



Birmingham and Solihull CCGs: transition update

Health Overview and Scrutiny Committees

*Pre-consultation engagement
briefing*

Introduction

The NHS commissioning partners in the Birmingham and Solihull Sustainability and Transformation Partnership (STP) are:

- NHS Birmingham CrossCity Clinical Commissioning Group (CCG);
- NHS Birmingham South Central CCG; and
- NHS Solihull CCG.

During this presentation, we will outline the alternatives for future arrangements of the Birmingham and Solihull NHS commissioning organisations, how we plan to continue involving stakeholders.

We request your input.

Birmingham and Solihull STP

The Birmingham and Solihull STP sets out a number of key achievements. These are:

- Care is designed for the individual and their needs.
- Care is provided in the most appropriate place, with whoever is the best person or organisation leading it.
- Greater access to high quality community-based, rather than hospital-based, services where it's most appropriate for the individual.
- Easier access to a GP, who provides the individual with consistently high quality care.
- There is a greater focus on helping individuals to stay independent in their home, and in their community, for as long as is right for them.
- If individuals have a long-term condition, or a condition that can be managed at home, they feel supported and able to do that.
- If individuals are admitted to hospital in an emergency, their care is high quality and seamlessly coordinated so they are seen by the right people at the right time, receive the treatment they need and are able to return home quickly and safely, with the right support in place thereby ensuring that there is a greater focus on their health and wellbeing as a whole.

The above aspirations will be achieved in part through objective one of the STP; *Creating efficient organisations and infrastructures.*

Purpose

- To discuss the outline process and timeline for creating a single commissioning organisation.
- To test and refine our thinking on the possible alternatives, particularly the alternative we prefer at this stage.
- To engage, in an open and transparent way.
- To recognise the need for formal governance around the process and robust decision making. As well as ensuring the HOSC is consistently and meaningfully contributing to the process; with this insight being used to influence our decisions on which proposals to put to the public.

The case for change

- NHS commissioning functions have to efficiently serve the five-year objectives set out by the STP, in its published plan.
- Working at this scale, NHS commissioning will be stronger, more efficient, more consistent and more credible.
- Working at this scale also give us the best opportunity to improve experience and health outcomes for local people, reduce unacceptable health inequalities, and improve provider performance.
- The positive steps we have taken over the past 12 months do not address all available efficiencies.
- More efficient working means we can make best use of the £1.7bn we have to spend on healthcare for 1.2m people in Birmingham and Solihull.

Background

June 2016:

CCGs decide to align strategy and commissioning functions to deliver the STP plan.

September 2016:

CCGs considered a range of alternatives and decided to form a joint commissioning committee, the Birmingham and Solihull Health Commissioning Board (HCB).

Summer 2017:

The joint commissioning committee is creating a single staff team to support its functions.

Stable and permanent alternatives to the historic position will be considered and implemented.

The alternatives

Currently, the CCGs operate a joint health commissioning board.

Alternative 1: Return to three separate CCGs/historic arrangements;

Alternative 2: Form a federation; continue with three separate CCGs, but establish shared management team, governance and decision making;

Alternative 3: A single CCG for Birmingham and a single CCG for Solihull, establish joint working arrangements with Solihull CCG with single management teams, joint processes and committees; and

Alternative 4: Full functional organisational merger – one single Birmingham and Solihull commissioning approach and management team.

On balance, we prefer Alternative 4 at this stage.

Alternative 1

Return to three separate CCGs/historic arrangements.

Positive impact	Negative impact
Structures are familiar to external stakeholders	Undo progress made on achieving partnership ambitions
CCGs set objectives based on locally focussed priorities	Some significant disruption for staff
	Internal boundary anomalies are not addressed
	Three commissioning voices with three sets of commissioning priorities
	No economies of scale
	Three sets of relationships for providers and stakeholders
	Potential to lose some clinical leadership.
	Potential to lose some staff talent
	Does not address Birmingham co-terminosity issue in relation to West Birmingham

Alternative 2

Form a federation; continue with three separate CCGs, but establish shared management team, governance and decision making.

Positive impact	Negative impact
CCGs improve their collective voice	Planning limitations imposed by potential for any CCG to withdraw at any time
Arrangement aligns to Birmingham and Solihull partnership boundary	There is unrealised potential for economies of scale
CCGs can set objectives on locally focussed priorities	Change in governance structures required
Incorporates shared governance standards	Does not sufficiently address the financial challenge
There is little disruption for staff	Potential to lose some clinical leadership
Significant opportunity to improve consistency in stakeholder engagement	Potential to lose some staff talent
	Does not address Birmingham co-terminosity issue in relation to West Birmingham

Alternative 3

A single CCG for Birmingham and a single CCG for Solihull, establish joint working arrangements with Solihull CCG with single management teams, joint processes and committees.

Positive impact	Negative impact
Partially addressees the co-terminosity issue, West Birmingham aside, and aligns to existing local authority, scrutiny and health & wellbeing board arrangements	Planning limitations imposed by potential for either one of the two CCG to withdraw at any time
CCGs improve their collective voice	There is unrealised potential for economies of scale
Arrangement aligns to Birmingham and Solihull partnership boundary	Resources and attention required to make formal application process for legal change to governance structure
CCGs can set objectives on locally focussed priorities	Potential for reduced influence of local voice in system-wide decision making
Could be a good building block for future models of commissioning	Does not address the full scale of the financial challenge
Incorporates shared governance standards.	Danger of Solihull CCG becoming a junior partner
There is little disruption for staff	Potential to lose some clinical leadership.
Significant opportunity to improve consistency in stakeholder engagement	Does not sufficiently address the financial challenge
Shared governance and decision making	Potential to lose some staff talent
	Does not address boundary issues including West Birmingham

Alternative 4 *(our preference)*

Full functional organisational merger – one single Birmingham and Solihull commissioning approach and management team.

Positive impact	Negative impact
The arrangement is permanent and stable	Resources and attention required to make formal application process for legal change to governance structure
CCG has one voice	
Arrangement matches Birmingham Solihull partnership boundary	Potential for local voice to be lost in system-wide decision making
CCG can choose to have locally focussed priorities	Potential to lose some clinical leadership.
The most coherent and strongest option to create a commissioning organisation to deliver future-proofed commissioning.	Potential to lose some staff talent
One governance standard	Does not address Birmingham co-terminosity issue in relation to West Birmingham
There is little disruption for staff	
Significant opportunity to improve consistency in stakeholder engagement	
Potential for efficiencies and economies of scale fully realised	

Summary

In our assessment:

- **Alternative 1** offers significant disadvantages to our current arrangements.
- **Alternative 2** offers no significant advantage over our current arrangements.
- **Alternative 3** offers some advantages over our current arrangements.
- **Alternative 4** offers significant advantages over our current arrangements.

The issues

During pre-consultation engagement, stakeholders have raised issues which we are noting and addressing. The following two are prominent and recurrent:

The money issue

Birmingham CrossCity and Birmingham South Central both have cumulative surpluses of combined of £36.2million as at 31 March 2018 (assuming delivery of current plans).

Solihull CCG has a cumulative deficit rising to £8.3million by 31 March 2018 (assuming delivery of current plans).

The boundary issue

Part of Birmingham is not covered by the Birmingham and Solihull STP. Responsibility for commissioning NHS services for the people of West Birmingham lies with Sandwell and West Birmingham CCG and the Black Country STP.

Involving stakeholders

Our phased approach to involving stakeholders observes good engagement practice, general election purdah, and democratic expectation for a public consultation on significant changes:

- **Phase one – May/June 2017:** Engage strategic stakeholders
- **Phase two – June 2017:** Engage wider stakeholders
- **Phase three – July/August 2017:** Formal consultation
- **Phase four – August/September 2017:** Consultation data analysis and reporting. Scrutiny by NHS England and decision on whether to authorise proceeding with preferred option.

This outline process has been discussed, in principle, with the HOSCs and is subject to full scrutiny committee approval.

Public statement

“The Birmingham and Solihull CCGs have recently met with us to discuss the outline process and timeline for creating a single NHS commissioning organisation for Birmingham and Solihull; the three CCGs have been working with NHS England to develop plans on how their organisations move forward with this. The CCGs are seeking our views on this important matter, including discussing their draft plans for engaging and consulting with stakeholders.”

“Engagement and consultation will take place over June and July; a decision on whether the CCGs will be authorised to proceed with the preferred option is not expected until the end of September”.