

**This newsletter is a summary of current developments at CIPFA and in NHS finance. It is produced by CIPFA's Health Panel, whose members are listed on the final page. We hope that it will be of interest to all finance professionals working in the health sector.**

## Foreword

Firstly, I would like to thank everyone who made our 2004 Health Conference such a resounding success. The two-day event, which took place on 7th and 8th October in York, was host to some excellent speakers including Richard Douglas, whose presentation on the future of NHS funding gave the conference headline news. We had more delegates than ever before and it was particularly pleasing to see so many CIPFA trainees at the event. Planning for next year's conference is already underway.

The conference presenter with the highest feedback rating was Richard Reeves, author of "Happy Mondays – Putting the Pleasure back into work" (94% of delegates scored him "excellent"). This was a thought-provoking and entertaining presentation, the core of which was that we should be able to find fulfilment, expression of ourselves and pleasure in our jobs; a timely challenge to us as we address the huge financial agenda this Autumn. It is the uncertainty of the financial environment, which is the key difference this year with many organisations finding it difficult to accurately forecast the cost of the consultant contract, Agenda for Change, GP Out of Hours Services and the GMS Quality and Outcomes framework payments.

The introduction of practice-based budgets from next April adds further complexity to financial forecasting. The scope and tone of the recent guidance on practice based budgets surprised many and generated headlines about "the return of GP Fundholding". The new initiative differs from fundholding in two key respects. Firstly, there is no scope for marginal price negotiations (the tariff applies) and secondly, there is little scope for quality negotiations (the national standards set by the Healthcare Commission will apply). This means that the initiative is about designing and implementing new patient care pathways for those patients with long-term conditions (chronic disease management).

**Kevin Orford**  
Chairman, CIPFA Health Panel

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If you have any comments or suggestions about this newsletter, please contact  
Terry Brodie  
CIPFA  
3 Robert Street  
London  
WC2N 6RL  
Tel 01277 653220  
email: [terry.brodie@cipfa.org](mailto:terry.brodie@cipfa.org)



## CIPFA News

### CIPFA SPECTRUM

Issue number 6 of CIPFA Spectrum was published in September and includes articles on:

- The World Bank's approach to analytical work on Public Financial Management
- Balance sheet management: an Australian public sector perspective
- Foundation Trusts – have we been here before or is this something really different?
- Towards sustainability: beyond the financial bottom line
- Delivering regeneration for the City of Glasgow: exercising freedom within boundaries
- The role of independent examiners for unincorporated registered charities

CIPFA Spectrum is mailed to all CIPFA members and students with Public Finance. It is also available, together with back issues, at [www.cipfa.org.uk/pt/spectrum.cfm](http://www.cipfa.org.uk/pt/spectrum.cfm)

### CONTINUING PROFESSIONAL DEVELOPMENT

Following the introduction of the new and improved CPD scheme, the latest version of the guidelines is now available on the website at [www.cipfa.org.uk/cpd](http://www.cipfa.org.uk/cpd)

To register with the scheme please visit the membership secure area at [www.members.cipfa.org](http://www.members.cipfa.org)

### IMPROVING FINANCIAL MANAGEMENT AND EFFECTIVENESS IN THE PUBLIC SERVICE: THE CIPFA FM MODEL

Strong and effective financial management is key to well-managed and sustainable public services.

The CIPFA Financial Management Model (FM Model) is a web-based self-assessment tool that examines financial management in the public services. It tests how an organisation measures up against 42 good practice statements and places that organisation into a spectrum of three 'styles' - Enabling

Transformation, Supporting Performance and Securing Stewardship - to build a picture of how finances are working and identify areas for improvement. A key feature is the ability to survey opinion throughout the organisation.

The FM Model sits on a secure website that lets users score and evidence the good practice statements, revisit, collate and report on their scores and target questions at key people to test views and opinions. It offers organisations the opportunity to:

- Manage strategic risk through self-assessment;
- Identify strengths and areas for improvement;
- Prioritise improvement;
- Be better prepared for inspections and audit;
- Review and track its progress over time;
- Benchmark performance against other comparable organisations

For more information visit [www.cipfa.org.uk](http://www.cipfa.org.uk)

### INDEPENDENT COMMISSION ON GOOD GOVERNANCE IN PUBLIC SERVICES

The Independent Commission on Good Governance in Public Services established by CIPFA and OPM is now taking submissions.

Following written evidence submitted by CIPFA/OPM, the Independent Commission's Chair, Sir Alan Langlands, gave evidence to the Committee on Standards in Public Life's 10th Inquiry on 13 July.

Progress with the work of the Independent Commission can be viewed at [www.opm.co.uk/ICGGPS/index.htm](http://www.opm.co.uk/ICGGPS/index.htm)

### INTERNATIONAL DEVELOPMENT

CIPFA's recently completed International Development survey has identified that there is a significant proportion of CIPFA members and students who are interested in knowing more about International Development issues and the Institutes' work in this area. Members and students registered strong support for the Strategic Grant Agreement with DFID. In addition many members and students have indicated that they or their organisations have experience and skills that they would be willing to

share to promote International Development objectives.

For further information about the survey check the executive summary and survey analysis on [www.cipfa.org.uk/international/development](http://www.cipfa.org.uk/international/development)

If you have any questions about the survey or the SGA with DFID please contact Christine New, International Development Manager, [christine.new@cipfa.org](mailto:christine.new@cipfa.org)

### PROFESSIONAL ACCOUNTANCY QUALIFICATION

CIPFA and the Association of Accounting Technicians (AAT) have teamed up to provide a new fast track route to chartered accountancy. In future, AAT members will be able to take a bridging paper known as the AAT Fast Track Module, which will gain them a full exemption from CIPFA's Certificate Stage and allow them to complete the professional qualification in just two years.

The new AAT Fast Track scheme was launched at CIPFA's Annual Conference in June.

For more information on the AAT Fast Track scheme, contact CIPFA's educational advisers on 020 7407 9010 or email [aatfasttrack@cipfa.org](mailto:aatfasttrack@cipfa.org).

### PUBLIC MONEY AND MANAGEMENT (PMM)

Public Money & Management is owned and managed by CIPFA, and is the official journal of the Public Management and Policy Association which is published on behalf of CIPFA by Blackwell Publishing.

Public Money & Management has a multidisciplinary and international audience. It publishes articles which contribute new knowledge as a basis for policy or management improvements, or which reflect on evidence from public service management and finance in order to suggest topics for research. Readers include: officials in all types of public service organizations; academics; consultants and advisers working with the public services; politicians; journalists; and students on both academic and professional courses.

In response to a steady rise in sales and submissions, Public Money & Management

increased its frequency in 2004 from quarterly to five issues per year. The number of pages in the volume was also increased: from 256 pp. a year to 320 pp. Issues in 2005 will be published in January, April, June, August, and October. Articles for consideration by the editors should be sent to [micky@mickylavender.com](mailto:micky@mickylavender.com)

Public Money & Management has a strong reputation: citations have increased steadily in the UK and abroad and its articles were prominent in submissions by academics to the Research Assessment Exercise of 2001. Blackwell Publishing's recent survey of readers has also strongly endorsed Public Money & Management's position as a bridge of academic and practitioner interests.

For further information on PMM and details on how to subscribe, please see [www.cipfa.org.uk/pt/pmm.cfm](http://www.cipfa.org.uk/pt/pmm.cfm)

### TIS HEALTH ONLINE

A rewarding way to earn CPD hours is contributing towards TIS Health. The editorial board is looking for health finance practitioners to produce information for the website, including the following topics:

- Patient Choice
- Priorities and Planning Framework
- Foundation Trusts
- Information for Scotland

We also require an additional representative from a Primary Care Trust background to contribute towards drafts and ensure the PCT perspective is included.

The website acts as a portal or 'one stop shop' for all NHS finance practitioners to access and share best practice and improve performance. The site covers current issues such as shared services and payment by results, with case studies and practical examples, as well as core financial and legislative guidance. The website is constantly developing, and suggestions or new material are always welcome.

If you are interested in contributing, or would like free trial access to the site, please contact Sarah Ellison on 020 7340 1203 or at [sarah.ellison@ipf.co.uk](mailto:sarah.ellison@ipf.co.uk)

## CONFERENCES/ SEMINARS

### CIPFA HEALTH FINANCE CONFERENCE 2004

This annual event was held this year in York on the 7 & 8 October. There were almost 120 delegates and 20 speakers and guests for what was judged to be a very successful and useful event.

Highlights included an opening address from Richard Douglas, followed by a most thoughtful and stimulating session from King's Fund chief, Niall Dickson. Jeremy Clough from Selby and York PCT gave an inspiring talk about the role of primary care at the cutting edge of NHS reform. Andy McKeon from the Audit Commission and closing speaker Richard Reeves also received warm praise from the delegates.

This year, six breakout sessions were on offer, including a carefully designed option for students which was very well attended and rated by them as 100% successful overall. Other major attractions, with over half the delegates attending, were the breakout sessions on financial management from Emma Knowles at the Audit Commission, and from Andy Hardy on payment by results.

A pre-dinner address from Marie Faire proved very popular. With her theme of change and evolution, Marie provoked a great deal of thought as she wove her thoughts on this into the overall change theme of the conference.

Some comments from delegates included: the content of all the presentations was excellent...excellent variety of speakers...good balance of topics, loved the balance of health rather than accountancy topics...

Chaired on Day One and Day Two by Kevin Orford and Suzanne Tracey respectively, CIPFA and Health Panel is very grateful indeed to Kevin, Suzanne and all the speakers for their invaluable input.

Please make a note now of the dates for the 2005 CIPFA Health Finance Conference: 6th & 7th October 2005 at the Royal Bath Hotel, Bournemouth.

### CPD EVENTS

The Panel has also launched a series of one-day courses aimed at health finance teams from all NHS organisations in England and Wales. The subjects in the series build up to form a comprehensive portfolio of knowledge, all of which will contribute to CPD.

The series is founded upon CIPFA's overall statement of professional expertise, which identifies specific topics, and subject areas, which are key to becoming – and staying – fully competent as a financial manager in the NHS. The individual events will be

### FINANCIAL MANAGEMENT 16 DECEMBER, LONDON

This course will help delegates who are involved in leading or contributing to promoting effective financial management policies. It will also cover financial control mechanisms, and forecasting and impact modelling

### PROCUREMENT & CONTRACT MANAGEMENT JANUARY 2005, LONDON

This course will help managers involved in developing a procurement strategy and negotiating contracts with suppliers or customers for specific goods and services. It will also cover negotiating and managing private and public sector partnerships and contract monitoring for effective performance.

### FINANCIAL AND PERFORMANCE REPORTING FEBRUARY 2005, LONDON

### CHANGE, RISK AND PROJECT MANAGEMENT MARCH 2005, LONDON

### GOVERNANCE, ETHICS AND VALUES MAY 2005, LONDON

Details to be Advised.

Each day can be attended as a stand-alone option and contributes directly to your CPD. Attending all the events will help to comprehensively build your CPD portfolio and discount rewards will be offered to organisations which support two or more of the series.

To register and receive more details of events please contact  
Alexandra Aarons, CIPFA, 3 Robert Street, London, WC2N 6RL  
(tel 020 7543 5751; e-mail alexandra.aarons@cipfa.org)  
Further details can also be found on the CIPFA website:  
[www.cipfa.org.uk/shop](http://www.cipfa.org.uk/shop)

### CIPFA HEALTH ADVISORY NETWORK

Commissioning for effective chronic disease management

The successful management of chronic diseases lies at the heart of the Department of Health's plans for the next five years. It is closely linked to the second Wanless report and the national emphasis on improving public health. Trusts and commissioners are expected to achieve material reductions in acute hospital admissions through better management of long term illness.

A highly interactive workshop has been developed by the CIPFA Health Advisory Network that will be run in London on the following dates:

4 November 2004

10 November 2004

9 December 2004

It explores how the NHS can use the tools at its disposal to encourage the successful management of chronic disease. It will stress the importance of building mutually supportive structures – for patients, for primary and secondary care providers and for commissioners – along the whole of the care pathway.

During the day we will draw both on overseas experience and the considerable pool of existing knowledge within the NHS.

The workshop is aimed at commissioning managers and those managers involved in the management of long term illness. It will be a highly interactive event, with places limited to allow maximum speaker/delegate interaction, group exercises and facilitated discussion.

The workshop will be led by Noel Plumridge, author of the CIPFA guide to the Payment by Results system and of CIPFA's forthcoming guide to the financing of chronic disease management.

If you would like further details about the CIPFA Health Advisory Network or the above event, please visit our website at [www.ipf.co.uk/healthcare](http://www.ipf.co.uk/healthcare) or email [health@ipf.co.uk](mailto:health@ipf.co.uk)

## PUBLICATIONS

### FINANCING OF CHRONIC DISEASE MANAGEMENT

The Panel has commissioned guidance on the Financing of Chronic Disease Management, which it plans to publish in late 2004

The guidance will examine clinical and policy issues and financial mechanisms for promoting good practice with a number of case studies.

### INTRODUCTION TO SOCIAL SERVICES FINANCE

This guide, first published in 1999, has now been completely updated to encompass the substantial body of new legislation implemented in the last five years affecting the delivery of social care. This includes, amongst many others,

- Health Act 1999,
- Health and Social Care Act 2001,
- Adoption and Children Act 2002,
- Children Leaving Care Act 2000,
- Local Government Acts 1999 to 2003,
- Care Standards Act 2000 and
- Children Bill 2004.

Extensions to and improvements in joint working (particularly with health bodies using powers granted under the Health Act 1999) have resulted in major changes in the way in which some elements of social and health care are delivered.

This new publication will improve understanding of the current issues in social services finance. Practical and easy to read, An Introductory Guide to Social Services Finance in England and Wales, is written with three main groups of people in mind:

- finance professionals who are new to or need to know more about social services issues;
- social services professionals who need to become more familiar with financial issues; and
- NHS staff and independent bodies responsible for developing links with social services departments and who, therefore, need to understand more about the financial regime.

## PAYMENTS BY RESULTS

In August 2003, CIPFA published guidance that Richard Douglas, NHS Director of Finance, commends, as follows, in the foreword

'as a practical, helpful and well thought-through contribution to the successful implementation of this major policy initiative'.

The guidance includes the following issues that will be essential reading for practitioners involve in implementing the DH policy

- budgeting
- costing
- strategic financial management
- risk management
- accounting,
- information
- quality
- patient choice

In November 2003, a complimentary copy of an Executive briefing of the publication was sent to Chief Executives and Directors of Finance of all NHS bodies.

## JOINT COMMISSIONING OF SOCIAL CARE

In October 2003, the CJC (CIPFA's Commissioning Joint Committee) published a guide to the joint commissioning of by local government and the NHS in conjunction with the Associations of Directors of Social Services and Social Work.

The guide addresses, in plain English, the many intractable procurement, value-for-money, legal and accounting problems which now arise with joint commissioning.

These problems include

- fundamental differences in the terms of NHS and local government legislation
- service users' resistance to transfer from free to means-tested care

- the plethora of different organisational models now in use for the delivery of public services, including delegation, budget pooling, budget alignment, joint commissioning, and the independent funding of partnerships
- the built-in purchaser-provider split in most of the NHS, and the growing resistance to it (reflecting CCT experience) on the part of many local authorities
- their different accounting regimes, guidance about the apportionment of overheads, and treatment of year-end underspendings
- the conflict between efficient procurement and freedom of choice for service users as a result of direct payments
- the effect of the Competition Act 1998 and of the judgement in the 'Bettercare' case.

The CJC's website is available at [www.ipf.co.uk/bestvalue/bvq/CJC](http://www.ipf.co.uk/bestvalue/bvq/CJC)

## FINANCIAL CONTROL AND BUDGETING FOR NHS PARTNERSHIPS

In January 2003, CIPFA published guidance to help NHS finance practitioners who enter into partnerships in pursuit of the NHS modernisation agenda. The guidance is based on a previous successful publication for local government and includes the following issues:

- appraising a partnership proposal
- budgeting for partnerships
- financial monitoring and control
- financial reporting.

Publications may be ordered from [www.cipfa.org.uk/shop](http://www.cipfa.org.uk/shop) or contact [steve.crackett@cipfa.org](mailto:steve.crackett@cipfa.org) (tel 0207 543 5602)

## FUTURE PUBLICATIONS

If you are interest in promoting a subject or being an author please contact [terry.brodie@cipfa.org](mailto:terry.brodie@cipfa.org)

## CIPFA WEBSITE

The November 2003 issue of PQ Magazine carried out an independent review of accountancy body websites in which the CIPFA website has been '*highly commended*'. The website is described as '*getting better each year. The relatively new addition of the Study Lounge is excellent.*'

This positive feedback reflects CIPFA's ongoing commitment to improving online support for its members and students.

For further information about the CIPFA website, please email [joan.lavery@cipfa.org](mailto:joan.lavery@cipfa.org)

## MEMBERS' WEBSITE

The website for CIPFA members has been re-launched. The new site features improved navigation and easier access to membership lists which are now available in print-friendly format.

The online version of Spreadsheet magazine has also been revamped and features photographs from the printed magazine, clearer categorisation of articles and access to past issues online.

The Membership Secure Area allows members to check and update their email addresses, as well as update their address and work details.

Further information is available at [www.cipfa.org.uk/members](http://www.cipfa.org.uk/members)

## PANEL WEBSITE

The CIPFA Panels web section has been re-launched. Redesigned technical panel areas have been developed, and additional information is now available

A website dedicated to the Health Panel is at [www.cipfa.org.uk/panels/health](http://www.cipfa.org.uk/panels/health) and this now includes NHS Finance news. Feedback would be particularly welcome on the content of the website and how it could be improved.

## PUBLIC MANAGEMENT AND POLICY ASSOCIATION (PMPA)

The Public Management and Policy Association (PMPA) is a national membership organisation, managed by CIPFA, dedicated to helping managers, policy makers and academics keep in touch with and understand the wider cross-cutting developments in public policy making that affect the governance, general and financial management of the public services. In addition to excellent networking and personal development opportunities across the public services, the benefits package includes:

- Priority booking for PMPA lectures
- Subscription to Public Money and Management
- Up to three PMPA reports each year
- The PMPA quarterly review

New corporate rates are now available which start at £350 for up to five persons registered by their employing organisations to receive the benefits package.

Forthcoming PMPA lectures include:

- 10 November 2004 Joint PMPA/CiPS event
- Jane Martin, Mark Wardman and Peter Kelly

'Public Accountability in Practice - The need for Public Scrutiny'

- 30 November
- Ed Straw - Are we ready? Civil Service reform

The latest PMPA publication 'Public Accountability in Practice - The Need for Public Scrutiny' authored by Jane Martin of The Centre for Public Scrutiny - is now available.

Full details are available on the Association's website [www.pmpa.co.uk](http://www.pmpa.co.uk) or email [info.pmpa@cipfa.org](mailto:info.pmpa@cipfa.org) asking for an information pack and sample publications

# DEVELOPMENTS IN NHS FINANCE ENGLAND

## ACCIDENT & EMERGENCY

A report to Parliament, Improving Emergency Care in England, by head of the National Audit Office Sir John Bourn points out that there is still further room for improvement in the case of patients with more complex needs (who may include older people and those with mental health needs) given that they are more likely than others to stay more than four hours in A&E. For example, in August nearly a quarter of patients needing admission to hospital spent more than four hours in A&E. Time spent by all groups of patients, though, has reduced in the last two years.

Variation in performance between trusts has reduced. But while some trusts are treating virtually all their A&E patients within four hours, the worst performing trusts still have some way to go to reach the level of the best. And maintaining the improvements long-term will depend on addressing the remaining bottlenecks and barriers to modernisation, many of which are often outside the control of A&E.

The report makes made 16 recommendations of which some key ones are listed below.

- Many patients require much less than four hours in A&E. All providers should monitor processes and performance and making use of local benchmarking to ensure no patient spends longer than clinically necessary in A&E.
- All acute trusts should use simple bed management tools to identify avoidable peaks and troughs in inpatient flow.
- the emergency care networks should analyse the patient pathways of vulnerable patients, including frail older people, children and those with mental health who attend A&E to identify improvements to their journey through the emergency care system.

- A set of good practice care pathways for emergency medicine should be developed to measure and improve quality of care.

The full report is available at [www.nao.org.uk](http://www.nao.org.uk)

## AGENDA FOR CHANGE

In October, the Health minister announced that an extra £30 million was being given to the NHS to help the implementation of Agenda for Change.

The funding will go towards compensating NHS organisations for the time staff spend negotiating or implementing Agenda for Change. For example, it will allow them to employ locums for the time staff are involved in sitting on job evaluation boards or negotiating local implementation deals.

The money will be distributed by SHAs. All NHS organisations implementing Agenda for Change in national roll out will be eligible for assistance.

The Health Minister also published a booklet for NHS staff explaining what the new pay system Agenda for Change will mean for them. It contains new information and details changes to the pay system that have been made following the review of the Early Implementer sites during the summer.

One of the biggest benefits for staff will be that Agenda for Change will provide a new NHS minimum wage of £5.69 per hour effective from 1 October 2004. This represents an increase of 93 pence, 19.5%, in the pay of some 22,000 NHS workers.

At the top end of the pay structure there is a new top pay band, with a maximum salary of £83,546 for the most senior staff.

For more details visit [www.dh.gov.uk/hr](http://www.dh.gov.uk/hr)

## AUDIT COMMISSION

In July, the Audit Commission published an annual report covering a 17-month period following a change in their financial year end to bring the Commission into line with other public bodies.

The report refers the support for the modernisation of the NHS and the new inspectorates in health and social care that came into being in April 2004. The

Commission has also forged strategic alliances with CIPFA and the Improvement and Development Agency.

To view the annual report visit [www.audit-commission.gov.uk](http://www.audit-commission.gov.uk)

## BOARD REMUNERATION

The banding levels appropriate for chairs of Strategic Health Authorities, NHS Trusts and Primary Care Trusts have been revised and backdated to 1 April 2003.

For more details visit [www.dh.gov.uk](http://www.dh.gov.uk)

## CANCER TREATMENT

Research to develop new and improved treatments for cancer has been given a further boost with the announcement in October of £1.1 million a year to fund fifteen international fellowships. Health Secretary John Reid and François d'Aubert, Ministre délégué à la recherche, launched the international fellowships at the Entente Cordial Cancer Research Summit in London.

The initiative will enable researchers from the U.K, France, the USA and Canada to spend time working in laboratories outside their home country and exchange ideas, techniques and therapies to promote the development of new and better treatments for cancer patients.

The three-year fellowships are due to start in the autumn of 2005. The UK's National Translational Cancer Research Network (NTRAC) will administer the initiative.

For more details visit [www.dh.gov.uk](http://www.dh.gov.uk)

## CHILDREN SERVICES

A new initiative to encourage the development of more medicines designed specifically for use in children was announced by the Department of Health in August.

Most medicines are designed for and tested on adults but are widely prescribed for children. The evidence shows that children and adults respond very differently to medicines and that a treatment, which is effective in adults, may not be as suitable for children.

These new plans will encourage manufacturers of medicines to research and develop medicines geared to the needs of children. They will also make sure prescribers have better information about the impact of medicines on children.

The new paediatric medicines strategy includes:

- strongly encouraging companies to provide much better paediatric
- clinical trial data for new and current medicines;
- providing better information on the use of medicines on children in patient information leaflets
- publishing for the first time, a separate British National Formulary for Children;
- investing part of the additional £100 million announced in the Budget to promote research into medicines for children through new research networks which will be coordinated by the UK Clinical Research Collaboration.

Further details of the strategy and a Question and Answer document are available on the [MHRA website at www.mhra.gov.uk](http://www.mhra.gov.uk)

## CHOICE IN PUBLIC SERVICES

In September, the Audit Commission published the first part of an in-depth study into widening choice in public services with opinion research confirming that the public strongly favours choice.

However, to provide value for money for the taxpayer, there is a pressing need to understand in more detail the relative cost and fairness of different ways of providing increased choice. Moreover increasing choice and customer responsiveness is vital to improving public services.

According to the new research conducted by MORI for Choice in public services, the public believes greater choice is important.

However, the research also finds that people are unwilling to see taxes rise to pay for more choice. More than half of the respondents thought that taxpayers should not have to pay more for users to have more choice.

The research also shows wide geographical differences in the choices currently available to the public. In some cases public services have been slow to provide greater choice even where it has been shown to add value.

The report shows that choice is valued most for groups such as children with special needs, by women more than men, and by less privileged social groups more than the better off. Among the MORI findings are:

- 43% agree it is 'absolutely essential' to have choice in schools for special needs children, but only 36% hold that taxpayers should have to pay for this;
- the least privileged people (social classes D and E) are most in favour of choice; and
- more respondents from the North and Midlands rate choice as 'absolutely essential' than from the South of England.

MORI interviewed a representative sample of 1063 British adults aged 15+ between July 22 and 27. In addition, MORI conducted two focus groups with the general public in Leicester in August. The findings of the Commission's full-scale report on the issue are due to be published next year.

For more details visit [www.audit-commission.gov.uk](http://www.audit-commission.gov.uk)

## COMMISSIONING

More decision-making will be devolved to the frontline of the NHS with GP practices directly commissioning care and services tailored to the specific needs of their patients, the Health Minister announced in October.

From April 2005, practices will be able to receive an 'indicative budget' from Primary Care Trusts (PCTs) that they can use to improve the delivery of services.

PCTs themselves will continue to be legally responsible for the contracting process. But any savings, which result from managing referrals more efficiently, will be shared between practices and PCTs with all of those savings being reinvested into patient care. PCTs will also remain responsible for specialist commissioning.

No targets will be set for the numbers of practices to become involved in Practice Led Commissioning -

practices will be encouraged to respond to it at their own pace. Groups other than practices - such as community based nursing teams - could also hold indicative budgets for groups like vulnerable adults.

It means patients will be able to benefit from a greater variety of services from a larger number of providers in settings that are closer to home or more convenient for them.

The Practice Led Commissioning document is available at [www.dh.gov.uk](http://www.dh.gov.uk)

In response the King's Fund said that the government's new approach to handing family doctors their own budgets to commission health services should result in some of the positive outcomes, and avoid the divisive consequences, of the similar GP fundholding policy of the 1990s NHS internal market.

The King's Fund published a report into this policy in June 2004. It highlighted the similarities and differences between this and GP fundholding.

The report *Practice-led Commissioning: Harnessing the power of the primary-care frontline*, by Richard Lewis is free to download from [www.kinsfund.org.uk/pdf/practicelcommissioning.pdf](http://www.kinsfund.org.uk/pdf/practicelcommissioning.pdf)

## CONTROLS ASSURANCE

A major national initiative aimed at helping NHS trusts manage non-clinical risks in areas such as fire safety and waste management has been scrapped.

The NHS chief executive announced the move to abandon the Controls Assurance programme with immediate effect from August, claiming it had become unnecessarily bureaucratic.

The project, launched in 1997, was part of the NHS response to the Cadbury report on corporate governance. Trust chief executives were required to sign a statement in their organisation's annual accounts, known as a statement of internal control, verifying its compliance with standards in 22 risk areas.

While managers support the principle of controls assurance, which help identify and tackle risks in areas as diverse as fleet management and food hygiene, there has been a growing feeling that

national reporting and verification procedures are too cumbersome.

However NHS trusts will still have to perform controls assurance internally and national checking would be rigorous. Risk management through controls assurance forms part of the slimmed-down core standards published by the DH in late July. It is also likely the annual accounts statement of internal control will remain.

For more details visit [www.dh.gov.uk](http://www.dh.gov.uk)

## COUNTER FRAUD

The Counter Fraud and Management Service (CFSMS) announced in October that since the introduction of Point of Service checks in February 2001, patient charge evasion has been reduced by 23%, which represents a saving to the NHS of £3.08million.

The NHS CFSMS Patient Check Compliance Unit are currently contacting optical outlets informing them of the intention to conduct a visit, appointments will be agreed where required. These visits are not designed as a policing exercise but as a means of informal fact-finding about how the checks are being carried out, and to provide practice staff with support in conducting them.

For more details visit [www.cfsms.nhs.uk](http://www.cfsms.nhs.uk)

## DRUG TREATMENT SERVICES

The most problematic drug users in the country are to be targeted by extra money announced for drug treatment services. In September, the Health Secretary set out the details of a boost in funding that will see the budget of every Drug Action Team increase by around 55% by 2008.

£179 million of the extra funds will go directly to Drug Action Teams to double the amount spent on treating 50,000 most seriously affected drug users, including many persistent offenders and drug users with associated alcohol and mental health problems, who frequently fail to complete courses of treatment. The extra investment will increase the effectiveness of treatment for these individuals through investment in:

- Increasing the number of specialist drugs workers to deal with the most problematic clients in the community.
- More residential rehabilitation and in-patient detox centres, which have a better record of success for some drug users
- Improving management of cases to adapt treatment to individual circumstances.

There will also be provision within the funding to allow an extra 40,000 clients to be treated round the country and to expand treatment for under 18s with drug problems. This will reduce the risk of young people becoming problem drug users and will increase the likelihood of them continuing with their education and prevent their involvement in crime. The money, which will be invested over two years, will give treatment providers the confidence to start planning the expansion of their services straight away.

In addition to this, the Government will invest £40m every year to expand drug treatment within prisons to ensure that an estimated 78,000 prisoners receive effective treatment services by 2008. Prisons will be supporting the additional investment in prisons with extra facilities and counselling for prisoners with drug problems.

For more information visit [www.dh.gov.uk](http://www.dh.gov.uk)

## FINANCIAL MANAGEMENT

The poor quality of financial management across local government and police, fire and health services is a cause for concern, according to the Audit Commission's annual report published in July.

The Commission says its Health auditors have dubbed 2002/03 one of the worst years they have seen. Nearly a third of health bodies failed to deliver their accounts by the Department of Health's deadline. The majority of these were primary care trusts and strategic health authorities.

Local government is castigated for the 'number and significance of errors' in its accounts, with 19% resubmitted.

The Commission also casts its eye over partnerships, which, after the announcement on local area agreements for councils, look likely to play a crucial role in future service delivery.

Auditors found that very few councils have formal agreements with partners specifying aims and objectives. These partnerships also lack 'processes for monitoring' and governance arrangements. In health, 30% of partnerships have similar shortcomings.

The Commission also identifies an increase in overspends in the budgets of NHS trusts and councils in 2002/03. Overspends in NHS trusts were up two percentage points to 18%, while councils reported a four-point increase to 34%.

There were also problems with reserves: 14% of councils, 24% of police authorities and 61% of fire authorities failed to hold enough reserve cash in their budgets to plan for emergencies and 'unexpected financial events'.

For further information visit  
[www.audit-commission.gov.uk/reports](http://www.audit-commission.gov.uk/reports)

## FINANCIAL PERFORMANCE

Financial standing and financial performance remain significant issues in the NHS. High-profile financial failures, such as that at North Bristol NHS Trust, attract public attention and, inevitably, generate questions about the role of the auditor. Despite significant additional funding in the NHS, auditors are increasingly raising concerns about the financial performance of NHS bodies.

The Department of Health (DH) has clarified that strategic health authorities (SHAs) are responsible for managing the financial performance of all NHS bodies in their area. Consequently, auditors will increasingly need to consider financial performance of individual bodies in the context of the local health community. They will also need to consider the most appropriate way of reporting on financial performance, to bring their concerns to the attention of the body's board, the SHA and, in certain circumstances, the Secretary of State, with a view to securing the necessary actions to address those concerns and to bring about improvement.

In September, the Audit Commission published a paper 'Audit reporting of NHS financial performance', which has been issued as guidance to all the Commission's audit suppliers and seeks to:

- propose a reporting structure that will enable auditors to demonstrate that they have responded

to poor financial performance in a way that will assist the body to improve; and

- establish criteria to enable auditors to identify, on a consistent basis, when they should consider invoking their formal reporting powers.

For full details of the paper visit  
[www.audit-commission.gov.uk/reports](http://www.audit-commission.gov.uk/reports)

## FOUNDATION TRUSTS

In August, the Independent Regulator published a report on Elections and Membership outlining the governance process for NHS Foundation Trusts and including membership figures and election data for individual NHS Foundation Trusts.

The report is available on the Regulator's website [www.nhsft-regulator.gov.uk](http://www.nhsft-regulator.gov.uk)

In October, the Secretary of State confirmed that NHS foundation trusts (NHSFTs) are Public Benefit Corporations, and, as such, are independent of the Department, and directly accountable to their local populations and to Parliament. Because of this independent status, and NHSFTs' separate and local route of accountability, Ministers are no longer in a position to comment on, or provide information about, the detail of operational management within such trusts. Any such questions will be referred to the relevant NHSFT chairman.

For more details visit [www.dh.gov.uk](http://www.dh.gov.uk)

## GENERAL PRACTICE

The GP Golden Hello Scheme (England) is expected to end on 1 April 2005. New arrangements for deprived and under-doctored areas will be tailored towards local GP recruitment needs. The NHS Confederation and General Practitioners Committee are developing details, which should be finalised in the autumn.

For more information visit [www.dh.gov.uk/PolicyAndGuidance](http://www.dh.gov.uk/PolicyAndGuidance)

According to a report published in August by the NHS Alliance nine out of ten PCTs will have to use funds earmarked for other services because they have not been allocated enough to provide adequate out-of-hours GP cover.

PCTs will have to take responsibility for evening and weekend cover from the end of the year.

For more details visit [www.nhsalliance.org](http://www.nhsalliance.org)

## INFORMATION GOVERNANCE

Information governance covers information security (BS7799), Caldicott, confidentiality and data protection, information quality and records management.

The 2004/5 information governance return (ROCR/OR/0119) brings together and replaces previous initiatives in these work areas. Acute, primary care, ambulance, mental health and care trusts, NHS Direct and special health authorities are required to complete the new return by 31 March 2005.

The new return is part of a web-based toolkit, which also provides guidance for all NHS information governance areas.

Available at [www.nhsia.nhs.uk/infogov/igt/](http://www.nhsia.nhs.uk/infogov/igt/)

## INFORMATION TECHNOLOGY

The benefits of ICT to health services could be huge but risk being jeopardised by a failure to provide evidence of impact according to a report published by the Institute for Public Policy Research (ippr) in August.

The research - based on an examination of large ICT pilots in the NHS - concludes that public and political support for unprecedented spending on ICT investment in health services will not be realised without better planning and evaluation.

The report says that poor evaluation of pilot services - now being rolled out across the NHS - make it impossible to tell whether they will deliver the widely promised benefits. This includes trials of electronic patient records, which failed to demonstrate that they would lead to more flexible services, cost savings or improvements in treatment of patients.

In addition, pilots of electronic appointment booking systems have not clearly shown that they help facilitate greater choice for patients over where, when and by whom they are treated.

The report recommends that:

- evaluations of ICT projects in health are always clearly linked to the stated aims of the projects;
- adequate time and resources should be allocated to evaluation; and
- appropriate data should be collected to examine the effectiveness of projects.

For more details visit [www.ippr.org.uk/press](http://www.ippr.org.uk/press)

The Department of Health established a National Programme for IT in the National Health Service (NHS) in October 2002. The Programme plans to create an IT information infrastructure for the NHS that will improve patient care by increasing the efficiency and effectiveness of clinicians and other NHS staff.

The Government has set aside £2.3 billion centrally over the three years to 2005-06 for the Programme. The total value of the contracts awarded to date (which cover a period of seven to ten years) is over £6 billion.

The Programme completed the placing of contracts for the major IT systems making up the national system in early 2004.

The final cost of modernising NHS computer systems could rise to between £18.6bn and £31bn - three to five times the declared figure - and the inflated sum would eat into already overstretched trusts' budgets, according to a report in the magazine Computer Weekly in October.

But Health Minister John Hutton said the NHS would not be expected to carry an unsustainable financial burden and the Department of Health said the cost of implementation should be seen in the context of its spending on the NHS.

For more details visit [www.computerweekly.com/](http://www.computerweekly.com/)

A National Audit Office study, due to be published in summer 2005, will examine the procurement processes used for placing the contracts; whether contracts are likely to deliver good value for money; how the Department is implementing the Programme, and the progress made by the Programme so far.

For more details visit [www.nao.org.uk](http://www.nao.org.uk)

### KINGS FUND

A new book, *How Much Should We Spend On The NHS?* produced by the Office of Health Economics together with the King's Fund and the University of York Centre for Health Economics, explores the assumptions, estimates and models underlying the recommendations made by Derek Wanless in his report on future NHS spending.

For more details visit [www.kingsfund.org.uk](http://www.kingsfund.org.uk)

### LONG TERM CARE OF OLDER PEOPLE

Britain can expect a substantial – possibly four-fold – increase in spending on long-term care for older people by the middle of the century as the number of people living into their late 80s and beyond increases and real care costs rise, according to new projections based on the latest official population projections.

The projections, prepared for the Joseph Rowntree Foundation, suggest that care spending would need to rise by 315% in real terms between 2000 and 2051 to meet demographic pressures and rising costs, assuming that dependency rates, patterns of care and current funding arrangements remain unchanged.

For more details visit [www.jrf.org.uk](http://www.jrf.org.uk)

### MENTAL HEALTH SERVICES

In August, bids were sought from organisations for a share of £1 million of Government funding to help people with mental health conditions become self-employed, start a small business or social enterprise.

Health and enterprise organisations in England had the opportunity to become one of the eight to ten bodies to benefit from this latest tranche of Phoenix

Fund money, designed to help encourage social entrepreneurship as a means of tackling social exclusion.

The Phoenix Fund was established by the Secretary of State for Trade and Industry in 1999 to help promote enterprise in disadvantaged areas and groups under-represented in terms of business ownership. Some £145 million of Government money will be paid out through the fund by 2006.

Further information on the Phoenix Fund can be found on the Small Business Service (SBS) website at [www.sbs.gov.uk/phoenix](http://www.sbs.gov.uk/phoenix)

### NATIONAL MINIMUM WAGE

The national minimum wage increased from 1 October 2004 to £4.85 per hour. All employers will need to ensure that they are paying the new rates as a minimum to all eligible staff.

More details at [www.dti.gov.uk/er/nmw/index.htm](http://www.dti.gov.uk/er/nmw/index.htm)

### NICE

In September, the Department of Health consolidated and reissued the Directions relating to arrangements for the funding of NICE Guidance in view of the organisational and funding changes required by the NHS Reform and Health Care Professions Act 2002.

This replacement means no change to the policy that funding should be made available for the treatment of patients whose clinicians recommend treatments in line with NICE appraisals.

For more details visit [www.dh.gov.uk/PublicationsAndStatistics](http://www.dh.gov.uk/PublicationsAndStatistics)

### ORGAN TRANSPLANTS

More investment in publicity campaigns and hospital-based initiatives aimed at encouraging more people to join the NHS Organ Donor Register or agree to donation has led to the highest number of organ transplants ever recorded being carried out in 2003/04, according to a new report published in October.

UK Transplant spent £3.6m on raising the profile of organ donation with a view to increasing transplantation rates, resulting in 2,867 transplants

being carried out. This represents a 3% increase on the previous year.

*Saving Lives, Valuing Donors: One Year On* details the progress made by the Department of Health and UK Transplant in meeting the commitments published in *Saving Lives, Valuing Donors - A Transplant Framework for England* in July last year.

Copies of the report are available on [www.dh.gov.uk/publications](http://www.dh.gov.uk/publications)

### PAYMENT BY RESULTS

In July, the Department of Health published an analysis of responses received to the consultation document *Payment by Results Preparing for 2005*, major themes and key issues identified and replies to the questions raised by respondents.

The response is available at [www.dh.gov.uk/Consultations/ResponsesToConsultations/](http://www.dh.gov.uk/Consultations/ResponsesToConsultations/)

### PERSONAL INJURY COSTS

In September, the Health Minister published a consultation on the draft Regulations for the new, expanded NHS Injury Costs Recovery (ICR) scheme.

For the first time ever, the NHS will be able to recover costs from insurance companies for treating patients in all cases where personal injury compensation is paid. Hospitals are already able to recover the costs of treating people injured in road traffic accidents (RTA) where they have successfully claimed compensation for their injuries.

NHS costs are payable by the insurer that pays the compensation. Five years after the RTA scheme came into operation it is recovering around £105million per year for the NHS. It is expected that the expanded ICR scheme will recover an additional £150million per year once fully bedded in.

Copies of the consultation document "*The Recovery of NHS Costs in All Cases Involving Personal Injury Compensation: a Consultation on the Draft Regulations*", which will run from 24 September to 17 December 2004, can be found at the DH website [www.dh.gov.uk/Consultations/fs/en](http://www.dh.gov.uk/Consultations/fs/en)

### PHARMACY SERVICES

In August, the pharmaceutical services negotiating committee announced that it had agreed the DH funding offer of £1.766bn for the new pharmacy contract, which will see pharmacists reviewing and repeat – dispensing prescriptions. The committee hopes to ballot pharmacists on the deal before the end of the year.

For more details visit [www.psn.org.uk](http://www.psn.org.uk)

### PRIMARY CARE TRUSTS

Primary Care Trusts (PCTs) planning and commissioning must be closer to the needs of patients and health staff, according to a report from the Institute for Public Policy Research (ippr) published in August. The report says poor management and a lack of capacity in PCTs is undermining decentralisation and attempts to reshape and improve services.

However, ippr's research concludes that PCTs, which hold around £55 billion (80 per cent) of NHS funds in England, should not be scrapped. Instead, it argues that PCTs need to actively involve patients and health staff at every level of decision-making about local health services. The report also recommends recruitment aimed at attracting staff from the private as well as public sector. The report recommends:

- Involving staff at all levels - so they can bring their experience to decision-making about new ways of working and shaping services.
- Creativity in public involvement - instead of expecting the public to come to health services to discuss and offer opinions, PCTs should reach out to their local communities.
- Establishing recruitment schemes targeted at the public and private sector - to recognise contributions of both workforces to PCTs.
- Enhancing the role of information and communications technologies - through the development of a system of monitoring and evaluation to inform future practice and manage demand and risk.
- Extending primary care to include some services previously sited in secondary care - for example blood tests at your local GP surgery.

- Extending out-of-hours services - these should be targeted at avoiding unnecessary and inappropriate admissions.

For more details visit [www.ippr.org.uk/press](http://www.ippr.org.uk/press)

A letter confirming the announcement of an £108 million increase in funding was sent to PCTs in July. The letter describes how the money can be used and the allocations for each strategic health authority (SHA).

For details of the letter visit [www.dh.gov.uk/PublicationsAndStatistics](http://www.dh.gov.uk/PublicationsAndStatistics)

### PRIMARY MEDICAL SERVICES

Secretary of State (SoS) directions amending the Statement of Financial Entitlement were issued in September. The amendments cover seniority, quality and outcomes framework (QOF), golden hello and flexible career schemes, and certain related superannuation issues.

For details of the statement visit [www.dh.gov.uk/PublicationsAndStatistics](http://www.dh.gov.uk/PublicationsAndStatistics)

### PUBLIC FINANCE INITIATIVE

More change is needed to improve the process by which government chooses the Private Finance Initiative (PFI) according to a report published by the Institute for Public Policy Research (ippr) in September. The ippr report argues that there is still no level playing field between the PFI and conventional public sector procurement when deciding how to finance new public buildings.

ippr research shows that although the Government has listened and introduced a new selection process for choosing the PFI, there is still the potential for assessments to be biased against conventional procurement. Departments may choose the PFI to remove investment from their balance sheet rather than to secure value for money. ippr recommends the introduction of a single capital budget for the PFI and conventional investment. This would ensure that the only reason for choosing the PFI is to secure value for money.

The report follows on from the work done in ippr's Commission on Public Private Partnerships, which reported in 2001 and looks at accountability and

openness in PPP and the PFI and issues around the two-tier workforce. The new report recommends that

- PFI projects should be more open when asked to provide information. ippr research showed that the NHS was better at providing PFI information because it is mandated to do so and this mandatory provision should be extended across Government.
- Extending the workforce protection currently available to local government employees across the public sector. To ensure that new employees to an outsourced workforce receive "overall, no less favourable" terms and conditions than those transferred from the public sector. This offers a good balance between protecting the workforce and allowing flexible management. Ministers have made a specific commitment to this.

For more information visit [www.ippr.org.uk](http://www.ippr.org.uk)

### SUPPORTING PEOPLE

Partnership working with health and social services bodies is an important feature of supporting people.

Information about the future funding of the supporting people programme, which is sponsored by the Office of the Deputy Prime Minister and provides housing-related support to a wide range of vulnerable groups was published in September and is available at [www.dh.gov.uk](http://www.dh.gov.uk)

## SCOTLAND

### ACCIDENT AND EMERGENCY

In August, the Scottish Health Minister announced that preparations were almost complete for a systematic programme to eliminate unacceptable waits and announced £5 million for the Centre for Change and Innovation (CCI) to work with front-line staff over the next three years to tackle the causes and find solutions.

The CCI was established in November 2002 to support front-line staff in redesigning services to better serve patients across a number of areas. It has been tackling factors that can cause long accident and emergency waits for more than a year in its work on unscheduled care. The £5 million investment, which will come out of

existing CCI allocated funding, will support a systematic programme to take this forward over the next three years using the Collaborative model which is already proving very successful in general practice and some cancer services.

As well as increased investment in facilities and staff, the Executive is also putting £800,000 into new electronic information systems for use by accident and emergency departments which is due to be piloted in Grampian later this year.

For more information visit [www.scotland.gov.uk](http://www.scotland.gov.uk)

### CARE OF THE ELDERLY

In September, the Scottish Deputy Health Minister said that the first two years of free personal and nursing care have been one of 'devolution's major successes'.

Figures on uptake of the care and expenditure in the first nine months of the policy's introduction show that at June 2004 around 48,700 people were receiving free personal care, the majority in their own home.

The number of people receiving free personal care in a care home increased to 8,146 (by 15%) over the two-year period to June 30, 2004, and the number of those receiving free personal care in their own home increased by 74% to 40,531 over the same period.

Between July 1, 2002, and March 31, 2003, £42.1 million was spent on free personal care for those in a care home and £71.9 million was spent on providing free personal care for people living in their own home.

Expenditure on free nursing care for care home residents was £12.2 million.

For more details visit [www.scotland.gov.uk](http://www.scotland.gov.uk)

### DELAYED DISCHARGES

Additional funding from the Scottish Budget 2004 will be used to drive down levels of bed blocking by 20% each year until 2008, the Scottish Executive announced in September.

Total resources for local authorities to provide community care services will increase by £239 million by 2007-08, an increase of more than 15%

over 3 years. As well as money for reducing delayed discharge, £53 million will be provided to help meet the needs of Scotland's growing elderly population over the next three years.

However, the Deputy Health Minister also warned Local Authority and Health Board Partnerships that reductions in the number of people delayed too long in hospital beds must be sustained. Latest quarterly statistics show a 9.1% rise in the number of people waiting more than six weeks to be discharged at the July 2004 census.

There is a generally accepted period of six weeks after a patient has been assessed as clinically ready for discharge, to allow arrangements to be made for that patient's care after leaving hospital.

For more details visit [www.scotland.gov.uk](http://www.scotland.gov.uk)

### NHS IN SCOTLAND

In August, Audit Scotland published their first report on the overall performance of the NHS in Scotland.

The report says that much is being done to improve the NHS in Scotland and some important NHS targets are likely to be met, including the majority of waiting times targets and targets to reduce deaths from cancer, heart disease and strokes. However the Scottish Executive must do more to demonstrate that increased funding and new ways of working are actually benefiting patients

For more details visit [www.scotland.gov.uk](http://www.scotland.gov.uk)

### SPENDING REVIEW

The Scottish Executive's spending plans for the next three years were presented to the Scottish Parliament in September.

Over 2005-06, 2006-07 and 2007-08, more than £85 billion will be invested in Scotland to deliver:

- Investment in capital infrastructure increasing by almost 40% over the three years to more than £3 billion - outstripping the target of five per cent per year
- £650 million of annual efficiency savings by 2007-08 - exceeding the target of £500 million
- 30% increase in spending in further and higher education by 2007-08

- Average annual increase of 14% in the transport budget, allowing a start to be made on such public transport projects as rail links to Edinburgh and Glasgow airports, new rail routes, trams in Edinburgh as well as progress on completion of the central Scotland motorway network, and construction of the Aberdeen bypass
- Increasing Health spending by 8.5% per year, to reduce waiting times and to continue to invest in health promotion
- Funding in full the commitment to increase the number of teachers to 53,000, allowing us to deliver on our lower class sizes commitment
- Increasing spending on Justice by 7% each year, delivering record police numbers, modernised prison facilities and money to tackle reoffending;
- Spending an extra £100 million by 2007-08 on affordable housing
- Investing in the environment with new targets to extend recycling and resources to support a new Green Jobs Strategy

For more details visit [www.scotland.gov.uk](http://www.scotland.gov.uk)

## WELL – MAN CLINICS

The health of Scottish men received a further boost in September with the announcement of almost £800,000 to fund the piloting of more 'well man' clinics.

The investment will go towards partnerships in the Borders, Lanarkshire and the Western Isles and follows the distribution of £2.3 million to seven NHS Boards in June for similar projects. The funding will be distributed over two years.

For more details visit [www.scotland.gov.uk](http://www.scotland.gov.uk)

## WALES

### BUDGET

Children, the elderly and NHS patients in Wales are all set to benefit from record investment in the Welsh Assembly Government's three-year draft budget unveiled by the Welsh Finance Minister in October

The Minister said that the draft budget represents major investment in long-term success: investing in the talents of children and young people and a 40% increase in capital expenditure, changing and improving public services in future years.

This three year budget takes the Wanless agenda forward and includes:

- £800m programme of capital investment to modernise hospital facilities and equipment and reshape health and social care;
- an extra £685 million in the annual budget of the Local Health Boards and Trusts;
- an extra £45m for health promotion and health improvement programmes that encourage healthier lifestyles;
- an extra £50 million a year for improvements in social care – particularly to support elderly people in our communities.
- £119 million for a Crime Fighting Fund which includes £62 million to combat substance misuse;
- an extra £30m on housing programmes which support older people stay at home and annual expenditure on social housing to increase by £27 million;
- annual expenditure on community regeneration to increase by £26 million.

The draft budget can be found at [www.wales.gov.uk/themesbudgetandstrategic](http://www.wales.gov.uk/themesbudgetandstrategic)

### CHILDREN'S MENTAL HEALTH SERVICES

The Welsh Health Minister announced in September that an additional £500,000 would be used to provide more emergency beds for children and adolescent mental health services in Wales.

The funding for Health Commission Wales is part of £1.8million that has been allocated to improve mental health services, as part of our on-going response to the Wanless review into health and social care.

The Assembly Government's Child and Adolescent Mental Health Strategy, Everybody's Business, is a 10-year plan that was launched in September 2001.

For more details visit [www.wales.gov.uk](http://www.wales.gov.uk)

### DENTISTRY

In August, Dentistry in Wales received a significant boost when the Health Minister announced a 17% increase in dental training places in Wales and outlined how the extra £1.5million will be spent to improve dental services across the country.

For more details visit [www.wales.gov.uk/subihealth](http://www.wales.gov.uk/subihealth)

### HEALTH AND SOCIAL SERVICES

Greater integration of health and social services in Wales – one of the major policies of devolution - has failed to deliver better health for the population, according to a report by Nottingham University published in August.

Despite spending more per head on health services in Wales than in England, researchers reported that waiting lists for outpatient appointments had risen sharply between 1997-2002, compared to a general reduction in other parts of the UK.

Part of the blame for this poor performance is put down to the more difficult than envisaged integration of health and social care, the research suggests, and particularly the poor performance of social services departments – all 12 inspected between 2000-2002 were judged to be failing to serve most people well.

It also suggests these problems could be caused by giving more power to decision makers in local authorities and community health councils with the aim to shape services around a more preventative agenda, such as creating plans to tackle bed-blocking and post-hospital social care.

For more details visit [www.nottingham.ac.uk](http://www.nottingham.ac.uk)

## CIPFA Health Panel Membership

Kevin Orford	-	West Midlands StHA (Chairman)
David Allcock	-	North Warwickshire PCT
Julie Barnaby	-	NHS Modernisation Agency
Terry Brodie	-	CIPFA
Dipixa Bhundia	-	East Midlands Audit Services
David Clark	-	Tayside NHS Board
Caroline Clark	-	Homerton University Hospitals NHS Foundation Trust
Liz Cockcroft	-	Gwent Healthcare NHS Trust
Stephen Corbishley	-	National Audit Office
Mark Day	-	Yorkshire Wolds & Coast PCT
Colin Dunn	-	Tameside and Glossop Acute Services NHS Trust
Kate Harrison	-	RSM Robson Rhodes
Alison Hunt	-	West Yorkshire Workforce Development Confederation
Paul Kemp	-	Cams, Norfolk & Suffolk SHA
Mike Langley	-	Audit Commission
Sarah Melling	-	Scottish Executive
Ann-Marie Millar	-	Department of Health
Pauline Moore	-	Scottish Ambulance Service
Therese Paskell	-	West Yorkshire Ambulance Service
Don Richards	-	North West London Hospitals NHS Trust
Paul Simpson	-	Down and Lisburn Health and Social Services Trust
Peter Smith	-	Gateshead Health NHS Trust
Suzanne Tracey	-	East Somerset NHS Trust (Vice Chairman)
Hardev Virdee	-	South Birmingham PCT
Mick Waite	-	Audit Commission
Eifion Williams	-	Bro Morgannwg NHS Trust

### TERMS OF REFERENCE

CIPFA's Health Panel meets quarterly and is responsible for:

- monitoring developments in finance and policy issues relating to health
- formulating CIPFA's policy on health matters
- responding to Government, professional bodies' and other bodies' consultation/ discussion papers and exposure drafts
- developing, promoting and maintaining best practice, standards and guidelines on financial management issues affecting health
- producing and disseminating relevant advice and material for members and employers in health
- establishing positive and productive professional relationships with Government, government departments and agencies, the national audit bodies professional regulators, the Healthcare Financial Management Association and other bodies in the Health sector
- working with CIPFA's other Boards and Panels on matters of mutual interest.