Transforming Community Services

GUIDANCE AND ANALYSIS

This paper provides encouragement to all members to actively engage in divestment discussions at their PCT, an observance of recent developments including the suggestion of developing regional clusters and the search for interim arrangements alongside a rigorous analysis of the divesting options open to PCTs.

**Introduction;** This paper brings together newer developments we are hearing of, about how some dental services are responding to existing Transforming Community Services options and highlights some potential tactical issues for services to consider. It has been developed to assist Accredited Representatives and Managers. The full Transforming Community Services policy document is provided as appendix one.

Within the formal Transforming Community Services (TCS) programme itself, the BDA can still not recommend a ‘favoured’ solution for dental services within the provided options and there is no sign that one such solution will identify itself in the immediate future. We can provide, however, a more detailed analysis of the strengths and weaknesses of each of the potential structures divested services can be housed in, and this analysis can be found in appendix two.

**TCS newer developments;** The past two months have seen an increased level of activity by Primary Care Trusts (PCTs), with an increasing number of services pro-actively considering their future models of provision. Through our network of Accredited Representatives (ARs), Committee members and service managers, we have been made aware of four significant areas of development that, while not falling under the direct remit of TCS, do form part of the overall response from dental services and we believe should be drawn to your attention. These are: the merging of smaller services into larger geographical based units; the suggested establishment of regional clusters; the search for medium-term ‘interim’ solutions; and the potential for variations on the social enterprise model.

For the purpose of this briefing, we have also revisited the concept of social enterprise arrangements as they may now be seen in the context of early signs of the government’s preferred way forward, and we have included comment on the prospects for current NHS terms and conditions which we believe will also be helpful.

“Separating PCT commissioning from the provision of services remains a priority. This must be achieved by April 2011, even if this means transferring services to other organisations while sustainable medium-term arrangements are identified and secured. PCTs should therefore continue to develop and review proposals for the divestment of their directly-provided community services”

Although we have described various divestment models in appendix two, this analysis is provided on an assumption that services will be divested in a uniform and predictable way. The reality, however, is that divestment is more likely being conducted in the form of a composite from those options, based on local factors, and it is in these dynamic situations that ARs, Managers and members have the most scope to be involved in significant local discussions.

Outlined below are some of the most recent divestment themes we have witnessed either occurring or being significantly discussed.

- **Large Services Mergers**

  Services in some areas (for example North West, Yorkshire area, Midlands and London) are looking at options for joining with other dental services to form a larger geographical provider unit. In some cases, this is scheduled to be under the aegis of a Community Foundation Trust, where the critical mass is sufficient to do so, although some are also seeking a home in an Acute Trust and then seeking an “internal critical mass” to enable them to provide wider-reaching care. The benefits of such mergers are in terms of improving the critical mass, consistency of standards, larger workforce etc, and arguably some greater ‘protection’ as a result of the increased numbers of staff included, or larger numbers of patients covered. However, there are also issues for concern such as management levels and staff mobility, as well as simply the added difficulties of organising services across large areas. The actual effect on budgets for such services is not easy to predict, with questions as to whether larger services would attract current funding levels, or if such mergers would have inherent assumptions of cost savings made by PCTs, being unanswerable as yet.

- **Clusters**

  Based on preliminary feedback, the BDA has noticed a desire among some PCTs to separate dentistry from other provided services as there is not always a logical home for dentistry in proposed new patterns of provision. It is thought that dentistry, along with other similarly difficult-to-place services, may be able to group together to form a regional cluster, although we have no specific details yet on how such a cluster would be organised: for instance as a Community Foundation Trust or as a Social Enterprise. Such a clustering of services, while not necessarily having a clear clinical profile, could possibly provide the necessary critical mass to form a viable organisation. Further local analysis as to the services likely to be covered in such a cluster and the hosting of such does need to be undertaken by those considering such an option.

- **A safe haven? – Interim arrangements**

  We have received reports from many ARs and some managers that describe some proposals being presented as offering a ‘convenient’ or ‘easier’ option for now. Commonly, transferring to a mental health trust or some other arrangement, although not ideal, seems to offer a better (or perhaps least threatening) option for some services over the next few years or so.

  There is no assurance however, that any single option under TCS could be seen as a preferred ‘safe haven’ in this way, with no guarantees that interim arrangements would not become permanent, and, with the inherent problems of any arrangement,
then difficult to retract from. Despite this, while there is still so much uncertainty about
the direction the government may take with the NHS, and much concern about how
spending cuts could affect services, it may be that seeking an ‘interim’ way forward
makes good sense in some cases, especially where it forms part of a very short list
of realistic options for some services.

- **Possible variants on Social Enterprise models (CFT and APMS)**

  The latest update to the NHS Operational Plan (appendix three) includes a reference
to the possibility of staff-owned community services. There is currently no workable
definition of this model, although we expect further details to be made available in the
full NHS Operational Plan scheduled for publication in late July 2010. Early
references made to this hybrid model, however, suggest that it may have the
capacity to embrace both the independence of social enterprises and the ability to
offer NHS terms and conditions for both transferring and new employees. However,
as no published details of this model are yet available, the BDA cannot effectively
either sanction or critique this hybrid and thus must advise extreme caution in the first
instance to those who may consider the fleeting reference made to it now as the
portent of a realistic future option.

  We are also receiving reports from some Trusts that they are planning to contract as
a social enterprise under an Alternative Provider Medical Services (APMS) model.
This contracting model was established to enable independent providers, for
example Boots, to provide medical services to the NHS. While we are familiar with
this term, what is significant is the claim being made by PCTs that this would enable
existing staff to retain their NHS terms and conditions, including pensions, as well as
enabling the social enterprise to employ future staff on NHS terms, including
pensions. We are seeking further clarity on this model and until such is provided, we
must initially remain highly sceptical of the promise it offers for retaining full NHS
terms and conditions. We will however inform colleagues as soon as we have this
information.

**Embracing social enterprise arrangements;** As a basic position, we reiterate
the concerns about full adoption of social enterprise options we have established to date:
namely the likely lack of NHS terms and conditions for new starters, the loss of NHS status,
the potential fracturing of the cohesiveness of care for vulnerable patients and the
governance structures of such institutions. Where dental services do, however, see a clear
path to a social enterprise arrangement offering the safest local option for preserving
services/staff prospects, reasonable social enterprise options should not be rejected on
principle alone.

It is expected that, given the size of most dental services, they are more likely to form part of
a broader social enterprise company combined with other community services. However,
there is no reason why, if a service (or combined services) are either large enough or have
the full support of management and staff, could not, seek to form a purely dental social
enterprise.
**NHS Terms and Conditions;** The BDA is aware that there has been an increasing public debate surrounding the terms and conditions extended to NHS staff. While we remain committed to defending these terms and conditions, we are not aloof from the wider and longer term debate over their very nature. We do have a reasonably secure, self-contained and recently-agreed Salaried Primary Dental Care Service (SPDCS) contract governing pay and basic terms and conditions that affords some security against any dramatic changes in the shorter term. But, if the prevailing political will is that established NHS terms and conditions are to be weakened in order to deliver financial savings, there is little likelihood that the BDA would be able to prevent changes over time, and certainly not acting alone.

It should be borne in mind therefore, that making the protection of established NHS terms and conditions the sole criterion for the divestment choice now may not be a successful strategy in the longer term. At this point, however, we would advise that anticipating and subsequently seeking to mitigate against any severe reductions in terms and conditions should not be used as the main factor for strategic decisions on future direction.

**Conclusion;** TCS has been actively considered for the past year and the process has been subject to a significant amount of flux. However, there is an increasing need for services to consider their options as the process for determining what form services will take, and where they will be ‘located’ from the options available, reaches its conclusion. The Salaried Dentists Committee and the BDA Employment Relations and secretariat teams remain committed to advising as best they can across what is a wide-reaching and diverse set of options for our members.

Events continue to develop with, innovative and intuitive discussions emerging within SPDCS services as to how the core principles of the service can be retained and staff protected as best as is possible. To that end, SDC actively exhorts its core constituency to continue to take a pro-active role in discussing future developments. We would encourage all dental service managers and accredited representatives to engage with staff in order to facilitate realistic discussions on how to respond to proposals presented by PCTs or indeed to present PCTs with viable options.

We hope this briefing will be of some assistance to those discussions, and we will look to update our guidance as we are appraised of developments.

*BDA SDC Secretariat and Employment Relations Teams*

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