Through the development of Shaping Our Future, the health and social care leaders in Cornwall and the Isles of Scilly (CIOS) have agreed to develop one Accountable Care System (ACS) for the county by 2019, comprising an integrated strategic commissioner for health and social care and an Accountable Care Partnership (ACP), a network of providers with a single leadership team.

1. Developing an integrated strategic commissioning function

1.1. There is an increasing emphasis on the delivery of improved outcomes via health and care organisations working together within locally determined organisational forms, and there is an opportunity to reform the commissioning incentives to achieve these objectives. Developing a new approach to joined up commissioning for health, social care and public health will be a key contributor in securing better health and care outcomes, addressing care fragmentation and supporting a refocussing of the system and resources more effectively on keeping people healthier, at home or closer to home, for longer.

1.2. Achieving the aims of an integrated strategic commissioning function is likely to require new organisational forms and revised governance arrangements, the detail of which need to be worked through and appropriate support and approval secured through existing governance arrangements.

1.3. Health and social care leaders are working collaboratively to consider the available options for organisations to come together and develop the best vehicle to deliver our objective of sustainable health and social care to meet the needs of our local population.

1.4. Table one outlines the benefits and risks of developing an integrated strategic commissioning function that will be considered for each option during the options appraisal process.

Table one: Showing the benefits and risks associated with developing an integrated commissioning function

<table>
<thead>
<tr>
<th>Benefits of integrating</th>
<th>Risks of integrating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aligning a shared commissioning vision within the context of a joint approach to outcome based commissioning.</td>
<td>The voice of clinical commissioning and elected members may be ‘watered-down’ in an attempt to streamline a strategic commissioning functions.</td>
</tr>
<tr>
<td>A unified commissioner function with a single decision-making process, increasing democratic and clinical influence over both health and care commissioning to best meet the</td>
<td>Complex decision-making processes.</td>
</tr>
<tr>
<td>Benefits of integrating</td>
<td>Risks of integrating</td>
</tr>
<tr>
<td>--------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>needs of the local population.</td>
<td>Differences in the financial regimens and planning cycles will drive confusion and add complexity.</td>
</tr>
<tr>
<td>Maximise the opportunities in the financial regimen for system gain.</td>
<td>Additional short-term costs could be incurred e.g. excess mileage.</td>
</tr>
<tr>
<td>Potential for reduced duplication of organisational running costs.</td>
<td>Clarity and certainty to commissioning colleagues.</td>
</tr>
<tr>
<td>Clarity and certainty to commissioning colleagues.</td>
<td>Uncertainty for colleagues who don’t have a strategic commissioning role.</td>
</tr>
<tr>
<td>‘Pooling’ and maximising available commissioning skills.</td>
<td>‘Pooling’ and maximising available commissioning skills.</td>
</tr>
<tr>
<td>New perspectives, skills and experience bring significant opportunities for strong commissioning.</td>
<td>The joint commissioning function is weakened due to significant loss of organisational knowledge.</td>
</tr>
</tbody>
</table>

2. **A shared view of commissioning**

2.1 The commissioning cycle shows the range of commissioning functions that could be joined up. Each step of the cycle can be applied to a joint commissioning approach. Whilst this commissioning cycle is recognised by both local authorities and the NHS, the development of joint commissioning arrangements will not be without challenge, given the differences in the approach to commissioning procurement and contracting between the NHS and local authorities.

**The commissioning cycle**

![Commissioning Cycle Diagram](image-url)
Defining integrated commissioning

2.2 Integrated commissioning can be broadly described as the coming together of organisations, or functions within organisations, in the form of a ‘partnership, alliance or other collaboration’ to take joint responsibility for commissioning of a set of services within available resources.

2.3 This is likely to involve organisations working in partnership at all stages of the commissioning process, from the assessment of needs, to the planning and procuring of services, the decision-making processes and the monitoring of outcomes.

Definition of strategic commissioning

2.4 Strategic commissioning is the term used for all the activities involved in:

- Assessing and forecasting needs;
- Identifying the desired health and wellbeing outcomes for the population;
- Being responsible for assurance and oversight of statutory responsibilities;
- Linking investment to agreed outcomes;
- Engaging and consulting with the public and services users; and
- Monitoring and performance managing the contract/s with the Accountable Provider Organisation in line with the outcome requirements.

2.5 Options of integrated commissioning being considered for Cornwall and the Isles of Scilly:

Option one: Do nothing, retain existing strategic commissioning arrangements

Proposal:
- Sovereignty of organisations remain the same;
- Commissioning and officer arrangements remain as current, embedded in separate organisations;
- Existing lead organisation and pooled budgets arrangements remain in place; and
- Health and Wellbeing Board continues to fulfil statutory duties in relation to the JSNA and setting the strategic direction through the Health and Wellbeing Strategy.
### Option two: Greater use of existing funding alignment arrangements

**Proposal:**
- Sovereignty of organisations remain the same;
- Officer workforce remains as current, embedded in separate organisations;
- Decision-making undertaken by separate sovereign organisations; and
- Health and Wellbeing Board would need to be enhanced to continue to fulfil statutory duties in relation to JSNA and setting the strategic direction through the Health and Wellbeing Strategy but also to have increased responsibility to oversee significant pooled budgets.

### Option three: CCG as lead strategic commissioner

**Proposal:**
- Sovereignty of organisations remain the same;
- CCG leads the commissioning of health, social care and public health services requiring formal delegation of statutory duties from Cornwall and Isles of Scilly Councils to Kernow CCG and use of a legal framework to pool resources to a far greater extent;
- Integration and co-location of social care and public health officer workforce with Kernow CCG; and
- Health and Wellbeing Board continues to fulfil statutory duties in relation to JSNA and setting the strategic direction through the Health and Wellbeing Strategy.

### Option four: Cornwall Council as lead strategic commissioner

**Proposal:**
- Sovereignty of organisations remain the same;
- Cornwall Council leads the commissioning of health, social care and public health services requiring formal delegation of statutory duties from Kernow CCG and Isles of Scilly Council to Cornwall CCG and use of a legal framework to pool resources to a far greater extent;
- Integration and co-location of Kernow CCG officer workforce with Cornwall Council; and
- Health and Wellbeing Board continues to fulfil statutory duties in relation to JSNA and setting the strategic direction through the Health and Wellbeing Strategy.
Option five: Kernow CCG as lead strategic commissioner for adults and Cornwall Council as lead strategic commissioner for children and young people

Proposal:
- Sovereignty of organisations remain the same;
- CCG leads the commissioning of health, social care and public health services requiring formal delegation of statutory duties from Cornwall and Isles of Scilly Councils to Kernow CCG and use of a legal framework to pool resources to a far greater extent;
- Integration and co-location of social care and public health officer workforce with Kernow CCG; and
- Health and Wellbeing Board continues to fulfil statutory duties in relation to JSNA and setting the strategic direction through the Health and Wellbeing Strategy.

Option six: Strategic commissioning of health and social care through a new commissioning vehicle

Proposal:
- Sovereignty of organisations remain the same;
- No formal delegation of statutory duties from Kernow CCG to Cornwall Council however use of legal framework to pool resources to a far greater extent;
- Integration and co-location of CCG and Council officer workforce;
- Joint decision making through a formal joint structure with democratic and clinical involvement; and
- Health and Wellbeing Board continues to fulfil statutory duties in relation to JSNA and setting the strategic direction through the Health and Wellbeing Strategy.

Commissioning with Devon was initially considered but not taken forward through the assessment as there was little / no appetite from Devon at this time as they are working towards Devon-wide strategic commissioning and due to the focus on place based commissioning for health and care the option was not supported by NHS England.

2.6 Options will be assessed against the following aims:

- Achievement of the outcomes set out by the system through the Sustainability and Transformation Plan for Cornwall and the Isles of Scilly;
- Achievement of straightforward and acceptable governance under current legislation;
- Achievement of financial advantages for the public purse both through more effective strategic commissioning and cost of delivery of the new
commissioning model; and

- Making the most effective use of the workforce skills and experience in Cornwall and the Isles of Scilly.

2.7 The options appraisal with a recommended option will then go to the CCG governing body, council cabinets and NHS England for decision in February 2018 so that the business case on the preferred option can be developed and the more detailed work around governance, risk and workforce implications can be worked through.

3. **Transition arrangements**

3.1 There is significant work required to engage the CCG Governing Body and their GP membership, Cabinets and NHS England in the development of the Integrated Strategic Commissioning function and develop a business case that provides the required level of assurance around governance and financial risk.

a) Proposal is to use 2018/19 as a shadow working year, operating within the existing statutory frameworks would provide the opportunity for the commissioning organisations to work ‘as if’ they were already an integrated function with a single system leader in place to drive the collaborative working. This route is felt to be the best way to engage all stakeholders in the process and the most pragmatic way forward and is likely to secure a more robust and sustainable solution. This would also align with the shadow working proposal that is being developed for the network of service providers. Formally altering organisational form during this time would take significant resource, due diligence and distract from the need to significantly improve quality and efficiencies at pace.