

Report to Hackney Health and Wellbeing Board

Item No:		Date:	8th March 2017
Subject:	Integrated Commissioning across City and Hackney		
Report From:	Devora Wolfson: Programme Director: Integrated Commissioning (LBH, CCG and COLC)		
Summary:	<p>In autumn 2016, NHS City and Hackney Clinical Commissioning Group and the London Borough of Hackney and the City of London Corporation formally agreed to explore the benefits of an integrated commissioning model in line with the Hackney devolution business case.</p> <p>This paper sets out the detailed proposals to establish an integrated commissioning model between LBH and the CCG. Parallel arrangements are also being established between the CCG and the City of London Corporation.</p>		
Recommendations:	<p>It is recommended that the HWB:</p> <ol style="list-style-type: none"> 1. Notes the progress that is being made with integrated commissioning 2. Notes the specific aims of devolution and integrated commissioning that support the priorities of the HWB and the delivery of the JHWS in paragraph 1.7, in particular: <ul style="list-style-type: none"> • To focus our collective resources on improving the wellbeing of local people; • To better coordinate all the determinants of health and wellbeing including employment, education and housing. 3. Comments on the ‘big ticket’ items set out in paragraphs 3.8 to 3.10 and the plans for the system to work together more effectively. 4. Is asked to assess the impact that ICBs have had in delivering the improvements set out in the JHWS (9.4). 5. Notes the proposed reporting arrangements of the Integrated Commissioning Board set in section 10 of the report. 		
Contacts:	<p>Anne Canning – Group Director, Children, Adults & Community Health Services</p> <p>Paul Haigh, Chief Officer, NHS City and Hackney CCG</p>		

1. INTRODUCTION

- 1.1 The London Borough of Hackney and City and Hackney CCG have been committed to working with partners to achieve the goal of closer integration of health and social care for many years. This paper sets out the next stage in that process which we hope will be a significant milestone in our journey towards delivering the joined up health and care services and support that our residents deserve.
- 1.2 Following the publication of the NHS Five Year Forward View in 2014, local areas are required to produce Sustainability and Transformation Plans (STPs) to show how health and social care organisations (known as systems) will work together to tackle issues of financial sustainability, quality of care and health inequalities. City and Hackney is part of the North East London STP and is one of the 3 local delivery systems for the STP ambitions.
- 1.3 Key senior stakeholders from the London Borough of Hackney, CCG, Homerton Hospital, East London NHS Foundation Trust, City and Hackney Urgent Healthcare Social Enterprise (CHUHSE) and the GP Confederation began meeting to discuss the problems in Hackney and how we could better work together to improve services and outcomes. We formally established a Transformation Board in early 2016 made up of the local leaders including the voluntary sector and Healthwatch to oversee the further development of our devolution business case and our service development plans.
- 1.4 Health and social care partners across City and Hackney share an ambition to improve health outcomes for local people by commissioning and delivering services across organisations in a more joined up/ integrated way that makes the most of our shared investment at a time when public sector funding has experienced significant reductions and increasing budgetary pressures. This is the ambition for the devolution pilot.
- 1.5 We have embarked on a significant joint planning programme across the CCG, the two local authorities, Adult social care and children's commissioners and the joint public health commissioners to review our existing plans and opportunities for greater alignment
- 1.6 We believe that a fully integrated commissioning model across health, public health and social care between the CCG and the two Local Authorities offers a number of exciting opportunities linked to our wider programme of work. We plan to look outside the traditional box of health and social care and think about how we can not only join up health, public health and social care but also join up with other services to tackle the wider determinants of health such as:
 - Working across the LAs and CCG to commission not just health and wellbeing but wider community services and initiatives from a combined estates portfolio;
 - Taking our quadrant delivery model beyond health and social care to wrap services around people at a local level and expand the offer on self-help and on social prescribing;
 - A more integrated digital offer of advice and access to local people; and
 - A fully integrated primary and secondary prevention strategy.

- 1.7 Our specific aims are:
- To focus our collective resources on improving the wellbeing of local people.
 - To design out the gaps in services which citizens often experience.
 - To design out duplication of effort in commissioning and providing.
 - To move away from adversarial relationships to ones in which we are all working together, with citizens and with practitioners to design and deliver the services they want and need.
 - To move towards place based commissioning and, in particular, to ensure that there is a clear focus on the needs of the City of London.
 - Over time, to better coordinate all the determinants of health and wellbeing including employment, education and housing.
- 1.8 We have put in place organisational development support to review individual commissioner work plans, to undertake peer challenge of what we are doing and to explore the scope for where we could do more by working together, and aligning our approaches and contracts to deliver better outcomes for residents.
- 1.9 In Autumn 2016, Members of the London Borough of Hackney and the City of London Corporation, along with the NHS City and Hackney Clinical Commissioning Group Governing Body, agreed to explore the benefits of an integrated commissioning model as outlined in the Hackney devolution business case.
- 1.10 We are clear about the outcomes we need to achieve and we want to move to an approach whereby we use commissioning to:
- Drive improvements in outcomes and ensure our providers work together to take collective responsibility for achieving these improvements;
 - Bring together patient, clinical and practitioner views, alongside best practice and benchmarked information, to define our plans; and
 - Support providers to move to explore more integrated delivery arrangements in which the needs of our patients override organisational arrangements.
- 1.11 We believe that fully integrated commissioning across health, public health, adult social care and children's services is the next step in our integration journey towards a place-based health and care system that is more accountable to local residents.
- 1.12 This paper sets out the detailed proposals to establish an integrated commissioning model for health, social care and public health across City and Hackney from 1 April 2017. These proposals are being considered through the local authorities and the CCG's formal decision-making structures in late February and early March 2017.
- 1.13 Integrated commissioning offers a number of exciting opportunities linked to our wider devolution programme. If we start to look outside what is traditionally seen as health and social care, we can broaden our approach to commissioning; not just health and wellbeing but building wider community capacity and strengthening our communities by making better use of our shared estates portfolio.

1.14 The Hackney Health and Wellbeing Board is asked to comment on the proposed new arrangements.

2. THE INTEGRATED COMMISSIONING MODEL

1.15 The Integrated Commissioning Model is built around two separate commissioning boards - a board for the London Borough of Hackney and one for the City of London Corporation.

1.16 The Hackney Integrated Commissioning Board will be made up of two committees in common. These will be the London Borough of Hackney (LBH) Integrated Commissioning Committee and the NHS City & Hackney Clinical Commissioning Group (the CCG) Committee. Those two committees shall meet in common and shall be known together as the Hackney Integrated Commissioning Board.

1.17 A similar board will be created between the CCG and the City of London Corporation.

1.18 An Integrated Commissioning Fund, consisting of a pooled budget and an aligned fund (funds which cannot be legally pooled or which partners are not yet ready to pool) will be established for each Board and documented within a Section 75 Agreement (NHS Bodies and Local Authorities Regulations 2000).

1.19 Commissioning for core primary care will be outside of these integrated commissioning arrangements and will be discharged by a formal committee of the CCG. However, the Transformation Board and the Integrated Commissioning Boards will provide a steer and recommendations on core primary care services to the CCG primary care Committee.

1.20 From April 2017, the Transformation Board will form part of the governance arrangements for integrated commissioning - providing advice and recommendations to the two Integrated Commissioning Boards and taking responsibility for local delivery and implementation across the provider landscape.

1.21 The Transformation Board will be made up of commissioners and providers working in partnership with patient and public representatives. It will be chaired by Tim Shields, the Chief Executive of the London Borough of Hackney.

1.22 The Locality Plan is being developed and will form the basis of the Commissioning Strategy for integrated commissioning. The four priority areas of the Locality Plan are:

- Children and Young People;
- Prevention;
- Planned Care; and
- Unplanned Care.

1.23 The Locality Plan will incorporate the priorities of the HWB and the STP and will accelerate the delivery of the JHWS and the measurement of its impact.

1.24 Formal leadership arrangements are being established around these four priority areas to review current plans and services, identify areas for improvement and test out their potential impact. Pooled funds are aligned with each of these priority

areas. Each workstream will report to the Transformation Board who will make recommendations to the Integrated Commissioning Boards for decision (see Governance section below for more detail).

- 1.25 In the first year of operation, 2017-18, the integrated commissioning model will be based on existing contracts and service delivery. During that first year, the four workstreams will begin to identify where commissioning and services may change to better meet local needs, support more integration of service delivery, improve outcomes and deliver the aims of the locality plan.
- 1.26 The model will initially include health, adult social care and public health. Children's services will be considered for inclusion from 2018/19.

3. DEVELOPMENT OF THE WORKSTREAMS

- 1.27 Our ambition is to have the four workstreams fully established and functioning by autumn 2017 taking full responsibility for system delivery, transformation and financial balance. The unplanned care workstream has been meeting since December 2016 under the leadership of Tracey Fletcher with an indicative ring fenced budget; the prevention care workstream will be established next with the other two workstreams following this.
- 1.28 The workstreams will be made up of commissioners and providers working in partnership with patient and public representatives.
- 1.29 We are in the process of mapping out the responsibilities of the care workstreams which will be set out in a 'senders' pack' and the workstreams in turn can use this to clarify their operating model and action plans (as receivers)
- 1.30 In order for the care workstreams to operate effectively, we need to ensure that they have the right resources in place. Our intention is to second a senior manager to support each workstream for up to a year and backfill their substantive role. We will also define other lead roles within each workstream - PPI/user representative and a clinical/practitioner lead.
- 1.31 We will also need to ensure that the IT, workforce, primary care and estates enabler groups support the care workstreams and are supporting the delivery of their ambitions. The probable delegation of commissioning responsibility for core primary care to the CCG from NHSE in April provides a lever to refocus the current CCG Primary Care Quality Board to support the overall programme.
- 1.32 As workstreams develop, more control will transfer from existing governance arrangements, for example the CCG programme boards to the care workstream. We will need to co-design gateways and reporting arrangements to provide assurance that the care workstreams are ready to take on their additional responsibilities.
- 1.33 We have agreed that the "ask" of each workstream – reflecting outcomes, transformation, STP and local ambitions – is signed off by the Transformation Board to ensure consistency and alignment.

Big ticket items

- 1.34 A number of “big ticket” items have been identified- these are where there are opportunities to make a significant impact by working together as a system across health and the local authorities, fully integrating delivery and making a real difference to residents’ and patients’ outcomes. Some of these’ big ticket’ items, for example smoking, mental health and dementia are also within the Hackney Joint Health and Wellbeing Strategy (2015-18).
- 1.35 The ‘big ticket’ items that we will take forward through the workstreams are:
- Quadrant working, single point of coordination and hospital discharge – this work has already begun with the unplanned care workstream;
 - Self-care including access to advice and social prescribing;
 - End of Life Care;
 - Employment, ways in to work and support for people with mental health, long-term conditions including learning disabilities;
 - Making every contact count for smoking, exercise and mental health and a focus on a system wide approach to smoking
 - Dementia - making all areas of the City and Hackney dementia friendly;
 - Housing – linking to discharge, and housing for people with mental health and long-term conditions, including learning disabilities; and
 - Continuing health care.
- 1.36 The HWBB is asked to comment on these ‘big ticket’ items and to note the way that health and social care system is planning to work together more effectively.

4. BENEFITS AND RISKS OF THE NEW MODEL

- 1.37 This model offers several potential opportunities for residents and patients in Hackney. The pooling of Adult Social Care and Public Health budgets with CCG monies through a Section 75 Agreement presents an opportunity to improve health outcomes for local people by commissioning and delivering services across organisations in a more joined up way that makes the most of our shared investment at a time when public sector funding has experienced significant reductions and increasing budgetary pressures.
- 1.38 It would provide:
- A London Borough of Hackney-based model responsive to London Borough of Hackney needs;
 - A dedicated focus on Hackney residents and their needs with an identified health budget separate from the budget for City;
 - More integrated services for most Hackney residents, reducing current complexities;
 - A more direct line between the ambitions of the Health and Wellbeing Board and how these are delivered locally;

- Integrated contracting and procurement models should result in more efficient delivery and offer opportunity of longer-term cost savings; and
- More aligned plans across the CCG and LBH to allow the two organisations to make the best use of their budgets and powers to secure improved outcomes and more joined up services.

1.39 There are also some potential risks associated with this model:

- There would be potential loss of direct control over some budgets, although the scheme of delegation for the Integrated Commissioning Board addresses this; and
- The impact of managing and resourcing additional governance structures - this is addressed in paragraph 6.13 and 6.14.
- An initial equality impact assessment screening has been carried out on the proposed integrated commissioning model and has not identified any negative impacts on any particular protected characteristic under the Equality Act 2010. As a result, a full impact assessment has not been carried out.
- As the integrated commissioning model develops and existing services may change or new ones develop, specific full equality impact assessments would be undertaken.

5. CONSULTATIONS AND ENGAGEMENT

1.40 The following engagement has taken place about the integrated commissioning proposals:

- The four public Quadrant engagement events in December 2016 facilitated through Healthwatch;
- The two Health and Wellbeing Boards;
- The two Health Scrutiny Committees;
- The London Devolution Board;
- The NEL STP Board;
- NHSE;
- The Transformation Board;
- Articles in the Healthwatch newsletter and a City Healthwatch event on the STP and integrated commissioning;
- Event with local statutory providers (Homerton, ELFT, GP Confederation);
- Event with local community and voluntary sector providers;
- CCG Board to Board meeting with Homerton Hospital; and
- Event for all commissioning staff across the CCG and the two LAs.

6. FINANCIAL CONSIDERATIONS

Section 75 and Financial Framework

- 1.41 For each Integrated Commissioning Board, there will be an Integrated Commissioning Fund which will be made up of two parts, a pooled budget and an aligned budget.
- 1.42 The pooled budget will initially be made up of CCG, adult social care and public health resources where there has been agreement to pool these resources to deliver integrated commissioning and the Locality Plan. It will also include the Better Care Fund (BCF). It will be governed by a Section 75 Agreement (see legal framework below) including a schedule setting out the financial framework.
- 1.43 The aligned budget will be made up of the budgets which cannot legally be pooled using Section 75 legislation or budgets where partners are not yet ready to pool but want to work collectively to plan their use.
- 1.44 It is proposed that the London Borough of Hackney and the City of London Corporation will include all their Adult Social and Public Health commissioning budgets and some staffing resources, with the exception of budgets that cannot be legally pooled. Components of Children's services may be included in the model at a later date subject to a formal decision-making process. For the CCG, all funding will be included in the pooled budget apart from corporate services and a number of services which have to be legally excluded and which will sit in the aligned budget.
- 1.45 The total indicative pooled budget based on 2016/17 for Hackney is approximately £437 million (rounded up). This is made up of an indicative £111 million contribution from LBH and £325 million from the CCG. The indicative aligned fund for Hackney is £47 million made up of £52 million from the CCG and (£5) million from LBH.
- 1.46 The Section 75 pooled budget is profiled into four areas: Unplanned Care; Planned Care; Children's Services and Prevention. The pool will include budgets for services which are directly delivered by the Council and contracted services. It is recognised that it may be necessary to move monies between the four areas as integrated commissioning evolves and provision will be made in the agreement to do this.
- 1.47 The Financial Framework (Schedule 3 of the Section 75 set out in Appendix 5) for the Hackney Integrated Commissioning Board sets out the general rules and scope for the management and expenditure of funds which make up the Integrated Commissioning Fund and how conflicts in budget-setting priorities would be settled. The Section 75 details which budgets are included and which fund (pooled or aligned) they are in. The financial framework is agreed by partners on an annual basis.
- 1.48 The framework also sets out the requirements and makes provision for governance and accountability of:
- The Integrated Commissioning Fund and its boundaries;
 - Financial planning and management responsibilities;

- Budget setting and budgetary control, including budget setting and management, managing conflicts, handling under and over spends; and
 - Ground rules for its use and treatment of overspends.
- 1.49 The financial framework will be agreed annually by the statutory organisations and outline the frame and budget for the ICB for the coming year.
- 1.50 The Section 75 Agreement will be for a 2-year period with a break clause at 6 months' notice. This will ensure that the Council or the CCG is able to withdraw from these arrangements if they have concerns.
- 1.51 The budget and approach will be negotiated and agreed each year to reflect changing circumstances.
- 1.52 A meeting was held with the partners and external auditors in January 2017. The external auditors confirmed that the proposed arrangements per the Financial Framework were adequate and no issues flagged.
- 1.53 There will be a small team who will support the new integrated commissioning arrangements on behalf of the partners. This will include:
- The Finance Economy Group (Chief Financial Officers)
 - The Finance Task and Finish Group (Deputy Chief Financial Officers or equivalent) who will oversee the monthly integrated reporting;
 - Governance manager for the Integrated Commissioning Boards and the Transformation Board who will manage the business flows within the new arrangements; and
 - An Integrated Commissioning Programme Director.
- 1.54 The CCG is funding any additional resources required for the team.

7. GOVERNANCE

- 1.55 Appendices 1 to 4 set out the overarching governance structure for integrated commissioning and how it links with other decision making structures within the individual organisations.

Transformation Board

- 1.56 The current Transformation Board is made up of system leaders (providers and commissioners) working in partnership with patient and public representatives who are responsible for developing and delivering improvement plans in relation to the devolution pilot.
- 1.57 From April 2017, the City and Hackney Transformation Board will form part of the governance arrangements for integrated commissioning - providing advice and recommendations to the two Integrated Commissioning Boards and taking responsibility for local delivery and implementation across the provider landscape..
- 1.58 The Transformation Board will be chaired by the Chief Executive of LBH. The Terms of Reference including the membership for the Transformation Board are attached at Appendix 2.

Integrated Commissioning Boards

- 1.59 The two Integrated Commissioning Boards for Hackney and for the City will meet separately. However, when discussing common issues, strategies or recommendations, the two Integrated Commissioning Boards could meet together.
- 1.60 Each Integrated Commissioning Board will function through committees in common established by City and Hackney CCG with either the City of London Corporation or London Borough of Hackney.
- 1.61 Hackney and the CCG's committees must reach their own separate decisions on matters when meeting together as the Integrated Commissioning Board and must do so by consensus.
- 1.62 The London Borough of Hackney's Integrated Commissioning Committee has authority to make decisions on behalf of Hackney, which shall be binding on the authority, in accordance with the Committee's terms of reference and the scheme of delegation and reservation. The CCG's Integrated Commissioning Committee has authority to make decisions on behalf of the CCG, which shall be binding on the body, in accordance with its terms of reference and the scheme of delegation and reservation.
- 1.63 The Hackney Integrated Commissioning Board, through the separate committees established, will make decisions together on use of the pooled budget on behalf of the statutory organisations. For aligned funds, the Board members will decide on the strategy and make recommendations to either the CCG Governing Body or the London Borough of Hackney for a formal decision. The Integrated Commissioning Boards will receive recommendations from the Transformation Board which has responsibility for delivery of the Locality Plan.
- 1.64 The LBH committee will consist of three councillors and the CCG Committee will consist of three members of the CCG Governing Body. There will also be additional representatives invited to attend each meeting as professional advisers, as detailed in the terms of reference in Appendix 4, including: - the Group Director for Children, Adults and Community Health, the Group Director for Finance and Corporate Resources from LBH and the Chief Financial Officers from the CCG and a GP representative from the CCG Governing Body. Legal advisers will also be in attendance.
- 1.65 The Chair of the Integrated Commissioning Committee will rotate on a 6 monthly basis between the Chair of the CCG and the Lead Member for Health, Social Care and Devolution, with whoever is not Chair, becoming the Deputy Chair of the Board. The Terms of Reference for the London Borough of Hackney Integrated Commissioning Board is attached at Appendix 4.
- 1.66 Hackney's Integrated Commissioning Board will be subject to the Council's and the CCG's Access to Information Procedure Rules, Executive Procedure Rules and other relevant Constitutional requirements. Decisions taken by the Committee shall be subject to call-in and scrutiny in accordance with the Council's and CCG's Constitution.
- 1.67 The Scheme of Delegation for the Hackney Integrated Commissioning Board is attached at Appendix 3. Each organisation retains responsibility for their statutory

responsibilities and will therefore hold the relevant Integrated Commissioning Board to account for operating within the schemes of delegation.

- 1.68 A conflict of interest statement has been developed for integrated commissioning to ensure the ongoing management of conflicts of interest within the integrated commissioning arrangements in a robust way.
- 1.69 The proposed governance arrangements are being considered through the council's and the CCG's formal decision-making processes in February and early March 2017.
- 1.70 The partners have agreed to review the governance arrangements after 6 months to ensure that they are robust and are providing accountability back to the three statutory organisations

Legal Framework

- 1.71 The pooling of health and local authority funding is enabled through a Section 75 Agreement which was established in the NHS Bodies and Local Authorities Regulations 2000.
- 1.72 The Section 75 Agreement will be a 2 year agreement with a six month break clause and a review after the first year.
- 1.73 The Legal advisers have confirmed that the three organisations are operating within their statutory powers in establishing these arrangements and the model is within the existing legislative framework
- 1.74 Nationally there are discussions about changing legislation to allow greater pooling of budgets (i.e. removing the split between aligned and pooled) and simpler governance. It is possible that any changes may come into effect in 2018 and the partners will need to review these arrangements should that occur

8. EQUALITY IMPACT ASSESSMENT

- 1.75 An initial equality impact assessment screening has been carried out on the proposed integrated commissioning model and has not identified any negative impacts on any particular protected characteristic under the Equality Act 2010. As a result, a full impact assessment has not been carried out.
- 1.76 As the integrated commissioning model develops and existing services may change or new ones develop, specific full equality impact assessments would be undertaken.

9. REVIEW

- 1.77 The terms of reference of the new Boards require a formal review after 6 months. The s75 agreement includes a break clause after one year – with any partner being able to serve notice.
- 1.78 Both of these are important mitigations and opportunities for partners to review these arrangements and ensure that they are making a difference and that the

arrangements which have been put in place are robust.

- 1.79 The commissioners have also agreed that it is important to evaluate the impact of integrated commissioning and whether it is making a difference for local people and supporting transformation beyond what could be achieved through existing structures and arrangements. We plan to discuss the evaluation of the local model with the London Devolution Board and other national partners to explore whether this could be included in the wider plans to evaluate the impact of devolution and health and social care integration
- 1.80 As part of evaluating the impact of the work of the ICBs, the HWB will be asked to assess the impact that ICBs have had in delivering the improvements set out in the JHWS.

10. FUTURE REPORTING

- 1.81 Dates for the ICB meetings are currently being finalised. The dates are being aligned as far as possible to the dates of the Transformation Board and to enable reporting into the key partner statutory body meetings including the HWB.
- 1.82 A forward plan will be drafted to enable clear and structured decision making by the ICBs. This will incorporate:
- Contracting activity relating to pooled budgets
 - Transformation Board recommendations
 - Integrated Commissioning Risk Management
 - Performance review, monitoring and evaluation
 - Integrated Commissioning strategy and planning
 - Service re-design
- 1.83 The first report setting out our progress with integrated commissioning will be provided to the HWB at its meeting in July 2017.

11. ATTACHMENTS

Appendix 1 – Overarching Governance Structure
Appendix 2 -Terms of Reference for the Transformation Board
Appendix 3 – Scheme of Delegation for the Hackney Committees in Common
Appendix 4 – Terms of Reference for London Borough of Hackney Integrated Commissioning Board
Appendix 5 – Hackney Section 75 Agreement