
WRITTEN CABINET STATEMENT BY THE WELSH ASSEMBLY GOVERNMENT

Title: NHS Reforms.

Date: 8 October 2009.

By: Edwina Hart, Minister for Health and Social Services.

The seven Local Health Boards responsible for all health care services in Wales became fully operational on Thursday, 1 October. In addition, a new unified public health organisation, Public Health Wales NHS Trust, also became fully operational. Velindre NHS Trust, the specialist cancer Trust, will continue along with the Welsh Ambulance Services NHS Trust.

The new organisations are the culmination of more than 18 months work, including extensive consultation with patient groups, key partners, staff and unions to reform the NHS structure in Wales.

One Wales determined that we must redesign the delivery of the NHS in Wales, to improve health outcomes and ensure that the NHS delivers care effectively with its partners. Throughout this process, I have considered my key partners to be Local Government, the Third Sector and Trade Unions/Representative Bodies. This is reflected on my National Advisory Board and on the LHB Boards.

The LHBs will improve patient care by removing artificial boundaries between the commissioners (the LHBs) and the providers of services (the NHS Trusts) and will end the internal market in the NHS in Wales. The overriding aim of the reorganisation is to improve patient care. For the first time, we will have integrated organisations that can provide seamless care.

I have maintained throughout this process the importance of patients at the centre of everything the NHS does. The new structure will provide a simpler and more transparent decision-making process that will benefit patients and staff.

A growing older population, more people living with chronic conditions, challenges in providing timely, effective and cohesive services in rural locations, increasing obesity rates, low levels of physical activity, service targets and a challenging financial climate are just some of the major challenges facing us.

We need to provide more care closer to people's homes and more self-care programmes to help people live more independent lives, provide more joined-up services between health and social care, and increasingly focus on public health, creating a wellness service rather than a sickness service.

This is about developing a service which is based on co-operation, collaboration and partnership working. It is not based on market concepts and is value driven. It means a shift in the balance of care, looking at whole systems rather than just hospitals. There is a strong emphasis on public health and long-term planning

The new simplified structure will provide improved collaboration between hospitals, further career opportunities for staff, easier access to a wider range of health professionals and with simpler management structures, more money can be channelled to frontline services to improve patient care. We are transforming the NHS into an integrated health care system, which works closely with local government, particularly social services, and the third sector, widening horizons through partnership working and ensuring that public health is central. Clinical staff will play a key role on the new Boards.

I know any time of change can be unsettling for staff, but I want to pay tribute to their continued dedication and professionalism based on the close working with healthcare unions needed in delivering these reforms.

During my visits to a range of healthcare settings across Wales since the initial reforms were announced, I have been struck by the enthusiasm for change and recognition for the need to improve patient care. I am pleased that so many individuals and organisations got involved in the process and I was able to respond positively in delivering the new NHS for Wales.

I have published a report outlining improvements in care for patients with chronic conditions following a programme set up last year. The report covers the progress of the three national demonstrator sites established in Carmarthenshire, Cardiff and North Wales to explore how staff can work across organisational and professional boundaries to improve services for people living with chronic conditions. For example, one project involved the establishment of multi-disciplinary teams including GP practice staff, community nursing and social services to bring together a variety of agencies.

The results are impressive. In Carmarthenshire, for example, emergency medical admissions have been reduced by almost 40 per cent for chronic bronchitis or emphysema, 30 per cent for heart failure, and 10 per cent for diabetes as part of their wider programme of improvements. The successful work undertaken in joining up health and social care services in the

demonstrator sites exemplifies the kind of joined-up working between agencies resulting in benefits to patients that should, in time, become standard in the new NHS structure.

The group driving forward the chronic conditions care model is being led by Dr Chris Jones, an experienced GP and Chair of the new Cwm Taf LHB. Dr Jones is also working on a Primary and Community Strategy to utilise further the expertise and skills of primary care professionals to help relieve pressure on hospitals and deliver on our aim of providing more services closer to patients.

In addition to providing care for people when they need it, a greater focus will be placed on the importance of public health and prevention in the new NHS with the creation of the Public Health Wales NHS Trust. This will build on the achievements of the National Public Health Service and Wales Centre for Health in supporting LHBs to improve health.

There are, of course a number of immediate priorities for the new LHBs. Not least, by the end of the year we are due to meet the maximum 26-week target from primary care referral to start of treatment. This will be challenging, but the NHS has a history of meeting targets. Sustaining performance against the target must be a top priority.

Sound financial management is also essential. The Welsh Assembly Government, working with the LHBs and Trusts, will also be producing a five-year Service, Workforce and Financial Strategic Framework. The Framework will also outline how each organisation will deliver a balanced financial position in each of the five years commencing from 2009/10.

I have announced that as a result of the Hywel Dda NHS Trust breaking even in its first financial year, I have cancelled the historic debt of the previous NHS Trusts – Carmarthenshire, Pembrokeshire and Derwen and Ceredigion and Mid Wales. I now expect the newly-formed Health Board to plan to live within its financial allocation on an ongoing basis.

Whilst the NHS has shown it can rise to the challenge of becoming more efficient, we are working to reduce costs even further. Over the last four years, the NHS has made significant efficiency savings through a range of measures to get better value for the money for the goods and services the NHS purchases and improve the way the NHS operates. New hospitals have been designed to be energy efficient and we are installing more efficient energy systems in other hospitals to save energy and money.

The budget for health and social services has more than doubled since 1999 to nearly £6billion. NHS organisations have significant budgets and must live within their means, but the NHS must continually look at ways to be more efficient and get more for the money it spends.

The NHS in Wales is performing more efficiently but could still do more through, for example, performing even more day case operations, reducing

cancelled operations, length of stay for patients and sickness absence and having fewer late starts and early finishes in operating theatres. Better patient care and increasing efficiency go hand-in-hand.

Improving patient safety and experience will be paramount, and a key element will be the benefits to be derived from driving quality improvements, building on the successes of the *1000 Lives* campaign.

With regard to specialised and tertiary services (those services commissioned by Health Commission Wales), I have issued a Written Statement providing an update on the delivery of these services.

Members are aware that following consultation on the future of Community Health Councils (CHCs), I invited all CHCs (except for Powys and Gwent) to submit proposals that demonstrate how they will work together within the seven LHB communities. I will be making a statement on the outcome of that process shortly.

Members will be aware that on the 22 and 23 September, Powys Teaching LHB and Powys County Council voted in favour of merging the two organisations into a single body responsible for local services. It would be the first time in the UK that a move such as this has been undertaken. Although a merger would not take place until 2012 at the earliest, the vote marks the start of the process. The Council and LHB already work together closely, planning and delivering services. For example, social services run by the council, link up with healthcare services, run by the LHB. I believe that this move will improve services for local people and ensure the finite resources are spent effectively.

Further information about the NHS Reform programme can be found on the Welsh Assembly Government website at:

<http://wales.gov.uk/topics/health/nhswales/reform/;jsessionid=cL0LKK8Q7tnTrJvlfhRV9S6pHTtjTh1GwN2QpZXv2tXCvPTshkq5!-774995877?lang=en>

I will continue to update Assembly Members on progress on this and other aspects of the reforms as they unfold in the coming months.