



**Report to:** East Sussex Better Together (ESBT) Strategic Commissioning Board

**Date of meeting:** 2 October 2017

**By:** Chief Operating Officer, Eastbourne Hailsham & Seaford and Hastings & Rother Clinical Commissioning Groups

**Title:** East Sussex Better Together (ESBT) Alliance New Model of Care

**Purpose:** To note decisions made in July regarding the future arrangements for delivering health and care and strengthening the ESBT Alliance, and consider progress with further developing the ESBT Alliance and integrated strategic commissioning arrangements for 2017/19 onwards.

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## **RECOMMENDATIONS**

The Board is recommended to:

- 1) Note the decision taken by each of the ESBT Alliance partner's governing bodies to proceed with further health and social care integration in the form of a single new health and care organisation by 2020/21
- 2) Note the agreement of each of the ESBT partner's governing bodies to accelerate this through strengthening the commissioner provider ESBT Alliance arrangement for 2018/19, to make the required year on year improvements to our system financial position and quality (as set out in the high level milestone map in Appendix 1)
- 3) Discuss the emerging approach to developing a single point of executive leadership for ESBT strategic commissioning
- 4) Note the proposed timetable and next steps as set out in section 6 to progress development and strengthen our Alliance arrangements for April 2018

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## **1. Background**

1.1 ESBT's initial 150-week phase has concluded and we have transitioned to our ESBT Alliance. Arrangements are now in place to ensure oversight of the whole health and care system from both a commissioning and delivery perspective. This Alliance phase is focusing on delivering in-year improvements across the system and developing the governance to deliver ESBT into the future. This will build on the work already delivered by our ESBT programme since it was established in August 2014, to integrate health and care in a way that achieves improved experience for local people; improved health and wellbeing outcomes; and delivers system sustainability.

1.2 The next phase focusses on building a new model of 'accountable care' that integrates our whole system – primary prevention, primary and community, social, mental health, acute and specialist care – so that we can demonstrably make the best use of the circa £1 billion collective resource we spend every year to meet the health and care needs of local people.

1.3 An options appraisal exercise was undertaken in June 2017 to consider the legal delivery vehicle options for the future ESBT model. The outcome of the options appraisal exercise was that an integrated health and care organisation is the preferred delivery vehicle. There was a strong appetite to implement this as the longer-term direction of travel by 2020/21.

1.4 It was additionally agreed that further strengthening our current ESBT commissioner provider alliance for 2018/19 would be a necessary next step in allowing us to make further year-on-year improvements to service quality and finances, in line with the expectations of our regulators and partners in the Sussex and East Surrey Sustainability and Transformation Partnership (STP). A high level milestone map, intended as a guide to support further phasing and detailed implementation is described in Appendix 1. These recommendations were put forward to the ESBT Alliance partners' sovereign governing bodies for their decision.

1.5 The plans to further formalise health and social care integration were approved in July 2017 by the governing bodies of the core ESBT Alliance Members; East Sussex County Council (ESCC); East Sussex Healthcare NHS Trust (ESHT), and; Eastbourne Hailsham and Seaford Clinical Commissioning Group (EHS CCG) and Hastings and Rother Clinical Commissioning Group (HR CCG).

1.6 Information about the options appraisal exercise, including a summary report detailing the exercise and the outcomes and the high level roadmap can be found on the ESBT website at <http://news.eastsussex.gov.uk/east-sussex-better-together/stakeholders/esbt-future-model/>

1.7 This decision has now been communicated to staff and stakeholders. We are now entering into an implementation period where much greater detail will emerge along with a comprehensive engagement plan. In line with this we have started to undertake further detailed phasing and implementation planning to deliver the high level milestones and strengthen our Alliance arrangements for April 2018.

1.8 This report provides a flavour of the feedback from the ESBT partner organisations' discussions of the recommendations in July, and provides an update on the emerging thinking and timetable to deliver a stronger ESBT Alliance arrangement for April 2018.

## **2 ESBT Alliance partner organisations' governing body discussions**

2.1 Overall strong consensus was evident across the ESBT partner organisations on further formal integration being the overall preferred direction of travel for ESBT. This was seen to be the best way to continue to improve services, population health and wellbeing and ensure long term sustainability within our resource envelope. The full minutes of the July meetings of ESCC Cabinet, ESHT Trust Board and the CCG Governing Bodies are available on each organisation's website. A flavour of the key points from the discussions is provided below:

- Agreement that strengthening the ESBT Alliance arrangement for 2018/19 was a necessary next step on the journey towards integration. In terms of deliverability further formalising the Alliance was seen to be the best way to mobilise the current system to manage the service quality, financial and demand risks that we face;
- However, it was also acknowledged that maintaining separate organisational structures will place a burden on managerial capacity in the interim, as well as the difficulty of managing differing and sometimes competing agendas that are currently a part of our system without full integration. This extended to a desire to see the proposed timetable for fuller integration accelerated wherever this is possible, including exploring the opportunities for streamlining governance and decision-making;
- There was a desire to see the detail that comes out of further implementation and phasing for formal integration, for example workforce and financial elements;
- The high levels of citizen ownership that are achievable through a setting up a new single health and care organisation were noted as being a strong positive. This was seen to be important in both the formal Alliance arrangement as well as the long-term ESBT future model;

- It was felt that there should be a single strategic plan for the ESBT Alliance that brings together resources across commissioning and delivery;
- It was recognised that a strengthened approach to locality planning and delivery will be needed to support in-year delivery of improvements and the Strategic Investment Plan (SIP); and
- The concept of a single point of governance, leadership and management of our commissioning resource was supported as the best way to deliver improved health and wellbeing of our local population and improved service quality and finances, by enabling us to focus ESBT Alliance resources, staff, time, and energy clearly on our 'place'.

### **3. Strengthening our ESBT Alliance arrangement for 2018/19**

3.1 We have agreed to strengthen our current ESBT Alliance arrangement for 2018/19 as a stepping stone to our preferred delivery vehicle of a new single health and care organisation by 2020/21. This is seen to be the best way to continue to improve services, population health and wellbeing and ensure long term sustainability within our resource envelope.

3.2 Formalising our Alliance further will help us to mobilise the current system to manage the service quality, financial and demand risks that we face. As part of this we have agreed to determine a single leadership of our integrated commissioning function, as well as a single leadership of our provider function and the way in which we organise services. This will help us to strengthen our commissioning expertise in an integrated way, with a clear focus on population health and outcomes to drive improvements.

### **4. Single point of leadership for commissioning**

4.1 A single point of leadership and management of our commissioning resource, together with strengthened integrated governance arrangements, is considered to be the best way to deliver clinically led and locally accountable improvements to the health and wellbeing of our population. It will also better enable us to focus on quality and system finance and sustainability by channelling ESBT resources, staff, time and energy clearly on our 'place'.

4.2 In line with the current regulatory context Eastbourne, Hailsham and Seaford Clinical Commissioning Group (EHS CCG), Hastings and Rother Clinical Commissioning Group (HR CCG) and East Sussex County Council (ESCC) will remain as separate sovereign organisations, and will put in place arrangements for 2018/19 that enable joint accountability through a single executive leadership. This will help us commission 'as one', based on population health needs in the best interests of our local population. Early discussions have taken place in August and September to help shape our understanding of how a single point of leadership for integrated commissioning could take place. The emerging approach is underpinned by putting the following key elements in place:

- A single executive leadership role for strategic commissioning across our whole health and social care system. This will be supported by a single integrated executive leadership team that would deliver the strategic commissioning functions of both the CCGs and ESCC social care.
- Strengthened integrated governance arrangements to enable the proper discharge of our functions, reducing duplication where possible and demonstrating robust decision-making within agreed frameworks.
- A pooled and aligned budget for our whole health and care system will need to be put in place in readiness to support our ambition by April 2018, (work is being taken forward in parallel to put in place the underpinning financial arrangements to support integrated whole system commissioning for our population).
- Statutory responsibility will remain with the sovereign organisations (EHS and HR CCGs and ESCC), as the organisations responsible for commissioning the majority of health and

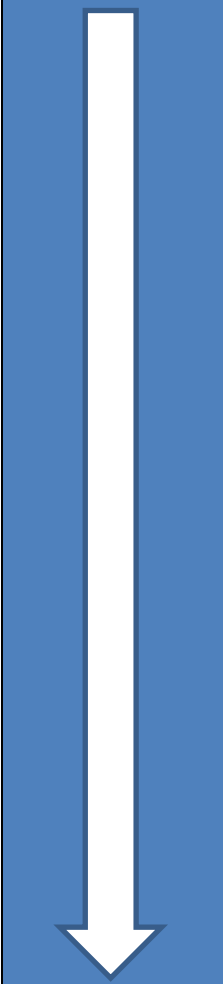
care services respectively for the local population, and arrangements will need the agreement and assurance of those bodies, as well as NHS England (NHSE).

4.3 Some further assumptions that characterise the emerging model include:

- The single leadership of commissioning will be delivered from our existing system through a probable coming together of the CCG Accountable Officer function and ESCC chief officer functions.
- In order to maximise the benefits of this approach, this is likely to take the form of a secondment arrangement which will need to include formalisation of the accountability of the role and formal recognition across the EHS and HR CCGs, ESCC and NHSE.
- Retention of capability and capacity across our system will be critical to success.
- The single integrated leadership team would need to be able to discharge both CCG and ESCC social care functions in the following areas:
  - Health economics, Public Health and Joint Strategic Needs Assessment
  - Planning, strategy and engagement to identify and set outcomes
  - Nursing and care quality, patient safety and safeguarding
  - Monitoring and performance managing the delivery of outcomes
  - Strategic finance, system governance and risk
- Formal arrangements will need to be put in place to support this to enable both the CCG and ESCC systems of accountability where individuals are responsible for functions on behalf of the health and care organisations. This will be managed within existing organisational arrangements, and to avoid unnecessary disruption there is no intention to make changes to current employment terms and conditions as part of alliance arrangements.
- We will need to take a transitional approach to ensuring we have the right balance of staffing capacity to support the strategic commissioning function and those that will, over time, be aligned with the move to a health and care delivery organisation. As part of this there will be an ongoing process to involve staff beneath senior management team level in the integration of health and social care strategic commissioning functions as this becomes clear. To support this work is being undertaken to further align functions across our ESBT Alliance to support both remits of strategic commissioning and tactical commissioning to enhance core health and care services and care pathways and to support operational delivery. A brief explanation of the three layers of commissioning that take place across our Alliance is contained in Appendix 2.

## 5. Timetable

5.1 A proposed high level timetable has been developed to reflect the growing understanding of our approach as follows:

Ongoing engagement	Activity	Timeline
	Development of approach, discussion and testing	August and September 2017
	Further discussion, testing and finalisation of proposals, including aspects of commissioning to be delegated to STP-level and to locality level  Shared impact assessments	October 2017
	Final proposals brought to the Alliance Governing Board	November 2017
	Recommendation of proposals to sovereign bodies: <ul style="list-style-type: none"> <li>EHS CCG and HR CCG Governing Bodies</li> <li>ESCC Cabinet</li> </ul>	November - December 2017
	Agreed process for single point of commissioning leadership role	January 2018
	Strategic Investment Plan and pooled/aligned budget finalised and agreed <ul style="list-style-type: none"> <li>EHS CCG and HR CCG Governing Bodies</li> <li>ESCC Cabinet</li> </ul>	January – March 2018
	Integrated senior leadership team agreed process	February - March 2018
	New formalised ESBT Alliance arrangements in place: <ul style="list-style-type: none"> <li>Phased implementation to strengthen integrated governance arrangements Single leadership role and team in place</li> <li>High level approach to transitional arrangements and alignment of staff in functional areas of strategic and tactical/operational commissioning</li> </ul>	April 2018

## 6. Next steps

6.1 As part of making progress in line with our timetable, in the following weeks we will need to agree and establish a process to support the development of the single executive leadership role and top tier executive leadership team. This will also take into account our developing understanding of the transitional arrangements for commissioning capacity across our system.

6.2 Building on previous comprehensive stakeholder engagement throughout the development of ESBT and our new model of accountable care, we will further test our plans with our stakeholders in the coming months and undertake shared impact assessments, ensuring population benefits are clear. This will include regulators and will take in considerations of scope, including which aspects of strategic commissioning would likely take place as part of Surrey and East Sussex STP-wide commissioning where this makes sense.

6.3 In addition we will complete an exercise to review and strengthen governance and assurance of our system ready for 2018/19. This will include looking at the purpose and remit of the existing board meetings within our ESBT Alliance governance arrangements and also those of sovereign bodies in order to manage commissioning on a system-wide basis. This will involve forming a view of where we can safely reduce duplication by further strengthening the roles and function of the integrated ESBT Strategic Commissioning Board and ESBT Alliance Governing

Board, and making best use of our existing clinical and lay leadership across the system. In practice, and based on learning from the UK Vanguards and other early implementers, it looks as if this likely to mean:

- Phasing in an alignment of existing governance arrangements across all of the ESBT Alliance partner organisations to reduce duplication and manage the business more efficiently, at the same time as enabling statutory duties and strategic direction to be discharged. This would take place within a clear framework of appropriate delegation and a robust management of statutory functions.
- Strengthening the function of the integrated ESBT Strategic Commissioning Board, through utilising existing roles within the CCG Governing Bodies, such as clinical and lay leadership, in this setting. Similarly we will explore the potential increased role of the ESBT Alliance Governing Board to manage core elements of business.

6.4 Work undertaken to support the above actions will form the basis of proposals to the CCG Governing Bodies in November and Cabinet in December, with feedback on decisions coming to the ESBT Strategic Commissioning Board at its December meeting.

6.5 Work will also take place in the coming weeks to take forward the single leadership and management of delivery of how services are organised.

6.6 Plans are also in place to carry out a further round of joint ESBT staff engagement events in the coming months to follow up on the engagement events that were held in May.

### **Conclusion and reasons for recommendations**

7.1 The ESBT Alliance sovereign organisations' agreement to the recommendations in July demonstrates that consensus has been reached across our system on the overall direction of travel for ESBT, and the best way to continue to improve services, health and wellbeing and ensure long-term sustainability within our resource envelope.

7.2 Strengthening our accountable care system by moving towards single leadership and performance management of our commissioning resource, alongside strengthened integrated governance, by April 2018, will enable a stronger more influential voice to underpin our shared ambitions for the ESBT 'place' and properly focus our work on population health and wellbeing outcomes based on evidenced best practice.

7.3 In order to prepare for April 2018 we need to develop clear proposals to enable our ESBT Alliance system to move towards single leadership, governance and management of our commissioning resource, and single leadership of the delivery function and how services are organised. Strengthened performance against our integrated Outcomes Framework and an integrated approach to regulation will be a necessary part of that.

7.4 Alongside further discussions at the ESBT Accountable Care Development Group and ESBT Alliance Governing Board, engagement and the contribution of our key stakeholders has been a key strength of our approach to date. We will continue to build on this through discussions at other new and existing meetings and events during the autumn as we continue to seek the valuable insights and input of our stakeholders as appropriate along the way.

7.5 The Strategic Commissioning Board (SCB) is therefore recommended to:

- 1) Note the decision taken by each of the ESBT Alliance partner's governing bodies to proceed with further health and social care integration in the form of a single new health and care organisation by 2020/21
- 2) Note the agreement of each of the ESBT partner's governing bodies to accelerate this through strengthening the commissioner provider ESBT Alliance arrangement for 2018/19, to make the required year on year improvements to our system financial position and quality (as set out in the high level milestone map in Appendix 1)
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- 4) Note the proposed timetable and next steps as set out in section 6 to progress development and strengthen our Alliance arrangements for April 2018

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