

Executive summary

The three Lincolnshire Primary Care Trusts (PCTs) (East Lincolnshire Primary Care Trust, Lincolnshire South West teaching Primary Care Trust and West Lincolnshire Primary Care Trust), have launched a 12 week public consultation to gain people's views on proposals to change the way that we deliver some of the existing Lincolnshire NHS Community Services. The recommended proposals detailed in this consultation paper have been carefully considered to ensure that improvements in health outcomes are maximised with the least impact on services that patients receive.

Much has improved in the NHS over recent years – reduced waiting times, new and improved treatments and better hospitals, due in part to additional resources, but also to the dedication and professionalism of our staff. But there is still more to do if we are to address inequalities, reducing waiting times still further and increase patient choice.

The NHS locally and nationally has received record amounts of investment since 1997 with more investment in frontline clinical staff and services than ever before. This funding has been used to transform health services with waiting times falling for outpatient treatment, inpatient admissions and more investment in frontline clinical staff and services than ever before. Despite record levels of funding there are significant cost pressures within Lincolnshire. Arising in part from a growing population, changes in technology, availability of new and better treatments and increased staff costs.

These cost pressures have, in recent years, caused significant financial difficulties for the NHS in Lincolnshire. In the financial year ending 31 March 2005 the NHS in Lincolnshire overspent by £8.1 million (as a result of overspending at two of the six local NHS organisations: United Lincolnshire Hospitals NHS Trust and East Lincolnshire Primary Care Trust).

In the subsequent financial year (ending the 31 March 2006) the NHS in Lincolnshire developed a plan to achieve financial balance, focussed primarily upon reducing the costs related to acute hospital services. While progress was made in this area, overspending at the two organisations continued to rise. While the accounts for this financial year have yet to be finalised and audited, the latest forecast position for the NHS in Lincolnshire is an overspend of £23.6 million, again confined to United Lincolnshire Hospitals NHS Trust (£15.2 million) and East Lincolnshire Primary Care Trust (£8.4 million).

This situation is not sustainable. All NHS organisations have a statutory duty to live within the financial resources allocated by the government and without the necessary foundation of financial stability Lincolnshire's patient services will continue to be placed at risk and improvements in quality and access will be hampered.

In this context the three Lincolnshire Primary Care Trusts have a responsibility to ensure that all available action is taken to secure a stable financial position. Put simply this means repaying all of the overspending from the last two financial years (including interest charges this amounts to £19.6 million for United Lincolnshire Hospitals NHS Trust and £13.5 million for East Lincolnshire Primary Care Trust) and putting those organisations back in to financial balance on a day to day basis to avoid any further overspending.

To achieve this objective the three Primary Care Trusts intend to:

- a) Continue to develop effective community services that provide a clinically appropriate alternative to acute hospital admission. Lincolnshire has already made some progress in this area and further action will now be taken. This is fully consistent with the government's recent white paper relating to "out of hospital" services and the need to improve patient care by, wherever possible providing care within the patient's home or in a community setting, thereby ensuring that acute hospital care is there for all who need it. This consultation document makes reference to the new services current being developed in this regard;

- b) Work closely with United Lincolnshire Hospitals NHS Trust to ensure that the Trust develops in a way that is both affordable and provides high quality treatment to those who need acute hospital care. The proposals currently under development in this regard will shortly be separately published for full public consultation;
- c) Increase productivity and cost effectiveness wherever the cost of Lincolnshire's primary and community care services are higher than available good practice "benchmarks", where such a difference is not legitimately due to the specific nature of the Lincolnshire's population (i.e. the relative age and need of the population);
- d) Defer as far as possible new investment until 2007/2008 not related to a) b) and c) above. This will be achieved by holding performance against various targets (e.g. patient waiting times) at the current position until 31 March 2007, and seeking improvement after that time with the intention that all government targets will be achieved by 31 March 2008. In effect this in part enables the Primary Care Trusts to use new government funding to write off prior year overspending. Once this is done the funding is then available in future years to support improvements in patient services;
- e) Temporarily reducing expenditure in some primary and community services not directly linked to providing alternatives to acute hospital care. Again such temporary action will support the repayment of prior year overspending and is hence not required once the debt has been paid off. These proposals are set out in this document; and
- f) Permanently making better clinical use of the funds available to the NHS in Lincolnshire.

The financial impact of the proposals referred to in e) and f) above can be summarised as:

Area	£
Community nursing services	900,000
Minor surgery provided by GPs, hospitals and independent sector providers	90,000
John Coupland Hospital - Minor Injuries Unit	20,000
Podiatry services	60,000
Sexual health service - contraception clinics	270,000
Speech and language therapy services	340,000
Therapy services	400,000
Fluoridation of public water supplies	120,000
Low Priority Procedures List	900,000
Total	3,100,000

To put this in context, the proposed saving of £3.1 million amounts to some 0.4% of Lincolnshire's total NHS budget for the current financial year.

The primary purpose of primary care trusts is to improve the health of our population and reduce health inequalities. The primary care trusts also have a statutory duty to balance financially. It is therefore our duty, within a fixed budget, to maximise the overall benefit to health of our population. The action proposed in the Lincolnshire Local Delivery Plan for this year reflects proposals to get the local NHS back into financial balance, by establishing a sustainable health care system across Lincolnshire. This will be achieved primarily by streamlining administrative functions and improving financial management without compromising patient care. However there are a few areas where in order to achieve financial balance it is necessary to reduce or change service provision either on a permanent or short term basis. This document contains details of these proposed changes.

We want to hear your views on the proposed changes to Lincolnshire NHS Community Services, we want to listen to the issues you raise and we want you to be part of the final decision.

The three Lincolnshire Primary Care Trusts remain committed to establishing a sustainable healthcare system across Lincolnshire.



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