

**Report to:** Council Executive  
**Date:** 28<sup>th</sup> October 2013  
**Report for:** Decision  
**Report of:** Executive Members Supporting Children and Families,  
and Community Health and Wellbeing

## Report Title

Proposal for a Strategic Partnership Agreement for Integrated Commissioning of Children's Health and Social Care Services between Trafford Council and Trafford Clinical Commissioning Group (CCG)

## Summary

This report outlines a proposal to enter into a Strategic Partnership Agreement for the integrated commissioning of community health and social care services in Trafford. The proposed agreement builds on a predecessor agreement that was approved by Council Executive in October 2011 for integrated commissioning of children's services between the Council and Trafford Primary Care Trust. The integrated model within children's services has evidenced major benefits for the partners with efficient and effective service delivery leading to excellent outcomes for children.

The commissioning landscape within the health sector has been subject to significant change following implementation of the Health and Social Care Act (2012) with the following changes key to the revised Partnership Agreement;

- Dissolution of Primary Care Trusts to be replaced by Clinical Commissioning Groups. The predecessor agreement was with the PCT so this necessitated a review and update of the Agreement.
- Creation of the National Commissioning Board (NHS England) with commissioning responsibilities for specific aspects of children's services. The transfer of responsibility for commissioning 0-5 services to NHS England has a particular impact on the integrated arrangements in Trafford. As a result the Local Area Team of NHS England has become an associate commissioner for the Community Health contract.
- Transfer of Public Health responsibilities to the Council and the creation of Public Health England. Some aspects of commissioning and associated finance from the predecessor agreement have been part of this transfer including School Nursing and Sexual Health services.

To ensure effective governance continues to underpin the integrated commissioning of services it is important that a new agreement is put in place to sustain the CYPs approach to integrated commissioning that has achieved excellent outcomes. The proposed partnership agreement, like its predecessor, is given a legal framework by Section 75 of the National Health Service Act 2006.

The recommendation is for approval to be given for the Council to sign up to the Partnership Agreement to provide assurance and a legal framework for the proposed partnership. The full agreement has been subject to legal and financial scrutiny and if approval is given by Executive it is proposed to enter into the agreement from November 2013 to 31<sup>st</sup> March 2016.

## Recommendation

- **Executive give approval to enter into a Strategic Partnership Agreement for the Integrated Commissioning of Children’s Services with Trafford CCG for the period up to the 31<sup>st</sup> March 2016 on terms to be agreed by the Director of Legal and Democratic Services in consultation with the Corporate Director, Children, Families and Well-being.**

Contact person for access to background papers and further information:

Name: John Pearce, Director Service Development – Children, Families and Education  
 Extension: 5100

Background Papers: None

*Implications:*

Relationship to Policy Framework/Corporate Priorities	Partnership Agreement will support the delivery of the following corporate priorities; <ul style="list-style-type: none"> <li>• Low council tax and value for money</li> <li>• Services focused on the most vulnerable people</li> <li>• Excellence in education</li> <li>• Reshaping trafford council</li> </ul>
Financial	The agreement includes provision for the management of aligned and pooled budgets and monitoring of them through the governance arrangements. At present no pooled budgets are in place and any that are proposed would need agreement through the governance arrangements. Integration is evidenced to lead to more efficient use of resources.
Legal Implications:	Legal framework for the proposed agreement is set out in Section 2 of this report.
Equality/Diversity Implications	Equality and diversity implications are considered at individual service level with EIA’s completed as appropriate
Sustainability Implications	Not Applicable
Staffing/E-Government/Asset Management Implications	Accommodation mapping and principles for shared resources are incorporated in the agreement
Risk Management Implications	Implications covered by Schedule 6
Health and Safety Implications	Not Applicable

## **1.0 Background**

1.1 An Integrated Commissioning Unit (ICU) was established in the Children and Young People Service (CYPS) in 2009 and has continued to develop since the revised partnership agreement was approved in October 2011 giving a formal legal basis to its work.

1.2 It is the only fully integrated commissioning arrangement of its type for children in the region and one of very few nationally. The approach was identified as an example of good practice by the Department of Health as part of their transitional programme to establish the new commissioning structures in line with the Health and Social Care Act 2012.

1.3 In the main the ICU has operated on the basis of aligned budgets and integrated governance arrangements allowing a strategic commissioning approach for community health, social care and education services for children and families. Some good examples of the benefits of integrated commissioning have been;

- Community Health Tender that aligned specifications for children's community health services with strategic priorities and ensure enhancement of integrated delivery.
- Complex and Additional Needs Framework through which a range of services have been commissioned on an integrated basis
- Health Visitor Implementation – Trafford is currently ahead of trajectory target set out in the implementation plan
- Emotional Health and Wellbeing Review – ICU commissioned a review of services across all tiers but with a particular focus on early intervention. This is now being developed to support the integrated commissioning of interventions in line with the recommendations of the review.

1.4 The health sector has undergone significant change over the last three years both nationally and locally. Throughout these changes the focus on integration has remained at the heart of national policy and there is a strong commitment from partners to sustain and enhance integrated working.

1.5 Trafford Clinical Commissioning Group are now well established following transition from the Primary Care Trust and bringing a strong clinical focus to commissioning of services in the borough. For CYPS the effective commissioning of services has been reinforced through the identification of a lead Clinical Director to work with the ICU to provide support and assurance in relation to the clinical aspects of children's commissioning. The proposed agreement will enable us to build on the strong foundations in place to ensure high quality integrated commissioning within a strong governance framework.

## **2.0 Legal Framework**

2.1 The National Health Service Act 2006 provides a framework for establishing, managing and governing partnerships and provides the basis on which partnership arrangements across health and local authorities should be determined. The Act contains three flexibilities which Healthcare organisations

and Local Authorities are able to use when organising joint working arrangements. These are as follows:

- *Delegation of Functions - Lead Commissioning*: Here the partners may agree that one partner will be assigned to act as the 'host' and to commission care services for the both of them (ie utilising the NHS budget and the LA budget alongside each other under single organisation management and according to a jointly agreed set of aims). The budgets would not be used to cross subsidise each other in any way but would be managed within a coordinated pattern of spend.
- *Delegation of Functions - Integrated Provision*: Here the partners would agree that one partner will be assigned to act as the 'host' to manage services on behalf of both partners (directing the NHS service and the LA service alongside each other) as two teams say, under single overall management of the 'host' for a single agreed set of purposes confirmed by the partners.
- *Pooled Budget (Lead Commissioning or Integrated Provision)*: Here the partners choose to simply delegate the functions of one to the other for them to undertake on the other's behalf and to create a pooled budget to be operated by one of them for both. This means that they may create a discrete fund for the purposes of the functions of both being met from the one single budget (made up of contributions from both), with the budget to be under the management of one of the partners.

2.2 The core activity of the ICU has been delivered through the route of 'Delegation of Functions – Lead Commissioning' with the ICU hosted within Trafford Council but accountable to both partners. The proposed agreement does provide a mechanism to establish a Pooled Budget – Lead Commissioning in the future if that is approved through the governance arrangements. Any proposal to do so would be subject to significant scrutiny and arrangements put in place to mitigate any risks to both partners.

### **3.0 Proposed Strategic Partnership Agreement**

3.1 The proposed agreement builds on the predecessor agreement and has been developed jointly by the partner agencies with input from key personnel. The agreement continues to use the ICU structure as the lead for integrated commissioning of children's services and opportunities to expand their remit have been explored. In particular a gap in relation to the commissioning of midwifery services and the interface with children's acute services has been identified and proposals made to resolve it.

3.2 It is proposed that the agreement will run from the point of approval until 31<sup>st</sup> March 2016. The legal terms and conditions within the agreement describe the mechanisms to support this and the process and reasons for which any potential early termination could be considered.

3.3 The Schedules within the agreement provide the detail of the planned partnership approach.

- Sch 1 - List of services covered by the agreement
- Sch 2 - Terms of Reference for the Joint Commissioning Executive Group which will be the key governance body for the Agreement
- Sch 3 - Governance arrangements for the Partnership
- Sch 4 - Safeguarding assurance document
- Sch 5 - ICU infrastructure and resources
- Sch 6 - Scheme of delegation for the partner agencies

3.4 These schedules will develop during the period of the agreement and as a minimum will be subject to annual review.

#### **4.0 Governance Arrangements**

4.1 The strategic partnership agreement includes the overarching governance arrangements (Schedule 3) which clearly defines the strategic governance and operational management arrangements for implementation of the agreement.

4.2 The main vehicle for the oversight of the implementation of the agreement and the delivery of safe and effective services will be the revised Joint Commissioning Executive Group (JCEG). The draft terms of reference and membership of this Board are covered in Schedule 2 of the partnership agreement. This Board will be accountable via the Corporate Director CFW to the Trafford Council Executive and the Trafford CCG Board.

4.3 The Partnership Agreement and the governance structures outlined in it will enable three levels of decision making:

- decisions that statutorily can only be made by one of the partner organisations for decisions that each of the bodies wish to reserve to themselves;
- decisions that can be made 'jointly' through 'joint governance bodies' whereby the representatives of each of the partner agencies are delegated to make such decisions, which will need to be made by consensus between the representatives of each agency; and
- decisions delegated to the lead Director to enable the efficient day to day management of the integrated service. Lead Director for the agreement is the Corporate Director CFW, Trafford Council.

#### **5.0 Reason for Recommendation**

5.1 There is a clear evidence base that integrated commissioning of services provides the most efficient use of resources and improved outcomes for children in families. The established model in CYPS has demonstrated this and it is important that the partnership is maintained and underpinned by a legal framework.

5.2 Establishing a clear legal framework through the proposed agreement provides a level of assurance and governance in relation to integrated commissioning that is required by both partner agencies

**6.0 Other Options**

6.1 Integrated commissioning of services without a formal partnership agreement – There would be no legal basis to do this and the assurance provided for partner agencies not in place. The risk associated with this approach mean that it would not be appropriate to recommend as an option.

6.2 Commissioning of services covered by the agreement on a single agency basis – The benefits of integrated commissioning are well evidenced nationally and enable an efficient and effective use of resources to improve outcomes. It is also national policy direction to commission services in an integrated basis so we do not recommend this option.

**7.0 Consultation**

7.1 Consultation has been undertaken previously in relation to the establishment of integrated commissioning arrangements in CYPS. Consultation is a key component of all commissioning processes.

**Key Decision** (as defined in the Constitution): Yes

**Finance Officer Clearance** (type in initials)...ID.....

**Legal Officer Clearance** (type in initials)...mrj.....

**CORPORATE DIRECTOR'S SIGNATURE** (electronic).....



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To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.