

McKenzie & McLean

**All the political signposts point to real 'hard-cash' budgets are set to return.
What do you need to do to get ready?**

Scott McKenzie and Gerry McLean, two leading management consultants with years of experience, specialising in Practice Based Commissioning, recently ran a work-shop summit looking at what GP's and primary care managers needed to do before the return of hard budgets and the development of commissioning.

Here is their action-check-list.....

1. Doctors and other clinical professional must be free to focus on patients; administration arrangements should be designed to facilitate this.
2. The administration associated with this work needs to be managed within an agreed framework. Spend time to develop it and get agreement on what it is and where the boundaries are.
3. Governance arrangements must make it clear where the responsibility for managing that budget lies. Ensure regular reporting and transparency.
4. Any new organisation must be based on a legal framework. Get agreement on what it is. There are a variety of models they must be fully explained and their implications understood.
5. Work to ensure members of the organisation feel a sense of ownership. Listen, take views on board and look for good ideas.
6. More skills will be required to handle real cash budgets; ensure transitional arrangements include a "management allowance" to fund an operational budget. Cash budgets will run to £m's, get skilled and qualified help.
7. Data collection and information management must form the basis of financial planning. Work to collect 'clean' accurate, real-time data and publish it, regularly.
8. Back-office functions should be centralised to save operating costs and performance data should be compared and benchmarked. Consider, carefully, the impact of staffing levels.

9. Business planning and strategic functions would be centralised. Ensure key stake holders have an input and recognise planning is a skill.
10. Arrangements should be inclusive, open and able to accommodate smaller or single handed practices and 'late joiners'.

These points are a work in progress and will be subject to more summit workshops. If you would like to take part contact.....

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But, say the opponents, introduction of private providers necessarily introduce extra layers of bureaucracy with monitoring that the NHS doesn't need and the profits from contracts go to shareholders rather than being ploughed back into the service or distributed to staff. Not so say the private option supporters. If the service is better, more comprehensive and cheaper, does it matter how the money is distributed and, if monitoring is more wide-ranging in the private sector perhaps it should be more so in the NHS.

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The arguments are finely balanced but, regrettably, the NHS is a ponderous beast that is getting ever more expensive to feed and a new Government of whatever colour will need to find ways to save money.

Work harder or longer, yes, but NHS bureaucracy makes change very difficult.

New contracts with private sector providers are easy to set up and make clear demands without the problems (for the NHS) of staff conditions and pensions.

This battle royal is set to continue and should prove a considerable challenge for whoever is in Richmond House after May.