

BRIEFING PAPER

SUBJECT: IMPLEMENTATION OF AN INTEGRATED COMMISSIONING UNIT FOR SOUTHAMPTON CITY COUNCIL PEOPLE DIRECTORATE AND SOUTHAMPTON CITY CLINICAL COMMISSIONING GROUP

DATE: 10 OCTOBER 2013

RECIPIENT: OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE

THIS IS NOT A DECISION PAPER

SUMMARY:

This report briefly outlines progress since the decision was taken to consult on the formation of an Integrated Commissioning Unit.

The development of an Integrated Commissioning Unit between Southampton City Council and Southampton City Clinical Commissioning Group (CCG) has been identified by both organisations as a key priority to achieve outcome and evidence based commissioning. By pooling capabilities and purchasing power, both organisations can exercise much greater control over what is needed, bought, at what price and at the right level of quality. The Southampton Joint Commissioning strategy outlines the national and local evidence that identifies integrated commissioning as a key enabler for both the Council and CCG.

The proposal to develop a joint team that will work towards the delivery of the shared strategy, work plan and outcomes has been consulted on with staff fulfilling a commissioning function across the People Directorate in Southampton City Council and the “city focus” team in the Clinical Commissioning Group. The aim of the remodelling is to develop a structure with appropriately skilled staff who will achieve quality outcomes and efficiency savings through more focussed, integrated work. It is proposed that staff will remain employed by their current employer with their existing terms and conditions but within a single management structure overseen by an Integrated Commissioning Board. Accountability for commissioning decisions will be retained by the Cabinet and CCG Governing Body.

There has been significant support shown for the proposal to develop an integrated approach across the Council and CCG and approval is being sought to progress with the implementation.

BACKGROUND and BRIEFING DETAILS:

1. Under the strategic oversight of the Health and Wellbeing Board the Council and Southampton City CCG have established an accountability structure including an Integrated Commissioning Board with Chief Executive and Director representation. The key commissioning priorities that the Council and CCG wish to work on together have been identified and detailed work and relevant project plans support these. Commissioning principles have been agreed by both organisations. The final accountability remains with Cabinet and the CCG Governing body as appropriate. To achieve the implementation of the identified priorities it is proposed that commissioning staff from both organisations work together under one management structure.

BRIEFING PAPER

2. The proposal to develop a joint team that will work towards the delivery of the shared strategy, work plan and outcomes has been consulted on with staff from 26th July until 30th August 2013. Consultation has included staff fulfilling a commissioning function across the People Directorate in Southampton City Council children's services, adult services, housing and public health, as well as the "city focus" team in the Clinical Commissioning Group that includes commissioning for maternity and children's services, mental health, learning disabilities, long term conditions, community services and end of life care.
3. Approval to commence consultation was sought from Council Management Team, Informal Cabinet and CCG Governing Body. Consultation included a launch event on 26th July, supported by a consultation document, followed by one to one sessions for staff with their line managers, small group sessions as well as the opportunity to send in comments. Unions and Human Resources have been involved throughout the process.
4. **Proposed structure of Integrated Commissioning Unit (ICU)**
The proposal consulted upon is to align staff to three key areas:
 - System redesign to achieve the commissioning priorities for system transformation. Staff will be assessing need, undertaking consultation with stakeholders, redesigning services and pathways, developing and monitoring specifications.
 - Quality which will integrate the functions and support a stronger, more consistent approach to expectations and outcomes from providers
 - Provider relationships to allow a much more proactive approach to market development and management, build on community assets, work with other commissioners and strong contract management.
5. System redesign workstreams align to the Health and Wellbeing Strategy and are:
 - Promoting Prevention and Positive Lives – to enable more people to live healthier, more active and fulfilling lives, protecting the vulnerable
 - Supporting families – to support families to take responsibility for their own outcomes, refocusing investment towards those most in need and early targeted intervention
 - Integrated Care for Vulnerable People – to prevent or intervene early to avoid, reduce or delay the use of costly specialist services whilst promoting independence, choice and control in the community through integrated risk profiling and person centred planning process and commissioning to achieve the integration of provision.
6. Quality and effective contract management from a quality aspect are key elements to achieving positive outcomes for residents and improvements in core services along with the opportunity to ensure best value and reduced costs. High profile cases nationally and locally, such as Winterbourne, Francis enquiry into Stafford hospital and local serious case reviews, have emphasised the need for this area of work to be well led, co-ordinated and thorough. The staff undertaking this work across the CCG and People Directorate will combine as a team responsible for quality monitoring and reviewing. It will also include the Continuing Health Care function of the CCG.
7. The City Council and CCG need to become an intelligent customer in the market as currently development and management of providers is very variable and we have

BRIEFING PAPER

insufficient quality capacity. There are contracts with differing terms and conditions with inconsistent rates paid and for many it is not possible to consistently demonstrate the outcomes achieved for money invested. To improve this there will be a work stream on Provider Relationships including market development, contract management, community development and joint work with other commissioners such as schools and the Police. To achieve the commissioning priorities identified there is a need to work much more effectively with the voluntary sector and build on community assets. A buyer's team will be developed to undertake a number of functions currently done in separate silos within and across the organisations. This will ensure a significantly improved procurement of placements/packages of care appropriate to meeting the needs of individuals, negotiating prices making best use of market knowledge, collective bargaining and economies of scale. It will ensure robust contracting arrangements are in place for each placement/package with clearly identified expectations and outcomes.

8. **Feedback on Consultation**

There has been significant support shown for the proposal to develop an integrated approach across the Council and CCG. A few examples include:

"I support the theory and direction of travel as I hope the integrated approach best meets the needs of our population"

"I am very much in favour of working in a more integrated way. I do agree it is the way forward"

"The creation of an integrated commissioning unit sits well with the vision of Southampton as being at the forefront of health and social care services to its citizens"

9. Throughout the consultation a number of pertinent issues were raised where staff have sought additional information. These collate around a number of key themes which have been responded to and collated into a Frequently Asked Questions document shared with staff, see Appendix 1. The revised structure following consultation is shown in Appendix 2. There have been minimal changes made to the model as a consequence of the consultation and these have no impact on the finances.

10. **Recommendations following the consultation**

The strong inter relationship between Public Health and the ICU has been recognised by many throughout the consultation. Detailed discussions between the Director of People and Director of Public Health have led to the proposal that Public Health team should be aligned with the ICU, with Public Health Consultants, and their teams, providing public health advice and expertise to a particular work stream area in the ICU. Priorities and workplans to be agreed between the Public Health consultant and relevant Associate Director for members of the team. Public Health will have a strong influence within the commissioning team, especially the emphasis on prevention and early help and well as providing needs assessment and evidence expertise.

11. Housing commissioning should be included within the model within the Provider relationships team to ensure a strong impact across the whole unit.

BRIEFING PAPER

12. Further consideration, not as part of this current consultation, should be given to the relationship between the Continuing Health Care team and the evolving Assessment team being developed as part of the People's transformation work.
13. There are some areas of work that have a significant commissioning element where clarity on accountability and functions is still required. It is recognised that the intention is for commissioning from all parts of the People Directorate to be included as part of the ICU.
14. There are some functions carried about by staff identified as part of the unit that may not be a commissioning function. The recommendation is that staff transfer to the ICU with their current responsibilities although future adjustment may be required.
15. Scheme of Delegation need to be revised, including responsibility for placement budgets and relevant public health areas of commissioning.
16. Contract management with a very strong quality focus is vital to achieve a shift towards earlier intervention. The recommendation for elements of Safeguarding in Adults services (SIPs) to move to the Quality team in the ICU has been strongly supported. However, the staff will need to be consulted with as part of the overall People Directorate transformation consultation which is working to a later timetable.

RESOURCE/POLICY/FINANCIAL/LEGAL IMPLICATIONS:

Financial

17. The majority of budget required for the proposed Integrated Commissioning structure will be from existing staffing budgets across the Council and the CCG. The current funding percentage contributions made by the Council and the CCG will be maintained across the organisations for existing posts with a move to equal contributions (50:50) if new posts are developed.
18. It has been identified that some investment will be required to attract the skill set needed into some of the more senior posts to ensure the leadership, experience and rigour necessary to achieve the change required both in terms of scale and pace. These leaders will also develop the capability of the staff within their teams, as initial needs assessment identifies a shortfall in some key areas. The staffing model will be reviewed as skills and abilities in all staff increase. The additional investment required in a full year will be £90,800 from SCC and £90,800 from the CCG from 2014/15.
19. On the basis that the integrated unit will actually be up and running in the current financial year, there will be a part year cost pressure in 2013/14. Initially the service will seek to fund this from within existing resources within the People Directorate, but if this is not possible it will either be offset against any in year savings delivered, or met from the General Fund Revenue Budget contingency if the costs exceed any available savings. The ongoing pressure will be addressed as part of the development of the budget for 2014/15.

Property / Other

20. Currently the teams that will make up the ICU are not co-located. However, work is underway to co-locate the SCC staff that will form the ICU. This is being considered as part of the decant of staff from Marlands House. CCG staff are based at the CCG headquarters at Oakley Rd. Accommodation solutions are being devised that will allow ICU members to access desks at both SCC and CCG in order to facilitate joint

BRIEFING PAPER

working, some staff may move bases facilitate this. IT solutions are also being explored to facilitate mobile working and to ensure easy communication and access to relevant information across the health and SCC systems.

Legal

21. A Memorandum of Agreement will be in place between the CCG and SCC outlining key principles covering financial, personnel, accountability, approaches with disagreements and evaluation/outcome measures. Staff will be covered within Section 113 (Pursuant to Section 113 (1A)(b) Local Government Act 1972) agreements.
22. 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. 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.
23. The proposals within this report and the development and implementation of the Integrated Commissioning Unit will be taken forward in compliance with relevant employment legislation (including TUPE regulations) together with the Equalities Act 2010 and the Human Rights Act 1998

Policy

24. The work priorities for the unit are informed by the Joint Strategic Needs Assessment and align to the Health and Wellbeing Strategy. The work of the unit will contribute significantly to the achievement of outcomes outlined in the Health and Wellbeing Strategy and City Council Plan as well as the CCG Strategic Plan.

Appendices/Supporting Information:

- 1- Integrated Commissioning Unit Development- staff consultation - Frequently Asked Questions
- 2- Integrated Commissioning Unit – proposed structure

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