ADRIAN WAITE

18th December 2016

The Consultation Team,
NHS Cumbria Clinical Commissioning Group,
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Dear Sir,

The Future of Health Care in West, North and East Cumbria

I write in response to your public consultation on the future of Health Care in West, North and East Cumbria. In this you propose a number of changes including the closure of some community hospitals and reductions in the number of beds; the removal of consultant-led maternity care from the West Cumberland Hospital and a focus on 'Integrated Care Communities'.

The proposals in the consultation have a wide range of implications – many of which are not covered by the specific questions that you have asked. I would like to comment on just a few of these wider implications as follows before answering the specific questions:

Demographic Change and the Funding of the National Health Service

The specific proposals that are the subject of this consultation arise in the context of demographic change and the funding of the National Health Service both nationally and locally. In the consultation document, it is stated that:

"By 2020 the total working age population of… Cumbria may fall and almost a quarter of all people… are likely to be over 65 years old. The health and care needs of this group will grow rapidly over the coming years leading to higher demand for health services and increasing pressure on social care.

"The National Health Service will not see a return to the 6-7% real annual increases in budget that it saw in the early 2000s. If we make no further efficiency savings in the coming years… the increasing demand for health care would lead to a financial shortfall of £30billion a year by 2020/21.

"Local National Health Service organisations are currently spending well beyond their means. In… 2015/16 they had a combined over-spend of around £70million. This is projected to rise to £163million a year by 2020… The local health community will need to make efficiency savings of around 6.5% a year over the next five years. This compares with an average national efficiency saving requirement of around 3-4%.

"By 2020… we will be able to make efficiency savings of £85million a year… We also anticipate we can save £42million a year by 2020 with new ways of working… The direct savings from the preferred option service changes discussed in this consultation document would be approximately £2.1million a year.

"This still leaves a potential financial gap of over £30million a year… There may need to be further service changes."

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This raises the question of how the remaining financial gap is to be addressed. Surely, it is difficult to respond to the specific proposals in this consultation without knowing what other proposals are due to come forward to save £30million a year!

However, the size of the financial gap is likely to increase – and not only because 'demand' is increasing in real terms by between 4% and 6% a year.

I understand that half the products used in the National Health Service come from outside the United Kingdom. Since June 2016 the value of sterling has fallen by 20% resulting in a 20% increase in the cost of those products. It has been calculated that this will increase the costs to the National Health Service by £900million a year. The National Institute of Economic & Social Research is forecasting that inflation will increase to 4% during 2017 while salaries & wages will increase by 3.5%. This will also increase the costs of the National Health Service. No additional funding was made available to the National Health Service in the Autumn Statement of November 2016. I assume that these additional unfunded costs have not been taken into account in calculating the deficit either at national or at local level.

The following facts appear to me to be relevant:

- The United Kingdom spends a lower proportion of its gross domestic product on health services than most developed countries. The United Kingdom spends about 8%. The average for countries in the Organisation for Economic Co-operation and Development is 9%. France, Germany, the Netherlands and Sweden are among those that spend over 10%.
- All major political parties in the United Kingdom claim to be committed supporters of the National Health Service.
- The financial pressures on the National Health Service caused by demographics, increasing costs and financial constraints are well understood, not only by health professionals but also by politicians and the public.
- Evidence from opinion polling and actual voting shows that the public favour increased expenditure on the National Health Service.

I find it difficult to reconcile these facts with the fact that successive governments have allowed the financial problems to develop that are described in the consultation document both nationally and in Cumbria. I hope that in addition to receiving representations about the specific proposals being made, you will receive a clear message from the public that they would like to see more resources devoted to the National Health Service and that this message will also be received and understood by government.

Management of the National Health Service

However, I don't think the level of resources is the only issue. I think there is compelling evidence that improvements could be made in the management of the National Health service both generally and by improving joint working with partners such as local authorities and housing associations.

The National Health Service appears to me to be managed through a 'top-down approach' with heavy reliance on target setting. There is evidence to suggest that organisations that adopt an alternative approach of focusing on customers (patients) and empowering front-line staff can achieve greater efficiencies and better services. There is also evidence that much of the 'demand' that the National Health Service struggles to meet is actually 'failure demand' – that is, demands that are made by patients because their needs were not met at the first point of contact.

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I also think that the National Health Service would benefit from a more pragmatic approach to engagement with the private sector. I think that what matters is what works rather than what is in tune with political ideology. I also suspect that the National Health Service has suffered from too many structural re-organisations that appear to have been in response to political ideology rather than the needs of the service. Relations between management and staff do not appear to be good as evidenced by the recent industrial action taken by junior doctors.

The consultation paper refers to:

“Difficulty… in recruiting enough hospital consultants, junior doctors, general practitioners, nurses, paramedics and therapists who are willing to live and work in West, North and East Cumbria… We face staff shortages in primary care, community care and in hospital care too. This means we need to use locums and agency staff which is very expensive and leads to a loss of continuity of care.

“In 2015 the Care Quality Commission judged general medical services at West Cumberland Hospital to be inadequate. This was largely due to the workforce difficulties.”

It is well documented that the National Health Service relies heavily on staff from outside the United Kingdom. I understand that 135,000 non-British European Union citizens currently work in Health and Adult Social Care in the United Kingdom. In view of the government’s intention to reduce migration the problem of finding sufficient numbers of appropriate staff is likely to increase. The National Health Service in Cumbria and across the United Kingdom must consider how to address this issue.

Adult Social Care

The consultation paper points to ‘Integrated Care Communities’ and says that:

“We are making good progress in developing Integrated Care Communities designed to deliver joined-up care involving the National Health Service, social care providers and the voluntary sector.”

The need to ‘join-up’ Health and Adult Social Care services has been generally accepted for some time. When I was the Social Services Accountant at Newcastle-on-Tyne City Council in the 1980s this issue was recognised. However, progress has been slow and the issue now needs to be addressed with greater urgency.

However, the Adult Social Care service also faces serious financial challenges. These are well documented. They include demographic change; a lack of funding; and a lack of joined-up thinking and working. In my work as an Associate Consultant with the Local Government Association I often encounter local authorities that are having to reduce Adult Social Care budgets despite increasing need because of budget pressures; and authorities that struggle to achieve planned savings or to operate within approved budgets.

Following the Autumn Statement in November 2016, the Local Government Association said that:

“Councils, the National Health Service, charities and care providers have been clear about the desperate need for the Chancellor to take action to tackle the funding crisis in adult social care. It is unacceptable that this has not been addressed in the Autumn Statement. The Government must take urgent action to properly fund social care if councils are to stand any chance of protecting the services which care for the elderly and vulnerable.

“Extra council tax raising powers will not bring in enough money to alleviate the pressure on social care and councils will not receive the vast majority of new funding in the Better Care Fund until the end of the decade. Services supporting elderly and vulnerable people are at breaking point now.

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"We cannot ignore this challenge any longer and the Government must inject genuinely new additional funding."

Recent reports have identified that the private and voluntary sectors are also at risk. A recent analysis of the accounts of 6,158 private care home providers (that between them provide 96% of the care homes in the United Kingdom) found that 28% of them had potential problems with financial viability while 12% of them had liabilities that exceeded their assets.

It has been reported that Cumbria County Council is currently considering how to reduce its Community Care budget by £24million. In December 2016, the 'Cumberland & Westmorland Herald' reported that Councillor Beth Furneaux, Cabinet Member for Health & Social Care at the County Council had spoken on the issue at a meeting in Penrith as follows:

"Cumbria County Council might not be able to afford to fund the National Health Service Success Regime proposals… Cabinet member Beth Furneaux has expressed doubts that the authority can deliver its side of (the) proposed health care shake up… Mrs. Furneaux suggested… that the Council's current financial position would make it difficult to fund a new form of care in the community.

"Any proposals to treat more people at home would result in a larger workload for the Council's social workers – positions the Council has previously struggled to recruit."

It does not appear to me to be wise to close hospital beds on the basis that alternatives will be provided by the Adult Social Care service unless it can be demonstrated that the Adult Social Care service would be able to provide those alternatives.

Housing Associations

The consultation paper does not make any mention of the role of Housing Associations in delivering 'Care in the Community'. Many Housing Associations, including those that provide housing in West, North and East Cumbria have an ambition to deliver supported housing for elderly, disabled and other vulnerable people; and they should be key partners of the National Health Service and the County Council. In particular, there is a wish to deliver more Extra Care Elderly housing schemes like the one that has recently been opened in Brampton by Impact Housing Association.

However, government policies including reducing the affordable housing programme, reducing social rents and extending the 'right to buy' to housing association tenants are creating financial uncertainty for housing associations and constraining their resources. More specifically, the government's decision to 'cap' housing benefit at the level of the local housing allowance from 2018 and to change the basis for funding supported housing (without providing many details) has created more financial uncertainty around potential housing association schemes for supported housing (including extra care elderly housing). The result is that housing associations are unwilling to commit themselves to new projects and some existing schemes may close. This matter needs to be resolved before a success can be made of 'Care in the Community'.

Local Communities

It is important for the society and economy of places in Cumbria (and places anywhere) that they offer people a range of public services. A Hospital and other medical services are as important in this context as other services such as the Schools, Residential Care, Extra Care Housing, Public Transport and a Library. For example, the West Cumberland Hospital at Whitehaven is important to the society and economy of West Cumbria; and the presence of local health services is important to the society and economy of Alston. This importance includes but goes beyond the direct provision of health services.

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Many people have commented on these issues in the local media during the consultation period and I am sure that many people will have also raised these issues in response to the consultation.

Specific Questions

My responses to the specific questions that you ask are as follows:

- Question 1 – Maternity – prefer option one as it appears to offer the best service.
- Question 2 – Children's – prefer option one as it appears to offer the best service.
- Question 3 – Community Hospitals Inpatients – prefer option one as it appears to offer the best service.
- Question 4 – Emergency & Acute – prefer option one as it appears to offer the best service.
- Question 5 – Hyper-Acute Stroke – prefer option one as it appears to offer the best service.
- Question 6 – The proposals appear to offer a better service.
- Question 7 – Please see above.
- Question 8 – Please see above.

Conclusions

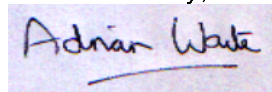
I am not convinced that the proposals contained in this consultation paper have been fully thought through, especially because:

- They are being put forward before the National Health Service locally has identified how to meet its existing budget deficit or projected future costs.
- They are being put forward before the National Health Service has addressed important issues such as its approach to management, 'failure demand', the role of the private sector and the shortage of staff.
- There is a lack of a 'joined-up' approach between the National Health Service and the Local Authorities; and no mention of a 'joined-up' approach with the Housing Associations.
- It is not clear that the Adult Social Care service will be able to provide the services that the National Health Service envisages it will.
- The effect on local communities may be adverse.

I expect that most of the respondents to this consultation will be people, like myself, who are not experts in managing health services. I trust that any decisions that are taken following this consultation will balance public opinion with good professional advice. I also recognise that there is a need for any organisation, including the National Health Service, to operate within its resources and that this will affect the decisions that will be made.

I hope that you find this letter helpful.

Yours faithfully,



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