

Ministerial Statement

Proposals for Health and Social Care Reform

Mr Speaker, I am making an announcement today on proposals to transform health and social care services in Northern Ireland. I will be putting these proposals to the Executive next month for approval for public consultation.

One of the major challenges facing me, since my appointment as Minister last May, has been the need to reform and modernise our health and social care system. Structures, which had remained largely unchanged for 30 years, had already started to alter dramatically as the radical reforms proposed under the Review of Public Administration got underway.

Health has been leading the way in that reform process. Only last year, the first significant step in reforming the health and social care system was taken when 19 health trusts were reduced to five health and social care trusts and one ambulance trust.

These new organisations will be at the forefront of improving and protecting health and delivering better quality services to the population. They will work closely together, be more effective and efficient and promote stronger links between hospital and community services.

Perhaps the greatest change facing our health and social services, however, is the demands and expectations of a changing population who rightly expect access to services delivered in their own communities and homes, to new life-changing drugs and modern technologies which will transform their lives for the better.

I want a modern, responsive and forward looking health service which tackles health inequalities and puts patients at the heart of its thinking.

Mr Speaker, when I took up office in May, I inherited a raft of proposals for reform which had been drawn up by Direct Rule Ministers for a Direct Rule administration. I believe that the return of devolution with local Ministers and a local Assembly scrutinising their work presents a real opportunity to deliver a local solution which meets our local needs.

I have said it before and I will say it again – I make no apology for having taken the time to consider the organisational changes required to put in place arrangements which are fit for purpose both now and in the future. Arrangements which will deliver the best possible outcome for patients and clients. To do otherwise would be failing the people of Northern Ireland.

In recent months, I have spoken to a wide range of people including patients, clients, carers and health and social care staff. There is a real desire for change to improve our system. I have reflected long and hard on what has been said to me over the past months. I have considered other models, not only in

England, Scotland and Wales but also the Republic of Ireland who have faced similar issues of reform.

I am therefore clear about what I want from our health and social care system. We must have a patient-centred service.

Value for money is crucial and the way we deliver our services must be focussed on maximising benefits to everyone who uses the service. Our services must be efficient, of a high quality, capable of meeting challenging targets and without unnecessary duplication.

In addition, I want to see the development of forward looking, innovative health and social care organisations which deliver on targets and are constantly striving to improve their performance for the benefit of patients. Quality and standards will continually be driven up without compromise. Patients, clients and carers must be given the opportunity to voice their concerns and be sure that they are being listened to – dignity, respect,

equality and fairness for patients, relatives and staff are at the core of everything we do.

These are the guiding principles that I have used in determining the future shape of our health and social care system.

Mr Speaker, as I have already said, some of the reforms proposed by the previous Direct Rule administration have already been implemented. I am satisfied that the current Trust structures should remain largely as they are and have already informed staff of that conclusion.

The previous Direct Rule administration's proposals also included the establishment of a large regional health authority to replace the four Boards and to take on some Department and Agency functions with nearly 2,000 staff.

In reviewing this proposal, my starting point was that the structures must improve health and social care services and

thereby the health and well-being of the people of Northern Ireland.

What I am therefore proposing is a new Regional Health and Social Care Board which will be answerable to me. This body would focus on prevention, on making services more efficient, more accessible and more patient centred.

It would be a smaller and leaner organisation than the previous proposal, employing, by April 2011, no more than 400 staff.

The new Board has been designed to focus on the central functions of – **commissioning**, by which I mean the process of planning and resourcing of services from the five Trusts and other organisations to best meet the needs of the local population. . I have already announced the development of a comprehensive range of service frameworks that set out the standards by which we will transform services.

- **financial management** of the health and social care system to ensure we live within our means and get the maximum possible return on our investment;

- **strong performance management and improvement** to ensure the delivery of targets, objectives and standards and improved safety, and also the creation and promotion of a culture of continuous development; and

There would be a renewed emphasis on disease prevention and earlier intervention for individuals and communities, to achieve a healthier population.

My proposals would give this new organisation the authority to act on my behalf in pushing for significant improvements in efficiency and performance to bring about improved services to patients. In contrast to the previous proposals, I would be looking for the clearest possible accountability and governance

between the regional organisation and my Department and the best use of available resources.

While I expect that the new Regional Board will have a strong local presence, decisions on location will be determined in line with policy guidance and statutory requirements. It therefore may prove necessary to have temporary arrangements from April 2009 pending completion of the necessary processes.

Effective commissioning is the link between policy and delivery on the ground. With regard to the local commissioning process I wholeheartedly support the active engagement of front-line professionals such as GPs, nurses, social services staff, allied health professionals, public health practitioners and others, who can bring their innovation and expertise to securing better services for the communities they serve.

I also believe there are real benefits in commissioning arrangements tying in with defined population areas, in particular, having co-terminosity with local government.

The Direct Rule arrangements for commissioning that I inherited, suggested seven Local Commissioning Groups based on Peter Hain's proposals for seven District Councils under the RPA.

However, in the absence of firm proposals for local government reorganisation, I am now proposing to have five Local Commissioning Groups covering the same geographical areas as the five health Trusts. These LCGS will operate as committees of the new Regional Board. My proposals however, on the number of Local Commissioning Groups would remain subject to review pending the outcome of deliberations on local government reform.

The Direct Rule proposals for the seven LCGs did not include any input from elected local representatives. In my view, that was a missed opportunity. I am therefore also proposing to seek views on the composition and membership of these five commissioning groups. I want to look at ways of ensuring that both local people and councillors are given a strong voice in the system. This would ensure a much more democratic and accountable process, while retaining the strong benefits of primary care led commissioning.

I want the commissioning system in Northern Ireland to take advantage of the unique opportunity to commission social care alongside health services. I also propose that the process would have very strong links with local communities and voluntary and community sector groups, so that they are involved in tackling health inequalities and the design and delivery of health services in their area.

Mr Speaker, in relation to the future role of the health and social services councils, as I indicated to the Assembly on 3

December, I remain to be convinced that the excellent work being carried out by the existing Councils would be improved by establishing one large central organisation as suggested by the Direct Rule administration.

I am therefore seeking views on new arrangements which would ensure a strong, local focus and at the same time give patients, clients and carer representatives a powerful regional voice. I also believe that, contrary to earlier Direct Rule proposals, there is a need for locally elected representatives to have an active role in the work of these organisations.

Previous Direct Rule proposals also included the abolition of a number of agencies and the transfer of their functions to a single multi-purpose Authority. Aside from staff in the Department, Trusts and Boards there are significant numbers of staff in a range of agencies and organisations. Careful consideration has

been given to all of these bodies and it is therefore proposed that those elements that substantially contribute to carrying out the three core functions of commissioning, financial management, performance management and improvement would all transfer to the new Regional Board.

For the present I propose to retain a number of the existing Agencies but would wish to explore any opportunities to increase current levels of efficiency and productivity. This would include the NI Practice & Educational Council, the NI Medical & Dental Training Agency, the NI Blood Transfusion Service, the Guardian Ad Litem Agency and the NI Social Care Council. The Regulation and Quality Improvement Authority would also be retained but its role would include the current functions of the Mental Health Commission.

The functions of the Health Promotion Agency would also remain separate from the Regional Board, and included in a new organisation with a wider role to provide expertise and support

to local government on health inequalities and health promotion for their communities. To facilitate this I am proposing that locally elected representatives would be appointed to the Board of the new health promotion and improvement organisation. I will make a further announcement as to the shape of this public health body in due course following consultation.

I am also confirming the proposal that the Regional Medical Physics Agency should be part of the Belfast Trust.

I am already considering the establishment of a shared services organisation, which I consulted on last year. The aim of this body is to bring together services which are common to HSC organisations such as finance and recruitment of staff. My proposal is that shared services would for governance purposes be part of a common services organisation which would provide a range of support functions for the health and social care service including some from the Department, the current Boards

and Agencies – including most of the current functions of the Central Services Agency.

Mr Speaker, each year we spend some £4bn across our health and social care system. I am determined that we spend every penny of that money wisely and to the benefit of the population of Northern Ireland. I have already agreed to plans involving a reduction of nearly 1,700 staff and savings of more than £53million by April 2011.

The proposals I have outlined today would deliver on those savings.

I will also be setting the new Regional Board the task of generating new levels of efficiency and better productivity. I anticipate this would, over time, create very significant additional savings which we can reinvest into front line services.

I am also proposing that the Department will also be much smaller with a staff of around 600 by the end of the CSR period.

This would be achieved through existing initiatives such as Fit for Purpose, CSR and Northern Ireland Civil Service Reforms. A number of staff would also transfer to the common services organisation and the new Regional Board.

While ensuring clear lines of accountability for the commissioning and provision of health and social care throughout Northern Ireland, these new arrangements would allow the Department to be more sharply focussed on its responsibilities for serving the devolved administration. It would therefore concentrate on bringing forward legislation and determining and reviewing policy, standards, priorities, and targets for health and social care. I am also proposing that the regional Research and Development Office which is currently within the Central Services Agency would be best placed in the Department.

I strongly believe that these proposals would provide a streamlined and democratically accountable way of managing our health service.

The success of these proposals is however dependent on the continuing dedication and commitment of our health and social care staff, against ever increasing levels of demand, need and expectation.

I want to convey my thanks and appreciation to all staff for the care they provide to patients and clients each and every day.

Our biggest asset is our staff and no one can doubt their commitment and willingness to rise to new challenges. We therefore need to ensure that we make the best use of their knowledge and skills in transforming the health system.

I realise that this is an anxious time for many staff, who are concerned about what the new structures will mean for them. I

will ensure that decisions on future structures are supported by an effective human resources strategy to address the concerns of staff and those who represent them. Key elements of this strategy are already in place and the implementation process will be undertaken in close partnership with relevant professional bodies and trades unions. Until we know the outcome of the proposed consultation, we will not have the detailed information to inform discussions with individual members of staff. In the interim I have asked that as we work through this process, every effort is made to ensure that they and their representatives are kept fully informed.

I believe that, although extremely ambitious, these proposals can be completed in time for the new organisations to be set up from 1 April 2009. This of course would also depend on the cooperation and goodwill of all those concerned, Unlike my Direct Rule predecessors, I propose a full public consultation on my proposals, to provide an unique opportunity for the public, their representatives, HSC staff, service users and all other key

stakeholders to have their say. I plan to issue a more detailed consultation paper next month.

Mr Speaker, my statement today gives only a first outline of the proposals, and is intended to lead into, not to pre-empt, discussion with my Executive colleagues. I would also welcome early engagement with the Health Committee and am eager to meet with them as soon as possible.

We are building the foundation for a vibrant and successful future for the health and well-being of the people of Northern Ireland. None of this will however be possible, without the approval of the Executive and the Assembly and I look forward to the support and help of colleagues in taking forward these important reforms.

I have always made it clear that the public and patients come first and I believe this key principle is embodied in these proposals.

I believe that we now have a unique opportunity to truly transform our system into one that is world class and fit for the twenty first century.

I therefore commend these proposals to the Assembly.