

21<sup>st</sup> February 2011

Lord Carter of Coles, Chair  
Co-operation and Competition Panel  
1 Horse Guards Road  
London  
SW1A 2HQ

Dear Lord Carter,

I would be grateful if you could take into consideration the following in relation to the transfer of community health services to Birmingham Community Health Care (BCHC) from the Birmingham Primary Care Trusts.

I am writing specifically in relation to the transfer of community health services in the Heart of Birmingham teaching Primary Care Trust (HOBtPCT) area for which I am the Chair of the Local Involvement Network (LINK) Action Group for this Trust. The concerns of our LINK group are predicated on the understanding we have acquired in relation to the competition element and the best value and quality of service the transfer will have. The area we cover which is approximately one third of the population of Birmingham has significant levels of social and economic inequality, diverse population and significant health inequality in comparison with other parts of the city and the country as a whole. The impact of transferring community health services to one provider in the south of the city and the as present problem of those services being provided from the premises of BCHC in that part of the city as a consequence of existing premises operated by HoBtPCT for its community health services not being transferred cannot be in the best interests of service users that will need to travel some distance from one side of the city to another and cannot make economic sense if BCHC has to purchase or rent premises in other locations of the city to provide services locally. The transfer of community services is not, in our opinion, in this case a way of promoting competition or cooperation within health service provision and specifically within the National Health Service (NHS).

As a consequence there is one provider of community health services in the City of Birmingham, providing services to a population of more than one million and the implication that BCHC will have a disproportionate ability to determine price and quality of service provision as it can prevent other providers, either from the NHS or private sector from being able to compete competitively in an equal market. HoBtPCT has presented a case for the creation of a city wide monopoly provider, which causes our group some confusion. In a presentation to the HoBtPCT board in September 2010 in relation to Transforming Community Services and their Corporate Assurance Programme, the PCT took guidance in relation to the proposed transfer of Community Sexual Health Services, within a managed transfer of those services, the PCT effectively then seeking as a provider to provide a substitute provider to take up the existing contracts of the commissioners led by Birmingham East and North PCT.

The guidance the PCT received from David Owen of Bevan Brittan LLP in relation to the concerns of Barry Henley, Non Executive Director. In relation to split the service between Heart of England NHS Foundation Trust and University Hospitals Birmingham the advice was, "...indeed such splits areas likely to be the case in health services, and particularly in the context of a system seeking to encourage competition and choice", "The lack of competition in some services is inevitable where the requirements of the service are such as to need a city wide provider". The decision was to split the services and thus not create a monopoly provider. In what we believe to have been a rapid and

'comfortable arrangement' between the PCTs the decision was made, without a consultation with a wider stakeholder group, such as the Birmingham LINK to transfer community health services to BCHC and to abandon the options and work that was originally undertaken individually by the PCTs to divest themselves of their provider arms. It may be understandable that the PCTs in the light of the change of government and the fundamental changes proposed under the as then, White Paper Equity and excellence: Liberating the NHS, may have sought to use the opportunity to short cut a protracted consideration of having to develop individual provider arms, with a consequence of creating a competitive market within community health services in Birmingham. The proposed staff reductions at BCHC will inevitably reduce the service delivery and potentially the quality of service delivered to community health service users in Birmingham and as a LINK we have not received assurances that, in this evolving world of health change with the end of Strategic Health Authorities and PCTs that service levels from BCHC will be maintained and that they will be adequately monitored in the interregnum before Monitor, with its increased powers can view the operations of BCHC. The structure of BCHC and its governance was set in place before the transfer of services and as such their governing body is not reflective of the pan Birmingham Stakeholder community and needs to be reviewed to ensure a greater presence of patient and public involvement groups in order to ensure that the best interests of the public and service users are put forward. The move to General Practitioner (GP) Consortia means that they have already been presented with only one community health service provider, in a monopolistic position from which to continue to commission services and the choice element to be able to use providers that may be able to reflect local needs for local GP consortia's patients cultural, religious and ethnic health associated needs, such as male circumcision services being provided within HoBtPCT but not BEN PCT.

We are thus asking that you recommend that the PCTs look again at their previously proposed alternative models, such as social enterprise and community interest companies as a way of creating three competitive community health providers within the city of Birmingham.

Yours faithfully,

Mr. Manjit Singh  
Chair - Heart of Birmingham Action Group  
Birmingham Link