

DEVELOPING COMMISSIONING

1.0 Background

In January 2010 the Children's Trust Board received a presentation regarding developing the commissioning role of the Children's Trust. The Trust Board requested an 'Options Paper' to inform further discussion and decision making at the next meeting (19th March 2010). This report seeks to extend the commissioning discussion and includes information regarding organisational mandate and options for the scope of the proposed strategy and the commissioning structure.

2.0 Commissioning Vision and Context

"A Children's Trust is, in part, a commissioning partnership, commissioning services for children and young people and their families. Strategic Commissioning is a key means by which the Children's Trust partners come together to make a reality of the duty to co-operate and drive cultural change."

(Children's Trusts: Statutory guidance on inter-agency cooperation to improve well-being of children, young people and their families 2008.)

'Every Child Matters', 'The Children's Plan' and The Children's Trust Statutory Guidance 2008 emphasise that effective joint planning and commissioning is central to improving outcomes for children and young people. There are clear expectations for Children's Trusts to become the vehicle for integrated commissioning activity at a local level.

The Wirral Children and Young People's Plan (CYPP) has the following vision for children and young people:

"To enable Wirral's children, young people and families to access services quickly in order to be secure, healthy, have fun and achieve their full potential"

Clearly the need for collaboration especially regarding commissioning is not a new message and commitments and action on this predate the Children's Trust in its current form. Published in 2007 the Wirral Strategic Joint Commissioning Framework 2007 – 2010 suggested that in order to achieve our shared vision for children and young people we need to work in partnership to:

- Develop innovative ways of working across organisational and professional boundaries
- Ensure the best use of available resources;
- Focus on commissioning services based on individual need to deliver improved outcomes;
- Invest in effective prevention and early intervention services;
- Develop a transparent process of commissioning, de-commissioning and procurement.

Within the framework, joint commissioning is defined as:

“The process in which two or more commissioning agencies act together to co-ordinate their commissioning, taking joint responsibility for translating strategy into action.”

The Commissioning Support Programme (CSP) facilitated a Self Analysis and Planning Exercise (SAPE) in January 2010. The results indicated that although the framework has been in place for three years, its implementation has been limited and there remains a lack of common understanding of commissioning across the partnership and only limited examples of good practice (0-19 commissioning and some CAMHS initiatives).

3.0 Children’s Trust Board Commissioning Duties

The Apprenticeships, Skills, Children and Learners Act 2009 places new duties on Children’s Trusts including the preparation, implementation and monitoring of the CYPP. They must also demonstrate how partners collaborate to deliver services; guidance related to the introduction of the Bill outlines the responsibilities of individual partner organisations and the CT Board around commissioning. Within this guidance the link between the commissioning processes used to develop and deliver the CYPP are outlined. The guidance also states that Children’s Trust Boards should agree a common commissioning process that all partners can recognise, and in which they can participate, setting the overall strategic direction for commissioning of children’s services locally.

4.0 The Case for Change

Despite the lack of clarity over structure for Children’s Trusts there is emerging evidence, supported by continued demand and desire for agencies to ‘collaborate’, that effective joint commissioning leads to better outcomes. Work by Centre for Excellence and Outcomes in Children and Young People’s Services (C4EO) has shown that the following can be considered to be critical success factors in how Children’s Trusts respond to their commissioning mandate:

- Clear leadership
- Effective governance
- Understanding of commissioning
- Ability to commission workforce development leading to behavioural change amongst frontline staff
- Clarity about the difference between commissioning and provider functions at all levels
- Able to demonstrate ‘contestability’ e.g. ‘make or buy’ decisions
- An agreed vision for the shape of the Children’s Trust system
- Capacity for change

The Children’s Trust, both through the SAPE and asking for this paper to be prepared, is recognising that change is necessary in progression of its commissioning mandate and that, by default, progress from our current benchmark needs to be made along the commissioning continuum. Furthermore it is also accepted that in order to deliver the aspirations of the CYPP that a ‘step change’ is required in commissioning activity for children, young people and their families in Wirral.

5.0 The Joint Commissioning Continuum

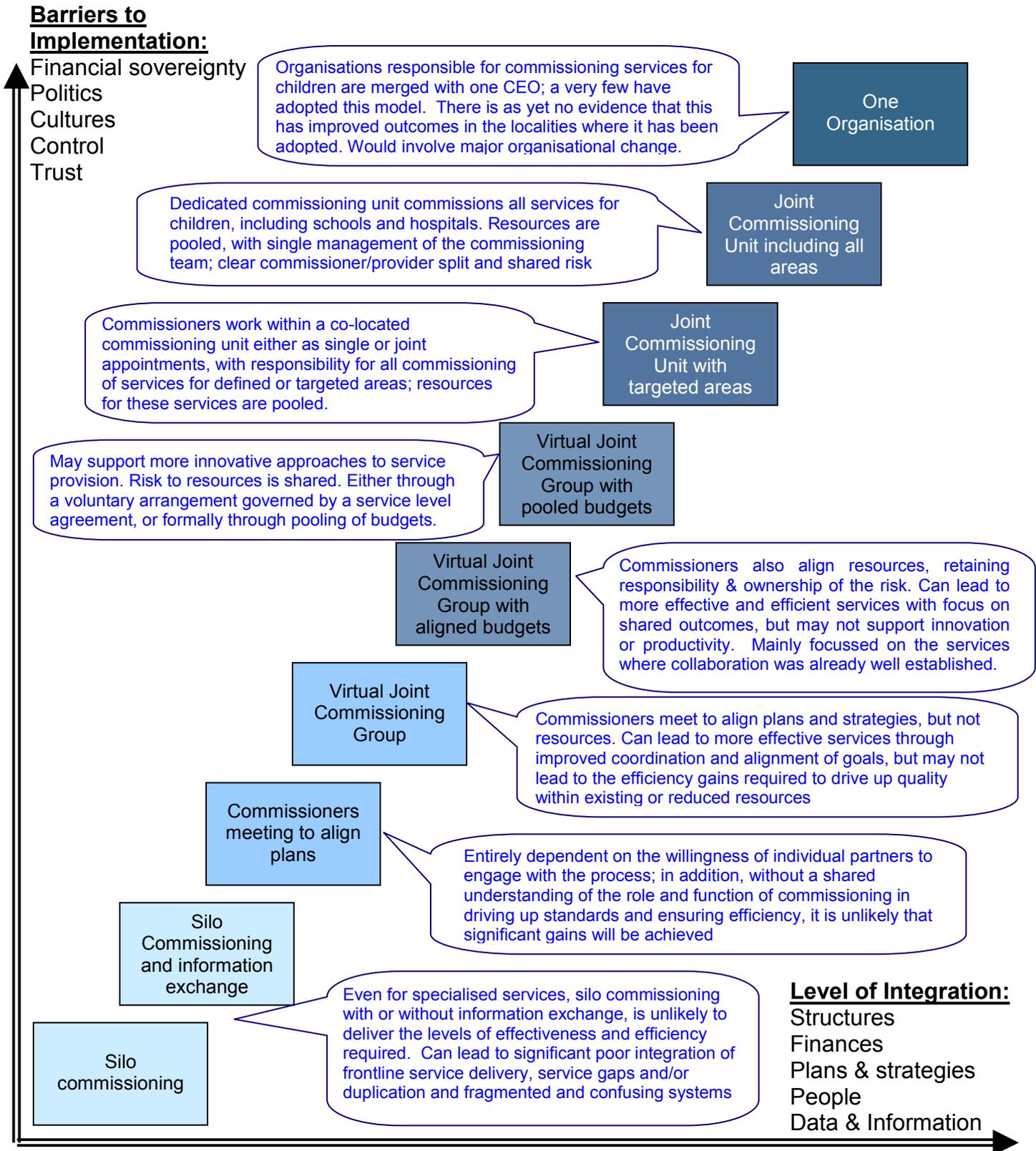
There is currently no explicit guidance on how best to structure Children's Trusts especially in terms of the 'commissioning' expectations. This is clearly reflected by the fact that at present a range of commissioning models and structures are currently in use by Children's Trusts.

Within these structures a variety of processes and arrangements for integrating budgets, management structures, data/information, etc. are used. These vary depending upon the context of the local area with much depending on local and individual partner organisational factors and local 'appetite' for organisational change (barriers to implementation).

Figure 1 illustrates the progression from 'silo commissioning' to a 'one organisation' model. All the points on the continuum have benefits and drawbacks, and it is unlikely that any single model can provide the ideal solution to all circumstances, and as highlighted above organisational factors and local 'appetite' for change will heavily influence the chosen direction of travel.

The SAPE benchmarked Wirral's current situation as being between 'silo commissioning and information exchange' and 'commissioners meeting to align plans', with some examples of 'virtual joint commissioning'.

Figure 1: Joint Commissioning Continuum



6.0 Wirral Priority Areas

The SAPE identified priorities for action for the next year; these are linked to the priorities identified by the financial summit in September 2009. The Board may wish to be mindful of these when considering and exploring commissioning arrangements. These priority areas are:

- Improving the effectiveness and efficiency of services for children with disabilities and complex needs;
- Identifying children at risk of poor outcomes as early as possible and proactively intervening to reduce risk and improve outcomes;
- Effecting a significant shift towards early intervention and prevention;

7.0 Leadership – Governance and Executive Functions

Wirral Children's Trust – Memorandum of Understanding (June 2009) outlines the current structural arrangements of the Trust. It specifies:

That the Board will:

- Take responsibility for setting the strategic direction for services to children, young people and their families. Including setting priorities joint planning and commissioning decisions; alignment of resources at strategic level and agreeing service models based on performance and service specifications.
- Act as the single coordination body for all children's services planning and commissioning arrangements.
- Be responsible and accountable for the performance and commissioning decisions made by all other planning and commissioning groups in children's services.

As the Board fundamentally has a governance role i.e. strategic leadership, accountability and agreement especially for all key strategic developments, the Memorandum of Understanding has created a Wirral Children's Trust Executive (CTE). The CTE operates as the operational development group of the Board and as such is a high level strategic group. It takes responsibility for:

- Providing advice to the Board to support decision-making processes.
- Performance management: including ECM outcomes and the LAA.
- Supporting the Board through a process of delegated and devolved decision making powers (key strategic developments will go to Board for final approval).
- Preparing and reviewing the CYPP.
- Annual review of joint commissioning.
- Developing the strategies required to deliver the expectations of the CYPP.
- Implementing service improvement priorities.

In structural terms any model requires clear distinction between governance and executive functions in order to operate effectively. Therefore it is recommended that the Wirral Children's Trust Executive remains in this executive function. Although each model may require revised or more explicit responsibilities depending upon the structure, roles and relationships proposed it is suggested that developments relating to joint commissioning for the CTE and Board be considered that are not option specific.

Recommendation: That the newly established Children's Trust Executive is not changed and that further development of its executive role is explored.

8.0 Pooled Budgets

Strategic commissioning requires an understanding and overview of how resources are deployed across the Children's Trust. This includes how budgets are aligned with priorities enabling the effectiveness of strategies and programmes to be monitored.

Often discussions about joint commissioning focus on financial resources specifically the creation of pooled budgets. Experience of Children's Trusts in other areas, confirmed by local experience (0-19 commissioning), is that much progress can be made short of formal pooling of budgets and that pursuit of pooling as an end in itself can be time consuming and unnecessary. Where pooled budgets are seen as bringing specific and measurable advantages, then these should be promoted. The absence of pooled budget arrangements should not justifiably be used as an excuse for not improving outcomes or improved joint working. For these reasons it is recommended that decisions about how far the Children's Trust wishes to progress with pooling of budgets is not considered in detail at this stage, although the Board may wish to be mindful of which option provides best for future progression of pooling budgets without the need for further significant change.

Recommendation: That the Board resolves not to seek pooling of all budgets at this stage, rather that piloting of pooled budgets in no more than three key priority areas is taken forward.

9.0 Commissioner Vs Provider

To provide contestability and integrity to commissioning activity there has to be clear distinction between provider and commissioner responsibilities. Providers as such can be involved in the commissioning cycle, but not in the governance or executive functions. Clearly senior management within Children's Services who have both roles and are involved in these functions. In these cases it is necessary to identify the commissioning remit of the senior managers and ensure that CTE and Board activity is focussed entirely on commissioning. At all levels there has to be appropriate challenge around conflict of interest when commissioning is taking place, but this should not detract from the importance of commissioners and providers having productive relationships..

Recommendation: That partners provide details and clarity on how appropriate separation of commissioning and providers responsibilities is managed and maintained.

10.0 Lead Commissioner, Commissioning Officers and Commissioning Teams

The improvements and step change the Trust aspires to is fundamentally an issue of change management. All successful change management models have strong and clear accountabilities, responsibilities and co-ordination. This is even more relevant and important to joint and integrated working.

The governance and executive roles of the Board and CTE have been discussed earlier. In terms of operational delivery there are three distinct roles or functions that need to be assigned and performed. Lack of clarity or inefficiency in any of these functions will impede success. It is suggested that it is most useful to classify these functions in the following way:

Lead Commissioner: *Accountable* for:

- Leading commissioning of all key priorities in that field.
- Ensuring that commissioning activity is planned and executed within agreed frameworks and processes e.g. joint commissioning framework.
- Consulting with key stakeholders produce commissioning intentions for all key priorities within their responsibility.
- Regular performance reporting to the CTE.

Ideally there should only be one lead commissioner for each area of responsibility. Typically these will be Director or Deputy/Assistant Director level positions.

Lead Commissioner will be supported by a Commissioning Officer(s).

Commissioning Officer: *Responsible* for:

- Supporting the Lead Commissioner to develop commissioning intentions.
- Co-ordinate all activity to establish need, including engagement and analysis of data and performance.
- Developing a clear understanding of what resource is currently deployed in meeting needs and the quality of existing service provision.
- Developing a vision for 'world-class' provision.
- Working with localities to understand local need and delivery options.
- Establishing clear outcome measures for which delivery and implementation can be monitored.
- Drawing on expertise, as relevant and required from service experts and researching best practice in support of other areas of responsibility.

Commissioning Officers are accountable to Lead Commissioners.

Recommendation: That Lead Commissioners and associated Commissioning Officers are identified for all areas of commissioning across the Children's Trust.

Commissioning Teams:

Within all fields of commissioning certain tasks, duties and stages of the commissioning cycles are generic and are transferable e.g. data analysis, service specifications, contracts, procurement etc. This might be more appropriately be considered to be commissioning support. Such people are already working in the system although they may not be identified or consider themselves as being part of a commissioning team. Without identifying these resources and agreeing what support should be provided the ability of commissioners to deliver improvement through commissioning is limited.

Recommendation: That the Council and NHS Wirral appoint to the currently vacant Joint Commissioning Manager post. On appointment the post holder should map commissioning resources across both organisations and develop proposals for coordinating these resources as a virtual commissioning support team.

11.0 Options for Change

Three options have been selected for exploration by the Board, based on assumptions regarding their potential to provide gains for the partnership in improving outcomes and efficiency. It has been mentioned that no 'off the shelf' solution exists and that the Board should give full consideration of the varying elements and factors discussed in this paper and the options below in identifying its preferred structural model. It can 'mix and match' accordingly.

Option 1

What does the option look like?	<u>Virtual Joint Commissioning:</u> Joint commissioning discussions conducted through CTE. Existing decision making and management arrangements remain unchanged
Governance/ Executive Functions	Executive functions limited due to possible parallel running of existing management structures. Risk of lack of focus or fragmented delivery of strategy. No additional benefit re: working across organisational boundaries.
Commissioner/ Provider	Although systems in place to manage conflicts of interest, no specific additional arrangements to develop distinct commissioning and provider roles.
Lead Commissioner	Lead Commissioners not currently widely identified and may not be aligned with agreed Key Priority areas. Risk of lack of focus or fragmented delivery of strategy. No additional benefit re: working across organisational boundaries.
Commissioning Officers	More clarity over Commissioning Officers. However without further development of lead commissioner roles - risk of lack of focus or fragmented delivery of strategy. No additional benefit re: working across organisational boundaries.
Commissioning Support (Team)	No specific changes to commissioning support. Dispersed throughout the system. Risk is expertise and resource not being used effectively or efficiently, in particular support not fully aligned with key priorities. Lead Commissioners and Officers may be limited by the absence of such support.

Option 2:

<p>What does the option look like?</p>	<p>Joint Commissioning – Targeted Areas: Agreed priority areas for joint commissioning. CTE supported by specific joint commissioning groups that formally conduct joint commissioning discussions. Possibility of joint posts and management structures. CTE and Board formally part of decision making process for these areas of joint commissioning.</p>
<p>Governance/ Executive Functions</p>	<p>PCT and Cabinet would still make final approval, but joint commissioning would require approval through the Children’s Trust structure. Improved focus on priority areas. Working across organisational boundaries improved with benefits to improved services and outcomes.</p>
<p>Commissioner/ Provider</p>	<p>Structure would allow for more transparent and robust mechanisms for maintaining commissioning and provider roles.</p>
<p>Lead Commissioner</p>	<p>Lead Commissioners would be identified for agreed areas of joint commissioning for the Children’s Trust. These may not be joint appointments. Improved focus on priority areas. Working across organisational boundaries improved with benefits to improved services and outcomes. Would require suitable ‘matrix’ management across organisations.</p>
<p>Commissioning Officers</p>	<p>Identified Commissioning Officers would be accountable to a Lead Commissioner for areas of joint commissioning. These Officers can be drawn from throughout the system and may be single or joint appointments. Would require suitable ‘matrix’ management across organisations.</p>
<p>Commissioning Support (Team)</p>	<p>Limited commissioning support functions identified and tasked with supporting the areas of joint commissioning. Ideally such support would be centrally managed and co-ordinated, but matrix management may be necessary depending on roles and team size. Lead Commissioners would agree priorities and workplans for this team. This would provide support more aligned to priorities. Will make more effective use of available resources.</p>

Option 3:

<p>What does the option look like?</p>	<p><u>Joint Commissioning – Whole System:</u> Joint Commissioning for all areas, with few exceptions. CTE supported by specific joint commissioning groups that formally conduct joint commissioning discussions. Joint posts and management structures. CTE and Board formally part of decision making process for all areas of joint commissioning.</p>
<p>Governance/ Executive Functions</p>	<p>PCT and Cabinet would still make final approval, but joint commissioning would require approval through the Children’s Trust structure. Improved focus on priority areas. Working across organisational boundaries improved with benefits to improved services and outcomes.</p>
<p>Commissioner/ Provider</p>	<p>Structure would allow for more transparent and robust mechanisms for maintaining commissioning and provider roles.</p>
<p>Lead Commissioner</p>	<p>Lead Commissioners would be identified for all areas of joint commissioning. These should be joint appointments. Improved focus on priority areas. Working across organisational boundaries improved with benefits to improved services and outcomes. Would require suitable ‘matrix’ management across organisations</p>
<p>Commissioning Officers</p>	<p>Identified Commissioning Officers would be accountable to a Lead Commissioner for areas of joint commissioning. These Officers can be drawn from throughout the system and will be joint appointments. Would require suitable ‘matrix’ management across organisations.</p>
<p>Commissioning Support (Team)</p>	<p>More comprehensive commissioning support functions identified supporting <i>all</i> commissioning for the Children’s Trust. Centrally managed and co-ordinated. Lead Commissioners would agree priorities and workplans for this team. This would provide support more aligned to priorities. Will make more effective use of available resources.</p>

12.0 Development Plan for 2010-11

The CSP is providing bespoke support to Wirral Children's Trust until March 2011 with the aim of facilitating progress towards a developing and implementing joint commissioning structures which effectively support the delivery of the CYPP.

The Commissioning Support Programme will support an agreed development plan for 2010-11, enabling the implementation of the agreed structures over this period of time.

13.0 Recommendations:

Recognising that the aspiration is to bring about suitable 'step change' in how commissioning for children, young people and their families, specifically joint commissioning, the Wirral Children's Trust Board is asked:

To identify a preferred model of joint commissioning and instruct the Children's Trust Executive to develop the detail and proposed implementation plan for further discussion and potential approval by the Board.

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