

Report to: Cabinet

Date: 6th November 2017

Report of: John Daly, Director of People

Report No:

Contact Officer: John Daly

Tele No:

Report Title: **Creating a Single Strategic Commissioning Function in Bolton**

**Confidential /
Non Confidential:**

(**Non-Confidential**) This report does **not** contain information which warrants its consideration in the absence of the press or members of the public

Purpose:

To seek the approval of Cabinet to proposals to create a single strategic health and social care commissioning function in Bolton

Recommendations:

Members of the Cabinet are recommended to:

- Note the ambition and proposals for the development of the Single Commissioning Function
- Approve the use the programme approach set out in the paper
- Receive back a further set of papers which will describe the project plans and timescales
- Agree to prioritisation of staff time to focus on the work and support the process
- Agree that the scope of commissioning integration for Council services will include all elements of adult services which the Council is legally able to undertake under joint arrangements with an NHS body.
- Agree a fully integrated approach to budget setting and joint decision making in prioritisation of adult services budgets.

Decision:

--

Background Doc(s):

<p>Taking Charge of our Health and Social Care in Greater Manchester https://www.greatermanchester-ca.gov.uk/downloads/file/125/taking_charge_of_our_health_and_social_care_in_greater_manchester</p> <p>Bolton's 5 Year Plan for Reform (Locality Plan) http://www.boltonccg.nhs.uk/media/3027/bolton-locality-plan.pdf</p>

(for use on Exec Rep)

Signed:

Leader / Executive Member

Monitoring Officer

Date:

Summary

This report sets out proposals for the creation of a single strategic commissioning function in Bolton. The report proposes bringing together Health and Social Care Strategic Commissioning in order to create a pooled budget which will maximise the benefits of the Bolton £ for Bolton People.

The proposals are intended to ensure that the CCG Board Members and Elected Members remain in control of commissioning in Bolton, providing leadership and oversight to integrated commissioning in Bolton. The single commissioning function will operate as a part of the larger Greater Manchester system and will ensure and reinforce Bolton's ability to innovate using the power of local knowledge delivered by our CCG Board Members and Elected Members who are, and will, remain accountable for health and care services delivered in Bolton.

The proposals seek to create a single commissioning function which will be focussed on moving away from expenditure on hospital and residential care services and moving towards increasing investment in prevention and early intervention services.

The single commissioning function will ensure improved effectiveness in system leadership, population understanding, system performance, structural redesign and repositioning of whole pathways or major services.

The proposal seeks the approval of Cabinet to the integration of commissioning for all the Council's Adult Services.

1. Context for Integrated Commissioning

- 1.1 Developing a strong reform programme for improving the health and social care system for Bolton underpins both Bolton and GM's strategic intent. This was clearly set out through the GM 5 year plan 'Taking Charge of our Health and Social Care' and the Bolton Locality plan.
- 1.2 Bolton continues to experience significant inequality both in Life Expectancy and Healthy Life Expectancy both against the national picture and within the borough. The Bolton Locality Plan sets the clear intention for more integrated care delivery to improve health outcomes, reduce gaps in care and improve people's experience of care within available resources.
- 1.3 CCGs and Health and Wellbeing Boards have specific duties to promote integration under the Health and Social Care Act 2012 and the Care Act 2014. It continues to be Government policy to integrate by 2020 both commissioning and service provision where it can be demonstrated that there is a benefit to doing so.
- 1.4 The Council and CCG through the GM Health & Social Care Partnership Board have agreed this should include an integrated approach to the way we commission key services, both at GM and in individual localities.
- 1.5 The GM Commissioning for Reform report in May 2017 sets out three broad areas that would underpin this work:
 - Designing a truly place-based approach to public service reform, with investment led commissioning at its heart.
 - Defining the support provided by the services commissioned at a GM spatial level; and
 - Designing a framework for responsive and effective commissioning support services in the context of the new commissioning landscape.
- 1.6 The GM Commissioning Review which was commissioned from Deloitte sets out plans to develop integrated commissioning on an all age basis at a GM and locality based level. The review drew a clear distinction between two types of commissioning:
 - **Strategic commissioning** – which is about system leadership, population understanding, system performance, structural redesign and repositioning of whole pathways or major services

- **Tactical commissioning** – which will in the future be largely provider led, procurement and sub-contracting, management of provider chains against specification and performance criteria, and has a clear connection with our emerging locality/neighbourhood approach

1.7 The Review sets out twelve key actions, (see appendix 1) four of which are to be delivered in localities. The four core elements to the locality place-based approach to investment led commissioning were agreed by Leaders earlier in the year, via the H&SC Strategic Partnership Board and are outlined below.

- Local Authorities and Clinical Commissioning Groups must come together to form a single, small and strong Strategic Commissioning Function (SCF) with a breadth of responsibilities. This will be the vehicle for strategic commissioning activity
- The SCF must support the Local Care Organisation (LCO) to strengthen its existing Neighbourhood Leadership Systems to include clinical and political leadership, personalised care, asset-based community development, and citizen and community engagement
- The SCF must deliver a significant pooled budget across health, social care and wider public services, enabled by a risk-sharing agreement.
- The SCF must adopt an investment-led approach to commissioning and decommissioning, and support the move away from hospital and residential care services to investment in prevention and early intervention.

1.8 It is expected that these arrangements will be implemented over the next 1-2 years and will be fully implemented by 2020. Decisions required in relation to how these arrangements will be delivered will be made at the locality level.

2. Bolton's Integrated Commissioning Journey

2.1 Bolton Council and NHS Bolton Clinical Commissioning Group have a positive history of working in partnership to improve the services provided to the residents of our borough and patients registered with our GPs. We have coterminous boundaries which enables us to work together to deliver high quality services at a place based level.

2.2 Bolton has made some progress towards formal integrated commissioning and while it may not have gone as far as some areas, its plans are at a similar stage to 50% of Greater Manchester Boroughs.

2.3 Since the introduction of the Better Care Fund in 2015, Bolton Council and Bolton CCG have operated a pooled budget of £31M under Section 75

arrangements covering a defined range of services. With increases in the BCF in 2016/17 and the introduction of the iBCF this year, this has grown to £42M.

- 2.4 The pool is managed by a commissioning partnership board which comprises senior officers from the CCG and the Council and is jointly chaired by the CCG GP Chair and the Executive Member for health and social care.
- 2.5 Within the pool are a number of services which it is our intention to operate in a more integrated manner, such as the Integrated Neighbourhood Teams and Intermediate Tier, enabled by the shared commissioning arrangements which have also benefited our Integrated Community Disability Services and the Integrated Community Equipment and Stores provision. Despite joint decision making for these service areas, it is recognised that truly integrated services will only be delivered with a more
- 2.6 Some initial work to review commissioning structures and roles has already established some constructive joint working across the council and CCG on a broader range of services beyond those within the pool.
- 2.7 Monthly strategy and planning groups have been held for over 6 months for each service area, chaired by a senior Council or CCG representative, with a commissioning section of each meeting and informal links outside of these meetings enabling planning and delivery of service commissioning to meet the outcomes set within the Bolton Locality Plan as well as national targets and statutory functions and duties.

Examples of successful joint work delivered to date include:

- a new CAMHS service specification (which is out to tender currently) which includes all elements of prevention, emotional wellbeing promotion, a focus on the most vulnerable children and young people in the borough and a very strong alignment with schools
 - design and delivery of a new Discharge to Assess model for Bolton hospital
 - agreed use of i-BCF monies to support the wider system – with a specific focus on urgent care
 - collaborative commissioning of the “shared lives” scheme
- 2.8 Some Greater Manchester districts have moved rapidly to progress their integrated commissioning arrangements however Bolton is well regarded for innovative commissioning. Examples of this include:
 - Commissioning of homecare based on quality delivering one of the most responsive and robust home care markets in GM

- The Care Homes excellence programme, delivering some of the best quality rated services in GM
- Bolton Quality Contract (20 standards in General Practice) delivering extra appointments, improved care standards and some of the best CQC quality rated Primary Care services in GM
- Aligned Incentives rather than Payment by Results contract for Bolton FT.

2.9 It is important that plans to integrate commissioning and to operate as a part of the larger Greater Manchester system continue to protect our locality's ability to innovate using the power of local knowledge delivered by our CCG Board Members and Elected Members who are and will remain accountable for health and care services delivered in Bolton

3.1 Local discussions are still at an early stage and so far have focussed on scoping the scale of this opportunity. This paper sets out the management arrangements for the work to underpin the development of our shared commissioning arrangements.

3. Benefits of a single commissioning system in Bolton

3.2 To deliver service transformation and Bolton's Locality Plan, the strengthened system governance and the integrated provision in our locality requires a strong and well-co-ordinated commissioning system which can commission all health, social care and public health for Bolton.

3.3 Early thinking on this matter suggests single commissioning systems would provide a range of benefits, namely:

- **A single commissioning voice:** given the changes to the provider arrangements across Greater Manchester, commissioners need to work effectively together to create a clear strategic direction. We need to reduce duplication of effort and improve communication through a single commissioning voice and have better engagement together with our public on commissioning issues so that together we are better able to face the forthcoming challenges of demographic growth in the ongoing context of austerity
- **Co-ordinated and proactive care:** is essential to achieving population health improvements and to meet the needs of an ageing population with increasing frailty and co-morbidity. Integrated provision is dependent upon integrated commissioning and a unified investment strategy.
- **A more strategic role:** is needed to ensure we can lead the scale of change required and have a new relationship with providers. Through working together, there will be a stronger connection to and influence on strategy relating to the wider determinants of health such as housing,

education and employment. Together the CCG and council are more able to influence GM.

- **Optimising our assets:** will bring together the finance, people and other resources to create a more efficient and effective means of commissioning. It will also create wider networks to organisations and groups who can support our work.
- **Quality:** improving the safety, experience and outcomes for our population in a joined up approach to quality, recognising quality improvement cannot be delivered in isolation; patient journeys involve elements of social, primary, secondary and specialist healthcare and large sections of our population rely on health and social care services working together.
- **Continuing to realise the benefits of both elected member and clinical engagement:** Local knowledge from CCG Board Members and the clinical leads coupled with a strong local voice from Elected Members has proved powerful in joint commissioning discussions and decisions regarding the ongoing improvement of our health and social care services. We must protect this and continue to build on the successes we have already delivered.

4. Developing our Strategic Commissioning Function (SCF)

- 4.1 **Principles:** Whilst Bolton can benefit from Devolution, we must remember that the legal context within which we operate is not changing and accountability for the provision and quality of health and social care services remains with local systems; CCG Board Members and the Executive Members.

Some early principles for integrated commissioning would include:

- that the proposals must be acceptable to the members of the council and the membership of the CCG
- that we will prioritise best use of Bolton resources (the Bolton £) and share risks as equal partners

Any commissioning shared with or delegated to the Greater Manchester Health & Social Care Partnership must be fully transparent to and agreed by the Members of the CCG Board and Executive Members of the Council and where applicable supported by trade union engagement.

Cross sector trade union engagement: a joint local government and health locality forum has been established with the trade unions to aid information sharing, communication and proactive engagement in supporting the workforce through the integration changes.

4.2 **Change Management:** We will collectively seek to manage this work as a *large scale change* project, which requires:

- Strong governance to manage the processes for delivering the SCF
- Shared accountability for both CCG and Council
- Shared leadership – from senior officers in both CCG and Council
- Strong structure, process and performance management
- Senior and member buy in across the organisations to both the outcome and the process
- A recognition of the breadth of the changes this might require
- A clear transformation narrative that will help people understand what and why we are doing

4.3 **Workstreams** for the creation of the strategic commissioning function have been agreed as:

Workstream	Areas of focus
1. Commissioning functions	Define the strategic and tactical commissioning functions undertaken within each organisation. Prioritise the commissioning areas to be integrated, and timescales, the enabling support functions and people involved.
2. Governance / legal	Review of options for redesigning existing commissioning governance to meet new requirements Clear approach to managing the statutory requirements of the existing organisations and specific key roles
3. Finance	Review of options for financial arrangements to support integrated commissioning, to include arrangements for budget setting and prioritisation, pooling and risk sharing
4. Human Resources and other enablers	Ensure that human resources, IT and other enablers of change are attended to.
5. Transformation narrative / Rationale	Creating a clear justification for moving to work in this way, one which sets out the potential improvements it can enable in terms of outcomes for local people and efficient use of resources

4.4 **Project Management:** A strong project management approach will be established to underpin this work as follows:

- Each workstream above to be managed by Director or AD level SRO from the Council and CCG

- Each work area will undertake an Initial task to scope their work and develop key milestones and deliverables
- Executive level Project Board to be set up
- This project board will have Chief Officer leads from Council and Exec leads from the CCG along with at least one SRO from each work stream and GP and Executive / Lead Member representation
- The project board will meet every 4-6 weeks with a focus on ensuring the work moves at pace and that interdependencies between work streams are managed
- Regular update reports on the overall project be regularly tabled at Executive Member briefings and CCG Executive
- By taking this project forward, and starting to take joint decisions together, we would expect to build confidence within both organisations in the single commissioning ambition
- Any proposals for integration of services will be agreed through the current governance systems in each organisation and will be made in line with the Standing Orders of that organisation

5. Recommendations

5.1 Members are recommended to:

- Note the ambition and proposals for the development of the Single Commissioning Function
- Approve the principles in section 4.1
- Approve the use the programme approach set out in the paper
- Receive back a further set of papers which will describe the project plans and timescales
- Agree to prioritisation of staff time to focus on the work and support the process

5.2 Bolton Council Members are recommended to:

- Agree that the scope of commissioning integration for Council services will include all elements of adult services which the Council is legally able to undertake under joint arrangements with an NHS body.
- Agree a fully integrated approach to budget setting and joint decision making in prioritisation of adult services budgets.

5.3 Bolton CCG members are recommended to:

- Agree that the initial scope of commissioning integration for CCG services will include all elements of adult services which the CCG is legally able to undertake under joint arrangements with a Local Authority.
- Agree a fully integrated approach to budget setting and joint decision making in prioritisation of adult services budgets.

• .

Summary of our recommendations

Place-based recommendations	Scale recommendations	Support Services recommendations
<p>1) Local Authorities and Clinical Commissioning Groups must come together to form a single, small and strong <u>Strategic Commissioning Function (SCF)</u> with a breadth of responsibilities.</p> <p>2) The SCF must support the LCO / HG to strengthen its existing <u>Neighbourhood Leadership Systems</u> to include clinical and political leadership, personalised care, asset-based community development, and citizen and community engagement</p> <p>3) The SCF must deliver a significant <u>pooled budget across health, social care and wider public services</u>, enabled by a risk-sharing agreement</p> <p>4) The SCF must adopt an <u>investment-led approach to commissioning and decommissioning</u>, and support the move away from hospital and residential care services to investment in prevention and early intervention</p>	<p>1) GM should establish <u>commissioning arrangements</u> at a GM level for services on page 21 of this report. This should include adapting the GM Joint Commissioning Board and its shared decision-making authority to commission these services</p> <p>2) GM should support SCFs through the development of a <u>strategic support</u> offer for services on page 21 of this report, starting with Nursing and Residential care; Home care; Acute hospital care; and Mental Health and Learning Disabilities services</p> <p>3) GM should support SCFs through the development of a <u>common set of standards</u> for services listed on page 21 of this report</p> <p>4) SCFs should collaborate at a GM level to adopt an <u>outcomes or value-based approach</u> to commissioning, including the development of an ethical framework and a cross-GM commitment to deliver social value</p>	<p>1) The SCF should develop <u>responsive CSS on page 33 of this report, integrated at Locality level</u>. The SCF should generate economies of scale through consolidation with broader place-based authorities and public services (e.g. fire, police).</p> <p>2) The SCF should transfer the <u>portfolio of CSS on page 34 of this report into the LCO / HG</u> where it aligns and supports the integration of care at a neighbourhood level.</p> <p>3) The SCF should <u>aggregate specific CSS on page 35 of this report</u>, using existing shared service centres at a GM level where there is a case to generate savings and consolidate specialist expertise.</p> <p>4) GM and Localities should <u>build, and in some cases expand</u> in a uniform way, innovative capabilities that support new place-based models.</p>
<p>Localities are being asked to make progress on the recommendations of the review as part of their Locality Plan, with <u>transformation funding conditional</u> on the delivery of the above recommendations within a <u>1-2 year timeframe</u>.</p> <p>Stakeholders across GM are in agreement that these recommendations present a significant programme of change that must be underpinned by a robust <u>organisational development approach</u> and appropriate <u>safeguards around health and social care commissioning</u> skills.</p>		