

Report to: Bolton Council Cabinet & CCG Board

Date: 8th April and 12th April

Report of: Bolton Council Chief Executive and Accountable Officer

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Report Title: **Strategic Commissioning Function for Health and Care**

**Confidential /
Non Confidential:**
(delete as approp)

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

Purpose:

The report sets out progress to date in moving to a single commissioning function between the Council and CCG and the required steps needed to progress to an expanded pooled budget and the associated governance required.

Background Doc(s):

[Integrating Health and Care for Bolton Report](#) , July 2018
[Accountable Officer](#), December 2018

**Appendices /
Attachments**

Recommendations:

The Council's Cabinet and CCG Board is requested to:

- (i) Approve the pooled budget of £160 million and risk share as detailed in the report
- (ii) Approve the establishment of a Joint Commissioning Committee, delegating commissioning decisions in the scope of the areas outlined in 3.1 to this Committee
- (iii) Authorise the Council Borough Solicitor and CCG to make the necessary amendments to the constitution to enable implementation of the arrangements.
- (iv) Authorise the Director of People and Accountable Officer for Health and Care to make the necessary amendments and enter into the Section 75 agreement between the CCG and Council
- (v) Authorise the Director of Public Health and Accountable Officer for Health and Care to complete the due diligence and agree the financial resource to be incorporated into the pool as early as possible in-year.

Decision:

Signed:

Leader / Executive
Member

Monitoring Officer

Summary:

The report sets out progress to date in moving to a single commissioning function between the Council and CCG and the required steps needed to move to an expanded pooled budget and the establishment of a Joint Commissioning Committee to oversee the pool.

1. Background information

- 1.1 In July 2018 the Council's Cabinet and the respective Boards of the NHS Bolton Clinical Commissioning Group (CCG) and Bolton NHS Foundation Trust (BFT) formally agreed to form an integrated partnership between the organisations to deliver better health and care services for our residents. Approval was given to move forward the Strategic Commissioning Function (SCF) and Integrated Care Partnership (ICP) as part of this partnership to deliver the system transformation required, as set out in Bolton's Locality Plan.
- 1.2 This paper provides an update on the development of the Strategic Commissioning Function (SCF) for Bolton, including progress made to date and proposes a pooled budget and supporting joint governance arrangement to drive improvements in the way health and care services are commissioned and, in turn, the opportunities to maximise spend of the Bolton pound and improve outcomes for local people.
- 1.3 This supports Bolton's agreed vision for integration of commissioning to:
- Support & enable integrated neighbourhood delivery
 - Base decisions on the needs & assets of local populations
 - Deliver improved outcomes for local people
 - Make the best use of scarce resources
 - Improve quality, safety and efficiency
 - Innovate and test new ways of working but is informed by evidence and data
 - Build collaboration, co-design and co-production
 - Bring together the different, but complementary skills within the Council and the CCG

2. Moving to a Strategic Commissioning Function

- 2.1 Since July, 2018, significant work has taken place to develop the strategic intent, structures and processes required to move to an integrated commissioning system. In accordance with this agreement between Council and CCG and that of the GM Commissioning Review, the below actions have been implemented or are in train:
- Single Accountable Officer for Health and Care in Bolton was agreed in November 2018. This role is accountable for the pooled commissioning programmes; provides leadership for the SCF and is accountable to the GM Partnership for the delivery of the commissioning outcomes. In Bolton, this builds on the strong history of partnership working between the Local Authority and the NHS by bringing together two leadership teams together using their skills with matrix style working as part of a wider place based system.
 - Co-location of CCG and council teams began in February, 2019 as part of a phased move. The CCG's commissioning team including the CCG's Director for Transformation have moved into the Town Hall and are co-located alongside the Council's commissioning teams and wider services. It is anticipated that the final phase will be completed by Summer, 2019.
 - Commissioners have worked with partners, including the Bolton Shadow Partnership Board, to set the scope and outcomes for the neighbourhood model with a focus on

proactive support across the whole system of health and care connecting with the wider determinants of wellbeing.

- Agreeing the first phase of the pooled budget across health and social care between the CCG and Council and planning the transition to greater collaborative decision making which is the focus of this report.

- 2.2 In order to further progress the single commissioning function and therefore deliver more effective and efficient health and care service there is a need to move towards an expanded pooled budget. A commissioning committee to support decision making of the pooled budget is therefore required bringing together democratic and clinical leadership. To ensure that we are able to expand the pooled budget to £160 million in April, 2019, and therefore move to further integrated working, a revised Section 75 agreement (an agreement currently exists for the BCF) will be put in place¹

3. **Pooled Budget**

- 3.1 A phased approach to the pooling of budget has been agreed by both Council Cabinet and CCG Board beginning with adults in 19/20 and moving to children and young people in 20/21. Focusing on the adult population, Council and CCG Commissioners have been working together and with the Shadow Bolton Partnership Board to identify areas for priority implementation as part of the first phase of pooling budgets:

Commissioning Area	Reason for Pooling	Value
Adult Community (health and care) including End of Life & Hospices	Builds on the collaborative commissioning under the current Section 75 by bringing the remainder of adult community services in scope	£51.9m
Adult Mental Health community	Builds on neighbourhood working across mental health as well as physical health	£18.5m
Care Homes and Home Care Supported Living	Good collaborative work has already commenced with joint contracts, between the CCG/Council and Care Homes. This element is included under new Neighbourhood models of care	£59.7m
Adult Learning Disability	Integrated services are already in this area and the opportunity to commission more effectively for high cost packages.	£24.2m
Remaining BCF	Existing BCF Services	£5.6m
Population Health (Adult Public Health)	The pooling of adult public health budgets will enable the locality to focus on commissioning for preventative services along with and early identification and intervention	tbc
Total		£159.9

- 3.2 The areas prioritised for pooling align with the priorities of the Bolton 2030 vision and the Locality Plan, they will deliver against the following criteria:

¹ Section 75 agreements exist to enable the pooling of budgets and to support closer working between NHS bodies and local authorities.

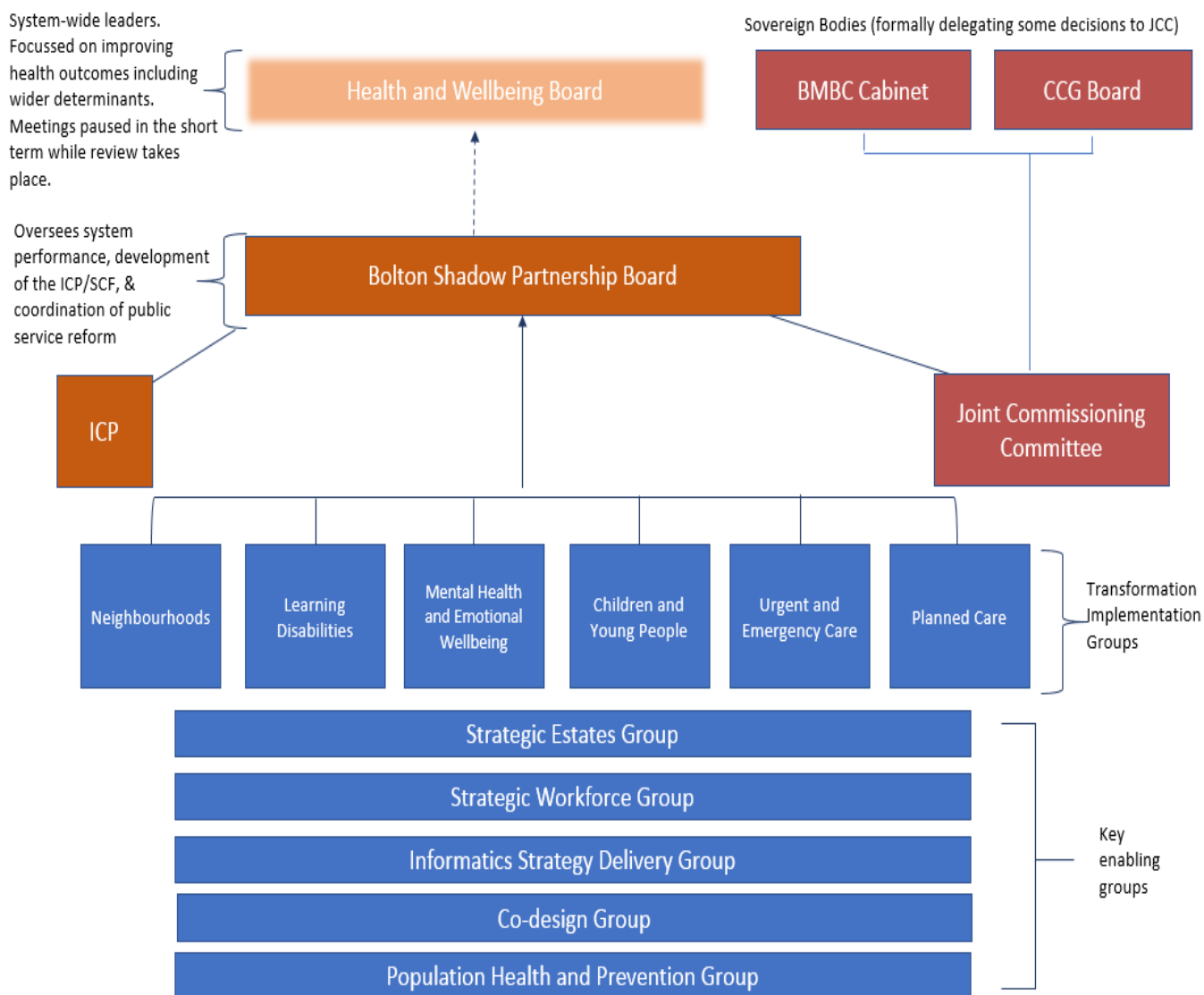
- Defined population with an understood demand at population level
- A good understanding of current providers in the market and where additional/different providers are required to be developed
- Clear outcomes agreed which can be measured
- Clarity of existing budgets (and pressures) for the service across the CCG and Council
- Clear and measurable benefit of pooling or aligning commissioning budgets
- An opportunity for an “early win” or to build on existing pooled arrangements
- No statutory or legal barriers exist
- Expected efficiencies of joint commissioning

3.3 The further budget area prioritised for pooling by the Shadow Partnership Board was the Public Health Budget. This is still a priority area but does not have a budget figure in section 3.1 due to the need for the new Director of Public Health to review the Public Health budgets prior to pooling. It is proposed this due diligence and joint agreement of the financial resource to be incorporated into the pool will be agreed as early as possible in-year.

3.4 In the spirit of further collaboration and ensuring better value for money and improved outcomes, close partnership working for both pooled and non-pooled areas will be adopted. An ‘open book’ approach to non-pooled areas across both organisations is advocated which will allow for joint planning of commissioning outcomes and priorities and will identify further opportunities for efficiencies and service demand management. At this stage, financial risk share arrangements will be in proportion to the respective contributions of each constituent organisation to the pooled budget which currently stand at 50:50 between both organisations. As the pool expands and other commissioning schemes are added overtime this will be reviewed and the new arrangements agreed by all parties.

4. Governance arrangements

4.1 Given the pace and scale of health and social care integration over the last nine months, the partnership has developed interim governance arrangements to enable robust democratic and clinical decision making with the flexibility that this can be changed as the pace of partnership working develops. The interim governance provides oversight and accountability for the Vision 2030 and Locality Plan objectives. It is proposed that this governance remains but that a Joint Commissioning Committee is integrated into the existing structure as the diagram demonstrates:



4.2 The Committee will be an evolution of the current joint commissioning arrangements building on the agreement and decision making approach established for the Better Care Fund. It will have responsibility for all matters relating to the Adult Health and Social Care Pooled Budget as set out in a revised Section 75 formal partnership agreement between commissioners including decisions on the design, commissioning, and overall delivery of health and care services. It will ultimately report to the Shadow Bolton Partnership Board in its role overseeing the SCF and ICP development and system wide transformation. It does not, however, replace any of the existing statutory bodies, instead it is a joint committee of the two statutory organisations.

4.3 It is proposed that the Committee's membership will be as follows:

Membership	Organisation
Leader of the Council	Bolton Council
Executive Member for Adults	Bolton Council
Executive Member for Children's	Bolton Council
Statutory Director of Adult Social Services (Deputy Director For People Services)	Bolton Council
Statutory Director of Children's Services (DCS)	Bolton Council

Director of Public Health	Bolton Council
Director of Corporate Resources (Section 151 Officer)	Bolton Council
Chair of the CCG	Bolton CCG
Accountable Officer	Bolton CCG
Chief Financial Officer	Bolton CCG
Director of Transformation/Deputy Chief Officer	Bolton CCG
GP Board Directors x3	Bolton CCG

The Joint Commissioning Committee will be jointly chaired by the Leader of the Council and Chair of the CCG with chairing responsibility rotated between meetings.

- 4.4. The Joint Committee will aim to achieve a consensus for all decisions. Given the nature of the programme, securing the support of both partners will be critical to the success of most of the decisions made. In those exceptional circumstances where consensus cannot be reached and while the JCC is maturing, it is proposed that the previously 'responsible' Board/ Cabinet have the decision referred to them.

5. Financial Context

- 5.1 The Council budget of the strategic commission is set in the context of reductions in Government funding to all councils. In 2016 the Government offered any council that wished to take it up, a four-year funding settlement to 2019/20. The four-year funding settlement provides the Council with greater certainty over its funding allocations to the end of 2019/20. However, the position beyond 2020 falls outside of this four-year settlement and no indicative information is yet available for future periods. Prudent assumptions have therefore been made about assumed further reductions in central government funding, increasing costs and demands for services to 2021/22. The provisional Local Government Finance Settlement for 2019/20 was announced on 13th December 2018. The savings required to balance the budget remain at £23.5m forecast offset by £8million to balance the 2019-21 budgets the adult social care contributions to the pool reflect the desired savings required in this area.
- 5.2 The CCG has been notified of 5 year allocations up to 2023/24 as part of the deployment of NHS England's five-year revenue funding settlement. Allocations for 2019/20 have been set to fund a stretching but reasonable level of activity, the impact of Agenda for Change pay awards and the changes to national tariff. CCGs are also expected to meet commitments to the mental health investment standard, and increase investment in primary medical and community services, sufficient to meet the Long Term Plan commitments. The QIPP savings required to meet the CCG statutory duty of a breakeven position is £9.2m in 2019/20.
- 5.3. The closer working across both organisations offer the opportunity to jointly prioritise resources. It enables us to ensure we are maximising spend in key areas in Bolton; shifting spending from acute to preventative investment and ensuring a whole system approach to commissioning which cross cuts services and avoids cost shift. This activity has already taken place between respective leadership teams for 19/20 and will inform a joint commissioning plan.

6. Next Steps

- 6.1 Bolton has a clear vision for changing how health and care is commissioned and delivered to help people live healthy lives and empower local people to support themselves. To change things, we need to continue to work differently. Bringing together the complementary skills and knowledge of Council and CCG teams is crucial to developing a whole system approach to investing the Bolton pound and ensuring a sustainable health and care system. Over the last nine months, significant progress has been made to create a single commissioning function and the next logical step is to move to a more formal footing of an expanded pooled budget and joint decision making between the Council and CCG. In the context of growing financial and operational pressures, the SCF offers a place-based approach to investment and improving outcomes.

7. EIA

Under the Equality Act 2010, the Council and CCG must have due regard to:

- Eliminating unlawful discrimination, harassment and victimisation and any other conduct prohibited by the Act;
- Advancing equality of opportunity between people who share a protected characteristic and people who do not share it; and
- Fostering good relations between people who share a protected characteristic and people who do not share it.

At this stage it is not anticipated that the proposals will have a disproportionate impact on any of Bolton's diversity groups although it is anticipated that stepping up collaborative commissioning will benefit local people including those people with a protected characteristic.

8. RECOMMENDATIONS

The Cabinet Member is recommended to:

- (vi) Approve the pooled budget of £160 million and risk share as detailed in the report
- (vii) Approve the establishment of a Joint Commissioning Committee, delegating commissioning decisions in the scope of the areas outlined in 3.1 to this Committee
- (viii) Authorise the Council Borough Solicitor and CCG to make the necessary amendments to the constitution to enable implementation of the arrangements.
- (ix) Authorise the Director of People and Accountable Officer for Health and Care to make the necessary amendments and enter into the Section 75 agreement between the CCG and Council
- (x) Authorise the Director of Public Health and Accountable Officer for Health and Care to complete the due diligence and agree the financial resource to be incorporated into the pool as early as possible in-year.