PSNC Minutes

For the meeting held on 13th March 2013

At The University of Sunderland, Dale Building, Chester Road, Sunderland, SR1 3SD

Present: Paul Bennett, Dhiren Bhatt, Christine Burbage, Mark Burdon, David Carter, Peter Cattee, Liz Colling, Mark Collins, Ian Cubbin, David Evans, Mark Griffiths, Tricia Kennerley, Rajesh Morjaria, Andy Murdock, Garry Myers, Bharat Patel, Indrajit Patel, Umesh Patel, Janice Perkins, Adrian Price, Stephen Thomas and Gary Warner

In the Chair: Sir Peter Dixon

In Attendance: Alastair Buxton, Harpreet Chana, Shiné Daley, Mike Dent, Mike King, Steve Lutener, Barbara Parsons, Komal Patel, Sue Sharpe, Zoe Smeaton

1. Apologies for absence

Apologies were received from Ian Cowan, John Evans, David Gill (David Carter deputised), Russell Goodway, Elisabeth Hopkins, Andrew Lane, Kirit Patel, Rajesh Patel, Chris Perrington (Stephen Thomas deputised), Alan Robinson and Omar Shakoor.

The Chairman informed the Committee that in future the office will ensure that deputies are clearly made aware that they are not allowed to attend subcommittee meetings or group discussions, only the main PSNC meeting.

2. Minutes of the last meeting of PSNC

The minutes of the PSNC meeting held on Wednesday 16th January were approved.

3. Matters arising from the minutes

None.

4. Chairman's / Chief Executive's report/ NHS report

Chairman's Report

The Chairman reported on the future commissioning structures which are evolving. There are real concerns about how the new systems will work. Amid the uncertainty he is staying in close touch with key figures in the new architecture he knows. The next 6 months will be particularly uncertain.

The Chairman also commented on the Francis report. Yet another report with the theme 'something must be done'. It was written by a lawyer. There were 290 recommendations and many require a legalistic response. Trusts have to demonstrate that they are listening to patients. Many insiders agree they could have done without it and moved on.

Mid Staffs Trust is not yet broken up but is entering a process of administration which will lead to break up. The Chairman reported that there are hospitals that have been mentioned in the same light as the Mid Staffordshire Hospital and they are struggling. They are working hard to get to the root of the problems but being placed in the same category will not make it easy for them to resolve their difficulties.

The Chairman reported that the acute sector is feeling beleaguered, CCGs are in some areas preparing themselves to do things and performance manage acute hospitals, but unfortunately can't. It was noted that accident and emergency is a pressure point and there was a question on how pressure on hospitals can be prevented so that patients use community pharmacies instead of going to A&E. It was agreed that this is an area that needs to be explored further.

The Chairman also reported that Diabetes UK faces similar difficulties to pharmacy in persuading Ministers, DH, and the Commissioning Board to reach decisions and take actions which will be beneficial to patients and the public purse, and commented that we are not alone.

CEO's Report

Handover to the NHS CB

Early indications are that Clare Howard, Deputy Chief Pharmacist, will be an extremely helpful ally in the NHS CB, not least for ensuring attention is given to some of the administrative consequentials that Alastair has been pressing for some time. Taryn Harding is moving from NHSE to the NHS CB in April, and is very positive about NMS.

Funding

All live issues were reported in Group discussion 1 session or dealt with in FunCon. We finally found the methadone payment system that covered costs for all situations acceptable to both DH and BSA.

NMS

We expect to be able to announce soon that NMS will continue until the end of September at least. Crimson are still working to try to find a means of continuing to provide reporting for contractors.

CPF inclusion of non-4LMs

Recruitment has taken place in both locations to extend provision of the pilot services in Wigan (over 65s on 4 or more medicines), and Wirral (COPD). Training and deployment is in hand.

Pricing rechecks exercise

Harpreet recently met with the BSA, who provided updates on the recheck exercise.

Harpreet will be working on accuracy targets, and our aim will be to review these and agree improvements for the future. The focus on average levels of accuracy versus individual accuracy will be examined. She is also in discussion about poor query handling practice by the BSA.

This will be the last of the big recheck exercises. We will be emphasising to contractors the Drug Tariff time limits for asking for rechecks. Payments to reflect the risks of inaccurate pricing will be incorporated into funding under COSI.

Shortages

These continue to be a source of frustration for contractors. We will be pressing for PPRS to include measures to ensure that manufacturers covered by the scheme have supply arrangements that support pharmacy contractors to meet their obligations to supply patients.

NCSO

This has recently become a major problem for contractors, with manipulation upstream, and we are in urgent discussions with DH to try to resolve the issues.

NHS Report

The Francis Report

After nearly three years of work Robert Francis QC published his extensive report on the failings of Mid-Staffordshire Hospitals Trust in early February. With an executive summary of 125 pages, with 290 recommendations it is not hard to understand why Alastair McLellan, editor of HSJ, described it as 'embarrassingly verbose'.

The views of a panel of experts at an HSJ roundtable event following publication of the report was summarised by the following statement, 'The Francis report may be remembered as a symbol of a changing NHS rather than for its detailed recommendations, many of which are incoherent, over-complicated and even simply unnecessary.' At the event, King's Fund senior fellow, Nigel Edwards, quoted professor of health policy Kieran Walshe who had suggested that public inquiries had influence on policy in inverse proportion to the number of recommendations they contained.

Some of the recommendations are already being acted upon, as the NHS took pre-emptive action on matters such as the duty of candour. The Government will no doubt accept many of the proposals, but some already appear to have been dismissed, based on media reports or ministerial comments.

Key recommendations include:

- Modification of the NHS Constitution to enshrine the commitment to fundamental standards which need to be applied by all those who work in the healthcare system;
- NICE should develop standard procedures and practice designed to provide the practical means of compliance, and indicators by which both fundamental and enhanced standards can be measured;
- It should be considered the duty of all specialty professional bodies, ideally with NICE, to develop measures of outcome in relation to their work and to assist in the development of measures of standards compliance;
- GPs need to undertake a monitoring role on behalf of their patients who receive acute hospital and other specialist services; a GP's duty to a patient does not end on referral to hospital, but is a continuing relationship;
- The need for a system which could hold the most senior health leaders to account. This recommendation has resulted in suggestions that Monitor could regulate individual managers;
- Registration of healthcare assistants providing direct physical care to patients;
- The creation of a single quality and finance regulator. The suggestion that CQC should absorb Monitor appears to have been rejected by Jeremy Hunt;

- The introduction of a legally binding duty of candour;
- Testing of prospective students entering training to be healthcare workers to make sure they have the right values and skills to provide good care;
- Decreasing the speed at which non-FT trusts are driven to become FTs in order to ensure trusts completing the process are safe; and
- NICE should develop evidence-based tools for establishing the staffing needs of NHS services, which would be policed by the CQC.

A response by the Government is expected to be published shortly before the Easter recess on 26th March. Current suggestions are that this will not be a detailed response, but a more detailed response may be published in the summer. PSNC will be best placed to consider the report's recommendations following the Government's response.

Review of bureaucracy

In the wake of the Francis Inquiry, Jeremy Hunt has asked Mike Farrar, CEO of the NHS Confederation to lead a review aimed at cutting bureaucracy in the NHS by a third. It is understood the review will look at what data is collected across the NHS, duplication of data capture across different organisations and the appropriateness of the methods used to collect the data.

NHS Commissioning Board

Ian Dalton, the NHS CB's deputy CEO and Chief Operating Officer is to leave the organisation to become President of BT's Global Health division at the end of April.

The Board has appointed Neil Churchill as the Director of Patient Experience (Domain 4); he is currently CEO of Asthma UK.

Meanwhile the NHS Confederation has appointed Dr Johnny Marshall, a Buckinghamshire GP and former chair of the National Association for Primary Care as its policy director. He has been heavily involved in the development of NHS Clinical Commissioners, a new national membership organisation for CCGs, formed by the NHS Confederation, NHS Alliance and the NAPC.

Labour's health and care policy review

Andy Burnham launched a 'root and branch' review of Labour health policy on 24th January in a speech to the King's Fund entitled 'Whole-Person Care – A One Nation approach to health and care for the 21st century'. Two assumptions underpin the review – the need to get better health results in a tighter fiscal climate and the NHS has no capacity for further top-down reorganisation.

At the heart of the review is the question, is it time for the full integration of health and social care? Andy Burnham suggested use of one budget for health and social care, with one service co-ordinating all of one person's needs: physical, mental and social.

In this vision local authorities would hold the majority of health and social care funding and Health and Wellbeing Boards would be at the centre of the management of health and care, with CCGs supporting them with technical advice. The existing organisations of the new NHS would be retained but the Health and Social Care Act 2012 and the rules of the market would be repealed.

In each area the NHS provider trust would be a "preferred provider" for hospital, community and social care services. They would be expected to move care from hospital settings to the community. The providers would not normally be subject to competition, but commissioners would have to satisfy the government they could call on "alternative" providers in the event of sustained poor performance.

It is understood that some services, including primary care, would be commissioned nationally, as now. The review is being be led by shadow Care and Older People's Minister, Liz Kendall.

Integration

Continuing the theme of integration, DH, the NHS CB and sector regulators are understood to be drawing up a joint statement of purpose to set how they will make integrated care a reality. The "common purpose framework" is currently being drafted and is planned to be published by May this year. The document will set out a common vision which will set out how they will work together to support and promote integrated care, explain why integration is necessary, what the potential barriers are and what support is needed to help local services join up.

HSJ has also reported that the planned major policy announcement on integrated care experiments from health minister Norman Lamb, might be delayed beyond the original planned date for the announcement in the Spring. It is not believed the minister has encountered any resistance to his plans and it has been reported that he has also begun a series of fortnightly meetings on integrated care; Paul Bate, the Prime Minister's senior policy advisor on health, is attending these meetings, signalling support from the top of Government for the plans.

PCT deficits

HSJ analysis of the latest published finance reports of nearly every PCT cluster in England has determined that at least 10 primary care trusts would face finishing 2012-13 in the red without loans or bailouts from their neighbouring commissioners.

DH financial rules state that no PCT can plan for a deficit in 2012-13 and debts incurred by PCTs in the current financial year will be passed to the clinical commissioning groups which succeed them.

In the cases of Hillingdon and Bexley part of that support will come as loans, expected to be repaid by their successor CCGs after PCTs are abolished. In other cases, it will be straight transfers of funds from in-surplus PCTs.

CCG funding concerns

Some CCGs have raised concern about overspending in their first year of operation because large sums of money they were expecting to be within their budgets are now within the NHS Commissioning Board's specialised services budget.

The extension of specialised services commissioned directly by the Board means their budget will increase from £8.5bn to £12bn. Leaders of several CCGs told *HSJ* their budget was between £10m and £30m smaller than expected.

CCG priorities

HSJ's latest survey of CCG leaders asked their leaders about what impact they believed their CCG's contracting would have compared to the past performance of PCTs. The impact that CCGs believed was most likely was that providers would be more "pressured to provide integrated services".

CCG leaders also widely believe there will be more funding "moved to community services", more "requirement to reconfigure services", "bigger penalties for quality problems" and that providers' income and activity will be reduced, or their growth slowed.

Meanwhile, the survey reveals CCGs' priorities are focused on reforming the urgent and emergency care system and long-term conditions care.

NICE and ABPI

Negotiations on the introduction of the government's flagship value-based pricing policy began last November but proposals for how it could work are still to emerge. The principle behind value-based pricing is that decisions on cost effectiveness will be based on a broader definition of value, taking into account wider benefits to society, such as whether a person can remain in work, and whether a drug is treating a previously unmet need.

HSJ has recently reported that DH is to hold parallel talks with the ABPI on issues that could have an impact on the policy, including the role of NICE. Stephen Whitehead, ABPI CEO, said in an interview with HSJ that the industry would like to see greater transparency from NICE about how it makes decisions, more patient involvement and power for the chief executive to overrule decisions made by its committees.

The current PPRS agreement expires in December.

Unions agree to reduce staff terms and conditions

Health unions and NHS Employers have agreed to reduce the pay, terms and conditions of NHS staff covered by Agenda for Change. The agreement will end automatic incremental pay rises, with staff instead having to meet local performance requirements.

Nursing workforce shortages

HSJ has reported that a DH-commissioned report by the Centre for Workforce Intelligence has suggested the NHS could be affected by a shortage of nurses in three years' time. They report that in the worst case scenario, the gap between supply and demand will grow year-on-year, leading to an overall shortage of around 190,000 registered nurses by 2016.

ACTION

5. Election of Vice Chairman

The Committee agreed to postpone the election of a new Vice Chair to the next PSNC meeting taking place in May.

RATIFICATION

6. Resource Development & Finance Subcommittee

The minutes of the subcommittee meeting were presented by Mark Burdon and each of the recommendations was accepted with nobody voting against.

Mike Dent was thanked for his hard work on the pension issue.

7. Service Development Subcommittee

The minutes of the subcommittee meeting were presented by Gary Warner and the recommendations were accepted.

8. LPC & Implementation Support Subcommittee

The minutes of the subcommittee meeting were presented by Mark Collins.

9. Funding & Contract Subcommittee

The minutes of the subcommittee meeting were presented by Peter Cattee.

NCSO arrangements were raised and it was noted that these issues had been raised as a matter of urgency with DH. They are complex and the office will report in more detail at the next PSNC meeting. It was agreed that the office also needs to send out a briefing on what needs to be done.

The Committee thanked Harpreet Chana for her hard work on Methadone.

10. Matters of Report and Any Other Business

The dates of future committee meetings were noted and a brief discussion was held on confidentiality.

The committee requested the presentation slides from Steve Lutener's discussion on Pharmacy IT issues.