

<b>DECISION-MAKER:</b>	HEALTH AND WELLBEING BOARD		
<b>SUBJECT:</b>	STEPS TOWARDS JOINT AND INTEGRATED COMMISSIONING		
<b>DATE OF DECISION:</b>	29 <sup>th</sup> MAY 2013		
<b>REPORT OF:</b>	HEAD OF INTEGRATED COMMISSIONING/DIRECTOR OF QUALITY AND INTEGRATION		
<b><u>CONTACT DETAILS</u></b>			
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<b>STATEMENT OF CONFIDENTIALITY</b>
None.

## **BRIEF SUMMARY**

Health and Wellbeing Boards are seen as key to ensuring integration of health and social care services with the ambition of improving local care. The Joint Health and Wellbeing Strategy stresses the need to have collective actions across the local authority and Clinical Commissioning Group (CCG) to foster commitment, involvement and collective effort to improving the health and wellbeing of those who live and work across the City. Southampton City Council (SCC) and the CCG have agreed a joint approach for commissioning supported by an overarching Joint Commissioning Strategy. The intention is to make best use of the combined resources to address identified priority health, social care and housing needs to achieve better outcomes. The vision is “ *Working together to make best use of our resources to commission sustainable, high quality services which meet the needs of local people now and in the future.*”. The proposal is to develop a Joint Commissioning Unit (JCU) to focus on effective commissioning to achieve better outcomes for identified groups of people within the population, including children and families, older people and people with mental health needs, a learning disability or life-limiting conditions. This will be achieved through integrating commissioning functions, strategies and resources across the council and between the council and health. The JCU will deliver the following objectives:

- Better outcomes for residents
- Better quality of services
- Significantly reduced costs

The aim is to commission to make a difference, and to ensure future health and social care services are based on the concept of “personalisation” and prevent or delay the need for specialist support or care services where possible. Local authority and health commissioning resources will be used jointly to encourage choice and quality of services in a sustainable market. This will be achieved against a back drop of robust processes to manage risk and keep people safe.

The priorities for commissioning will directly support achievement of the Health and Wellbeing Strategy outcomes.

#### **RECOMMENDATIONS:**

- (i) The Board is asked to support the approach being taken to encourage integrated working and the priorities identified for Joint Commissioning
- (ii) That a memorandum of understanding and protocols between the Health and Wellbeing Board and the Joint and Integrated Commissioning Board be developed and presented to the future meeting
- (iii) That Board considers inviting the Health Overview and Scrutiny Panel to review the proposals and the memorandum of understanding and protocols to ensure that the Health and Wellbeing Board is meeting its requirements to develop integration

#### **REASONS FOR REPORT RECOMMENDATIONS**

1. The Health and Social Care Act 2012 places a requirement on Health and Wellbeing Board to encourage integrated working. The Health and Wellbeing Strategy identified key priorities to meet the health and social needs of the population. The Health and Wellbeing Board is asked to consider if the approach outlined to integrate commissioning will achieve both of these requirements

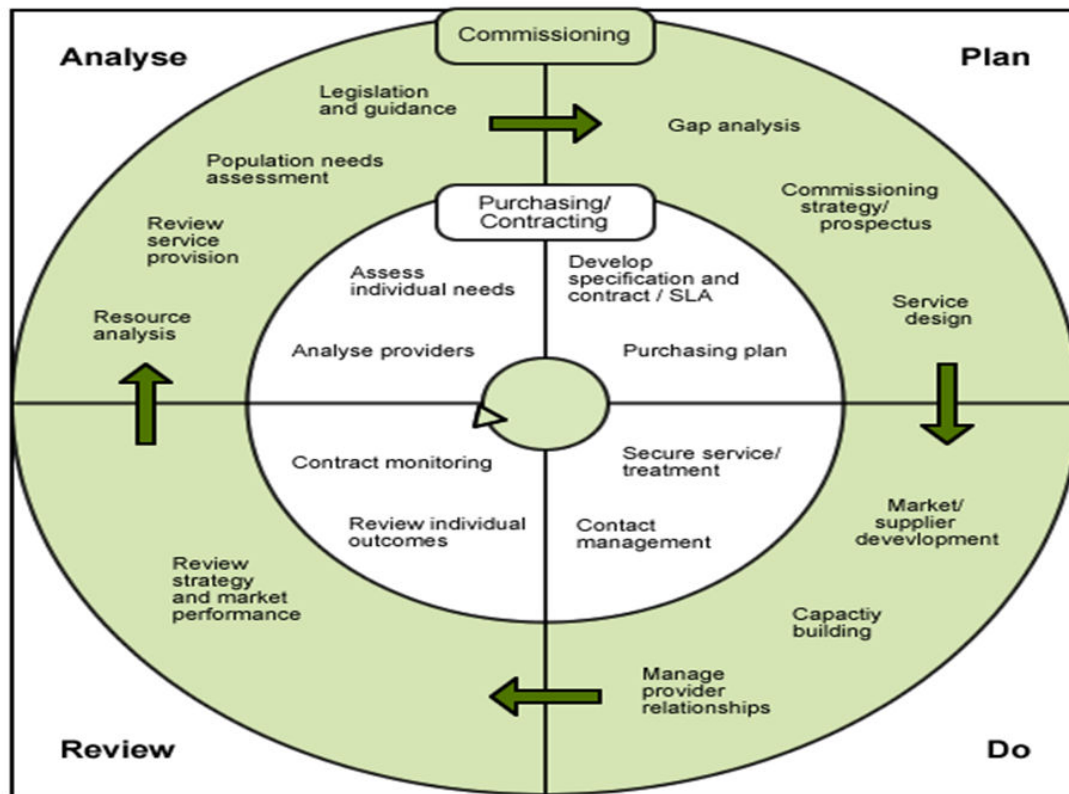
#### **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

2. The commissioning priorities have been based upon detailed needs assessment and prioritisation including the Joint Needs Assessment, evidence of best practice and user and practitioner involvement.  
A range of options were considered in the development of the Joint Commissioning Unit ranging from complete separation of Commissioning functions to total integration. The action chosen was identified as the most effective model to achieve change and make an immediate impact on commissioning outcomes

#### **DETAIL (Including consultation carried out)**

## What is Commissioning?

3. Commissioning is a cycle of processes, as illustrated in the diagram below, carried out to assess need and define the services required, including how they will be delivered. Commissioning defines the services required and outcomes we want to achieve, it is focused on “what is needed”, Commissioning is also about ensuring services are meeting quality requirements, the needs of our customers and providing value for money.

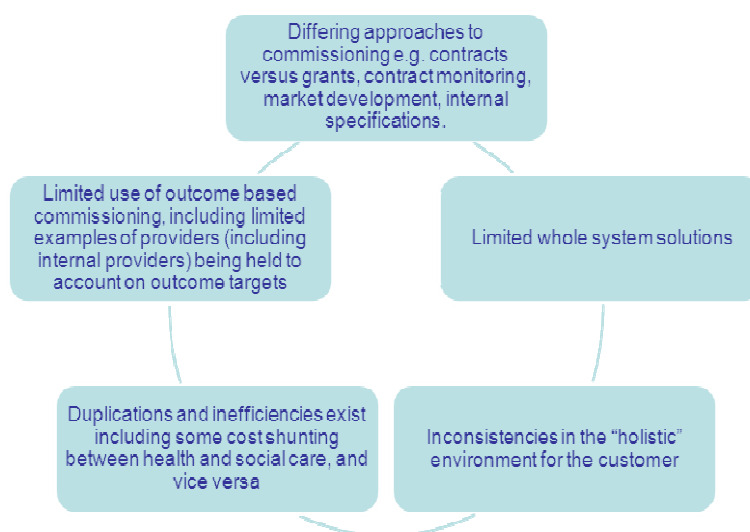


The Institute of Public Care Commissioning Framework from 'Key activities in commissioning social care', June 2007

4. Procurement helps organisations achieve the most appropriate and cost effective way to deliver services to achieve those outcomes, it can be summarised as “how do we get it”. The procurement process runs alongside and enables commissioning. Procurement is a route through which the commissioning organisation can appoint a provider (or providers) to deliver the commissioning strategy for a given service, however not all commissioning will be done via procurement.
5. Effective commissioning helps organisations to focus on key priorities and plan their future direction. Informed decision making should be driven by commissioning. Good commissioning will support us to move away from piecemeal changes and increase long term planning, taking a ‘whole system’ approach to resources, better understanding costs, cash flows and cost drivers. It will ensure providers (including internal services) are held to account against outcome targets and incentivise high performance by developing a strong local performance management regime and internal accountability

## Why Integrated Commissioning?

- Commissioning in a more joined up way is crucial to improving life for residents in Southampton. Treating health, public health, social care, and other local authority functions such as housing, education and leisure, as a whole system rather than lots of individual services will improve outcomes, make it easier for people to understand and access services and make better use of our resources. The Commissioning process is resource intensive and there are efficiencies in doing this jointly. The current health and council structures do not always encourage either party to make savings that benefit the wellbeing system as a whole, as investment by one organisation often results in savings by another. Need is experienced by patients and service users as indivisible but the responses to meet that need are often diverse and sometimes disjointed. We know that transformation will not happen overnight, but by commissioning together SCC and the CCG want to encourage providers to work together and create more seamless services for our customers.
- There are opportunities for commissioning across health and social care to be improved and aligned to create further benefits. This would include addressing inconsistencies across the two organisations such as:



- SCC and the CCG have agreed a number of commissioning principles focusing on improving quality, value for money and improved outcomes. These can be seen in appendix 2

## Benefits of Joint Commissioning?

- The benefits to be delivered include:
  - improved outcomes for residents,
  - alignment of intentions and spend between SCC and the CCG,
  - facilitating the development of new market opportunities in the City,
  - improvements in core services,

- reduced duplication of effort and spend,
  - increased focus on quality standards,
  - the alignment and improvement of business processes for commissioning,
  - better deployment of commissioning and other specialist skills and resources, and
  - opportunity to significantly reduce costs.
10. The joint unit will be tasked with driving the transformation agenda through evidence about what works, what's required and then sourcing it innovatively and competitively. This will result in realigning spend to outcomes required – i.e. taking a non-service based view and re-specifying resources. Taking a whole SCC/CCG perspective, regardless of the current budget arrangement.
11. Currently commissioning is undertaken by managers and supporting staff within Children's Services, Adult Services, Public Health and Housing within the Council, and by commissioning managers within the CCG. In some cases these commissioning managers are already working in an aligned way. Through these arrangements, there are some elements of effective joint working already underway in the city, such as:
- Redesigning of adult mental health pathways to move to more community based delivery with recovery orientated services and measurable improvements in clinical outcomes. This is expected to generate a contract reduction of over £3.6 m from 2010/11 to 2013/14.
  - Sexual health and wellbeing clinics in schools – this has resulted in increased uptake of services, reduction in conceptions and sexually transmitted diseases.
  - Redesign of alcohol services – this has led to an increase in earlier identification and brief intervention and an increase in the number of detox's at a reduced unit price (£850 versus £1,305).
  - Re-procurement of short breaks, residential and domiciliary provision for people with a learning disability/ older people is currently underway.

### **Commissioning Priorities for 2013/15**

12. Commissioning priorities are based on the Joint Strategic Needs assessment and the priorities set by the Health and Wellbeing Strategy. The high level work programme for 2013 to 2015 can be seen in Appendix 1. The cross cutting themes of Promoting Positive Lives and Prevention, Supporting Families and Integrated Care for Vulnerable People align to the Health and Wellbeing themes of:
- Building resilience and prevention to achieve better health and wellbeing
  - Best start in life
  - Ageing and living well

The commissioning intentions included within each of these themes will contribute to the achievement of the Health and Wellbeing strategy outcomes.

13. Overall the commissioning changes within Promoting Positive Lives and Prevention are to improve access to advice and information to support good decision making and lifestyle choices. They will ensure provision of prevention programmes re smoking,

obesity, sexual health and physical activity as well as to build capacity within parenting and early years support. The Supporting Families theme will focus on systems and pathways to provide joined-up support to families with problems or challenges including the underpinning issues that are drivers for families with complex needs such as substance misuse, domestic abuse and mental ill-health. There will be redesign of provision to ensure cross age range integrated support and improved outcomes for - alcohol and drug treatment, mental health services and learning disabilities. This will include changes to housing/accommodation strategy, day care and approaches to personalisation.

14. Integrated Care for Vulnerable People will include a focus on developing the services people need to keep them in their own home for longer such as rehabilitation and reablement, telecare, adaptive equipment, supported housing and improving support for carers. The focus here is very much on early identification of need and proactive targeted support to prevent escalation of need and enable families to call on their own resources to resolve issues.

## **Governance**

15. The development of a Joint Commissioning unit is currently being finalised. This will impact on approximately 40 whole time equivalent wte staff within SCC and the CCG who have a commissioning function. The structure of the unit is being developed and will go out for consultation in May/June 2013.

The unit will report to the Joint and Integrated Commissioning Board which has been established and held its first meeting. This will ensure effective collaboration, assurance and good governance across the agreed areas of Local Authority and health commissioning. The Integrated Commissioning Board will:

- Set commissioning priorities and approve service related strategies and action plans
- Agree joint financial, procurement and contractual arrangements
- Ensure strategic planning is implemented within the resources aligned accordingly
- Support the development of a single commissioning system which puts service users and their families at the centre
- Monitor performance against plans
- Ensure effective risk management

The Health and Wellbeing Board (HWBB), will provide strategic direction but ultimately the Joint and Integrated Board will be accountable to the Council's Cabinet and the CCG

Governing Body. It will be informed by needs assessment, market analysis and feedback from consultation and engagement with customers. See Appendix 3 for a diagram of the relationships.

## **Challenges and Issues**

16. Market development is a key challenge. Providers and contracts are currently not consistently managed, it is difficult to always demonstrate outcomes achieved

compared to money spent and poor quality is evidenced by high levels of safeguarding. The JCU presents an opportunity to influence the market across a wider scale, but will require specific skills and expertise to do this effectively

17. The principle that the commissioning process should aim to ensure the same approach (e.g. service specification and performance monitoring) is applied to all service provision activity to ensure fairness and that no delivery vehicle is given or gain unfair advantage will require a change in culture within SCC. This will require a clear distinction between commissioning and provider functions and responsibilities regardless of whether they co-exist within a single organisation. The role of the JCU in strategically allocating provider budgets will also need consideration
18. Close working will need to be maintained with the Local Area Team of NHS England as they are commissioning a significant proportion of children's services as well as acute provision and specialist care for the local population

## **RESOURCE IMPLICATIONS**

### **Capital/Revenue**

19. The joint commissioning approach will impact on the total of the CCG budget, but especially the community focussed spend of approximately £138m. The final amount of SCC spend to be directly and indirectly influenceable through joint commissioning is currently being finalised. Adult social care commissioning budget for 12/13 was £73m

### **Property/Other**

20. None.

## **LEGAL IMPLICATIONS**

### **Statutory power to undertake proposals in the report:**

21. The Health and Social Care Act 2012 places a requirement on the NHS Commissioning Board, Clinical Commissioning Groups, Health and Wellbeing Boards and Monitor to encourage integrated working at all levels. Health and Wellbeing Boards are seen as key to ensuring integration with the ambition of improving local care. The Act encourages local government and the NHS to take much greater advantage of existing opportunities for pooled budgets, including commissioning budgets and integrating provision.

### **Other Legal Implications:**

22. None

## **POLICY FRAMEWORK IMPLICATIONS**

23. None

KEY DECISION? No -

WARDS/COMMUNITIES AFFECTED:	All
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**SUPPORTING DOCUMENTATION**

**Appendices**

1.	Integrated Commissioning team – High Level Work programme 2013/15
2.	Commissioning Principles
3	Governance structure

**Documents In Members' Rooms**

1.	None
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**Equality Impact Assessment**

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	No
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**Other Background Documents**

**Equality Impact Assessment and Other Background documents available for inspection at:**

Title of Background Paper(s)

Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	None	
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