

**NHS DORSET CLINICAL COMMISSIONING GROUP
GOVERNING BODY MEETING**

PROPOSAL FOR INTEGRATION THROUGH THE BETTER CARE FUND

Date of the meeting	15/03/2017
Authors	M Maddison, Programme Director Health and Social Care Integration V Read, Deputy Director of Nursing and Quality, CCG
Sponsoring Board member	P Vater, Chief Financial Officer, CCG
Purpose of Report	To seek approval from the Governing Body to enter in to a new joint commissioning programme with Dorset County Council and Poole and Bournemouth Borough Councils to improve the sustainability of care markets.
Recommendation	<p>In relation to DORSET COUNTY COUNCIL the Governing Body is asked to approve:</p> <p>a) a new joint commissioning programme with Dorset County Council from 1 April 2017 to improve the sustainability of care markets</p> <p>b) the CCG's participation in a shared procurement process to re-commission 'support at home' noting that the Invitation to Tender process is scheduled to begin on 24 March 2017</p> <p>c) the proposed model and risk share for the pooled budget supporting the care market work, noting that work to finalise contributions from each commissioning partner is still underway and baselines will be agreed once month 11 reports for 16/17 projected outturn are available.</p> <p>In relation to BOURNEMOUTH BOROUGH COUNCIL AND BOROUGH OF POOLE the Governing Body is asked to approve:</p> <p>a) a new joint commissioning programme with Bournemouth Borough Council and the Borough of Poole from 1st April 2017 to improve the sustainability of care markets;</p> <p>b) the CCG's participation in a shared procurement process to re-commission 'support at home', noting that the Invitation to Tender process is scheduled to begin in May 2017.</p>
Stakeholder Engagement	<p>Over the last 12 months Dorset County Council has undertaken a review of the Support at Home capacity alongside external evaluation (by Healthwatch) focussing on service user experience.</p> <p>A series of provider workshops have also been undertaken and individual meetings have been held. Lead clinical and management staff from the CCG has</p>

	<p>been involved in developing the strong and sustainable care markets programme plan. The Governing Body had an informal discussion about the proposals in January 2017.</p> <p>Bournemouth and Poole have a vision for people who use health and social care services to be able to access quality care and support that will maximise their potential to meet clearly identified personal outcomes. Two provider engagement events have taken place in preparation for the new Framework. These events have given providers the opportunity to have their say using an exercise called "You Said... We Did". The response from the market is being used to facilitate a new Framework that will bring about more collaboration to stabilise the market whilst bringing about a change towards outcome based commissioning in a staged and safe way to ensure sustainability in the market place.</p>
Previous GB / Committee/s, Dates	N/A

Monitoring and Assurance Summary

This report links to the following Strategic Principles	<ul style="list-style-type: none"> • Services designed around people • Preventing ill health and reducing inequalities • Sustainable healthcare services • Care closer to home 		
	Yes [e.g. ✓]	Any action required?	
		Yes Detail in report	No
All three Domains of Quality (Safety, Quality, Patient Experience)	✓		✓
Board Assurance Framework Risk Register	✓		✓
Budgetary Impact	✓		✓
Legal/Regulatory	✓		✓
People/Staff	✓		✓
Financial/Value for Money/Sustainability	✓		✓
Information Management & Technology	✓		✓
Equality Impact Assessment	✓		✓
Freedom of Information	✓		✓
I confirm that I have considered the implications of this report on each of the matters above, as indicated	✓		

Initials : MM & VR

1. Introduction

- 1.1 This report is presented in two sections
- **Section one** - sets out a proposal for approval for a new joint commissioning programme between Dorset Clinical Commissioning Group (CCG) and Dorset County Council (DCC) to improve the sustainability of care markets in the future;
 - **Section two** - sets out a proposal for approval for a new joint commissioning programme between Dorset Clinical Commissioning Group (CCG) and Bournemouth Borough Council (BBC) and Borough of Poole (BoP) to improve the sustainability of care markets in the future.
- 1.2 The new arrangement helps to deliver the vision in 'Our Dorset' the Sustainability & Transformation Plan (STP) for care that is more integrated and closer to home. It aims to mitigate the risk that is posed by the current fragility of adult care markets through a single, shared delivery plan and associated pooled budget for 'Support at Home'.
- 1.3 A stronger care market that offers improved quality, better controls on price increases and offers the potential for innovative care models is key to delivering the vision in the STP.
- 1.4 The risks presented by the current fragility of care markets and the escalating cost of care have been identified by DCC, BBC, BoP and the CCG. Neither partners can deliver the required mitigation actions on their own.
- 1.5 The CCG has had significant success in managing the number of CHC conversions but unit costs remain a major challenge.

SECTION ONE

2. Dorset County Council (DCC)

- 2.1 The strong and sustainable care markets programme covers home care, residential and nursing home care for older people and adults with physical disability. It brings together the commissioning of those services between adult social care in DCC and the CCG's Continuing Healthcare function. It enables a consistent approach to planning capacity, quality improvement and works towards the introduction of a new pooled budget. It enables health and adult social care commissioners to have a clear and consistent dialogue with care providers.
- 2.2 The current direction of travel for DCC is unsustainable with steep increasing expenditure, driven mainly by the cost of care, high price inflation and pressure from self-funders who are running out of money.
- 2.3 The Dorset Health & Wellbeing Board approved in principle adding this programme of work in to the Better Care Fund plan for 2017-2019 at their meeting on 1 March 2017.

The proposal is also being considered by the County Council's Cabinet at their meeting on 8 March 2017 as part of agreeing the planned scope of the next Better Care Fund plan for 2017-2019 and delegating authority to senior officers, in consultation with the Lead Cabinet member for adult social care, to enter in to new pooled budget arrangements under Section 75 of the Health and Social Care Act. At the time of writing this report the Cabinet meeting had not yet taken place, feedback on the outcome of the Cabinet discussion will be shared with members of the Governing Body at the meeting.

3. Background

- 3.1 The Better Care Fund (BCF) provides an opportunity to improve health and wellbeing outcomes for local residents by enabling better integration of health and social care support, responding to the improvements members of the public tell us they want to see.
- 3.2 The BCF for 2017-19 aims to complement the existing collaboration agreement between NHS organisations in the Dorset system. It will act as the two year operational plan between the NHS and Local Authorities supporting health and adult social care integration as part of implementing the STP.
- 3.3 The BCF plan and linked Section 75 financial agreements provide a formal agreement between the Clinical Commissioning Group and DCC that capture priorities for shared development, agreed performance measures, mechanisms for pooling resources between health and adult social care and agreements on shared risk and reward. This provides a convenient delivery vehicle for the new joint commissioning programme and pooled budget set out below.
- 3.4 Joint management of the market position is seen as crucial to supporting a sustainable and functional care market for the future. It will enable a focus on care models, quality and financial sustainability. There will be further gains in terms of fewer disputes and the potential to improve performance in delayed transfers of care.
- 3.5 DCC's existing Support at Home framework has been in place since 2012 and is due for retender. It includes the provision of basic activities of daily living (for example personal hygiene, dressing and preparing food) and social, practical and emotional support to meet the identified assessed needs and outcomes of people using the service. These are expected to be provided in an enabling way to maximise independence.

4. Scope of the Programme

- 4.1 The proposal has been developed as a programme plan to be implemented over a two year period. It includes the pooling of budgets and joint commissioning activities as well as alignment of commissioning resource.

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- 4.2 The initial activity is a tendering exercise to procure Support at Home capacity for a contract period up to 5 years (3 plus 2) for older people and adults with physical disabilities.
- 4.3 In conjunction with the CCG, the scope of the proposed jointly tendered framework is to expand the current Support at Home service, to include the following (linked) services: 'Roaming Nights' 'Short Breaks', 'Rapid Response', all CHC and FNC purchased by Dorset CCG relating to relevant service users within the DCC boundary, 'Specialist Housing Support' and 'Residential and Nursing' bed provision and future support to new 'Extra Care Schemes'.
- 4.4 A diverse market will be developed through the framework that will respond to both rural and urban need and is sustainable for the market and commissioning partners. This approach will have greater flexibility and trust to allow service users who are publicly funded to agree how and when care is provided rather than be prescriptive in support plans. The framework will also incentivise the use of local community support and the use of assistive technology.
- 4.5 Separate arrangements exist for Learning Disability and Community based Mental Health and this is not part of scope for the new tender. Children's social care services are also excluded from the scope of the programme.
- 4.6 The programme will include the relevant personal health budgets (PHBs), individual service funds (ISFs) and direct payments (DPs) activity relating to older people and younger adults with complex physical needs in order to enable wider market facilitation work for those choosing to take control of their own care through these routes.
- 4.7 In addition to the alignment of budgets and procurement activities, there is a significant change programme that will run concurrently to address the future resource model for joint commissioning, impacts on other functions and the redesign of business processes.
- 4.8 The key work streams for this project are; Commissioning, Quality, Brokerage and Workforce see Appendix 1 which summarised these work streams.
- 4.9 There is already very close working on quality between the two commissioning partners and the number of registered providers with restrictions/blocks due to quality concerns has decreased significantly. However, there is more work to do and the quality element of the programme will bring the two teams of staff even closer together with a single approach to quality improvement.
- 4.10 Benefits from the whole programme would not all be realised immediately but would build over the implementation period and the immediate signal to the market in terms of a cohesive and coherent approach would be strong.

5. Procurement implications

- 5.1 The approach to the joint procurement activity has already been summarised above. The invitation to Tender process is scheduled to begin on 24th March 2017.
- 5.2 By agreeing this proposal the Governing Body would be approving the CCG's involvement in the procurement exercise for the services that are in scope and consequently a new, shared framework of providers would come in to place from December 2017. The mobilisation process from the new framework is critical and the programme includes a joint approach to planning and implementing the mobilisation.
- 5.3 The programme plan includes use of the standard NHS contract for appropriate commissioned services.

6. Managing the Programme and Governance

- 6.1 The programme will be led by DCC with management and leadership by a single, appropriately experienced senior manager on behalf of the commissioning partners. The Director of Adult and Community Services at DCC will be the Senior Responsible Owner.
- 6.2 A Management Board has been temporarily convened to oversee the programme implementation, manage risks and issues and ensure benefits realisation. This includes the CCG's Director of Nursing & Quality and the Deputy Director of Finance working alongside senior DCC colleagues.
- 6.3 By using the BCF as a delivery vehicle for the programme, the existing BCF governance and associated reporting to the Dorset Health & Wellbeing Board can be used to ensure progress as planned.
- 6.4 The governance for the BCF within the CCG will continue as currently through the Audit and Quality Committed and Governing Body.

7. Proposed model for the pooled budget and risk share

- 7.1 It is proposed that the programme operates with aligned budgets from April 2017. As the procurement is completed and the new contracts start to be mobilised, the relevant spend would move from the aligned budget into a full pool, in line with the new contract arrangements, with a view to delivering a full pool for 100% of the agreed activity by the end of the first year of the BCF two year plan period.
- 7.2 Contributions and the proposed risk share would be set so as not to disadvantage either partner at a point in time. It is important to note that work to finalise contributions from each commissioning partner is still underway and baselines will be agreed once month 11 reports for 16/17 projected outturn are available.

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- 7.3 The DCC position for 2016-17 is one of an estimated 10% overspend on a £50m base budget for DCC. DCC cannot agree to pool its spend of £55m as it is charged with reducing spend for 2017-18 in order to support the wider corporate drive to deliver savings. As part of DCC's budget setting for 2017/18 the Council has decided to rebase its budget to £53m and the illustrative calculation below is based on that amount.
- 7.4 The CCG is forecasting expenditure of around £18m. The CCG's CHC budget was set to include other patient groups and at pan Dorset level and so there is no specific budget attributable to this cohort. Based on the wider CHC population, this forecast is estimated to be around a 4% underspend against the base budget.
- 7.5 Given the significant cost pressure inherent in the DCC position, it is untenable to pool out-turn spend for both partners. The proposal is that the CCG contribution to the pool is scaled down to the same degree as the 2016-17 out-turn to 2017-18 budget ratio at DCC. The CCG would retain the difference between its 2016-17 out-turn and the pooled amount to cover a likely overspend and any internal savings to be delivered.

Demonstrated in simple terms below:

	DCC £M	CCG £M
Out-turn 2016-17	55	18
	↓	↓
Proposed pool 2017-18	53	17.35

Downscale CCG 2016-17 spend by 3.64% to match the ratio of DCC spend to pooled amount
CCG retain £0.65M contingency to cover likely overspend

- 7.6 In this example, the total pool would be £70.35m (which is the £53m DCC contribution plus the £17.35m CCG contribution). Overspends on that amount would be split in the 53/17.35 ratio.
- 7.7 Underspend would be unlikely but provision could be made for that eventuality, either in terms of split in same proportions or some small degree in favour of social care to support the Better Care Fund condition of protecting social care.

8. Risks and barriers

- 8.1 A number of risks and barriers have been considered in planning the detailed programme, particularly from a financial perspective. It has been concluded that none of the risks or barriers identified are insurmountable with careful and realistic setting of both operational rules and programme and delivery planning.

SECTION TWO

9. Bournemouth Borough Council & Borough of Poole

- 9.1 The Care and Support at Home project incorporates the commissioning of domiciliary or home care, services for older people and adults with physical disability, between adult social care in BBC, BoP and the CCG's Continuing Healthcare function. It enables a consistent approach to planning capacity and quality improvement. It enables health and adult social care commissioners to have a clear and consistent dialogue with care providers.
- 9.2 The current contracting arrangements for BBC and BoP have expired and interim arrangements are in place while the re-commissioning process is undertaken. The capacity and availability of the care market is unable to respond to the demands of health and social care.
- 9.3 BoP and BBC have approved a joint approach to the commissioning of Care and Support at Home and Dorset Workforce Action Board agreed to allocate funding to support the training and development of practitioners and providers in new ways of working.

10. Scope of the Programme

- 10.1 Both BBC and BoP existing domiciliary care frameworks have been in place for several years and are due for retender. Both include the provision of support to basic activities of daily living (for example personal hygiene, dressing and preparing food) and social, practical and emotional support to meet the identified assessed needs and outcomes of people using the service.
- 10.2 The initial activity is a tendering exercise to procure Care and Support at Home capacity for a period up to 7 years (5 plus 2) for all adults, excluding people with a learning disability.
- 10.3 The scope of the new provision is for adults over the age of 18 and will include Care at Home services for patients with Continuing Health Care (CHC) "Fast Track" and "Long Term" care needs and, where required, will supplement provision from the CCG's specialist CHC palliative care provider.

- 10.4 For the Borough of Poole and Bournemouth Borough Council the services will be provided to individuals with mental health conditions, people with physical disabilities, individuals in need of carers home-based support and night care (waking and sleep in nights).
- 10.5 “Extra Care” within the Borough of Poole is subject to an existing commissioning arrangement. However the new service will include provision for people living in “Extra Care” within Bournemouth Borough Council. Specialist Dementia Care services are the subject of additional commissioned services in Borough of Poole.
- 10.6 The services will be delivered throughout the year between the hours of 0600 to 2300.
- 10.7 The framework will respond to local need and is sustainable for the market and commissioning partners. This approach will be a developmental one, allowing for providers and commissioners to work together to respond to changing needs and future developments (e.g. personalised outcome planning and delivery). The framework will also incentivise accessing local community support and the use of assistive technology.
- 10.8 Separate arrangements exist for Learning Disability and low-level Community based Mental Health and this is not part of scope for the new tender. Children’s social care services are also excluded from the scope of the programme.
- 10.9 The programme will include the relevant personal health budgets (PHBs), individual service funds (ISFs) and direct payments (DPs) activity relating to older people and younger adults with complex physical needs in order to enable wider market facilitation work for those choosing to take control of their own care through these routes.

11. Procurement Implications

- 11.1 The approach to the joint procurement activity has already been summarised above. The invitation to Tender process is scheduled to begin in May 2017. The expected go live date for the framework is 1 November 2017.
- 11.2 By agreeing this proposal the Governing Body would be approving the CCG’s involvement in the procurement exercise for the services that are in scope and consequently a new, shared framework of providers would come in to place from November 2017. The mobilisation process from the new framework is critical and the programme includes a joint approach to planning and implementing the mobilisation.

12. Managing the Project and Governance

- 12.1 The project will be led by BBC with day-to-day project management from BBC, with management and leadership by a single, appropriately experienced senior manager on behalf of the commissioning partners.

The Head of Commissioning and Improvement at BoP will be the Senior Responsible Owner.

- 12.2 The existing Joint Commissioning Board arrangements for the pan-Dorset area would maintain an overview of this programme.

13. Conclusion

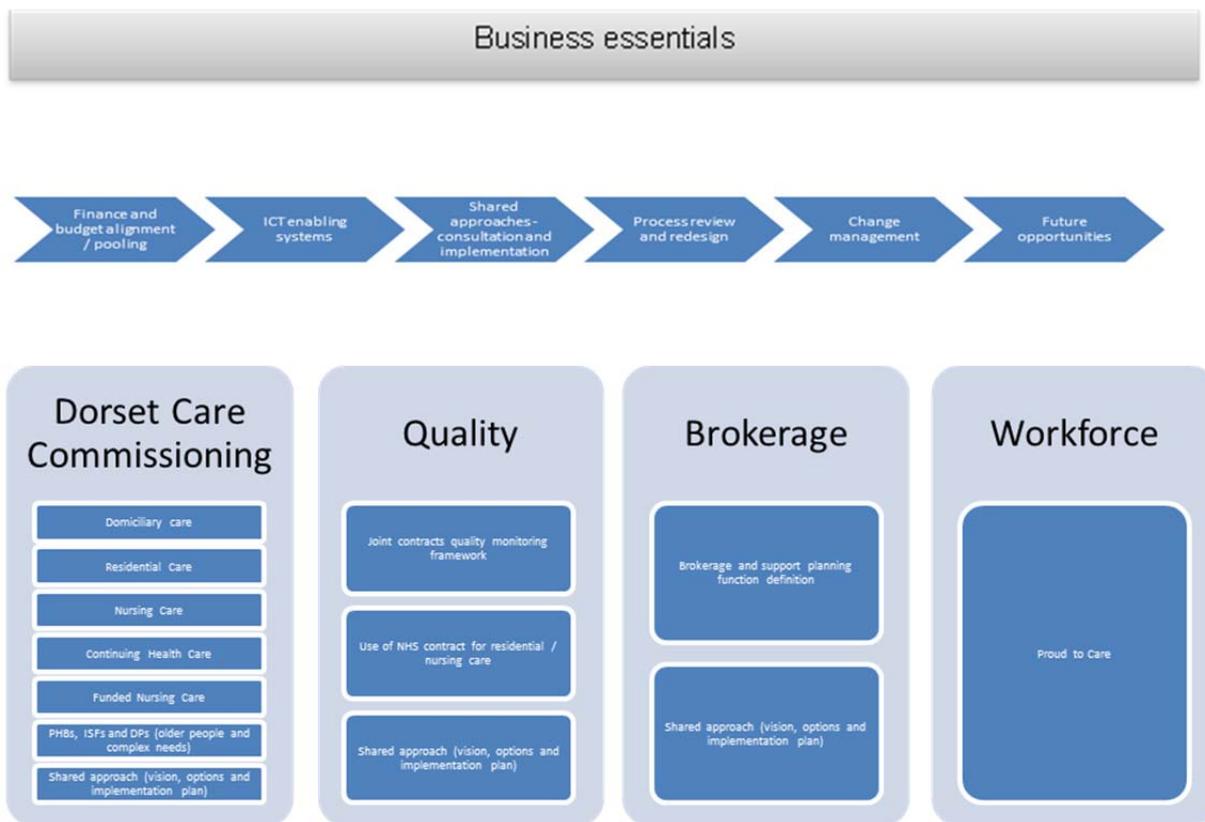
- 13.1 A stronger care market that offers improved quality, better controls on price increases and offers the potential for innovative care models is key to delivering the vision in the STP.
- 13.2 The current market is fragile and poses significant risks to closing the health & wellbeing, care and quality and finance and efficiency gaps that exist.
- 13.3 The programme proposals set out above seek to deliver the required improvements and the Governing Body is asked to approve the new joint commissioning programmes with DCC, BBC and BoP.

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APPENDICES	
Appendix 1	Commissioning, Quality, Brokerage and Workforce



Business essentials is not a project in itself but describes the key components required to support the other projects within this programme.