



**Notice of meeting of
Health Scrutiny Committee**

To: Councillors Cuthbertson (Chair), Fraser, Greenwood,
Kind, Looker, Moore and Bradley

Date: Monday, 2 April 2007

Time: 5.00 pm

Venue: Guildhall

AGENDA

1. Declarations of Interest

At this point Members are asked to declare any personal or prejudicial interests they may have in the business on this agenda.

- 2. Minutes** (Pages 1 - 6)
To approve and sign the minutes of the meeting held on 8 March 2007.

3. Public Participation

At this point in the meeting members of the public who have registered their wish to speak regarding an item on the agenda or an issue within the Panel's remit can do so. Anyone who wishes to register or requires further information is requested to contact the Democracy Officer on the contact details listed at the foot of this agenda. The deadline for registering is **Friday, 30 March at 5:00 pm.**

4. Financial situation of North Yorkshire and York Primary Care Trust (Pages 7 - 10)

This report introduces representatives of the North Yorkshire and York PCT, who will provide an update on matters considered at the last meeting of the Health Scrutiny Committee, namely financial issues relating to the PCT's recovery plan and information on dental and podiatry services in York.

5. Urgent Business

Any other business which the Chair considers urgent under the Local Government Act 1972

Democracy Officer:

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For more information about any of the following please contact the Democracy Officer responsible for servicing this meeting:

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports

City of York Council

Committee Minutes

MEETING	HEALTH SCRUTINY COMMITTEE
DATE	8 MARCH 2007
PRESENT	COUNCILLORS CUTHBERTSON (CHAIR), BRADLEY, FRASER, LOOKER AND MOORE
APOLOGIES	COUNCILLOR GREENWOOD
IN ATTENDANCE	CLLR LIVESLEY,CYC JIM EASTON, CHIEF EXECUTIVE, YORK HOSPITALS NHS TRUST MIKE PROCTOR, CHIEF OPERATING OFFICER/DIRECTOR OF NURSING, YORK HOSPITALS NHS TRUST NICK STEELE, FINANCE DIRECTOR, NORTH YORKSHIRE & YORK PCT JANE MARSHALL, DIRECTOR OF COMMISSIONING AND SERVICE DEVELOPMENT, NORTH YORKSHIRE & YORK PCT LEE SQUIRES, PRESS AND COMMUNICATIONS MANAGER, NORTH YORKSHIRE & YORK PCT BILL HODSON, DIRECTOR OF HOUSING AND ADULT SOCIAL SERVICES, CYC JACK ARCHER, OLDER PEOPLE'S ASSEMBLY

47. DECLARATIONS OF INTEREST

The Chair invited Members to declare at this point any personal or prejudicial interests they might have in the business on the agenda. The following interests were declared in relation to agenda item 4 (Financial situation of North Yorkshire and York Primary Care Trust (PCT))

- Cllr Moore declared a personal non-prejudicial interest as his wife worked for a local doctors practice.
- Cllr Fraser declared a personal non-prejudicial interest as a retired member of UNISON.

48. MINUTES

RESOLVED: That the minutes of the meeting of the Health Scrutiny Committee held on 12 February 2007 be approved and signed by the Chair as a correct record.

49. PUBLIC PARTICIPATION

It was reported that there had been no registrations to speak at the meeting under the Council's Public Participation Scheme.

50. FINANCIAL SITUATION OF NORTH YORKSHIRE AND YORK PRIMARY CARE TRUST (PCT)

Members received a report, which introduced representatives of North Yorkshire and York Primary Care Trust (NYYPCT), who had attended to provide an update on NYYPCT'S current financial situation. The report also raised issues regarding dentistry and podiatry services in York, which Members might wish to consider at a future meeting.

The presentation by Nick Steele, Finance Director of NYYPCT and Jane Marshall, the PCT's Director of Commissioning and Service Development, gave an update on the financial position of the PCT for 2006/07. They stated that the current deficit forecast was £38 m, but that they were aiming for it to be £35m by the end of the financial year although they felt that their financial position had improved in January. There was a need to manage within resources during 2007/08 and repay all debt by the end of 2008/09. Savings of £25-30m were required in 2007/08 and £20-25m in 2008/09 but these could be made through reduction in growth and action on the 8 work streams.

Details of the Targeted Action Plan proposed in the following 8 specific work streams were given:

- Community Services and Community Hospitals
- Finance, Corporate Estates and IM& T
- Medicines Management
- Mental Health
- Planned Care
- Specialist Commissioning
- Unplanned Care
- Primary Care

Members were also given details of the PCT's next steps, which involved listening to stakeholders comments, improved joint working, use of more strategic change options and service improvement in conjunction with Practice Based Commissioners.

In response to Members questions and in answer to concerns raised the PCT's representatives commented as follows:

- Contact was being made with all Voluntary Organisations to confirm that the PCT's investment would continue at the 2006/07 level with no inflationary increase. This also included obtaining agreement from the organisations on Service Level Agreements where they existed and developing new agreements for services commissioned from others.
- Home Start should already have been contacted regarding funding but if this was not the case they confirmed that contact would be made at the earliest opportunity.
- Details of feedback received from Voluntary Organisations would be reported to the Committee.
- An examination of demand would be carried out on a seasonal basis and planned for accordingly.

- It had been found that hospitals were not the best place for some clinical conditions and that some patients could be better cared for elsewhere.
- It was recognised that there was a need to invest and that cost reductions in secondary care could be used to invest in primary care based services.
- The contract with Capio at Clifton Park, Shipton Road would be fully utilised and details of this would be provided for Members' information.
- 'Prior Approval' was one of ten measures put in place to reduce costs but as many of these were only temporary measures, they would be reviewed following consultation with GP's.
- There had been confusion in the early stages of 'prior approval' but this process only referred to new referrals.

Members commented that:

- Problems would arise if the knock on effect of the PCT's overspend resulted in the City of York Council having debts as a partner organisation, which affected other services.
- It was a major concern that no consultation had been undertaken by the PCT, with the council even though they had confirmed that they were to become fully engaged and commence dialogue with those concerned.
- There was concern at possible impact cutbacks would have on partnerships and whether any assessments had been made, e.g. managed discharge from hospital affecting the Council's provision of homecare etc.
- Was there confirmation that the proposed reductions would be a long term situation?
- It was important that investment was made in alternative core services.
- It had been reported in the press that 250 patients had already been refused treatment under the 'prior approval' scheme did that mean that alternative treatments had been put in place?
- If 'prior approval' was to continue into the next year consultation would be required in relation to the form this would take.
- Existing courses of treatment should not be stopped with the introduction of 'prior approval'.

Bill Hodson, Director of the Council's Housing and Adult Social Services department, confirmed that he was pleased to see the work proposed on commissioning and the need to involve all the parties but that he was still concerned how far away from balance the PCT were. He had particular concerns for the formal partnerships with the PCT on mental health, learning disabilities and equipment services. He hoped that the PCT would become more fully engaged and there was also the need to share demographic work recently undertaken by the council, for consideration in the longer term.

Jack Archer, representing the Older Peoples Assembly, requested reassurance that voluntary organisations would be kept fully informed of the PCT's proposals to assist in their long-term future.

Jane Marshall, Director of Commissioning and Service Development at North Yorkshire and York PCT, confirmed that the proposed joint commissioning would, she hoped, strengthen all areas. Regular meetings would be set up with the Authority in future, which involved Joint Commissioning Boards for Children's Services and Adults Services. She agreed that there was a need to go forward from this point and arrange Meetings between Council Directors and those of the PCT.

Jim Easton, Chief Executive of York Hospitals NHS Trust, stated that, this year, they had reached some agreement on money flow but the concerning issue was that the hospital had undertaken more work than the PCT were able to resource. He also made the following points

- That next year's contract would involve a £4 million reduction on this year, which would result in 7% less activity in the hospital.
- To deliver this level of activity, the hospital's facilities would be reduced accordingly with the reduction of 95 beds and a reduced staffing level of 200, hopefully the majority through natural wastage and redeployment.
- Reduced costs would not result in any reduced patient care but that changes would have to take place very quickly as the monetary reduction was from 1 April 2007, to be fully in place by May.
- If there was surplus work, they would have to examine its commissioning outside the hospital. This would be new for York but it was not uncommon elsewhere to divert work to other hospitals when it was no longer safe to continue but that patient safety would not be compromised in any way.
- By the end of 2008 it was the hospitals aim that 85% of patients be seen within 18 weeks.
- Patients would receive higher quality care and treatment with more available space.
- Updated that next years contract for the hospitals Foundation Trust was due to be signed on Friday 9 March 2007.
- Welcomed opportunity to take Members through the details prior to the April meeting of the Committee and to address any concerns.

- RESOLVED:
- i) That the update reports and presentation be noted.
 - ii) That the Scrutiny Officer liaise with Jim Easton and Mike Proctor of the York Hospitals NHS Trust, to arrange a suitable date to undertake further consultation with Members, prior to the April meeting.
 - iii) That a meeting between the PCT, Chair, and Opposition Spokesperson be arranged regarding the Service Modernisation Plan.

- iv) That Members be provided with a copy of the Presentation, a copy of the recent letter sent to GP's regarding 'prior approval' measures and details of the number of procedures and appointments carried out under the Capio contract.

REASON: To enable the Committee to give proper consideration to the financial aspects of the Plan before the end of the current financial year and to carry out their duty to promote the health needs of the people they represent.

51. DENTAL SERVICES IN YORK

Arising out of the report presented to Members on the financial situation of NYPCT, concerns were expressed in relation to reports of NHS dental treatments ceasing on patients as practices had used up their allocated units for dental activity for this financial year. It was understood that patients would have to wait 2 months for treatment until dental practices received their allocation for the 2007/08 financial year.

Lee Squire, Press and Communications Manager PCT, confirmed that 2 practices out of 18 in York had been forced to cease NHS treatment on certain patients and that 5 dental surgeries in the North Yorkshire area, out of 100, were in this situation. He confirmed that a major contract for dental services was to be let in the next financial year.

RESOLVED: That further consideration be given to the dental service to include contracts and dental availability at the next meeting of the Committee.

REASON: To update Members and to carry out their duty to promote the health needs of the people they represent.

52. PODIATRY SERVICES IN YORK

Arising out of the report presented to Members on the financial situation of NYPCT, concern was expressed in relation to the waiting list for podiatry services.

Jane Marshall confirmed that it was unacceptable that patients had a 1 year wait for treatment and that, with additional savings, further podiatry assessments would be undertaken which would reduce the waiting list. She confirmed that she would be happy to update Members on the reductions made.

RESOLVED: That further consideration be given to podiatry services at the next meeting of the Committee following receipt of additional information in relation to waiting lists.

REASON: To update Members and to carry out their duty to promote the health needs of the people they represent.

CLLR CUTHBERTSON, Chair
[The meeting started at 5.00 pm and finished at 7.05 pm].



Health Scrutiny Committee**02 April 2007****Report of the Head of Civic, Democratic and Legal Services****Financial situation of North Yorkshire and York
Primary Care Trust****Summary**

1. This report is to introduce Nick Steele, Finance Director, Jane Marshall, Director of Commissioning and Service Development and Denise Smith, Head of Primary Care Delivery at North Yorkshire and York PCT. They have been invited to the meeting to update members about issues referred from the last meeting of this Committee.

Background

2. At the meeting of 8 March 2007 members received a presentation from Nick Steele who explained the PCT's current financial position to members. At that time the forecasted deficit for the end of the financial year was £38m, and they were aiming for this to be reduced to £35 by the implementation of savings measures.
3. He also explained the need to manage within existing resources in the 2007/8 financial year and repay all debts by the end of 2008/9.
4. The savings were expected to be made by reduction in growth and actions on a series of work areas which were explained to members. It was also recognised that there was a need to invest in services which would bring care nearer to patients' homes.
5. At the same meeting Jim Easton, Chief Executive of York Hospitals NHS Trust, explained that their contract with the PCT will be reduced by £4m in the next financial year. This will mean that the Hospital's activity will be reduced by 7% in 2007/8. These reductions will need to be in place by May 2007.

6. At earlier meetings members have expressed concerns about long waiting lists for the PCT's podiatry service. At the meeting of 8 May Jane Marshall acknowledged that there needs to be a reduction and has agreed to attend this meeting to give an update on improvements to resources for muscular-skeletal pathways which includes podiatry.
7. At the meeting of 12 February 2007 members received a written update on the numbers of patients who were waiting to be assigned to a York dental practice and the number that had been offered a place. Since then there have been reports in the local media about some dental practices running out of allocated units of dentistry and therefore being unable to treat people until the end of the financial year. Denise Smith has agreed to attend this meeting to give a further update and comment on the press allegations.

Consultation

8. This item is part of the consultation that is ongoing with colleagues from the Health Trusts.

Options

9. Members can receive the comments from the representatives of the PCT and consider how this may impact on the future work of this Committee.

Analysis

10. Members have been made aware of the capacity reduction plan which will be implemented by York Hospitals Trust in order to deliver their reduced contract for 2007/8. Members may be interested to know about the PCT's proposals for providing the services that will not be purchased from York District Hospital in the future.
11. Members will be aware that this is the final meeting of this committee during the current municipal year. They may wish to consider how they will use the information received at this meeting to inform the workplan of the new committee.

Corporate Priorities

12. Relevant to Corporate Priority 7 – Improve the health and lifestyles of the people who live in York, in particular among groups whose levels of health are the poorest.

Implications

13. There are no known Financial, HR, Equalities, Legal, Crime and Disorder, IT or other implications at this stage.

Risk Management

14. In compliance with the Councils risk management strategy, there are no known risks associated with the recommendations of this report at this report.

Recommendations

15. Members are asked to receive the updates from the representatives of the PCT and consider how they wish to use this information in their future work.

16. Members are asked to consider if they wish the committee in the new Municipal Year to receive future updates on the dental and podiatry services, as part of their work plan.

17. Members are asked to delegate to the Chairman and Opposition Spokesperson the duty of creating a draft workplan to be considered by the new Health Scrutiny Committee at its first meeting in the new municipal year.

Reason: In order to carry out their duty to promote the health needs of the people they represent.

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Chief Officer Responsible for the report:

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Report Approved



Date 23.03.07

Specialist Implications Officer(s) None

Wards Affected:

All

For further information please contact the author of the report

Annexes

None

Background Papers

None

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