

PROGRAMME INITIATION DOCUMENT

One Commissioning Organisation

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Approved: Yes

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Revision date	Summary of Changes
August 2016	Version 1
September 2016	Version 2 includes changes agreed with Programme Managers at meeting on 9 September 2016
October 2016	Version 3 includes initial arrangements for form and governance from 1 April 2017
19 October 2016	Approved by all members of Joint Leadership Team as a working document to be reviewed every three months

Approvals

The final version of the document requires the following approvals:

Name	Signature	Title	Date of Issue
Rishi Shori		Leader, Bury Council	
Kiran Patel		Chair, Bury CCG	
Mike Owen		Chief Executive, Bury Council	
Stuart North		Chief Officer, Bury CCG	
Pat Jones-Greenhalgh		Executive Director, Communities and Well Being	
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1. Purpose of Document

The purpose of this document is to set out approach to the development of One Commissioning Organisation (OCO) in Bury, in line with planned transformational change to deliver on local, regional and national priorities and initiatives within public sector services. This programme of work seeks to ensure the successful integration of the commissioning functions of Bury Council and Bury CCG and as such this is a working document and will be revised and updated as the programme progresses.

The Programme takes the two respective organisations from their current forms, through a stage of aligned functions, to the final integrated entity, after it has completed all the activities necessary for consolidation of the commissioning functions. It concentrates on the actions necessary to ensure approval from the Council Cabinet and CCG Board to operate as an OCO from April 2017, within the Council structure. This programme will also ensure that appropriate plans are in place, beyond April 2017 to fully review and integrate commissioning functions and associated operational management arrangements in line with the stated intentions in the Locality Plan. This will include the disaggregation and redesign of existing resources in line with the wider developments of the Locality Care Organisation (LCO) and Neighbourhood Working arrangements, using existing mechanisms in line with legal frameworks

2. Background

Under the Greater Manchester (GM) Devolution Agreement, a range of powers and responsibilities are being transferred from Government to the GM Combined Authority. Included within this agreement is responsibility for the conurbation's NHS services and budget which is estimated to be £2billion in deficit. GM has produced a strategic plan, under-pinned by 10 locality plans, which commits to closing this gap over the next 5 years.

Bury's Locality Plan, "Bolder, Braver Bury – Towards GM Devolution" is clear in its ambition and commitment to move the local health and social care economy. It takes account of the financial challenges facing both organisations and the opportunities from both organisations coming together to deliver a more financially sustainable position, improve wellbeing among the resident population and oversee a reduction in health inequalities. This will be achieved through four key themes:

- Redesigning and improving services – encouraging joint working, greater efficiency and new delivery models to make the sector more sustainable. This includes changing the local approach to commissioning.
- Moving services closer to the community – reducing the gravitational pull of acute settings by creating and nurturing appropriate provision in localities to keep people well.
- Investing in early intervention and prevention – information, guidance and support to reduce the prevalence and severity of conditions that lead to demand for statutory and emergency services.
- Enabling people to self care – helping the registered and resident population to play a more prominent role in looking after their own health and well being.

Consistent with this intention is the wider reform of public sector services, and Bury has already established a Neighbourhood Working Programme to deliver the principles of place based integration, redesigning services with individuals, families, communities at the heart, adopting an asset based approach that recognises and builds on their strengths and developing a new relationship between public services and citizens, communities and businesses that enables shared decision making, democratic accountability and voice, genuine co-production and joint delivery of services.

As part of the North East Sector (NES) the Bury OCO will have a major role to play to influence the commissioner and provider landscape, given that some provider organisations operate across more than one Local Authority and ensuring that Bury's commissioning priorities are reflected in the wider discussions and at a GM level.

Senior Leaders of Bury Council and Bury CCG have established a planning structure and work programme framework to provide leadership, oversight and co-ordination of the key work programmes needed to ensure whole system transformation and service redesign. (See Diagram 1)

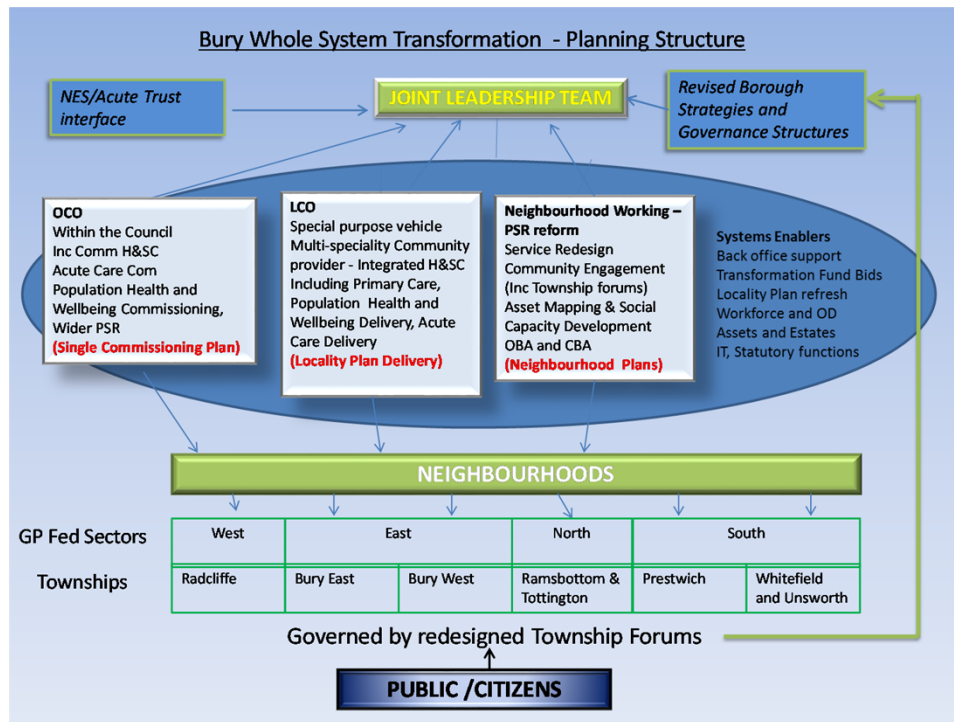


Diagram 1: Planning Structure

2. Integrating Commissioning Functions

A key feature of these plans for redesigning and improving public services, relates specifically to the creation of one commissioning organisation across Bury CCG and Bury Council. The rationale behind a single, all age, commissioning organisation is based on an assessment within the Bury Locality Plan which identified:

- An uncoordinated arrangement of services and programmes across health (primary, community and hospital) and social care requiring rationalisation
- Very little funding available for investment
- Health and Social Care services commissioned in isolation/silos (leading to services provided in isolation/ silos)
- Multiple hand-offs for service users
- A wide variation in standards and pathways which impact on quality and cost
- A different language and culture of commissioning which leads to confused messages and approaches to contracts and performance monitoring
- A lack of co-ordinated approach to individual, personalised health and social care budgets
- Different skill sets and behaviours to commissioning
- Lack of co-ordinated approach to improve population health and wellbeing
- A culture of control, competitiveness and predatorial behaviour by providers, arising from national drivers

The hypothesis is that a single body with a significant pooled budget will be more efficient and effective. By joining up the commissioning of health, social care and wellbeing services, there will be a reduction in duplication, a more holistic/person centred

approach across care pathways and lower costs – as a result of more efficient ways of working.

Senior Leaders from Bury Council and CCG are committed to establishing a single commissioning organisation in Bury that changes people’s lifestyles, behaviours and outcomes by prioritising:

- Education and Information
- Prevention
- Self care and self management

in order to maximise independence and wellbeing within a sustainable resource framework.

There is a commitment to the principle that all programme budgets are within scope of the OCO, subject to legality. The Functions of the OCO will be to:

- Oversee flow of resources in and out
- Define standards
- Define outcomes
- System leadership and leaders for transformation
- Local Assurance Body
- Design and shape the market

This document sets out the approach to realising the ambition of having one commissioning organisation in Bury by April 2017, by aligning the commissioning functions in the Council. It sets out the processes and timelines for bringing together different arrangements, funding mechanisms and decision making structures into a single entity that works for the resident and registered population of Bury.

3. Organisational Form and Governance

The CCG will be transferred into the Councils structure on 1 April 2017 and operate as a virtual commissioning organisation with integrated meeting structures and decision making. From 1 April 2017, The Chief Operating Officer (COO) for the CCG will report to the Chief Executive (CEO) of the Council and become a member of the CEO’s Senior Leadership Team with reporting arrangements established to align the two structures. Arrangements will also be established for regular joint meetings between the Leader of the Council and the Chair of the CCG.

The CCG will initially remain as a separate legal entity, with the COO as the Accountable Officer for the CCG, and continue to receive resources to meet the health needs of the registered population. However, these resources will be pooled, where legally possible and aligned where this is not legally possible (pooling in Shadow form) and commissioning decisions will be made jointly. Similarly, whilst the CCG exists as a separate legal entity there will continue to be a limited number of CCG Board Meetings

It is acknowledged that aligning meeting structures, decision making and spending falls short of full integration. However, it promotes the collaborative approach that can be built on to inform the planning and arrangements for full integration over a longer

timeframe. These arrangements will also be informed through the Back Office and Support Functions Work Programme being progressed as part of the whole system transformation agenda and may include services that the CCG currently receive from the Greater Manchester Shared Services moving to shared back office functions within the OCO.

In the period up to formal transfer of the CCG into the Council structures work will be progressed to integrate, align and streamline commissioning governance and decision making processes including a review of the role of Health and Wellbeing Board.

4. Programme Management and Governance Structure

This programme of work will be lead through a Programme Management Team reporting to the Joint Leadership Team. The Programme Management Team will establish the necessary work groups to deliver key activities within agreed timescales. (See Diagram 2). The leads for these work streams will also be members of the Programme Management Team. There are a number of issues that will need to be considered and addressed to inform the planning and delivery process. These include

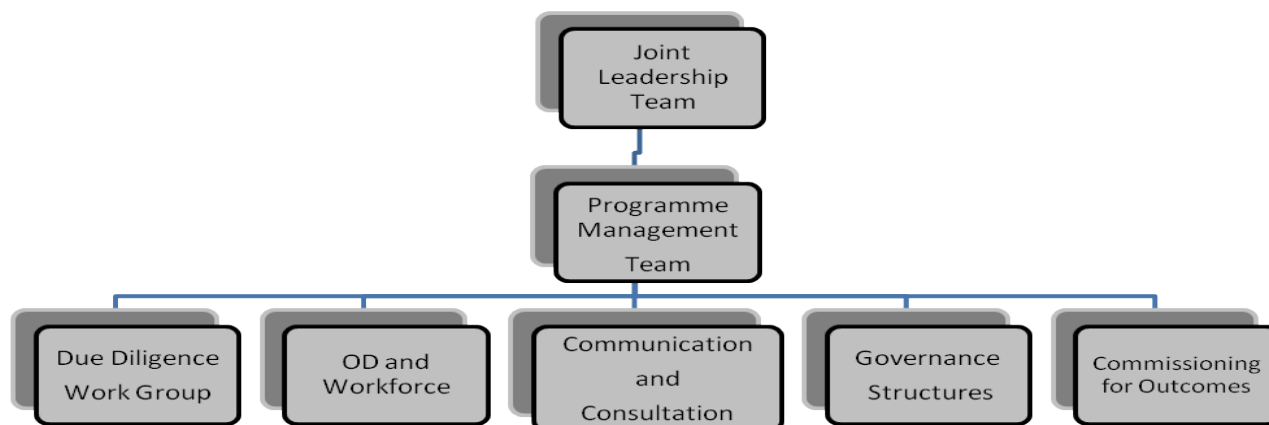


Diagram 2: Proposed Programme Management and Governance Structure

Financial frameworks: Whilst advocating closer integration between health and social care, the Government treats the sectors differently as illustrated by central spending allocations, legislative frameworks and reporting requirements.

Governance and decision making: Health and social care services have many common goals and similarities as both systems are person centred, based on needs and aspire to high standards of care. The structures within which these operate however have subtle differences. Health has a stronger clinical element in decision making; social care

operates within the local democratic domain. The distinction may not be as great as it appears. Both systems are politically sensitive and have to respond to national Government priorities; operationally, decisions are taken on a needs led basis and both politicians and clinicians want the best for local people. Accordingly, an architecture that embraces both clinical and political perspectives will be able build on a significant amount of shared values and ambitions as we continue to work towards making Bury a great place to live, work, study and visit.

The population base: The existing commissioning organisations currently work on slightly different client bases. 95% of Bury residents are registered with GPs in Bury, 5% registered with other GPs. In addition, there are a greater number of people who are non-Bury residents that are registered with a Bury GP. This issue, however, is more than outweighed by the gains to be obtained from better sharing of intelligence about the population, developing a common approach to risk stratification and using the data to target interventions and preventative work

Outcomes: Defining the outcomes that will be commissioned for and will drive the priorities of the LCO and respond to the priorities of the Townships

Communication: Plan for both internal and wider stakeholder communication and future marketing and branding of the OCO

5. Programme Plan

5.1 Key Milestones for Approval of the Transfer

The key outcome at this stage is to ensure that the activities are identified and established to deliver on the alignment of functions within the Council by April 2017.

September to October 2016.

The Following activities will be undertaken

- Programme structure and work groups established
- Details of initial organisational form detailed
- Board/Cabinet sign off to develop arrangements for formal approval
- Stakeholder Communication Plan established including consideration of marketing and branding for Day1
- Quick wins workshops held to identify options and activities for early integration
- Finalise scope and priorities for OCO and outcomes
- Agree partnership principles and outcomes for OCO
- Agree what functions required to deliver outcomes
- Mapping and addressing constraints and opportunities – financially, legally, constitutionally, politically
- Progress Governance and Due Diligence programme including:
 - Complete financial audit
 - Identify required decisions/structures
 - Identify legal issues and solutions
 - Identify risk and reward management arrangements

- Identify required changes to SFIs constitution and interim arrangements
- Commence consultation
- Develop Transformation fund bid in parallel, development of business case and proposal

November to December 2016

The Following activities will be undertaken

- Draft timelines and Criteria for pooling and aligning budgets– project plan
- Consideration of future contractual forms
- Establish integrated meeting structures
- Formal Consultation with CCG staff

January 2017 to 31 March 2017

The Following activities will be undertaken

- Conclude formal consultation with CCG staff
- Commence integration of key functions where identified
- Complete draft partnership and Section 75 agreements
- Plan and timetable for Board and Cabinet approval to integrate CCG commissioning functions
- Communications
- Complete all enablers for Day 1

6. Day 1 - 1 April 2017

The Key outcome at this stage is that the Council has aligned the CCG commissioning functions into its structures and formally acts as one commissioning organisation

List all the activities that will need to be completed on Day 1 (to be identified as the programme progresses)

7. Post- transfer Redesign Phase

This stage concentrates on the key actions required of the OCO in the first 12 months post transfer to ensure the benefits of fully integrated commissioning functions are realised without impacting on operational performance and to establish a solid foundation for longer term service redesign and transformation

Consideration during this stage will be given to the development of a single base and unitary management, reducing overheads. Sharing skills, knowledge and expertise to understand different provider markets and build capacity within existing resources. Other practical issues around staffing (TUPE requirements, terms and conditions), accounting procedures, transfer of contracts, adequacy of information systems, etc would also need

to be tested and resolved. Activities during this stage will be identified and developed as the Programme progress

April 2017 – September 2017

- Review and disaggregation of all existing resources
- Commence planning for integrations of key departments

October 2017- March 2018

8. Benefits Realisation

From an individual's (customer/patient) perspective, integration of commissioning functions creates a seamless pathway between health and social care services, effective transition between community and specialist provision and timely responses/interventions to presenting needs. Facilitating these outcomes and incentivising providers to work better together has to be accompanied by a change in commissioning which:

- (a) Delivers system leadership that changes partnerships with the public and providers, taking a more holistic view of individuals, families and communities. Experience tells us that people are complex and bringing commissioning together has the potential to give clinicians much wider access to services which address the wider determinants of health (housing, benefits, leisure, etc). Opportunities exist to extend social prescribing and influence non-medical interventions for the benefit of local people and sustainability of their communities
- (b) Gives a common and consistent message on commissioning intentions across the health and social care sectors particularly in terms of joining up preventative and community based services
- (c) Works to pool resources from health and social care to address priorities and areas of need, realising the potential of the 'Bury £'. This is one of major benefits could be a 'quick win' in terms of eliminating duplication across agencies
- (d) Drives the changes required in health and social care to deliver the GM Strategic Plan, the Primary Care Strategy and reduce inequalities, whilst delivering the financial savings/efficiency targets that are required

The project will explore, identify and quantify the impacts of one commissioning organisation. Some of the areas where concrete benefits can be achieved through coherent commissioning include:

- A single governance framework which empowers individuals in the organisation and the customer base
- Integrated leadership that gets the best outcomes for Bury people
- Market management, adopting an entrepreneurial approach to developing and manage community assets
- Information sharing – the collective gathering and interpretation of intelligence to target health and social care resources for the well being of our communities
- Extending access to wider services – through social prescribing or new pathways
- Personal health budgets for health and social care

- Shared outcomes, priorities and standards e.g. continuing health care, school nurses
- Collaborative contract management/tendering procedures – to improve outcomes and drive down costs
- A richness of skill mix and capacity, through the sharing of knowledge skills and expertise

9. Communications

This section needs will be developed and informed by further discussion with JLT, there will be a supporting Communications Plan that picks up all stakeholder and key Board/Cabinet timetables for key milestones including timetable in formal approval at end of March 17.

Communications for 1 April 2017 (go live) notifying all of change will also be established

10. Organisational Development

This section will be developed and informed by further discussion with JLT with the development of a supporting Workforce and OD plan that co-ordinates all the activities supporting transformation across the system

11. Finance and Resources

This section needs to be developed and informed by further discussion with JLT as the programme progresses. This will take account of details and rationale for seed funding for transformation bid and the development of the full bid for transformation funding.

12. Key Risks and Mitigation

An issues and risks log will be established and managed through the PID structures with risks escalated to the JLT in the first instance.

Assumptions

A number of assumptions have been made at the outset:

- Positive and continued commitment from the Council and CCG to the programme
- All health and social care commissioning activities that improve population health and wellbeing are included within scope
- Operational details (staffing, contracts, costs, systems) are accessible and available
- Issues with information sharing can be overcome possibly through GM Connect
- Information systems and processes are fit for purpose
- Future operating costs will not exceed estimates
- Project management/support resources will be available when required

Risks

- Inconsistent commitment and leadership of this approach

- Changing political landscape
- Destabilisation of current arrangements- workforce, disparity of roles and salaries (more for less), lack of planning of how to deliver what we need
- Loss of financial control
- Failure to secure sufficient transformation funding to mobilise the change
- Failure of LCO to deliver
- Loss of clinical engagement
- Lack of expertise and capacity for commissioning differently
- Managing political message
- Failure to engage the public in this transformation and reform agenda
- Failure to deliver the financial efficiencies required for the Bury economy

Risk Share

- Legally watertight, clearly outcome based contracting with all
- Governance and accountability
- Contract monitoring, KPIs quality monitoring and early triggers
- Managing the risks and benefits, associated with pooled budgets and resource profiling

Document review

This document will be reviewed and updated quarterly to capture the outcomes and the actions required as the programme progresses