Executive Summary:
The paper provides the background to the proposals for joint commissioning with health, specifically in the context of the recent white paper, and the consequent governance and scrutiny arrangements required. The slides appended explain (i) how the functions of the primary care trust (NHS West Sussex) may be divided up post Health White Paper changes; and, (ii) what “commissioning” is all about.

The NHS White Paper seeks to bring decision making about health closer to clinicians and the patient. It also seeks to increase the democratic legitimacy to health care arrangements.

Work is underway to bring together some commissioning teams between October and March 2011, with commissioning led by the county council. Building good relationships with new GP consortia in West Sussex will be of great importance to the success of joint commissioning.

A formal partnership agreement will be necessary to enable a transfer to the county council from NHS West Sussex (NHSWS) of commissioning functions and associated resources for the better planning, coordination and delivery of services and activities linked to adults and children’s social care services but currently managed in the NHS for the council. This will be subject to a cabinet member decision in October.

The arrangements for the Joint Commissioning Board (JCB) are being reviewed to ensure there is clear and transparent governance and proper opportunities for scrutiny, including “joint scrutiny“, where appropriate (see paragraph 2.19).

Staff from the council and NHSWS have been involved in the development of models for the joint commissioning arrangements.

There are a number of risks that need to be fully assessed and managed.

Recommendations:
The Committee is asked to consider and comment on:

1. the proposals for joint commissioning of services, led by the County Council
2. the proposed partnership agreement to enable the transfer of functions from the NHS to the County Council
3. the revised governance arrangements relating to the Joint Commissioning Board and the potential opportunities for scrutiny arising from these.
1. **Background**

1.1 This paper provides the background to proposals for the development of joint commissioning to achieve more integrated services and achieve greater levels of efficiencies.

1.2 The council has long and successful experience of working with the NHS. Together the two organisations already:

- pool £164m (£100m NHS) of budgets with NHS West Sussex (previously known as the PCT) for mental health; learning difficulty; substance misuse; community equipment; and telecare services
- have 2 senior management appointments which are jointly funded, plus others which have joint management accountabilities for pooled budgets
- jointly commission services for people so we can better meet their needs and maximise our combined buying power (e.g. Child and Adolescent Mental Health Services (CAMHS); Speech And Language Therapy (SALT); Stroke; Carers; Dementia etc)
- successfully manage the major budgets efficiently, creating savings alongside improved performance.

1.3 The NHS White Paper seeks to bring decision making about health closer to clinicians and the patient. It also seeks to increase the democratic legitimacy to health care arrangements. The NHS white paper proposes that:

- PCTs and the Strategic Health Authorities who have the responsibility for planning and leading the local NHS are abolished and replaced with a National Board and local GP commissioning consortia.
- the Council, in the absence of PCTs, work with the NHS to promote partnership working and improve both NHS services and Adult Social care and children’s services
- the Council take over local responsibility for public health improvement, and establish Health and Well-Being Boards.
- the council to commission and fund a new body called Healthwatch (taking over from Links) and also potentially the NHS complaints and advocacy services and to support patients exercising choice.

1.4 These proposals are out for consultation and there is still uncertainty as to how new arrangements will be implemented in relation to scrutiny arrangements. This will be subject to briefings later in the year as it becomes clearer. The Health Oversight and Scrutiny Committee are discussing the issues this month.

1.5 The NHS in common with the council is under considerable financial pressure and all proposals for closer working are made on the basis that there will be efficiencies and savings for both organisations as well as maintaining and or improving outcomes and services for patients.

1.6 The focus of this paper is on the future development of joint commissioning. It has the opportunity to achieve greater savings and efficiencies but also presents challenges in terms of developing new relationships with GP consortia, which replace the PCTs. Ensuring the GP consortia are fully involved in the design of arrangements and the governance is important from the start and will bring added value to the commissioning process.
2. **Discussion**

**Joint Commissioning Teams**

2.1 Plans are already in place to build on the existing joint work by bringing some of the strategic commissioning undertaken by the Council and the PCT together into single teams led by the council.

2.2 This was identified as an FSR Workstream (phase 3) and £1.3m the target saving to be achieved. The aim is to look at the needs of shared customers in a coordinated way and maximise our purchasing power and reduce costs. Joining up the commissioning process is only of value if it leads to better, more joined up services for customers and at a lower cost.

2.3 The first planned phase, by October 2010, is to bring together the staff commissioning children’s services. This would then be extended to commissioning for continuing care, high cost placements and older people and carers by the end of March 2011. This has the potential to increase opportunities for joint commissioning from £164m to circa £5/600m.

**Commissioning Scope**

2.4 The broad areas we would want to **strategically** commission together to achieve more joined up service delivery and savings are potentially:

- **Children’s services**: to achieve the outcomes in the 2010 - 2015 Children’s and Young Peoples Plan e.g.
  - Early years and parenting support
  - Healthy Child Programme
  - Emotional and Mental Wellbeing – CAMHS
  - Speech and Language Services
  - Continuing health care and high cost placements

2.5 **Older Peoples Services** - to achieve the outcomes in The Director of Public Health’s Report 2010 “A Fair Old Age” e.g. (and in particular the delivery of integrated service provision)
  - Continuing Health Care
  - Dementia Care
  - Some Long Term Conditions – such a community support for people with diabetes and or multiple conditions and frailty
  - Health and Well Being
  - Admission avoidance and unscheduled care
  - Intermediate care and Regaining Independence Service (RIS)
  - Support for carers

2.6 The involvement and support of GP consortia will be critical.

2.7 The Joint Commissioning Board has asked for a high level work plan by October identifying the savings and efficiencies that can be achieved over the longer term through joint commissioning. Work has already started on this for children’s services as part of the Children’s Local Integrated Working FSR Programme. Work is underway for the older peoples areas.
Governance

2.8 A formal partnership agreement will be necessary to enable a transfer to the county council from NHS West Sussex of commissioning functions and associated resources for the better planning, coordination and delivery of services and activities linked to adults and children’s social care services but currently managed in the NHS for the council. It is proposed that this will be a 5-year agreement, with one year review so that GP consortia have secure ongoing arrangements in place as they develop but also have the opportunity to change or stop the arrangements should they not meet their needs.

2.9 The partnership agreement will cover the following areas:
- What the Joint Commissioning Unit (JCU) will do (its purpose)
- Who it will commission for (the customer and patient groups)
- The drivers for the business of the JCU (strategic priorities)
- To whom it will be accountable (the governance arrangements)
- The structures for operating (the leadership, decision making process and delegations of authority)

2.10 The partnership agreement will be a high level agreement, under which further detailed schedules for specific services and budget arrangements will be agreed for specific customer groups or services. These are known as Section 75 agreements under the Health and Social Care Act.

2.11 The partnership agreement will be subject to cabinet member and NHS West Sussex Board decisions in October and subsequent Section 75 agreements will also be subject to cabinet member and Board decisions as they are developed.

The Joint Commissioning Board

2.12 The Joint Commissioning Board (JCB) is responsible for agreeing the way the County Council and the Health Service work together for certain care groups and for managing and monitoring pooled budgets for these services.

2.13 Its membership includes the Cabinet Members for Adults Services, Children and Families and Finance and Resources, the Chairman and Chief Executive of the West Sussex Primary Care Trust (PCT) and senior officers from both organisations. Its meetings are serviced by the County Council’s Democratic Services Unit.

2.14 The actual decisions to commission services for the care groups are not taken by the Board, but by the relevant decision-maker within the PCT or the County Council, such as the Cabinet Member. Executive decisions taken by the County Council to commission services etc are subject to scrutiny by the relevant County Council scrutiny committee.

2.15 However, the Board’s decisions about how services should be planned and delivered jointly and how the budget is monitored etc, are not currently subject to scrutiny. The Board does not meet in public and its papers are not published.

2.16 This lack of transparency has been a concern since the Board was reconstituted and renamed in 2007. The Board’s responsibilities currently cover budgets in excess of £164m for services to a range vulnerable people and it is clearly in the public interest that the way it conducts its business is open and transparent. As
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Joint working becomes more central to council working it is even more necessary to review the way in which the JCB operates to improve transparency and openness to scrutiny.

2.17 Joint commissioning will result in more integrated service provision across health and social care – a real benefit to residents. These developments are likely to cross existing select committee remits – such as the development of a lifelong disability service (Adults and Children and Young Peoples Select) – or joint health and social care dementia services (Adults and HOSEC). To avoid duplication consideration may need to be given to joint scrutiny arrangements. This will be easier to achieve if there is good forward planning in place.

2.18 Discussions have taken place with the representatives of the PCT and there is general agreement that the most straightforward approach would be to apply to the meetings of the JCB the same arrangements which apply to a decision-making committee of a local authority, namely:

- public notice to be given of the dates, times and venues of all meetings of the JCB
- all such meetings to be open to the press and public to attend as observers
- the agenda and all reports to be published a minimum of five working days before the meeting and supplied to members of the public and press on request (subject to certain matters being discussed in the absence of the press and public where it is in the public interest to do so)
- a report of the decisions taken at the meeting to be published immediately after the meeting, or the unconfirmed minutes of the meeting be published within five working days of the meeting.

2.19 In addition, the JCB should ensure all potential decisions are published in the Forward Plan and considered at each of its meetings, to inform the process of scrutiny by the relevant service Scrutiny Committee which could then decide which of these its areas it wished to scrutinise and to fit these into its annual work programme. In cases of cross-cutting work, consideration will need to be given to appropriate ways of scrutinising relevant issues which avoid duplication but allow input by all the relevant County Council select committees. Some form of flexible joint working around a lead select committee may be an option to develop.

2.20 This is not to convert the JCB into a body with Executive decision-making powers nor to create a role for the Health Overview and Scrutiny Committee to scrutinise the JCB, but to ensure greater openness and transparency for the existing business of the Board.

2.21 The County Council should ensure that all proposed commissioning and other decisions to be taken by the relevant Cabinet Members arising from the work of the JCB are identified and follow the Council’s decision-making process, being subject to call-in by the relevant service Scrutiny Committee and, where appropriate, published in the Forward Plan.

3. Proposals

3.1 That the council agree a formal partnership arrangement to enable the transfer to the county council from NHS West Sussex of commissioning functions and associated resources for the better planning, coordination and delivery of
services and activities linked to adults and children’s social care services but currently managed in the NHS for the council.

3.2 That the council will become the lead commissioner for some services on behalf of the health service.

3.3 That the relevant strategic commissioning staff teams in both organisations will come together to achieve the efficiencies.

3.4 That the JCB operates by the same arrangements which apply to a decision-making committee of a local authority, namely:

- public notice to be given of the dates, times and venues of all meetings of the JCB
- all such meetings to be open to the press and public to attend as observers
- the agenda and all reports to be published a minimum of five working days before the meeting and supplied to members of the public and press on request (subject to certain matters being discussed in the absence of the press and public where it is in the public interest to do so)
- a report of the decisions taken at the meeting to be published immediately after the meeting, or the unconfirmed minutes of the meeting be published within five working days of the meeting.

4. Consultation

4.1 40 senior staff from the PCT and the council took part in a two-day workshop to help design and inform the proposals and future model for the joint strategic commissioning arrangements. These are being worked up and will be used to inform discussions with key stakeholders such as GP commissioners during September, in preparation for consideration by the Joint Commissioning Board in October. It is proposed that formal recommendations will be made to the PCT Board and WSCC cabinet members later in October.

4.2 Approximately 70/80 staff in the council and 20/25 staff in the PCT are affected by these proposals. HR is supporting a consultation process with both sets of staff likely to commence in November subject to decision making processes.

4.3 Discussion and involvement of the forming GP consortia is starting and will be critical to the success of this proposal.

4.4 Discussion has taken place with representatives of NHS West Sussex, cabinet members and democratic services officers on the proposed arrangements for the JCB

4.5 The cabinet and NHSWS Commissioning Executive, and NHS West Sussex Board have received similar briefings. There is general support for the direction of travel and recognition of the opportunities for improving services for people and achieving greater efficiencies. There is also recognition of the challenges posed by the changes in the NHS but do not regard this as a reason to change the pace or objective.
5. **Resource Implications and Value for Money**

5.1 The pooling of the Mental health and Learning Difficulty resources has been successful in understanding need, managing budgets across health and social care needs within limited and reducing resources.

5.2 The council has approximately £64m in pooled budgets with the health service – giving a total of £164m including the NHS element. These proposals would potentially increase the pooling of the resources for services to adults and children to approximately £500m across the two organisations. This will require effective finance and governance support.

5.3 It is clear that due to the financial environment there will be fewer resources available to the public sector. The purpose of bringing the resources together will be to continue to deliver effective services within the reduced resource level.

6. **Risk Management Implications**

6.1 GP consortia may reject the joint commissioning arrangements for existing or new areas of work – this is unlikely for existing areas of work but possible for new areas in particular older people, unless the approach is for flexible delivery of services (i.e. integrated provision of say intermediate care and RISS/ district nursing and social care/one OT service).

6.2 GP consortia may cross geographic county boundaries. GPs may look to align along patient flows rather than geographic or council boundaries.

6.3 The efficiencies will not be achieved in the short term but over the longer term through redesigning the offer to customers – not just by combining NHS and council spend both of which are reducing.

7. **Crime and Disorder Act Implications**

7.1 Not applicable.

8. **Human Rights Act Implications**

8.1 Not applicable.

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