Adult Social Care & Health Scrutiny Committee Meeting: 15 January 2019

SINGLE COMMISSIONING FUNCTION FOR HEALTH AND CARE WITHIN THE CONTEXT OF PLACE-BASED COMMISSIONING IN STOCKPORT

Report of the Leader of the Council and Cabinet Member for Reform & Governance

1. SUMMARY AND PURPOSE OF THE REPORT

1.1. In a number of reports since August, we have laid out our plans to strengthen commissioning across Stockport to ensure we get the most out of the available spending in the Borough. This ambition applies equally across public services, and must be supported by strong, shared leadership across all partners. We are equally conscious though, that clarity of accountability remains vital, both to providing public, clinical and professional assurance, and to delivering progress in the face of significant challenges.

1.2. This report reprises the purpose and objectives of a place-based approach to commissioning that have been outlined in previous cabinet reports and updates on recent developments to deliver such an approach, working both internally within the Council and with wider partners. There is much more to be done in developing this placed based approach so that we consider the role of the Council in delivery of services that improve all of the Councils priority outcomes for our residents. Further reports will follow through our ongoing medium term financial planning process that continue to progress this.

1.3. Due to the pressure on health and social care though this report further outlines the Cabinet's position on the consideration and development of a new Single Commissioning Function (SCF) for health and care in Stockport. Across Greater Manchester the ambition is for single commissioning functions for health and social care and it is the view of the Cabinet that a SCF in Stockport is key to delivering the shared ambition of the Council and wider health and care system partners. This aims to create a more sustainable health & care system driven by improved health outcomes, reduced health inequalities and less reliance on bed-based care. For the Cabinet to agree the progression of this it will need to be satisfied that there is an evidence base for improvement and that there is appropriate Council assurance.

1.4. It is the view of the Cabinet that by setting out the Councils position and preferred model we are providing a helpful guide to the system by moving the debate on to make progress on realising this ambition. At this stage this is the view of the Council and as we continue to develop and consider the scope and delivery model for a SCF for health and social care in particular we will need to update with a continued series of reports for consideration and decision.

1.5. This report also makes reference to single commissioning function for health and care in the context of the Council also being a provider. The references to governance of both are an important reminder that the Council fulfils two roles and is cognisant of the necessary governance and accountabilities that apply to both.

2. GETTING MORE OUT OF OUR SPENDING

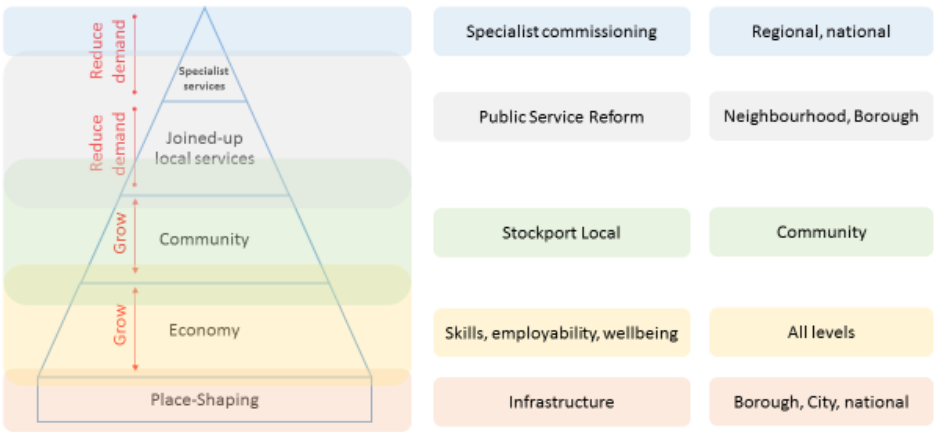
2.1. Stockport is changing. We can see this around us, with new housing, businesses, infrastructure and buildings, in the Town Centre and across the Borough. We see social changes too, as people live longer, work differently and adopt and adapt to the pace of technological change.

2.2. Stockport Council has had to change significantly; it is smaller, services are more targeted and work more closely with local communities, businesses and other public service partners. Other institutions and public services are changing too. As part of Greater Manchester (GM), we've received new powers and funding to better determine our future and take charge of our public services.

2.3. Political leaders in Stockport have made a commitment, in this changed context, to think and act differently in the way they commission services for the people and place of our Borough.

2.4. The Cabinet are ambitious to develop a place-based approach to commissioning that is responsive to and works with local communities. Such an approach is needed to properly address, in an integrated way, the full range of economic, social and environmental factors that, ultimately, are the most significant determinants of peoples' health and wellbeing. The diagram below describes how such an approach maps onto our existing medium-term strategic approach.

COMMISSIONING ACROSS SECTORS AND SPATIAL LEVELS



2.5. A place-based approach to commissioning needs to bring together a range of agencies and strategies at each level to work for the benefit of Stockport. There is a particular need, in Stockport, to revitalise our approach to supporting, developing and working with groups and providers within the voluntary and community sector.

2.6. Communities are multi-faceted: communities of interest, action, practice and place, which often don't fit public sector perspectives and traditional commissioning approaches. While we will adopt public service operational boundaries that take account of available resources, responding to populations of between 30-50,000 for Health and Care Services, we will ensure these clusters are well connected to their local communities. To achieve this, we will draw in particular on:

- the Stockport Local approach, which is being developed as a platform for community commissioning, and
- our innovative approach to place-based community support developed in the Heatons.

2.7. We have been pleased with the progress with the Stockport Local approach, and in particular with the roll out of additional funding to new groups. This approach forms a key plank of our vision for 'community commissioning', in which that Council plays a more proactive role in supporting local organisations to develop to the point where they might be more formally commissioned to deliver key outcomes for Stockport. In the first phase of the Fund 40 organisations together received over £0.130m, following decisions by a multi-agency panel that included representatives from the local business, the Greater Manchester Community and Voluntary Sector, the community sector and a local public service Partner (in this case, GM Police). The details of these allocations have been shared with Area and Scrutiny Committees.

2.8. We look forward to the further development of the Stockport Local approach, and encourage all groups to consider applying for the second phase of funding, which is open until the 6 January 2019. For more information visit www.stockport.gov.uk/slf.

2.9. Working within the Council, we have also begun to make the changes necessary to develop our strategic commissioning capabilities. Work has advanced in several key areas:

- A review of schools commissioning has been concluded, and recommendation implemented, that will ensure this vital group of services are more strategically aligned with Council priorities, while ensuring that both statutory responsibilities and excellent customer service standards continue to be met. This will also take account of the ambitions and plans for housing development across the Borough so that the needs of families can be met.

- The development of a Contract and Provider Management function within CSS has made good progress, working closely with colleagues in STaR Procurement and across the Council.

- The DbD Phase II programme has begun work to modernise financial transactions and payment processes across the Council. This will lead to customer service improvements as well as new processes and practices to

ensure we get more out of our spending. This work will deliver improvements throughout 2019.

- Initial thinking regarding our vision for a place-based commissioning strategy has been shared Councillors and with a range of partners through both statutory partnerships and other meetings.

2.10. Further work is planned throughout the coming months, including further consultation on strategy and principles that will inform our whole Council commissioning approach, and the recruitment of a Director of Strategy and Commissioning for the Council to continue to provide leadership and focus to this key area of work is planned.

3. TOWARDS A SINGLE COMMISSIONING FUNCTION FOR HEALTH AND CARE IN STOCKPORT

3.1. Our strategic commissioning ambitions are also informed by the significant progress made in recent years across GM to align much more closely in particular the commissioning intentions and functions of both Councils and Clinical Commissioning Groups (CCGs). GM has set a clear trajectory towards joint commissioning, based on the vision set out in Taking Charge[1] and reaffirmed in the recent GM Commissioning Review, which states an ambition for :

- The appointment of a single Commissioning Lead for health and social care
- The establishment of an integrated commissioning team
- A substantial pooling of health and council budgets
- A risk management arrangement for the integrated budget

3.2. Building on the existing trajectory of our integration plans and partnership, the Cabinet fully supports, and is keen to implement, this approach and to show, in so doing, the tangible benefits of devolution for Stockport. We are seeking to strengthen on-going working with, and support from, the GM Health and Social Care Partnership, to increase the pace of transition towards a Single Commissioning Function for health and care with assurance that from the Councils perspective the appropriate system-wide governance arrangements are in place.

3.3. The purpose of creating a Single Commissioning Function is to enable prevention-focussed, whole population commissioning that will reduce health inequalities, and improve healthy life expectancy and health outcomes for people in Stockport. The creation of a Single Commissioning Function will improve the quality of health and care services, and the sustainability of the health and social care system in the Borough. Acting at a senior strategic level, Single Commissioning Functions work to align priorities across organisations, redress the current fragmentation of commissioning, and strengthen local clinical and political influence and clarity of accountability across local public services. For the Council democratic

[1] See: https://www.greatermanchester-ca.gov.uk/downloads/file/125/taking_charge_of_our_health_and_social_care_in_greater_manchester

accountability is critical, demonstrating increased local priorities and mandated leadership at the heart of our communities.

STOCKPORT TOGETHER

3.4. Local people and their health and care service providers should be proud that Stockport is one of the healthiest places to live in the North West, and that Stockport residents are living longer than ever before. At the same time however there are significant challenges that, if not addressed would make it harder to continue to offer safe and efficient health and care services.

3.5. Stockport's health inequality gaps continue to pose significant problems. Depending on where you live, you may live up to 11 years longer, and a more healthy life, than someone in another area of Stockport. As people live longer we need to ensure we are improving healthy life expectancy through maximising opportunities for prevention of disease and promotion of wellbeing, and to find ways of improving care within the budget that we are given. We will need to actively promote and prioritise our commissioning plans to address this.

3.6. Joined-up commissioning is a key objective of the Stockport Together model. Social care, physical health and mental health are all commissioned and provided separately through a multitude of contracts. The current fragmented system is not meeting the expectations and requirements of people with complex needs who are most likely to suffer problems with co-ordination of care and delays in transitions between services.

3.7. These delays and duplications in the system are wasting resources. The Council and CCG have already established a pooled budget of £200m, and have developed a population driven segmentation model as the basis for a new approach to outcome based contracting. There is more work to be done on ensuring that this pooled resource meets the priorities and is demonstrating best value. It is through this that we will test the theoretical approach to single commissioning first to ensure there is an evidence base in Stockport that it is effective.

SPECIAL EDUCATIONAL NEEDS AND DISABILITY

3.8. Developing a Single Commissioning Function will also help to deliver the joint Council and CCG response to the recent Ofsted and the Care Quality Commission joint inspection of the implementation of the special educational needs and disability ("SEND") reforms in Stockport.

3.9. Whilst the review highlighted many positives including the dedication of front-line workers, inspectors determined that a Written Statement of Action was required because of significant areas of weakness in the local area's practice. The Review specifically noted the *"Lack of an effective approach to jointly plan and commission the services that meet the needs of those who have SEND"*.

3.10. The Council and CCG, supported by parents and carers, have joined to create a Joint SEND improvement board and Joint SEND improvement plan. The development of a new joint commissioning strategy and other improvements to joint commissioning with be central to this Plan. Whilst we are starting the work on how we jointly plan and commission we will need to consider the significant challenges of how we do this, cross organisation, through the development of the action plan in response to the written statement of action. SEND is one area where a further report on the proposals and implications for the Council will follow for consideration and any required decision making by the Council.

4. THE CASE FOR CHANGE: THE BENEFITS OF A SINGLE COMMISSIONING FUNCTION FOR HEALTH AND SOCIAL CARE

4.1. The strategic context above sets out a challenging but compelling environment in which both the CCG and Council can seek to break new ground in the development of a Single Commissioning Function. Clearly, in doing so, the organisations will need to put aside immediate professional and organisational interests in order to focus on delivering these important improvements for the people of Stockport.

4.2. There are significant potential benefits that can be expected to accrue from this work. These are set out in more detail in the appendix, and broadly fall in the following three key areas:

- **Improved population health outcomes**, including improving healthy life expectancy for all regardless of where in the Borough you live and reducing health inequalities including a focus on those most at risk;
- **Improving quality of services**, including improving performance in key CCG constitutional standards, and improved experience of care services that are commissioned;
- **Improved sustainability** of the health and care system, including best management of the significant funding gap and improvements in the value for money of commissioned services.

4.3. The CCG is a membership organisation covering all 39 GP practices in Stockport, with a Board of clinicians representing the membership view. Aligning this strong model of clinical governance with the Council's existing strategic and civic leadership, and democratic accountability would ensure the full breadth of local expertise about the Stockport population can be utilised, and that health and wellbeing issues are fully considered as part of the wider plans. Stronger clinical input would improve our ambitious plans to continue to promote growth and public service reform across the Borough.

5. GOVERNANCE OF THE SINGLE COMMISSIONING FUNCTION WITHIN THE CONTEXT OF STOCKPORT TOGETHER

5.1. The development of a Single Commissioning Function, in the context of a place-based commissioning strategy, with appropriate governance is a key political priority for the Cabinet. It is equally a regional priority, shared by colleagues across Local Government and the NHS in Greater Manchester. Despite this obvious leadership commitment, the development of an SCF would be a significant step forward that requires the establishment of sophisticated new policies, processes and other ways of working that fuse together the best of existing culture and operations across the Council and CCG.

5.2. Effective governance arrangements that could support the Single Commissioning Function for Stockport are essential. This needs to be developed and aligned with the effective governance needed for the Provider Alliance and it is the Cabinets view that the governance of provider implementation and the governance of the development of single commissioning function, as agreed in March 2018 need to remain separate. We have, as a Council seen the real and tangible benefits of the commissioner/provider split and see no reason to change that; notwithstanding any recommendations made, for the cabinet to consider following a governance review as outlined below. In addition we are mindful that the CQC system review indicated the need to reduce the number of board and governance so that implementation can be effective and led by those closest to delivery.

5.3. The development of the Stockport Neighbourhood Care leadership team has created a core team of senior leaders along with a wider leadership team of senior partners that drives delivery. Whilst this is not at the stage of requiring a refresh, alongside a review of the governance for single commissioning function we are confident that this senior team have the appropriate grip and delegations from each host organisation to continue to drive implementation in the coming months.

5.4. A review of governance for single commissioning however is required as a priority in particular to be able to address the use of resources and any plans emerging following the publication of “The NHS Long Term Plan” and the social care green paper once released. Such governance arrangements need to:

- Reflect the democratic accountability of the Council as elected representatives with appropriate governance arrangements in place to reflect this.
- reflect the statutory obligations of both the Council and the CCG, and the proper accountabilities of Cabinet Members and the CCG Governing Body,
- include concrete steps to ensure clarity, transparency and proper accountability throughout both the design/transition and operational running of the new Function.

5.5. So that further conversation across the system on single commissioning function can be based on a transparent and shared understanding of the political

expectations related to the governance of an SCF, we the cabinet have set out our thoughts below.

SYSTEM GOVERNANCE

5.6. A Single Commissioning Function should be accountable to the Health and Care Integrated Commissioning Board (HCICB), which is a Joint Committee of the Council and CCG. The HCICB meets in public, and is key to exercising joint clinical and political leadership over health and care budgets. A range of development activities are currently underway to ensure the on-going smooth running of the HCICB, and to clarify its remit and responsibilities both in relation to the pooled budget and with reference to wider Council and CCG governance. The Council is represented on the HCICB by the Leader and two Cabinet Members, and the CCG by the Clinical Chair and members of its Governing Body.

5.7. Aligned to this, the Health and Wellbeing Board has recently reviewed its Membership and Terms of Reference, and taken a number of steps to improve it ways of working and to clarify its role to act as the senior forum in the Borough for:

- setting Health & Wellbeing Strategy and determining priorities;
- assessing performance and outcomes of the system, and
- assuring accountability for action to drive system improvement.

5.8. The Adult Social Care and Health Scrutiny Committee continues to play a vital statutory role in overseeing the proper functioning of the health and care system.

5.9. The Provider Alliance Board having met its commitments to meet fortnightly for 6 months to drive implementation, now asks the SNC leadership team to take forward the continued progress. It is anticipated that a refresh of the Alliance provider agreement and governance will be concluded within 4 months so that a new terms of reference and a schedule of meetings can be agreed.

SCOPE OF THE SINGLE COMMISSIONING FUNCTION

5.10. The scope of the Single Commissioning Function should initially be that covered by the current pooled budget.

5.11. The pooled budget and current joint commissioning arrangements, were established following the Council's decision, in March 2016, to pool Public Health and Adult Social Care budgets with CCG spending on services for people 65 and over.

5.12. The Pooled Budget is hosted by the Council, and operates in accordance with a partnership agreement between the Council and the CCG, using powers granted under Section 75 of the National Health Service Act 2006. The Section 75 powers are broad but do exclude the pooling of certain health and local authority services. There are also other statutory powers that could be utilised as a mechanism for

delivering on our ambitions such as Section 10 of the Children's Act (2004) which allows for pooling of funds but not the delegation of functions.

5.13. In order that the benefits identified in this report can be delivered across the whole population of Stockport, and acknowledging the challenges recently raised in relation to SEND commissioning, the Cabinet would consider a phased expansion of the pooled and aligned budgets only once further work has been completed to ensure the governance arrangements outlined in 5.2 have been met. At each stage of the development, the cabinet and full Council where required would be updated on progress, seeking relevant decisions where required. Throughout this phased process proper consideration would need to be given to:

- the necessary work to ensure statutory compliance
- the alignment of any budgets incrementally if formal pooling is not possible

5.14. Broadly, the Cabinet would endorse a three phase process, as follows:

- **Phase 1** – The current c. £200m Section 75 agreement, including budgets for Adult Social Care; Public Health; the Better Care Fund; and CCG budgets for services for people 65 and over. The arrangements for this will require a review given the refresh of the HCICB arrangements. Whilst the budget is currently pooled the accountability remains within each organisation for the statutory functions afforded to each organisation.

  Phase 1 will remain as the status quo until there has been further development and progress on the implications of moving beyond this pooling arrangement. It is hoped that the approach proposed by the Cabinet will create impetus to move quickly to considering the issues of accountability and leadership within a single commissioning framework. If our joint ambition is realised then the Council will progress with proposals in the following phases, all of course subject to cabinet and Council decision making:-

- **Phase 2** – creation of an 'all-age' pooled (where possible) and/or aligned budget which could incorporate the alignment or where possible pooling of budgets for services to children and families for the Council (circa additional £28.5m) and whole population budgets of the CCG (circa additional £130m);

- **Phase 3** – consideration of extension of the Pooled Budget through the incorporation of budgets not currently included, such as the CCG Prescribing Budget of circa £46m and CCG management costs of circa £7m.

- **Throughout**: Delegated budgets for primary care (circa £60m) and circa £90m of specified legal exclusions would not be pooled, although efforts will be made to align the decision making regarding these funds with the SCF as would other budgets of the Council were aligned decision making could lead to better and positive outcomes for residents.

5.15. Any such pooling of further Council and CCG budgets in phases 2 and 3 would need to be subject to specific further decisions by the Cabinet/Council and CCG Governing Body respectively. These decisions would be subject to a range of further considerations and assessments by both the Council and CCG, based on a transition plan and subject to further consideration by Scrutiny Committees. Appropriate amendments would be required to the Section 75 agreement as the transition progresses.

SCF LEADERSHIP MODEL

5.16. The Cabinet has considered developments in other GM Districts and appreciate that there are a range of models that could be developed. Based on this consideration it is the view of the Cabinet that the model as has been implemented in Tameside has had significant success in improving performance, providing flexibility in the use of resources that has enabled better budget management, and has created an improved joint approach for the benefit of residents. We do in fact know that many of our residents in the east of Stockport are benefitting directly from this.

5.17. The Tameside model has a single accountable officer who is employed by the Council and whilst we have yet to complete the work outlined above to be able to determine this as our preferred decision, the Cabinet will be offering development workshops for cabinet members and other councillors to explore the options available. It is the Cabinet's view that such engagement of Councillors with be important before any final decision can be made. This accords with the way that the Council makes decisions so that there is an opportunity for all councillors to contribute to the discussion and debate through active engagement and ensuring the role of scrutiny, pre-decision is effective.

5.18. The Cabinet believes that within any model of single commissioning the leadership considerations for the Council would need to form the core of a package of measures designed to build on and seek to sustain both the strong clinical leadership of commissioning already in place through the CCG, and the Council's record of delivering ambitious public service reform in challenging circumstances and with democratic accountability. The Cabinet notes that implementing a model of SCF leadership would require wider support from Councillors, and from NHS clinicians and management both locally and nationally.

5.19. Cabinet will note that these arrangements do not infer on Councillors any new or additional responsibilities or duties in respect of the management or governance of health services in Stockport; nor do they infringe in any way the unity of the National Health Service. The CCG will continue to exist within and be subject to all aspects of NHS governance and regulation.

6. DEVELOPING AND IMPLEMENTING A SINGLE COMMISSIONING FUNCTION

6.1. The proposed way forward is ultimately designed to enable agreement and decision making that supports the development of new models of care and services that meet the needs of our residents. Collectively we need to adhere to this at the core of what we are trying to achieve whilst recognising the accountabilities and priorities of each organisation. More will need to be done by the Council to understand the work of the CCG if we are to integrate commissioning functions any further. The same applies for the CCG to understand Council values, priorities and democratic accountability.

6.2. The phased approach outlined above would need to be supported in phase one by a small Council team, reporting to the Deputy Chief Executive and working with partner colleagues at a strategic planning level for health and care provision across Stockport. Whilst this work is underway a joint leadership team focussing solely on the current pooled budget should continue.

6.3. The table below suggests high-level implementation options and timescales that we hope could follow rapidly from the agreement of the governance, scope and leadership model outlined in this report.

Workstream	Objectives	Timescales
Governance	• Development of, and agreement of SCF governance arrangements • Conclude HCICB and HWB development	• May 2019 • End Jan 2019
Commissioning Strategy	• Stakeholder engagement and consultation draft • System-wide consultation • Communication and roll-out	• End June 2019 • Summer 2019 • Autumn 2019

7. RECOMMENDATION

7.1. We will continue to work closely with colleagues across the system to deliver on our shared ambition to improve health and care outcomes for people in Stockport. We have a unique opportunity, as part of GM, to ensure health and care services are:

- operationally integrated at neighbourhood level at the point of delivery
- built on and reflective of the real strengths of our local communities, and
- strategically aligned with enhanced scope for clinical influence on the wider determinants of health

7.2. Reflecting the findings of the recent SEND inspection, we will in particular seek to work at pace with our partners in Stockport Clinical Commissioning Group, and with Schools, GPs and other Clinicians across the Borough, to put in place and deliver

on our SEND Improvement Plan, including steps that can be quickly actioned both before and following the upcoming local elections.

7.3. A series of reports will be presented to Cabinet and Council for consideration as we progress both governance and accountability discussions.

7.4. Cabinet is invited to:

7.4.1. Agree to the potential for an SCF on health and care to enable prevention-focussed, whole population commissioning that will reduce health inequalities, and improve healthy life expectancy and health outcomes for people in Stockport and engage in Cabinet workshops that considers the options and implications of single commissioning on the Council.

7.4.2. Agree the position on SCF governance arrangements, directing the Deputy Chief Executive to progress joint working to advance this position, as outlined above in a phased approach, keeping the cabinet updated and ensuring appropriate decision making at critical points.

7.4.3. Note that these arrangements do not infer on Councillors any new or additional responsibilities or duties in respect of the management or governance of health services in Stockport; nor do they infringe in any way the unity of the National Health Service.

APPENDIX

BENEFITS OF A SINGLE COMMISSIONING FUNCTION

There are significant potential benefits that can be expected to accrue from this work, including in the following three key areas:

- **Improved population health outcomes**, including improving healthy life expectancy and reducing health inequalities;
- **Improving quality of services**, including improving performance in key CCG constitutional standards, and improved experience of care services that are commissioned;
- **Improved sustainability** of the health and care system, including best management of the significant funding gap and improvements in the value for money of commissioned services.

The types of expected benefit are set out in more detail in the table below.

Benefit Category		Description
Capability benefit	Tech Capability	• Joint Information Management and Technology (IM&T) and Business Intelligence (BI) Strategy will integrate data warehouse of health and care data and join up tele-health and tele-care
Enabling benefit		• Joint development of an overarching Stockport Strategic Commissioning Strategy • Joint Quality of Care Strategy that oversees quality of care provision and service user experience • Joint Workforce and Education Strategy to develop a local workforce solution that addresses key skill gaps in workforces, nursing and social workers • Joint Estates Strategy to develop more community assets for the provision of care out of hospital • Joint development of a Joint Commissioning Strategy for Children • Joint Implementation of Health & Wellbeing Strategy, Ageing Well Strategy, Dementia Strategy, End of Life Strategy, and Mental Health Strategy • Joint development of a Stockport Quality Strategy • Joint engagement programmes to understand what matters to people
Quality Improvements		• Joint leadership for the implementation of the Stockport Together models of care to deliver the benefits • Joined up approach to reducing inequalities in the most deprived areas of Stockport, focussed on housing, education, health prevention and care • Joint agreed approach to defining and measuring outcomes • Commission for outcomes across the whole pathway of care. For example: Long Term Conditions, reducing incidence and cost of diabetes through education in schools, healthy lifestyles, find and treat for early

		detection, education for self-management, and support for carers • Joint Person Centred Approach to delivery of health and care • Oversight of quality of service provided by all providers across health and care in both NHS and independent sector • Commissioning evidence-based services across health and care • Better use of Voluntary and Community Social Enterprise (VCSE) sector in commissioning of health services and in supporting people back home after a hospital stay • Joined up approach to Safeguarding adults and children with Council, Police and CCG • Bringing Care Homes and Domiciliary Care into the core of health and care provision in Stockport, though joint commissioning • Joint commissioning of mental health and wellbeing programmes
Capacity benefit	Cost Avoidance	• Reduce duplication in commissioning services
	Cost Saving	• Economies of scale in commissioning and business functions such as safeguarding and emergency planning functions • Joint Quality, Innovation, Productivity and Prevention (QIPP) / Cost Improvement Programme (CIP) programmes • Joint market management for example in the care home and homecare market • More people cared for at home by commissioning an integrated urgent care system with a ‘home first’ focus