



SCOTTISH EXECUTIVE

Health Department Directorate of Human Resources

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Your ref:
Our ref:

25 February 2002

Dear Colleague

CONSULTATION: ABOLITION OF THE SCOTISH MEDICAL PRACTICES COMMITTEE

I attach a consultation paper on the proposal to abolish the Scottish Medical Practices Committee. As indicated at paragraph 25 of the paper, **views are sought by Friday 19 April** – by letter or e-mail to Jane Martin, Directorate of Human Resources, Floor 1 East Rear, St Andrew's House, Regent Road, Edinburgh, EH1 3DG (0131 244 1805) e-mail jane.martin2@scotland.gsi.gov.uk from whom further copies are available. **The consultation paper can also be accessed from the Scottish Executive website at : www.scotland.gsi.gov.uk/consultations/health/asmpc-00.asp.**

Yours sincerely

Jane Martin





ABOLITION OF THE SCOTTISH MEDICAL PRACTICES COMMITTEE

CONSULTATION



SCOTTISH EXECUTIVE

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ABOLITION OF THE SCOTTISH MEDICAL PRACTICES COMMITTEE CONSULTATION

Introduction

1. Following their review of Scottish public bodies last year Scottish Ministers concluded that the Scottish Medical Practices Committee (SMPC) should be abolished. This decision was consistent with and based on an existing commitment to empower local healthcare systems to take on comprehensive responsibilities for managing their primary health care resources. The outcome of the review was set out in *Public Bodies: Proposals for Change*, published by the Scottish Executive on 21 June 2001. The document is available on the Scottish Executive website at the following hyperlink: <http://www.scotland.gov.uk/library3/government/pbreview.pdf>. The review concluded that, following abolition, the functions of the Committee should transfer to Primary Care Trusts (PCTs)/Island NHS Boards.

2. This paper invites views on how the decision to abolish the SMPC should be implemented, and on the subsequent transfer of the SMPC's functions to PCTs/Island NHS Boards. This paper seeks views and returns by Friday 19 April 2002 as set out in paragraphs 7-10.

3. Abolition requires primary legislation - that is, provisions in an Act of the Scottish Parliament. It is proposed that the necessary provisions should be included in the Public Appointments and Public Bodies (Scotland) Bill which is to be introduced in the Parliament as soon as possible. This is the only available legislative vehicle in the near future for this purpose. Once enacted, the timing of the commencement of the provisions on abolition of the SMPC (ie the date on which abolition will actually take place) will be carefully planned with stakeholders to address any concerns and to ensure an orderly transfer of functions.

4. Annex A lists the interested parties to whom this paper has been circulated. Views are invited from those parties and from any others who may wish to comment. This paper can be found on the Scottish Executive website at the following hyperlink: www.scotland.gsi.gov.uk/consultations/health/asmc-00.asp or by contacting Jane Martin, Directorate of Human Resources, Scottish Executive Health Department, Floor 1 East Rear, St Andrew's House, Regent Road, Edinburgh, EH1 3DG (0131-244 1805) or e-mail: jane.martin2@scotland.gsi.gov.uk

Consultation

5. *Public Bodies: Proposals for Change* stated that the date on which abolition of the SMPC takes effect should be carefully planned with stakeholders in order to address their concerns around the changes. The Department began the consultation process last year by holding initial discussions with representatives of a number of PCTs; the Chairman of the SMPC; and Practitioner Services Division (PSD) of the Common Services Agency.

6. The discussion with PCT representatives confirmed the importance of giving PCTs/Island NHS Boards discretion in relation to the infrastructure which they should introduce locally. In discussion, the Chairman of the SMPC confirmed the Committee's willingness to work closely with PCTs/Island NHS Boards and others to ensure a smooth transfer of its functions. Discussions were held with PSD because, in support of the SMPC, PCTs/Island NHS Boards and the Scottish Executive Health Department, PSD carries out much of the administration work on the inducement payments scheme for remote practices. PSD stands ready to help to facilitate the transfer of functions and responsibilities on the inducement payment scheme currently undertaken by the SMPC to PCTs/Island NHS Boards.

7. This paper builds on the initial consultation described above. The views of those with an interest are a key part of the pre-legislative consultation process which is an essential part of the Executive's preparations for developing legislation. The timescale for responses has been set against the background (a) that there have already been initial discussions and (b) that the future of the SMPC was the subject of consultation last year during the review of public bodies. The Committee of the Parliament which is allocated the Public Appointments and Public Bodies (Scotland) Bill may decide to take further oral and written evidence.

8. Comments are sought on any issues relating to the abolition of the SMPC. Views are invited on:

- How the decision to abolish the SMPC should be implemented;
- The transfer of the generality of the SMPC's functions to PCTs/Island NHS Boards.

9. In addition, specifically this paper invites:

- Respondents to provide comments to assist with the forthcoming legislation as it is proposed that the provisions to abolish the SMPC should be included in the Public Appointments and Public Bodies (Scotland) Bill.
- PCTs/Island NHS Boards and other respondents to consider what measures PCTs/Island NHS Boards should adopt locally in order to carry out the functions which will transfer to them. Specifically, PCTs/Island NHS Boards should submit their initial plans on how they would propose to carry out these functions. In preparing these initial plans, PCTs/Island NHS Boards should consult the SMPC, PSD, their Area Medical Committee (AMC), including the local GP Sub-Committee of the AMC, the Local Health Council (LHC) and other bodies as appropriate locally. The plans should provide an overview of the arrangements which they would plan to introduce for the transfer of functions on the abolition of the SMPC. Once the initial plans have been drawn up, PCTs/Island NHS Boards should flesh out their proposals so that they are in place when the SMPC is in due course abolished.
- Respondents to consider what mechanisms need to be in place to undertake the SMPC's current functions on the issue of sale of goodwill certificates and on the hearing of appeals against decisions made by PCTs/Island NHS Boards;
- PSD and other respondents to consider the respective roles that PSD and PCTs/Island NHS Boards should play in future in relation to the inducement payments scheme;
- The SMPC to work with PCTs/Island NHS Boards and PSD to effect a smooth transition of functions to these bodies; and to outline in response to this paper how they would propose to do that;
- Other bodies, for example the Scottish General Practitioners Committee, to consider matters for their interest.

10. If you have views which you feel are not covered by the paper please do not hesitate to put them forward as all comments are welcome. Details of how to contact us and where to send your comments are given at the end of the paper.

Background

11. The SMPC is established under Section 3 of the National Health Service (Scotland) Act 1978 and operates under provisions in the National Health Service (General Medical Services) (Scotland) Regulations 1995, as amended. It also carries out administrative functions given to it by Scottish Ministers. The main functions of the SMPC are to:

Workforce planning and distribution functions

- Judge the adequacy of general medical services (GMS) in the area of a PCT/Island NHS Board. General medical services are the type of medical services usually provided by GPs. In carrying out this role, the SMPC considers annual – or more frequent – reports from PCTs/Island NHS Boards;
- Determine whether there is a need for an additional GP or GPs in any area; and determine whether vacancies which arise for GPs should be filled;
- Consider and determine applications by doctors to join the medical list for their area. The medical list comprises the GPs in the area of a PCT/Island NHS Board who have undertaken to provide GMS under the national contract negotiated with GP representatives;
- Carry out a range of functions in relation to the inducement payment scheme. The scheme tops up the remuneration of GPs working in the most remote and rural areas in order to maintain practice income at a reasonable level. The functions carried out by the SMPC include:

Advising on whether a practice should join or stay in the inducement payment scheme;

Approving inducement practitioners accounts and all expenditure on items of £1000 or more;

Statutory appeals to the SMPC

- Consider a range of appeals by GPs under the 1995 Regulations. These are:

Appeals against refusal by a PCT/Island NHS Board on a proposal to exchange practices;

Appeals against decisions by a PCT/Island NHS Board concerning the taking on of additional patients following the employment of an assistant;

Sale of goodwill

- Provide certification that sales of practices do not involve the sale of goodwill.

Public Bodies: Proposals for Change

12. During the review process leading up to the publication of *Public Bodies: Proposals for Change*, Ministers carefully considered the balance to be struck between securing the national overview provided by the SMPC and ensuring that local NHS systems take ownership of managing their resources for primary health care. In doing so, they took account of SMPC's view that it should continue to operate with its existing range of functions. However, as indicated above, they concluded on the balance of the argument that the SMPC should be abolished. *Public Bodies: Proposals for Change* states that:

'Under statute, the SMPC acts to ensure that "the number of medical practitioners undertaking to provide general medical services in the areas of different Health Boards is adequate". In doing so, it – and not the Island Health Boards or Primary Care Trusts – determines whether vacancies for general medical practitioners (GPs) should be filled. Over many years, the members of the Committee have carried out their role diligently, professionally and with success. However, the regime which they operate does not fit with plans to make local NHS systems responsible for managing all the resources for primary health care, including provision for GPs. Accordingly, the Committee should be abolished.'

Discussion

Workforce planning and distribution functions

13. PCTs/Island NHS Boards hold and administer the medical list for their area. As indicated above, the medical list comprises those GPs who have undertaken to provide general medical services in the area of the PCT/Island NHS Board concerned. However, because by statute it is for the SMPC to decide whether there is a need for an additional doctor in any area, or that a vacancy should be filled, PCTs/Island NHS Boards are unable to take final decisions on the numbers and distribution of GPs in their area. The SMPC's role also goes beyond whether vacancies should be filled to include (for example) whether GPs should be allowed to extend their hours or take on a new partner. The nature of this process is reactive rather than proactive. As a national organisation, there are logistical obstacles to the SMPC ensuring that effective and speedy steps are taken locally – for example, to increase provision in specific areas within the area of a PCT/Island NHS Board.

14. The role of the SMPC significantly limits the freedom of PCTs/Island NHS Boards to manage health care provision in their area. This is contrary to the general premise that local health care systems should be responsible for all aspects of health care provision locally and it constrains their ability to configure services according to local priorities and needs. As set out in *Our National Health – a plan for action, a plan for change*, coherent, robust plans should be developed locally for the future configuration of services which address the current and future needs of the local population. Thus the statutory role performed by the SMPC inhibits local health care systems from developing the required single Local Health Plan to address the health improvement, health inequalities and healthcare needs of their local population.

15. As indicated above, the focus of the SMPC is on general medical services. This relatively narrow focus is no longer appropriate given the importance of looking at the patient journey as a whole. Provision should be planned in a wider context than general medical services on their own. This wider context should include primary care, the interface between primary and secondary care and the provision of health care services as close to the patient as possible.

16. Essentially the Committee is to be abolished because the current system limits the freedom of local health care systems to manage the primary care workforce in an integrated

way. At the same time, we envisage the retention of a regional and national focus on GP workforce planning and distribution through linkage with the work of the new workforce development structure referred to at paragraph 19.

17. As the intention is to transfer the functions of the SMPC to PCTs/Island NHS Boards so that they can make decisions on all aspects of health care provision in an integrated way and in light of local circumstances, the way forward should also as far as possible be developed locally.

18. This paper invites PCTs/Island NHS Boards to consider what measures they should adopt locally in order to carry out the functions that will transfer to them. In so doing they should consult the SMPC, PSD, their AMC, the GP Sub-Committee of the AMC, the LHC and other bodies as appropriate locally. It will be necessary for PCTs/Island NHS Boards to consider the infrastructure changes that they will require to make in order to carry out the workforce planning and distribution functions currently operated by the SMPC. In doing so, they should bear in mind that the SMPC will not be abolished until 2003 at the earliest to ensure that there is adequate time to put the replacement regime in place.

19. PCTs/Island NHS Boards should link their consideration of the way forward to the Department's response to *Planning Together*, the report of the Scottish Integrated Workforce Planning Group. That document is available on the Scottish Executive website at the following hyperlink: http://www.scotland.gov.uk/library3/health/ptfr_00.asp. The response was issued to the service on 31 January 2002 under cover of a letter from the Department's Director of Human Resources. *Planning Together* provides a conceptual framework and a practical approach with which to build an effective workforce planning function for Scotland. The Department's response builds on the report and proposes an infrastructure at Board, regional and national level which embraces a wide workforce development function, including the production of robust workforce planning strategies to cover individual NHS Boards, regions and the whole country.

Statutory appeals to the SMPC

20. In determining appeals against decisions made by PCTs/Island NHS Boards, the Committee acts as an independent statutory body. It is arguable that a formal appeal mechanism of this nature is redundant in a context where PCTs/Island NHS Boards have a general responsibility and accountability to ensure that services provided are appropriate to local circumstances. If respondents consider that there should still be an appeal mechanism, we would welcome views on how it should operate. One possibility might be to transfer the function to the Common Services Agency to secure independence from the decisions of PCTs/Island NHS Boards.

Sale of goodwill

21. When carrying out its duty in considering the sale of goodwill, the SMPC again acts as an independent statutory body. It examines the proposed sale of a medical practice to ensure that the transaction does not include the sale of the goodwill of the practice, which is prohibited by law. Once the Committee is satisfied that the transaction does not involve the sale of the goodwill of the medical practice (or a share of that goodwill where the transaction involves the sale of part of a partnership), a sale of goodwill certificate is issued.

22. We would welcome views on where responsibility for certificates on the sale of goodwill should sit in future. The most straightforward option would be to transfer the function to PCTs/Island NHS Boards along with the generality of the functions of the SMPC. A variation of this option would be to transfer the function to PCTs/Island NHS Boards with the requirement that they exercise the function in consultation with their AMC. A further possibility would be to transfer the function to the Common Services Agency to secure independence from PCTs/Island NHS Boards.

Financial Management Implications

23. The abolition of the SMPC links directly to plans to make PCTs/Island NHS Boards responsible for managing all the financial resources for primary health care, including provision for GPs. Currently, the money used to pay GPs their remuneration as independent contractors is not cash limited at local level. The Health Financial Regime Review Group (which includes representatives from NHSScotland) has been asked to consider and to make recommendations on the implications of including, to a timetable to be decided, all

GMS funding in the unified budget. Bringing together all general medical services resources at a local level is a key element in making PCTs/Island NHS Boards responsible for managing the provision and resourcing of health care in their area.

Timing of Abolition

24. As indicated in the Introduction, it is intended to introduce the Public Appointments and Public Bodies (Scotland) Bill in Parliament as soon as possible, with the aim of completing its passage through the Parliament in early 2003. The date subsequently at which the provisions on the abolition of the SMPC will be commenced (and therefore the date from which the SMPC will be abolished) is not fixed in advance and will be carefully planned with stakeholders. This is in order to address any concerns which stakeholders may have and to ensure an orderly transfer of functions. Once the legislation is enacted, the changes will be introduced only after full consideration and taking all factors into account.

Conclusion

25. We invite individuals and organisations to submit views and returns by Friday 19 April 2002.

26. Copies of responses will be made available in the Scottish Executive library. We will assume that responses to this paper may be made publicly available unless respondents request confidentiality.

27. Responses should be sent to Jane Martin, Directorate of Human Resources, Scottish Executive Health Department, Floor 1 East Rear, St Andrew's House, Regent Road, Edinburgh, EH1 3DG (0131-244 1805) or e-mail: jane.martin2@scotland.gsi.gov.uk from whom further copies are available.

Directorate of Human Resources
Scottish Executive Health Department
February 2002

Annex A

Academy of Royal Colleges and Faculties in Scotland
Action of Churches Together in Scotland
British Association of Occupational Therapists
British Dental Association
British Dietetics Association
British Medical Association
British Paediatric Nurses Association
CDNA
Chartered Institute of Physiotherapists
Chartered Society of Physiotherapy
Common Services Agency
Community and District Nurses Association
Community Practitioners and Health Visitors Association
Clinical Standards Board for Scotland
Department of Health
DHSSPSI
Faculty of Advocates
Fraud Investigation Unit
General Medical Council
GMB
Health Councils
Health Education Board for Scotland
Health Service Commissioner for Scotland
Health Technology Board for Scotland
Health Visiting
Local Authorities
Lothian Occupational Health Service
MSF
National Assembly for Wales
National Association of Non Principals
National Board for Nursing, Midwifery and Health Visiting for Scotland
National Health Service Scotland Boards
Post Graduate Deans
Primary Care Trusts
Public Health Institute for Scotland
Royal College of General Practitioners
Royal College of Midwives
Royal College of Nursing
Royal College of Speech and Language Therapy
Royal College of Surgeons of Edinburgh
Royal Pharmaceutical Society of Great Britain
Royal Pharmaceutical Society of Scotland
Scottish Ambulance Service
Scottish Association of Health Councils
Scottish Committee of the Council on Tribunals
Scottish Conservative and Unionist Party
Scottish Consumer Council
Scottish Council for Postgraduate Medical and Dental Education
Scottish Council for Voluntary Organisations
Scottish Health Advisory Service
Scottish Health Visitors Association
Scottish General Practitioners Committee
Scottish Green Party

Scottish Labour Party
Scottish Liberal Democrat Party
Scottish Medical Practices Committee
Scottish National Party
Scottish NHS Chairman's Group
Scottish NHS Federation
Scottish Personnel Group
Scottish Practice Nurses Association
Scottish Public Pensions Agency
Scottish Socialist Party
Society of Chiropodists and Podiatrists
Society of Radiographers
State Hospitals Board for Scotland
STUC
The Patients Association
UNISON
Woman's National Commission