



NCT Document Summary: The NHS Handbook 2008/09

This document summary outlines the structure of the NHS in England, Scotland, Wales and Northern Ireland and notes concurrences and divergences in each of the systems. Much of the information has been taken from the NHS handbook 2008/09,¹ published by the NHS Confederation.

The structure of the NHS in England

Ultimate responsibility for the NHS in England lies with Westminster. The NHS is financed mainly through taxation and is accountable to parliament through the Secretary of State for Health with the Department of Health (DH) provides strategic leadership to the NHS. Operationally primary care trusts have a crucial local function as commissioning agents, while NHS trusts, foundation trusts, and increasingly independent providers, deliver the services.

Strategic health authorities

There are ten strategic health authorities (SHAs) in England¹ that act as the local headquarters of the NHS. They do not deliver services, but provide leadership, co-ordination and support across a defined geographical area.

Primary care trusts

Primary care trusts (PCTs) manage primary and community health services. There are 152 PCTs (reconfigured in 2006 from 303). They are responsible for improving the health of their population, commissioning services, and developing staff, buildings and equipment and they are often referred to as the 'purchasers' within the NHS.

NHS trusts

There are about 230 trusts in England, which are often referred to as the 'providers' in the NHS. There are several types of NHS trust, including:

- acute trusts, sometimes referred to as hospital trusts
- mental health trusts
- ambulance trusts (there are 12 of these)

¹ These are North East, North West, Yorkshire and the Humber, East Midlands, West Midlands, East of England, London, South East Coast, South Central and South West.

- learning disability trusts, sometimes referred to as mental health trusts (there are 2 of these).

NHS trusts earn their income through providing healthcare commissioned by PCTs and practice-based commissioners, paid for on a payment by results basis.² The number of trusts is shrinking as more of them are granted foundation trust status.

Foundation trusts

Foundation trusts are designed to give greater freedom to NHS organisations as part of the general movement in the NHS to deliver services locally. They are unique to the NHS in England and are independent public benefit organisations, but remain part of the NHS and subject to its standards. Monitor is the independent regulator of foundation trusts and authorise NHS trusts applying for foundation status. At the beginning of 2008 there were 88 foundation trusts and 23 further trusts were applying for foundation status.

Independent providers

The government in England wants the NHS to expand capacity and choice by using independent providers – from both the private and third sectors – to deliver services. The government also believes that competition from a number of providers can act as an incentive to the NHS to improve its response to patient's needs.

Care trusts

Care trusts are designed to allow close integration of health (normally provided by the NHS) and social care (normally provided by local authorities). They both commission and provide within either a PCT or an NHS trust. The NHS and local authority may establish a care trust together when they decide it is the best way to provide health and social care in their area.

Children's trusts

The Government's long term aim, stated in the 2004 green paper, Every child matters,² is to integrate key children's services within a single organisational focus, and the preferred model is children's trusts. Children's trusts are partnerships between organisations that provide, commission or are involved in services for children and young people and are normally led by local authorities.

Neonatal networks

Managed clinical networks for neonatal care were established in England from 2004 as a result of recommendations from the Department of Health's national review of Neonatal Intensive Care services in April 2003. There are approximately 24 across the country. Neonatal networks require hospitals work closely together in formal, managed networks, to provide the safest and most effective service for mothers and babies. This includes the designation of some hospitals that are specially equipped to care for the sickest and smallest babies, with other hospitals providing high dependency care and shorter periods of intensive care as close to home as possible.

Commissioning

Commissioning is the process by which the NHS decides what services are needed, acquires them and then ensures they are being provided appropriately. It involves assessing the population's

² See NCT Briefing on Payment by Results for more information.

needs and deciding priorities, procuring the services and managing the providers. Responsibility for commissioning rests mainly with primary care trusts in partnership with general practice and local government in England.

Practice-based commissioning is a reform designed to give GPs and practice nurses more say on how the NHS provides services for patients. Since 2005 GPs have been able to hold an 'indicative' budget – money that their PCT would otherwise control – to spend on secondary services. The intention is that this would reflect their patient's preferences, leading to a greater variety of services. Although practice-based commissioning remains voluntary for practices, by March 2007 96 per cent had 'begun engagement' in the system.

The current Darzi review of the NHS³ aims to achieve 'world-class commissioning'. This is the most serious attempt since commissioning was introduced in the early 1990s to reposition the practice as central to the way the NHS operates. Under world-class commissioning PCTs will need to lead the NHS locally, work more collaboratively with partners and engage with local communities, all while demonstrating sound financial management.

Policy and strategy

The government began NHS Next Stage review in 2007, which intends to provide a strategy for the NHS for the next decade. It is being led by health minister Lord Darzi, a practising surgeon. The interim report, *Our NHS, our future*³ was published in 2007 and described a vision of a world class NHS that is fair, personalised, effective, safe and locally accountable and delivers world-class commissioning.³ Each of the 10 SHA's have also published their vision for health services in their region.⁴

The government sets long-term strategy for public services every few years during a comprehensive spending review (CSR). This decides the financial settlement from the Treasury for every government department and publishes public service agreements that contain priority outcomes for the CSR period. The last CSR was in 2007, and it emphasised personalised services that are flexible and tailored to individual's needs. Crucially to the NCT, the 2007 CSR said it would make funding available for named midwives for all pregnant women.

At the last CSR, a number of Public Service Agreements (PSAs) were laid out, which set out what the DH is expected to provide with the resources it has been allocated from the Treasury. The PSAs that have particular relevance to the NCT include *PSA 12: Improve health and wellbeing of children and young people*, which aims to increase breastfeeding rates at 6-8 weeks and *PSA 19: Ensure better care for all*, which aims to increase the number of women seen by a midwife by 12 weeks of pregnancy.⁵

The structure of the NHS in Scotland

Since devolution, ultimate responsibility for the NHS in Scotland, called NHSScotland, has been with Holyrood, the Scottish Parliament.

The Scottish Government Health Directorates

The Scottish Government Health Directorates have strategic responsibility for NHSScotland as well as directing and implementing health and community care policy. They provide the statutory and financial framework and hold NHSScotland to account for its performance.

³ For more information, see the NCT's document summary on *Our NHS, our future*

⁴ For more information, see the NCT's document summary on the *Local Visions*

⁵ For more information, see the NCT's document summaries on *PSA 12* and *19*

Special health boards

Seven special health boards provide services nationally, they are:

- National Waiting Times Centre – aims to reduce waiting times
- NHS 24 – provides 24-hour telephone access
- NHS Education for Scotland – trains NHSScotland's workforce
- NHS Quality Improvement Scotland – monitors, reports and advises on standards
- Scottish Ambulance Service
- State Hospitals Board for Scotland – cares for mentally ill patients requiring secure accommodation.
- NHS Health Scotland – Scotland's health improvement agency

NHS boards

NHSScotland abolished trusts in 2004 in favour of a more local system. Currently 14 NHS boards both plan and provide services and concentrate on strategic leadership and performance management across the local NHS. There is not the sharp distinction between purchasers and providers that exists in the English NHS, so there is no internal market or commissioning in healthcare in Scotland.

Community health partnerships

CHPs were set up in April 2005 to manage primary and community health services and replace the 79 local healthcare co-operatives. There are 41 in total, and every board has at least one. CHPs forge partnerships with local authorities and the voluntary sector.

Strategy and policy

There are some distinct features of the NHS in Scotland compared to England. For example, NHSScotland has explicitly rejected the internal market in the NHS.

On coming to power in 2007 the Scottish National Party (SNP) adopted five core strategic objectives, one of which was 'Help people to sustain and improve their health, especially in disadvantage communities, ensuring better, local and faster access to health care.' Although the SNP, when in opposition, supported the *2005 Kerr Report*⁴ – which underpinned the previous Labour-led administration's health policy – and says it continues to do so, it has struck out in some different directions from the previous administration. These include proposed scrutiny of service reconfigurations by an independent panel which has a general presumption against centralisation, proposed direct elections to NHS boards, and opposition to the private sector competing with the NHS. The SNP have also published a new health strategy, *Better health, better care*,⁵ where great emphasis is put on seeing the public and staff as partners. The paper promises not to change the funding model from public ownership and therefore has distanced Scotland further from market orientated funding models. 'Co-operation and collaboration' are to be NHSScotland's guiding principles.

The structure of the NHS in Wales

The Welsh Assembly took over ultimate responsibility for the NHS in Wales from Westminster in 1999. Three regional offices of the Welsh Assembly Government – North Wales, Mid and West Wales, and South and East Wales – function in a similar way to England's strategic health

authorities. The structure of NHS Wales resembles England's purchaser-provider split more than Scotland's unified arrangements, but it has its own distinct characteristics. Wales has 22 local health boards commissioning healthcare, and 14 trusts providing it.

National Assembly for Wales

The Assembly provides democratic control of the management and performance of NHS Wales. It draws up strategic policies, set priorities and allocates funds, but is not able to raise taxes. Two departments within the Welsh Assembly have strategic responsibility for health, Department for Health and Social Services, focusing on the NHS and social care, and the Department for Public Health and Health Professionals which deals with public health matters.

Local health boards

Local health boards (LHBs) main roles are clinical governance, commissioning, improving the health of communities, partnership and public engagement. There are 22 LHBs which are coterminous with unitary local authorities. They are expected to take the lead with partnership working with local authorities, independent and voluntary sectors.

NHS trusts

There are currently 14 NHS trusts in Wales, including the all-Wales ambulance trust, although it is likely that six will merge into three. There are key providers of services.

Community health councils

Community health councils (CHCs) are statutory lay organisations with rights to information about, access to, and consultation with all NHS organisations on behalf of the public. There are 19 CHCs in Wales.

Strategy and policy

The NHS in Wales have had slightly different policy and structural arrangements from England for most of its existence, these have diverged more markedly since devolution. In 2005 the *Designed for life*⁶ white paper was published and set out a ten-year vision for the NHS in Wales. Its aims to transform the NHS in Wales 'from the national illness services it currently is into a truly national health services'. The Welsh government have rejected privatisation of NHS services, which is an area of policy that has been pursued in England.

The structure of the NHS in Northern Ireland

Direct rule from Westminster between 2002 and 2007 has restricted the healthcare reform process in Northern Ireland. Since 1973 the NHS in Northern Ireland has been integrated with social services and is known as the Health and Personal Social Services (HPSS). Accountability is to the Northern Ireland Assembly at Stormont. Six health and social care trusts provide services commissioned by four health and social services boards, although plans are currently out for consultation to replace the boards with a single regional health and social care board.

Northern Ireland Assembly

The Northern Ireland Assembly was established as a result of the Good Friday Agreement of 1998. It was elected later that year and then gained governing powers with full devolution in December 1999. It was suspended in October 2002, however, due to the 'Troubles'. Recalled in May 2006 under the St Andrews agreement as a 'transitional assembly' and restored to full devolution in May 2007. The Assembly has full legislative and executive authority for 'transferred matters', which include health.

Department of Health, Social Services and Public Safety

At present in the DHSSPS there are four health and social service boards, which assess needs and commission services. There are five health and social care trusts (reduced from 18 in 2007) which provide health and social services as commissioned by the four boards. There is one ambulance trust, which covers the whole of Northern Ireland. There are also four health and social service councils, which represent users' views and provide independent oversight.

Strategy and policy

Following a province-wide review of public administration the Northern Ireland Office Minister announced major reforms of health and social services at the end of 2005. When devolution was restored in 2007 the proposals were reviewed and the following has been proposed:

- A regional health and social care board, replacing the four health and social services boards, and focusing on financial and performance management and commissioning.
- Five local commissioning groups, covering the same geographic area as the five health and social care trusts.
- A smaller DHPSS focusing on policy, legislation, priorities and targets.
- A new regional public health agency to tackle health inequalities.
- Strengthening health and social service councils, which include local government representatives.

These proposals are out for consultation in 2008 with a view to implement from April 2009.

Concurrence and divergences across the four NHS systems

There are some clear similarities across all of the NHS systems in England, Scotland, Wales and Northern Ireland. There is a desire in all the administrations to localise the NHS, in a bid to respond to the health needs of local communities. In England, for example, the creation of foundation trusts and the renewed emphasis on commissioning and in Scotland the abolition of trusts in 2004 in favour of a more localised board system have all been in a bid to meet the healthcare needs of local communities.

There is also evidence of partnership working across the UK. This is perhaps most obvious in Northern Ireland where health and social care has been integrated since the 1970's. Partnership working is also a cornerstone of policy in England, it is one of the NHS's ten core principles and partnership arrangements with local government, the private and third sectors are a central feature of health and social care policy. In Scotland, it is the role of Community Health Partnerships, established in 2005, to forge partnerships with local authorities and the voluntary sector and in Wales local health boards are charged with this task.

Not only is the NHS being encouraged to work in partnership with other bodies, but it is also clear that user involvement is being promoted across the four countries of the UK as well. In England and Wales, NHS organisations are legally bound, under Section 11 of the Health and Social Care Act (2001)⁷ to involve and consult patients and the public in planning and decision making in relation to service provision and changes to services. And in England the Local Government and Public Involvement in Health Act (2007)⁸ strengthens the duty on NHS bodies to involve and

consult local service users and establishes local authorities' duty to contract a host organisation to establish a Local Involvement Network to involve local people in the commissioning, provision and scrutiny of health and social care services.

More specifically to the work of the NCT, there is a clear drive to promote user involvement in maternity services. In England, *Maternity matters*,⁹ published in 2007, states that PCTs should have lay people represented on Maternity Service Liaison Committees (MSLCs), which agree objectives for maternity services. In Scotland, A framework for maternity services (2001)¹⁰ states that NHS boards should make sure that women's views are recognised and reflected in the planning and provision of maternity services via MSLCs.

Although there are clear similarities in the way the NHS works across the UK, there are differences in the structures of the NHS. In England and Wales it is broadly similar, but there are more obvious differences in Scotland and Northern Ireland. England and Wales both have different bodies that purchase and provide services. Primary care trusts in England and local health boards in Wales perform the purchasing role, and both countries have NHS trusts to provide services. Scotland, however, has a more unified NHS structure and has rejected competition as an element within healthcare. NHS boards north of the boarder perform both the purchasing and providing function.

With devolution now well established in Scotland and Wales and restored in Northern Ireland it is likely that an increasing about of national characteristics will emerge as the NHS in each of the countries of the UK develops to respond to local needs.

Further sources of information

www.dh.gov.uk
www.ournhs.nhs.uk
www.scottish.parliament.uk
www.wales.gov.uk
www.niassembly.gov.uk

NCT Briefing on Payment by Results
NCT Document summary on Our NHS, our future
NCT Document summary on the Local Visions
NCT Document summaries on PSA 12 and 19

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<http://www.scotland.gov.uk/library3/health/fmms2.pdf>

<http://www.scotland.gov.uk/library3/health/fmms3.pdf>

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