Report No.
HWB131002

London Borough of Bromley

PART ONE - PUBLIC

HEALTH AND WELLBEING BOARD

Date:	**Thursday 26 September 2013**
Report Title:	**Development of Integrated Commissioning in Bromley**
Report Author:	Richard Hills, Strategy Manager - Commissioning, Education, Care & Health Services, London Borough of Bromley. E-mail: richard.hills@bromley.gov.uk Telephone: 0208 313 4198

---

1. SUMMARY

The Bromley CCG Chief Officer and London Borough of Bromley Executive Director of Education, Care & Health commissioned a piece of work in June 2013 to assess the benefits of greater integration of commissioning arrangements across the two organisations. This work explored, with existing lead commissioners, clinicians and other key leads what LBB and CCG currently commission and how the commissioning functions are organised. In addition, the drivers and objectives for integration were assessed and a number of other health and social care economies visited to consider how they had approached integration and what they considered to be the benefits, risks and opportunities.

This briefing paper summarises the conclusions of this work and outlines a set of proposals for integrated commissioning in Bromley.

---

2. REASON FOR REPORT GOING TO HEALTH & WELLBEING BOARD

1) That the Board should have local oversight and governance of moves towards integration across the health and social care economy as recommended by the Department of Health guidance.

2) That the Board notes and endorses the recommendations for officers to take forward the integration of commissioning in Bromley as set out in the conclusions on pg 6-7.

---

3. SPECIFIC ACTION REQUIRED BY HEALTH & WELLBEING BOARD AND ITS CONSTITUENT PARTNER ORGANISATIONS

1) That Mental Health commissioning should be used to explore the benefits, barriers and pitfalls of such a move.

2) Senior officers of both Bromley Council and the Bromley CCG, should work towards the positions described in this paper and summarised in the conclusions, and bring back regular reports on progress to the Health and Wellbeing Board.

Health & Wellbeing Strategy

1. Related priority: Specifically mental health services in the first instance with the potential for integrated commissioning across all of Care and Health community based adult services.

Financial

1. Cost of proposal: No specific financials have yet been agreed. See section 5 - Financial implications.

2. Ongoing costs: N/A

3. Total savings (if applicable): N/A

4. Budget host organisation: N/A

5. Source of funding: N/A

6. Beneficiary/beneficiaries of any savings: N/A

Supporting Public Health Outcome Indicator(s)

---

4. COMMENTARY

Development of Integrated Commissioning

Closer integration of commissioning arrangements between health and local authorities has been a long held aim of successive governments for many years and numerous bills have been introduced to promote integration with initiatives such as Care Trusts, a duty of Partnership and most recently Wellbeing Boards being introduced. A recent and comprehensive study of joint commissioning, by the University of Birmingham, concluded that while joint commissioning has been perceived as being of varying levels of success in the past, a single agency working approach on its own may still be insufficient to tackle many of the issues we face in future. However, the work also concluded that faced with less money, an ageing population, rising need, higher demand and public expectations, health and social care will have to work together more than in the past.

To support closer integration of commissioning, the NHS Act 2006 makes provision for the functions (statutory powers or duties) of one partner to be delivered day-to-day by another partner, subject to agreed terms of delegation. This means the transfer of responsibility for undertaking the functions, activities or decisions from one partner to another to more easily achieve the partnership objectives. Although functions can be delegated, partners remain responsible and accountable for ensuring they meet their own duties under the legislation, and cannot pass on responsibility for services outside the agreed activity. Section 75 of this Act allows us to pool budgets and share responsibilities in a particular manner controlled by so-called s75 agreements. These should ensure:

- clarity about what any joint arrangement covers and in particular definition and scope of services to be commissioned jointly;
- the strategic aims and objectives of the partnership agreement;
- clarity re governance, operational accountability, day to day management , reporting, performance management, etc;
- duration of any agreement and arrangements for review , renewal, termination and handling of disputes;
- clarity around ''host /lead'' role and supporting arrangements;
- workforce issues and arrangements;
- information flows and information sharing;
- clinical governance and complaints;
- other legal issues such as liabilities;
- scheme of delegation for any pooled funds;
- clarity around opening contributions and other resources, how growth, efficiency and budget pressures are dealt with how any surpluses and deficits are applied;
- how client contributions impact; and.
- accounting, audit and technical matters such as VAT.

In order to inform the debate, a number of local Health and Social Care economies were approached to discover how they are dealing with integrated commissioning in practice. These organisations had very varied levels of integration but with several London Boroughs, such as Wandsworth and Lewisham, having either all or many service areas commissioned together. In Kingston, they have gone further as they have a joint CCG chief officer/Director of Adult Social care who is accountable for both management and commissioning of all CCG and LA services. In all of these areas, both Councillors and GP's are happy with and signed up to the arrangements as they can see mutual benefits from economies of scale and opportunities for efficiency, savings and community based improvements. However, there are still issues to overcome such as different cultures and approaches generally and some'' silo'' working.

The organisations contacted consider that there are clear advantages from the integration of commissioning and the appointment of a host commissioning organisation which takes responsibility for the commissioning of groups of services through a joint commissioning team. Lead heads of commissioning have been employed by the host agency either across the board or for various specific services and budgets for commissioned services have been aligned although there as some examples of pooled budgets in operation. Section 75s have been developed to ensure the arrangements are clearly defined and agreed.

In governance terms, the general approach is that Health and Wellbeing Boards have strategic oversight and that a senior level officer executive established to steer key service redesign programmes and ensure control of any integrated budgets.

Benefits from the development of lead and joint commissioning are considered to include:

- The ability to have lead commissioners who are accountable for delivering on shared strategic objectives;
- The ability to pull together all commissioning activities under one team, thereby making better use of scarce commissioning resources and expertise;
- The opportunity to approach the market on a 'whole system' basis including opportunities to tender jointly for mental health services and align existing contracts;
- The opportunity to streamline financial management and ensure better value for money for the whole system.
- The opportunity to reduce duplication for work and complex joint contractual arrangements having to be underwritten through Section 256 agreements;
- Clarity of purpose to help both partners speed up the implementation of long standing reforms to service;
- The chance to redesign care pathways to deliver better outcomes and provide greater clarity to users and providers;
- The opportunity to move towards with one shared set off performance indicators for monitoring outcomes of service provision;
- the ability to agree a single point of entry for initial referrals providing an extended range of preventative health and care interventions;
- The opportunity to ensure wide clinical engagement in key changes that are required to reshape services; and,
- C-locating commissioning staff to model and promote joint working.

However, whilst it is recognised that there can be significant benefits from establishing joint and lead commissioning arrangements, there are also potential problems and risks including:

- Potential for blurring of responsibilities between organisations leading to a need for clarity on roles and responsibilities particularly in relation to delivery of statutory responsibilities;
- Feeling of loss of control for the organisation which is not leading and hosting the commissioning team;
- Differing organisational and financial requirements leading to need to ensure clarity and consistency in requirements;
- Impact on existing financial, information and procurement teams including requirement to cope with extra work in hosting organisation;
- Uncertainty for and potential conflicts with providers affected by changes in commissioning arrangements; and,

- Expertise in the non-host organisation is lost making them fully reliant on the host for delivery in the medium to long term.

The real issues that need to be overcome for full integration to take place revolve around aligning differing commissioning priorities which are in turn driven by organisational and jurisdictional boundaries and budgets. As a result, it requires organisations to have a high level of trust and maturity that allows leaders to take a wider strategic perspective when taking commissioning decisions which direct impact on health and care services in their locality. Senior leadership and individual relationships are critical to making significant progress in addressing the cultural and financial issues that will need unblocking throughout any work on integration.

Proposals for a new approach to Commissioning in Bromley

Discussion with key leads within both the CCG and LBB has shown that there is strong support for changes in commissioning and supporting governance arrangements in Bromley. In particular, there is support for the introduction of establishing lead commissioning arrangements headed up by a lead commissioner, supported by an appropriately resourced commissioning team. While numerous options exist for the level at which integration should occur it is advised that this approach should be tested with a single client type before the introduction of a fully integrated joint commissioning structure is considered, although any proposals that are tested should have the capacity to be expanded over time.

The recent announcements made by the Department of Health relating to previously separate funding streams being pooled and tied into the requirement for CCG's and LAs to co-produce a local plan for integration only serves to increase the importance of this agenda.

The Bromley CGG Chief Officer and London Borough of Bromley Executive Director of Education, Care & Health believe that Mental Health should be the first area of focus as integration is not a new agenda for mental health services. Many steps have been taken by both organisations to move in this direction over the past few years, including:

- Development of a joint commissioning strategy for Mental Health services with jointly agreed priorities and work streams;
- Mental Health planning and work streams are governed under the Mental Health Executive which has representation from the both the CCG and the Local Authority;
- Both LBB and the CCG both use Oxleas as their main Mental Health provider with the CCG commissioning a wide range of mental health services and LBB commissioning community based care;
- Both LBB and the CCG hold joint funded contracts with a range of 3rd sector providers;
- Assessments to meet a client's needs are already done holistically taking into account the clinical and care needs presented, with LBB care managers being seconded to Oxleas under a Section 75 agreement; and,
- Packages of care are presented to a joint mental health panel and decisions around suitable placements are made together based on the assessments produced by Oxleas.

The total commissioning budget for mental health services amounts to circa £42.5m with £37.2m coming from the CCG and £5.3m from LBB. Oxleas Foundation Trust is the main provider of acute and community mental health services for working age adults, older people services and CAMHS. The CCG also makes a contribution to LBB's contact with Bromley Y for CAMHS; Community Paediatric consultant support is available from Bromley Health Care (BHC) to support this service. BHC has been commissioned to provide a local IAPT (the national Improving Access to

Psychological Therapies programme) services with Bromley MIND and, in addition, there are a range of other mental health service providers such as Community Options, some of which are commissioned by both the CCG and LBB. Most specialist mental health services have in the main transferred to the NHS London.

The mental health programme focuses on shifting mental health care from a secondary care based model to one that is more comprehensive and takes account of the role of primary care, reducing acute beds, reprovision of residential services, reviewing of the existing Dementia care pathway and the remodelling of CAMHS services. Better value for money is being sought by driving efficiencies from these areas of service redesign

The general view of those consulted is that, should integrated commissioning for mental health services be adopted in Bromley, the CCG should be the host and lead organisation as it already commissions 87% of the spend on mental health across the borough. Also much of the strategic change proposed is being led by the new CCG programme team with GPs very clear in their wish for a new form of service based around primary care.

Enhanced leadership is proposed for mental health commissioning by the appointment, within existing resources, of a lead Mental Heath commissioner who will manage the team and take a holistic approach to commissioning activity using an aligned budget arrangement. This lead commissioner would be accountable for delivery of the agreed programme of work and identified savings targets. The post will also be accountable for evaluating, and reporting back on the success of these integrated arrangements with a view to expanding them beyond commissioning activity for mental health clients. Members of the existing team and others affected by the proposed changes will be made aware of any proposals and given the opportunity to comment on changes in general and changes impacting on them in particular.

Budgets for mental health commissioning will be aligned between the CCG and LBB, agreement reached regarding uplifts, efficiencies and savings plus an understanding about how and where savings will be applied and how any potential overspends are managed.

Finance, information and procurement support will continue to be provided by the corporate departments at both organisations and in the case of the CCG from the Commissioning Support agency or from external expertise as required.

Conclusion

In summary, the following approach is proposed to take forward the integration of commissioning in Bromley

1. Ensure that GPs and Councillors are happy with the proposals for the integration of commissioning.

2. Continue to utilise the Health and Wellbeing board for shared strategic oversight

3. Create a Joint Integrated Services Executive to oversee all strategic business relating to integrated commissioning. (This arrangement would take the place of the existing Mental Health Executive)

4. Integrate commissioning for adult mental health services and CAMHS to test the approach with a view to extending the brief of joint commissioning at a later stage if integrated commissioning for mental health services is successful.

5. Designate the CCG as lead and host for mental health commissioning and co-locate the commissioning staff at the CCG.

6. Appoint a lead joint commissioner to manage the mental health commissioning team and associated budgets and ensure delivery of agreed priorities.

7. Continue to use separate back office support in the first instance but consider the option of sharing in areas such as procurement and brokerage support.

8. Novate or delegate appropriate contracts to the host partner.

9. Align budgets initially and set out clear arrangements for annual negotiations concerning savings etc.

10. Develop an overarching section 75 setting to define the principles for joint commissioning activity and detail of governance and financial arrangements.

5. FINANCIAL IMPLICATIONS

No specific financials have yet been agreed although it is expected that one of the main drivers for integrating commissioning activity will be to secure longer term value for money by joined up commissioning across the whole of the adult care and health services.

6. LEGAL IMPLICATIONS

The use of a section 75 agreement to define the principles for joint commissioning activity and detail of governance and financial arrangements.

7. IMPLICATIONS FOR OTHER GOVERNANCE ARRANGEMENTS, BOARDS AND PARTNERSHIP ARRANGEMENTS, INCLUDING ANY POLICY AND FINANCIAL CHANGES, REQUIRED TO PROGRESS THE ITEM

The CCG and Local Authority both agree to progressing the proposed approach and will notify stakeholders of their work to future Board meetings.

8. COMMENT FROM THE DIRECTOR OF AUTHOR ORGANISATION

The London Borough of Bromley Executive Director of Education, Health and Care Services, and the Chief/Accountable Officer of Bromley CCG have both endorsed the proposed approach set out in this paper and agree to working towards its delivery.

Non-Applicable Sections:	N/A
Background Documents:	N/A