

# NHS SOUTHAMPTON CITY AND SOUTHAMPTON CITY COUNCIL

## Joint Commissioning Strategy 2009 - 2012

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### VERSION HISTORY

Version	Date Issued	Brief Summary of Change	Owner's Name
1	07.06.09	First draft version	Donna Chapman
2	26.06.09	2 <sup>nd</sup> draft with changes following discussion with Chris Hawker	Donna Chapman/Chris Hawker
3	04.08.09	3 <sup>rd</sup> draft revised following discussion at JCB 16.07.09	Donna Chapman/Chris Hawker
4	14.08.09	4 <sup>th</sup> draft following further feedback from JCB members	Donna Chapman/Chris Hawker
5	17.08.09	5 <sup>th</sup> draft	Donna Chapman/Chris Hawker

## NHS SOUTHAMPTON CITY (PCT) AND SOUTHAMPTON CITY COUNCIL

### JOINT COMMISSIONING STRATEGY 2009 – 2012: PART 1

#### 1. Introduction

- 1.1 This Joint Commissioning Strategy sets out strategic direction and a framework for managing joint commissioning between Southampton City Council and Southampton City PCT (NHS Southampton City). It will be supported by a range of commissioning plans which will be reviewed on an annual basis.
- 1.2 Both organisations will have a number of key strategic relationships. The PCT has three strategic commissioning relationships: its relationship with practices as practice based commissioners, its relationship with the Local Authority as a joint commissioner, and its relationship with other PCTs within the wider Strategic Health Authority area. With regard to Southampton City Council, the main joint commissioning partner is the PCT. However the City Council works with a wide range of other partners in the delivery of services and in some cases these partners may be included in joint commissioning arrangements with the PCT, eg. the police, schools.
- 1.3 The focus of this strategy is on commissioning for improved outcomes for children and adults living in the City of Southampton. It recognises the central role of the City's four strategic partnerships in supporting this agenda but that these are not all configured in such a way to take commissioning decisions. The partnerships are:
- the Health and Wellbeing Partnership
  - the Children and Young People's Trust Partnership
  - the Safe City Partnership
  - the Economy and Enterprise Partnership
- 1.4 This Joint Commissioning Strategy recognises that we are in a transition phase to a pure commissioning model and represents a major milestone in moving forward.
- 1.5 The strategy is in two parts:
- The first part sets out the **Joint Commissioning Framework** within which Southampton City Council and Southampton City PCT will undertake joint commissioning.
- The framework aims to:
- ensure that agencies work together effectively as commissioners
  - ensure that robust systems and processes are in place to enable joint commissioning to develop as a vehicle for turning key strategic plans into reality
- The second part sets out the high level **Joint Commissioning Plans** agreed between the City Council and PCT. These plans will be driven by the following key strategies/plans:
    - The City of Southampton Strategy and Southampton Local Area Agreement
    - Southampton PCT Strategic Plan
    - Health and Wellbeing Strategic Plan
    - Children & Young People's Plan

- Safe City Partnership Plan

1.6 This commitment to developing joint commissioning is in line with a wide range of national and local policy directives:

- The White Paper 'Our health, our care, our say: a new direction for community services', January 2006
- The Joint Commissioning Framework for Health and Wellbeing, March 2007
- Every Child Matters: Change for Children, December 2004
- The National Service Framework for Children, Young People and Maternity Services, September, 2004
- The Children Act, 2004
- The Childcare Act, 2006
- The Children's Plan, December 2007
- The NHS Operating Framework 2007/8 and 2008/9
- The Local Government White Paper 'Strong and Prosperous Communities' October 2006
- Revised Guidance on Children's Trusts, November 2008 "Statutory guidance on interagency cooperation to improve wellbeing of children, young people and their families"
- Towards a Healthier Future, NHS South Central, May 2008
- Southampton Joint Strategic Needs Assessment, July 2008
- Southampton Health and Wellbeing Strategy April 2009
- Southampton Children and Young People's Plan, April 2009

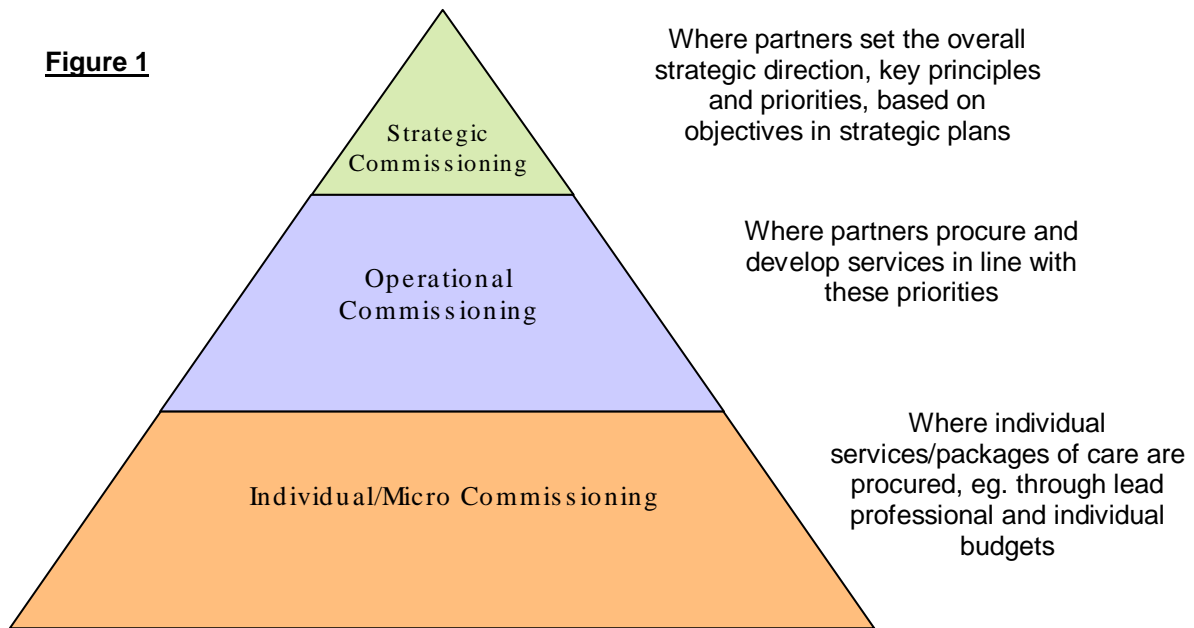
## 2. Definition of commissioning

2.1 Commissioning is "the process of planning, procuring, quality assuring, and continuously reviewing services to meet the needs of populations, groups or individuals, based on an assessment of needs and available resources, and focused on achieving improved outcomes".

## 3. Definition of joint commissioning

3.1 The term joint commissioning describes the activity of two or more commissioning agencies acting together to coordinate their commissioning, taking joint responsibility for translating strategy into action. This can take place at any one or all three of the levels described at Figure 1.

3.2 In principle joint commissioning should be developed wherever the meeting of identified needs requires contributions from two or more partners.



**4. Aims of joint commissioning**

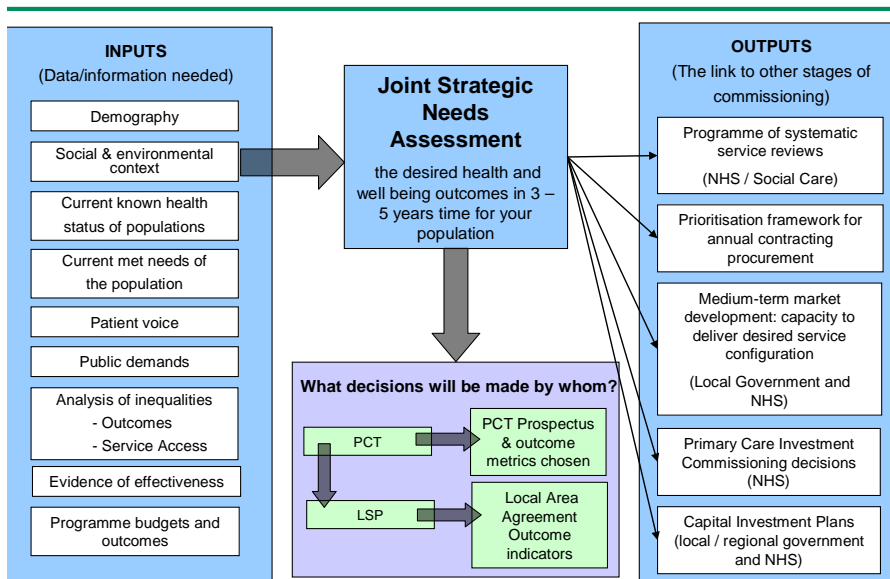
4.1 Southampton’s Joint Strategic Needs Assessment 2008 sets out the following joint priorities for the PCT and City Council:

- Achieving better health and wellbeing for all and tackling inequalities
- Delivering world class health and care outcomes for people in the city
- Providing children and young people with a healthy start in life
- Providing the best health, care and support services for adults and older people
- Addressing the social, economic and environmental impacts on health and wellbeing

4.2 The JSNA provides the starting point for joint commissioning as illustrated in Figure 2:

Figure 2

**JSNA and the Commissioning Cycle**



George Leahy, Renu Bindra Department of Health 9 May 2007 presentation

- 4.3 This joint commissioning strategy is central to developing the whole systems approach to service delivery and improving outcomes which will deliver the JSNA priorities.
- 4.4 It aims to:
- Establish clarity across agencies about local priorities for service provision and improvement and a set of common principles and objectives for commissioning
  - Establish a clearer picture of the level of investment being made and of the services being commissioned.
  - Make better use of the totality of resource, ensuring that partners come together to invest their resources on the basis of jointly agreed local needs and strategic priorities
  - Secure the production of joined up strategies, service level agreements, service specifications and care pathways, making services more coordinated and seamless for local people
  - Identify and address duplication and gaps in services
  - Reduce the level of bureaucracy involved in the commissioning and monitoring of services leading to single forms of application and points of contact for providers
  - Develop joint performance indicators and monitoring processes.
  - Enable the development of key strategic information, including baselines and tracking systems, which tell commissioners about the effectiveness of their investments in terms of their impact on the 'big picture'.

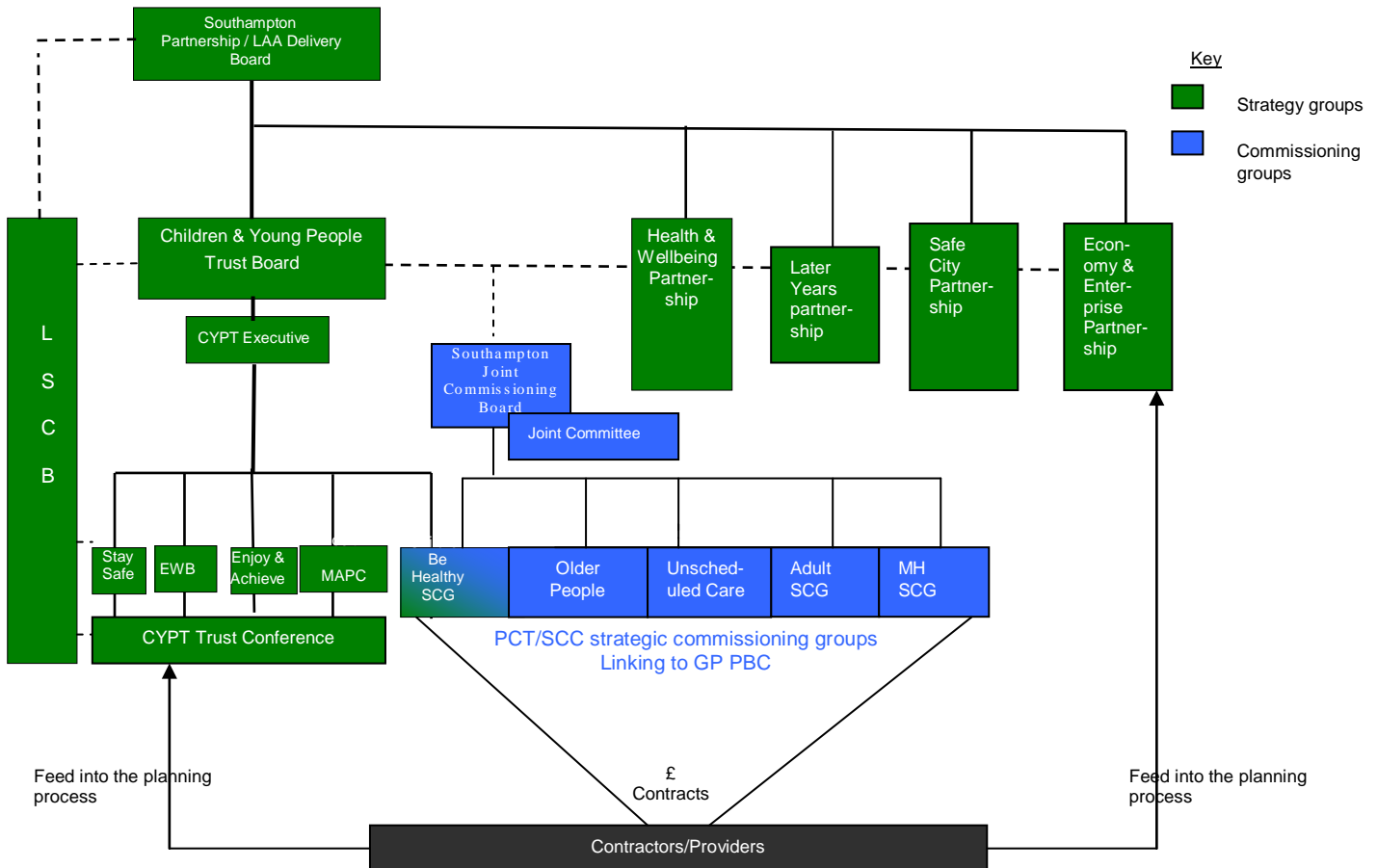
## 5. Principles

- 5.1 In order to achieve these aims, joint commissioning in Southampton will be developed in line with the following key principles:
- Service users will be at the heart of everything we do. Services will be integrated around the needs of individuals and families, with a greater focus on personalisation so that people are empowered to shape their own lives and the services they use. Service users will be active participants in the commissioning process
  - There will be an increasing focus on prevention and early intervention and on tackling long-standing inequalities in outcomes
  - Commissioning will be driven by improved outcomes for local people and this will be reflected in an outcomes-based approach to procurement and service specification
  - Resource allocation and commissioning decisions will be transparent, contestable and locally accountable
  - Partners will work in partnership to plan and commission more services jointly, including aligning and where appropriate pooling budgets, where this is likely to improve coordination of services, value for money and targeting of needs
- 5.2 A description of what these principles might look like in action can be found at appendix A.

## 6. Joint commissioning governance and accountability

6.1 Figure 3 shows the joint planning and commissioning structure for Southampton.

**Figure 3**



6.2 The Southampton Partnership is the overarching strategic group responsible for high level strategic planning across the City, producing the City's sustainable community strategy.

6.3 Accountable to the Southampton Partnership are the City's four major sector partnerships, the Children & Young People's Trust, the Health and Wellbeing Partnership, the Safe City Partnership, the Economy and Enterprise Partnership, and the Later Years partnership. These partnerships are responsible for ensuring the planning and delivery of high quality services that deliver the outcomes identified in the Joint Strategic Needs Assessment, Children & Young People's Plan, Health & Wellbeing Strategy and other strategic plans. They comprise a broad representation of key stakeholders, including commissioners, providers, the voluntary sector and service users.

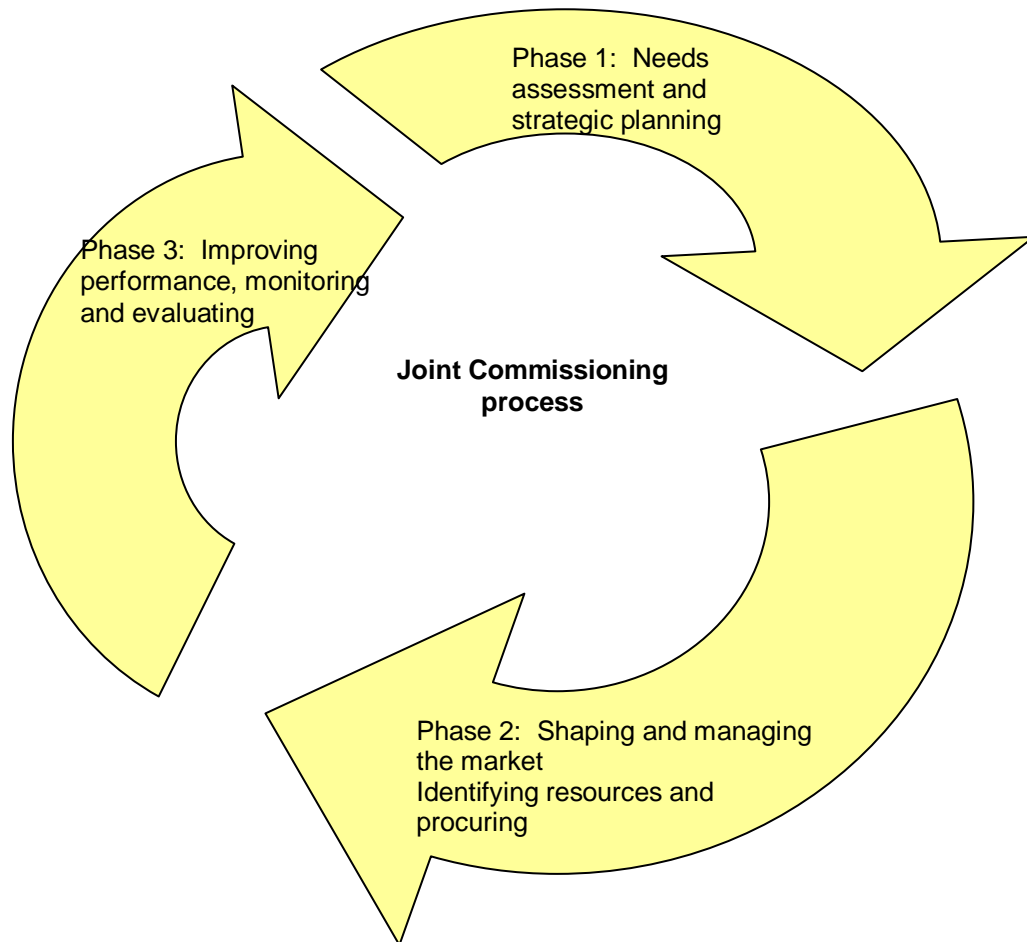
6.4 The Local Area Agreement is the vehicle which pulls together the key priorities from each of these partnerships, driving their delivery through jointly agreed performance indicators. The LAA is overseen by the LAA Delivery Board of the Southampton Partnership.

- 6.5 The PCT and City Council are developing their strategic commissioning arrangements for children's and adults' services to support joint commissioning. A Joint Commissioning Board has been established to ensure effective collaboration and agreement to core joint financial, procurement and contractual arrangements. Membership includes director level representation from the PCT and Southampton City Council and other partners as and when required. The purpose of the Joint Commissioning Board is to ensure that strategic planning is implemented with resources aligned accordingly. Terms of reference for the Joint Commissioning Board are attached at Appendix B.
- 6.6 The Contract Development and Monitoring Joint Committee reports to the Joint Commissioning Board and ensures and oversees the effective implementation of all partnership agreements.
- 6.7 The five strategic commissioning groups bring together strategic commissioning expertise across the two organisations and report into the joint commissioning structure as follows:
- the Older People's, Unscheduled care, Adult and MH strategic commissioning groups report to the Joint Commissioning Board with regard to jointly commissioned services
  - the Be Healthy Children, Maternity and Sexual Health strategic commissioning group is a steering group of the Children & Young People's Trust and also reports to the Joint Commissioning Board with regard to jointly commissioned services
- 6.8 The strategic commissioning groups specify the commissioning intentions for the particular areas they cover and determine, co-ordinate and monitor the implementation of action plans for key strategic priorities. They also co-ordinate and monitor the implementation of the LAA Performance Targets.
- 6.9 In addition to the above arrangements, a number of joint commissioning posts also exist for:
- children and young people
  - learning disability
  - mental health
- 6.10 The PCT and City Council will continue to increase their joint commissioning capacity, including the sharing of resources and potentially the development of a joint commissioning team.

## **7. Key processes**

- 7.1 Commissioning is a continuous cycle of needs assessment and strategic planning; shaping and managing the market; and reviewing performance and evaluating outcomes. This has been illustrated in a number of national commissioning documents, in particular the DH World Class Commissioning cycle and the Joint Commissioning Framework for Children and Young People, DCSF 2006.
- 7.2 Southampton's processes are based on this guidance and illustrated in Figure 4.

Figure 4



7.3 Commissioning in Southampton will adopt these key steps as follows:

Phase 1: Needs assessment and strategic planning

- The JSNA, Local Area Agreement and key strategic plans (see section 4) will be jointly reviewed each year and will provide the basis for joint commissioning.
- The overarching joint strategic commissioning priorities will be reviewed annually by the strategic commissioning groups.
- Priorities for increased investment, aligning/pooling budgets and integrated commissioning will be ratified by the Joint Commissioning Board.

Phase 2: Shaping and managing the market/identifying resources and procuring

- Joint commissioning intentions will be published on a regular cycle to inform the provider market of areas for development/change/decommissioning
- The City Council and PCT will work together, adopting commercial market intervention tools as appropriate eg. using Strategic Sourcing methodology, to assess and develop the market in a structured way
- The City Council and the PCT will increasingly align budgets and pool funds where appropriate to procure more services jointly

Phase 3: Improving performance, monitoring and evaluating

- The City Council and PCT will develop and implement joint performance monitoring processes

7.4 The City Council and PCT will work together to align their business cycles and share budget setting plans.

## **8. Resources**

8.1 Joint Commissioning programmes must be based on a shared understanding of the available resources. Both the Children and Young Peoples Partnership plan and the Health and Well-being Strategic Plan have developing resources frameworks which will inform the overall scope of the total joint commissioning programme. Individual commissioning programmes for service areas should be based on clearly understood and shared resource commitments.

8.2 Partners will undertake further work to analyse their use of resources. Consideration will be given to:

- Opportunities for aligning budgets to better coordinate commissioning
- Opportunities for pooling budgets to jointly procure services
- Opportunities for influencing single agency expenditure and commissioning

8.3 This detail will be included within the workplans in Section 2 of this document.

## **9. Outcomes**

9.1 The effectiveness of our joint commissioning arrangements in securing improved outcomes will be determined by:

- the targeting of resources to reflect agreed joint priorities and commissioning intentions
- the provision of services that are better integrated and responsive to the needs of local people
- development of the provider market through clear communication about commissioning intentions
- improved efficiencies through single procurement and contracting arrangements

## **10. Monitoring/evaluation of joint commissioning arrangements**

10.1 This will be overseen by the Joint Commissioning Board which will commission reports on the effectiveness of joint commissioning arrangements, based on an assessment against the following performance indicators.

- Greater clarity for providers regarding commissioning intentions as measured by feedback from the provider market
- Reduction in duplication of commissioning arrangements as measured through cross-agency audit of contracts
- Increase in the quality and value of jointly commissioned services as measured through cross-agency audit of contracts
- Increase in resources targeted at the priorities set out in the LAA and strategic partnership plans as measured by cross-agency audit of budgets
- Greater seamlessness and coordination of services for local people as measured through service user satisfaction surveys

## **11. Timeframe**

11.1 This strategy will be implemented in three phases:

2009/10: Transitional period

- Establish core and joint resources
- Embed joint commissioning accountability structures, as set out in Section 6
- Establish a clear relationship between strategic planning (undertaken by the City's key partnerships) and joint commissioning arrangements

2010/11: Embedding of joint commissioning arrangements

- Further identification of budgets and resources available for joint commissioning
- Joint commissioning plans in place
- Procurement of joint services
- Mid stage review of joint commissioning arrangements

2011/12:

- Rolling programme in place for joint commissioning reviews and joint service procurements
- Evaluation of joint commissioning arrangements

### **Commissioning principles in action**

- 1. Service users will be at the heart of everything we do. Services will be integrated around the needs of individuals, not service providers, with a greater focus on personalisation so that people are empowered to shape their own lives and the services they use. Service users will be active participants in the commissioning process.**

#### What will this look like?

- Commissioning decisions will be made on the basis of local and individual assessed need and systems will be continuously improved to provide an accurate, comprehensive, up to date picture of local need
- There will be evidence of service users' meaningful involvement in all commissioning decisions and systems will be continuously improved to enable this, moving from consultation to participation to active involvement
- Providers will be required through contracts to ensure that service users are involved in monitoring and evaluating service delivery and outcomes on a continuous basis and that this information is available to commissioners
- Procurement and contractual processes will consider and support the personalisation agenda

- 2. There will be an increasing focus on prevention and early intervention and on tackling long-standing inequalities in outcomes**

#### What will this look like?

- Whilst recognising the need to continue investing in specialist services, there will be a demonstrable increase over time in the resources invested in preventative services
- Targets and outcomes for prevention and early intervention will be included in commissioning specifications

- 3. Commissioning will be driven by improved outcomes for local people and this will be reflected in an outcomes-based approach to procurement and service specification**

#### What will this look like?

- Specifications and contracts will reflect the outcomes set out in the City's key strategies and plans
- Contracts will have robust performance monitoring systems that are linked to these outcomes

- 4. Resource allocation and commissioning decisions will be transparent, contestable and locally accountable**

#### What will this look like?

- There will be a clear and agreed process for commissioning which all partners will follow
- There will be a level playing field for all potential providers in the commissioning of services

- The rationale, criteria and processes for commissioning decisions and procurement will be explicit
- Timescales for applications and decision making should be clear and be adhered to by all parties
- Commissioning processes will be compliant with the Voluntary Sector Compact and its associated Codes of Practice
- An annual review of commissioning arrangements will take place with providers to discuss any issues that have arisen and to highlight future services to be subject to review or re-commissioning arrangements

**5. Partners will work in partnership to plan and commission more services jointly, including aligning and where appropriate pooling budgets, where this is likely to improve coordination of services, value for money and targeting of needs**

What will this look like?

- Partners with commissioning responsibilities will adopt this joint commissioning strategy and work together to commit their resources to deliver the priorities in the City's key strategies and plans
- There will be an agreed annual programme of joint commissioning work that partners will sign up to

**Appendix B****Joint Commissioning Board****Terms of Reference****1 Scope**

- 1.1 Initially: joint PCT/SCC services in relation to children, young people and adults.
- 1.2 Representation: equal from children, young people, and adults:
  - Executive Director of Children's Services and Executive Director for Health & Adult Social Care
  - Managing Director, Commercial Services, Southampton City PCT and Southampton City PCT Public Health Director
- 1.3 Scope to be broadened as and when needed to include other commissioning partners xx reflect the business xx other strategic partnerships and other agency representatives may be co-opted as necessary.
- 1.4 To support the delivery of agreed strategic partners through effective joint commissioning.

**2 Terms of Reference (TOR)**

The Joint Commissioning Board will:

- 2.1 Support the delivery of shared strategic priorities to improve outcomes for adults, children and young people through the effective joint commissioning of services.
- 2.2 Agree joint financial, procurement and contractual arrangements where these are needed to achieve shared outcomes and oversee implementation and review accordingly.
- 2.3 Oversee effective joint commissioning arrangements to achieve outcomes in the Joint Strategic Needs Assessment (JSNA), Children and Young People's Plan, LAA and other strategic plans.
- 2.4 Monitor the agreed jointly commissioned programmes to ensure they meet objectives and targets agreed by the partnerships.
- 2.5 Ensure commissioning efficiencies across the four strategic partnerships to ensure delivery of LAA outcomes.
- 2.6 Align commissioning arrangements with partners' financial and business planning cycles.
- 2.7 Oversee financial performance from the sector partnerships.

### **3. Arrangements**

- 3.1 The Joint Commissioning Board will meet between four and six times per financial year.
- 3.2 Each organisation will maintain compliance with its own internal governance management and accountability arrangements (e.g., the PCT's Professional Executive Committee, Cabinet, the SCC's quarterly reporting process).