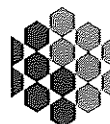


FROM THE MINISTER FOR HEALTH,
SOCIAL SERVICES AND PUBLIC SAFETY
Edwin Poots MLA



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FROM: Edwin Poots
Minister of Health, Social Services and Public Safety

DATE: 14 May 2012

TO: EXECUTIVE COLLEAGUES

**PROPOSED STATEMENT TO THE ASSEMBLY: HEALTH AND SOCIAL CARE
SHARED SERVICES**

I am writing to advise Executive Colleagues that I propose to make a statement to the Assembly on Monday 14 May on Health and Social Care Shared Services.

A copy of the statement is attached.

Edwin Poots MLA
Minister for Health Social Services and Public Safety

ORAL STATEMENT TO THE ASSEMBLY BY HEALTH MINISTER EDWIN POOTS – MONDAY 14TH MAY 2012 - HEALTH AND SOCIAL CARE SHARED SERVICES

With your permission, Mr Speaker, I wish to make a statement about the location of ‘centres of expertise’ for shared corporate services in health and social care.

On 7 December I issued for public consultation a document entitled *Consultation on the Model of Shared Services for Implementation in Health and Social Care in Northern Ireland*. The proposals it contained were designed to increase value for money in the health and social care budget, with the money saved being taken out of administration and put into front line treatment and care. The proposals covered the location of a range of support services such as payroll, finance and recruitment and selection.

The consultation ended on 29 February. Since then, I have been considering the responses received, I have held discussions with MLAs and trade union representatives, and my officials have briefed the Health, Social Services & Public Safety Committee. I come here today to announce my decisions.

First, I remain convinced that we need to do all we can to reduce administration costs in health and social care. The new financial and HR systems being implemented across the HSC are broadly welcomed by trade unions and staff and will provide the up to date technology needed to increase our administrative efficiency. While there is not the same consensus on the proposed model of shared corporate services, I also am of the view that the model, provided from ‘centres of expertise’, is sound and that the reasoning behind the proposed locations of those centres remains valid. Accordingly, I have decided that the locations of the four shared service offices are as follows:

- The payroll function will be administered from College Street in Belfast;
- Payment transactions will be undertaken from the Braid Valley Hospital site in Ballymena;
- Income transactions will be located in Omagh, at the Tyrone & Fermanagh Hospital site; and
- Armagh will be the centre for the recruitment & selection function.

This new model along with the implementation of the new systems will support a consistently high standard of modern corporate services. But, more importantly, systems implementation and shared services together will generate savings of almost £120million over a 10 year period, with annual savings rising to £17million per annum. It is vital for the welfare of patients that we free up that money, as it will be redeployed to the front line of health and social care.

So far in this statement I have confirmed the proposals published in the consultation document in December. However, there was a significant response to the consultation and

many views were expressed about the impact on staff who are currently based at sites which were not proposed as a centre of expertise.

The staff most affected are concentrated in Downpatrick and Londonderry, and many are women in the lower pay bandings, often working part-time and with family or other caring commitments. While each person has the right to 'follow their job' to one of the new centres of expertise, distance may rule that out as an option for some staff. Equally, the low turnover rates currently experienced in the HSC means that staff cannot be guaranteed that a vacant post will become available with their existing employer in their current location. I expect HSC staff to be treated with consideration and respect, in addition to the obligations under Section 75 of the Northern Ireland Act 1998. I have therefore decided to make two key changes to the original proposals.

Firstly, I have decided, as part of the transition to the four shared service centres of expertise, to create a temporary 'accounts payable satellite office' of 25-30 staff in Downpatrick and a temporary 'recruitment & selection satellite office' with around 15 staff in Londonderry. I believe that these arrangements, which would last for a maximum of two years, will considerably reduce the displacement difficulties for the affected staff and will provide additional time for employees and employers to come to a mutually acceptable arrangement, as far as possible taking into account the personal circumstances of staff.

Secondly, I now intend that the transition of support services to the new centres of expertise should begin slightly later than previously scheduled, starting in March 2013 rather than the later part of 2012. This brings a two-fold advantage: it means that priority can be given to the implementation of the new systems which was requested by many consultees, and it will also give us slightly longer to manage the staffing implications and allow the personal circumstances of staff to be as fully catered for as possible.

The detailed thinking behind these changes is set out in my Department's formal response to the public consultation which, together with the updated EQIA, is to be published later today on the departmental website.

This subject is a complex one and – as my postbag can testify – one of some controversy. I trust that the response I have outlined to the consultation will go a long way towards allaying the concerns expressed. Members of this House have frequently pressed for administration costs to be reduced in health and social care, and I am committed to ensuring that patients and other service users will ultimately benefit from the move to shared service centres in health and social care.