the challenges and opportunities for nurses and the public in relation to the significant reconfiguration of services including potential closures?
2. Should the private income cap for Foundation Trusts be removed? What are the potential issues for nurses and patients?
3. How do co-operation and competition exist together in the delivery of health care?
4. How does the principle of 'any willing provider' work in practice to ensure high quality and cost effective services are delivered to patients?
5. Who should be responsible for commissioning services which include nursing care?
6. What are the threats and opportunities of vertical integration i.e. the integration of services across hospital and community boundaries?



## Chapter 5 - Cutting bureaucracy and improving efficiency

This chapter sets out the obligations for the NHS to cut waste and transform productivity.

### Cutting bureaucracy and administrative costs

- The Government will impose the largest reduction in administrative costs in NHS history;
- PCTs and practice-based commissioners, will together be replaced by GP consortia;
- SHAs will be abolished;
- The DH will publish a review of its arm's length bodies;
- The DH will apply cuts to its budgets for centrally managed programmes;
- The White Paper recognises that these changes will cause significant disruption and loss of jobs.

### Increasing NHS productivity and quality

The reforms in the White Paper seek to provide the NHS with greater incentives to increase efficiency and quality in the following ways:

- Patient choice will reward the most efficient, high quality services, reducing expenditure on less efficient care;
- The NHS will be freed from micromanagement of meeting process driven targets;
- Commissioners and providers will focus on implementing best practice to achieve improvements in outcomes, supported by a comprehensive library of NICE standards, the work of the NHS Commissioning Board, model contracts and continued research;
- The system of economic regulation will drive efficiency.

### Enhanced financial controls and how the NHS will manage its resources

- NHS services will continue to be funded by the taxpayer;
- The NHS Commissioning Board will be accountable to the DH for keeping within the annual NHS revenue limit, and subject to clear financial rules;
- The NHS Commissioning Board will allocate resources to GP consortia on the basis of need. The Government will not bail out commissioners who fail;

- Commissioners will be free to buy services from any willing provider; and providers will compete to provide services. Providers who wish to provide

# RCN initial response to NHS White Paper and engagement with members

The RCN's immediate response to the NHS White Paper welcomed the focus on quality, the move to put patients in the driving seat and to empower health professionals. We highlighted that the reform process will require fundamental change at all levels of the NHS in England and will require a significant commitment from all stakeholders to ensure successful implementation.

However, the RCN also made it very clear that there are significant risks in terms of the scale and pace of the proposed reforms. The skills required to deliver this vision and the costs associated with moving towards consortia commissioning are substantial. In addition the reforms are proposed at the same time as the need to find £20bn of efficiency savings and cutting management by 45 %. The RCN also believes that the potential conflict for providers between enhanced competition and a greater need for collaboration has been understated.

There are very significant points of detail that will be contained within the additional consultation documents related to the NHS White Paper. For example, while the RCN welcomes the commitment to include nurses alongside GPs in making decisions about commissioning local health services, we still need to see the detail of how this will be achieved in practice. We have also raised concerns about the pace of change. We would also want to see a very robust infrastructure supporting consortia in terms of developing organisational and individual capacity in developing appropriate commissioning and contracting skills. In economically challenging times there will also be g appa cb59ba0339tng 6 will also60.0C2(an507 33 T d(/soca)T