



## INTEGRATION JOINT BOARD

---

<b>Date of Meeting</b>	3 September 2019
<b>Report Title</b>	Strategic Commissioning
<b>Report Number</b>	HSCP.19.043
<b>Lead Officer</b>	Sandra Ross, Chief Officer
<b>Report Author Details</b>	Sandra Ross, Chief Officer
<b>Consultation Checklist Completed</b>	Yes
<b>Directions Required</b>	N/A
<b>Appendices</b>	Appendix 1 approach to strategic commissioning Appendix 2 progress to date and next steps Appendix 3 current versus future approach

### 1. Purpose of the Report

- 1.1 The report outlines the activities that have been taken to embed a strategic commissioning approach across the Aberdeen City Health and Social Partnership (ACHSCP) in order to enhance integrated service provision and deliver the ACHSCP's commissioning intentions. It also describes and seeks the Integration Joint Board's (IJB) agreement of a joint commissioning approach to be taken by both the IJB and Aberdeen City Council (ACC).



## INTEGRATION JOINT BOARD

### 2. Recommendations

2.1. It is recommended that the Integration Joint Board:

- a) Approve the joint commissioning approach described in Appendix 1, noting that the approach has been submitted for approval by Aberdeen City Council's Strategic Commissioning Committee,
- b) Note the progress in the development and implementation of the strategic approach as described in Appendix 2 to date and approve the establishment of a Strategic Commissioning Board and framework for decision making,
- c) Instruct the Chief Officer to create a market position statement and to provide a progress report on the document to the Board in December 2019,
- d) Approve the application of the strategic commissioning approach for discharging the IJB's responsibilities for the planning of acute-based services,
- e) Notes the key milestones to be achieved within strategic commissioning over the next year, and approximate timescales, described in Appendix 2, including the delivery of a report against a three-year strategic commissioning plan to the IJB in November 2019,
- f) Instruct the Chief Officer to deliver a progress report to the IJB against these key milestones in March 2020.



## INTEGRATION JOINT BOARD

### 3. Summary of Key Information

- 3.1. The ACHSCP refreshed Strategic Plan was approved in March 2019. The plan was developed with reference to a number of existing delivery, partner and enabling plans, most notably NHS Grampian's Clinical Strategy and the Local Outcome Improvement Plan (LOIP), where commitments, targets and measures already existed.
- 3.2. The Strategic Plan will direct the ACHSCP commissioning activities and in future, a commissioning plan for the duration of the strategic plan will be produced.
- 3.3. Since the Christie Report in 2011, Audit Scotland and the Scottish Government have produced various documents and guidance which are explicit on the direction of travel for public services across Scotland. These documents collectively bring a narrative of the increased pressure now and in the future on public services in terms of resources and demand. They highlight that to ensure that we have services that are fit for the future we need to redesign, reform and collaborate, not only across the public sector but wider community planning partners and the external providers which support them.
- 3.4. The Scottish Government, describing strategic commissioning, suggested that its importance to the integration of health and social care cannot be understated: "We commission in order to achieve outcomes for our citizens, communities and society as a whole; based on knowing their needs, wants, aspirations and experience." Strategic commissioning requires trusting relationships and strong system leadership with a shared vision, values and priorities. This level of commissioning is inclusive of all partners and by adopting this approach across the range of services we can deliver the impact required to start to meet the pressures faced across all public services.
- 3.5. The Public Bodies (Joint Working) (Scotland) Act 2014 describes the Integration Joint Board as having responsibility for strategic planning of services within NHS Acute services; the role of joint commissioning to deliver on this strategic commissioning role is implicit. This is a new approach and new mature relationships will need to be fostered to progress with the reform



## INTEGRATION JOINT BOARD

to ensure the key purpose of integration is achieved, improving the wellbeing of service users through applying the principles of integration. The recommendations (3(iv) 3(v)) from the recent MSG report which reviewed the progress of integration supports this approach.

- 3.6.** The ACHSCP in conjunction with Aberdeen City Council has designed an approach to be adopted during any commissioning activity. This approach reflects the recommendations from Audit Scotland in November 2018 which identifies that it is not possible for one organisation to address the scope and pace of change that is required and that partners need to work together to bring the change that is required to sustain services.
- 3.7.** The money for functions that are provided by large hospitals but are delegated to the IJBs, such as unplanned care, is referred to as the 'set-aside' budget. Instead of paying the monies to IJBs along with payment for other delegated services, it is identified as a budget which should be directed by the IJB. In line with Scottish Government guidance, NHS Grampian continues to manage the set-aside as part of their own resources. To date the set-aside aspect of the Act is not being fully implemented. Our approach to strategic commissioning is a methodology which can help progress this shift, as described in Appendix 1 (accompanying report).
- 3.8.** This paper is bringing a clarity and explicit approach to what is intended in legislation around commissioning of all services. We have started this process by using a co-production approach through the development of the Grampian- wide strategic plans which are currently out for consultation, mental health & learning disability, palliative care and older people. Commissioning of services is not new to NHS colleagues and it is important in this context it is not confused with procurement, which is a different process, as highlighted in appendix 1 of this paper.
- 3.9.** Clearly, the adoption of a commissioning approach by the IJB to planning the design and delivery of acute services represents a significant change and it will be essential that the IJB adopts this approach in partnership with the Acute sector. Therefore, much consideration will be given to the membership of the proposed strategic commissioning board to ensure the appropriate involvement of the acute sector and advice will be sought from all the relevant



## INTEGRATION JOINT BOARD

acute clinical and professional leads and structures to ensure the full engagement of acute services in the development of the approach.

- 3.10.** Our commissioning approach will involve service providers and the wider public. We will co-design and co-produce future service delivery and in this way ensure that we are promoting healthy and independent living, improving outcomes and that services are accessible.
- 3.11.** The IJB Strategic Plan, which is aligned locally to the Grampian Clinical Strategy and the Local Outcome Improvement Plan (LOIP), sets out of five focus areas of resilience, communities, connections, personalisation and prevention. As we develop our delivery plans and Grampian-wide strategic plans we will need to redesign and reform delivery of services. By taking this commissioning approach, we will ensure that we apply the same outcome-focused, inclusive and co-produced approach to this reform. Within the Board agenda, the Chief Officer's report sets out the intended programme of transformation and Board members will see that the commissioning approach outlined in this report is identified as a key part of the transformation programme. The report also makes reference to future transformational activity making an intentional shift to a preventative approach, increasing the value demand placed upon services. Strategic commissioning will play a valuable role in this transformational shift through appraisal of population demand and the most effective means of delivery.
- 3.12.** Appendix 1 (attached) sets out the approach to strategic commissioning.
- 3.13.** Appendix 2 (attached) sets out the detail of progress to date and next steps. In summary, our key next steps will involve:
- the formation of a Strategic Commissioning Board
  - the creation of a three-year strategic commissioning plan
  - the development of a market position statement.
- 3.14.** Appendix 3 sets out the key differences from our previous approach to contracts-driven commissioning and our future strategic commissioning approach.



## INTEGRATION JOINT BOARD

### 4. Implications for IJB

- 4.1 Equalities - the recommended process will promote consideration of equality diversity.
- 4.2 Fairer Scotland Duty – there are no implications.
- 4.3 Financial – the recommended process requires consideration of available funds and consideration of best value through redesign.
- 4.4 Workforce – the process offers the workforce a framework within which to work.
- 4.5 Legal - there are no direct legal implications arising from the recommendations of this report.

### 5. Links to ACHSCP Strategic Plan

- 5.1 The Integration Joint Board's (IJB) Strategic Plan (2019 – 2022) states that principled commissioning will play an important role in achieving the ambitions of the plan. It states that strategic commissioning will:
  - be undertaken for outcomes
  - be based upon evidence and insight
  - be considerate of sustainability from the start
  - adopt a system-wide approach
  - promote solutions that enable prevention through early intervention
  - balance innovation and risk
  - be based upon sound methodology and appraisal of options
  - be co-designed and co-produced with partners and members of the public.

### 6. Management of Risk

- 6.1 Risk 1:  
Description of Risk: There is a risk that there is insufficient capacity in the market (or appropriate infrastructure in-house) to fulfil the IJB's duties as



## INTEGRATION JOINT BOARD

outlined in the integration scheme. This includes commissioned services and general medical services.

**6.2** Risk 3:



There is a risk that the outcomes expected from hosted services are not delivered and that the IJB does not identify non-performance through its systems. This risk relates to services that Aberdeen IJB hosts on behalf of Moray and Aberdeenshire, and those hosted by those IJBs and delivered on behalf of Aberdeen City.

**6.3** Risk 4:

There is a risk that relationship arrangements between the IJB and its partner organisations (Aberdeen City Council & NHS Grampian) are not managed to maximise the full potential of integrated and collaborative working. This risk covers the arrangements between partner organisations in areas such as governance; corporate service; and performance.

**6.4** Risk 7:

Failure to deliver transformation at a pace or scale required by the demographic and financial pressures in the system.

Approvals	
	Sandra Ross (Chief Officer)
	Alex Stephen (Chief Finance Officer)