Dudley Health & Wellbeing

Longer, safer, healthier lives for all

DUDLEY HEALTH AND WELLBEING BOARD **Agenda Item no. 10**

DATE	**17th September 2020**
TITLE OF REPORT	**Development of the Dudley Integrated Care Provider (ICP) – Dudley Integrated Health and care NHS Trust**
Organisation and Author	**Dudley Clinical Commissioning Group** **Neill Bucktin- Dudley Managing Director**
Purpose	**To consider the current position in relation to the development of Dudley Integrated Health and Care NHS Trust – Dudley's Integrated Care Provider (ICP)**
Background	**The Board have received previous reports on the development of the ICP.** **Plans are now in place for the ICP to be fully operational from 1 April 2021.** **This report provides an update on progress with meeting the 1 April 2021 deadline.**
Key Points	**1. A comprehensive procurement process has been conducted to commission an ICP.** **2. The ICP organisation has now been established as a NHS body, with full governance arrangements and holding a NHS Standard Contract.** **3. The regulatory approval processes now require completion so that the full ICP contract can be in place from 1 April 2021**
Emerging issues for discussion	**The mobilisation of the ICP contract presents further opportunities for addressing health inequalities.**
Key asks of the Board/wider system	**That the current position in relation to the development of the Dudley Integrated Care provider – Dudley Integrated Health and care NHS Trust – be noted.**
Contribution to H&WBB key goals: • **Healthy weight** • **Reducing loneliness & isolation** • **Reducing impact of poverty**	**The ICP will be commissioned to meet a set of health and care outcomes. These relate to the Board's key goals.**

Contribution to Dudley Vision 2030	**The ICP will be commissioned to meet a set of health and care outcomes. In particular, the ICP is incentivised to work with other organisations that contribute towards the wider determinants of health and well-being and meet the Dudley Vision 2030.**

Contact officer details:-

Neill Bucktin – Dudley Managing Director, Black Country and West Birmingham CCGs

Neill.bucktin@nhs.net

Dudley Health & Wellbeing

Longer, safer, healthier lives for all

1.0 PURPOSE OF REPORT

1.1 To provide an update on the development of Dudley Integrated Health and Care NHS Trust – the Dudley Integrated Care Provider (ICP).

2.0 BACKGROUND

2.1 Previous reports have considered the development of the ICP.
Plans are now in place for the ICP to be fully operational from 1 April 2021.
This report provides an update on progress with meeting the 1 April 2021 deadline**.**

3.0 DEVELOPMENT OF ORIGINAL PROPOSALS

3.1 Following NHS England's publication of its Five Year Forward View in 2014, NHS bodies were invited to submit proposals to become "Vanguards" for the development of potential new models of care.

3.2 With the support of the Council, the CCG submitted a bid and was successful in being designated a Vanguard in March 2016. The proposal was to create a "Multi-Specialty Community Provider" (MCP) designed to integrate a number of health and care services within a single organisation. The terminology was subsequently changed to Integrated care Provider (ICP). This proposal was consistent with the statutory responsibilities of the CCG, the Council and the Health and Wellbeing Board as follows:-

- **CCG's duty to promote integration** – Section 14Z1 of the NHS Act 2006- "each CCG has a statutory duty to exercise its functions with a view to securing that health services are provided in an integrated way"…;

- **Council's responsibilities to promote integration of care and support with health services** – Section 3 of the Care Act 2014 – "a local authority must exercise its functions…with a view to ensuring the integration of care and support provision with health provision and health related provision…"

- **Health and Wellbeing Board's duty to encourage integrated working** - Section 195 of the Health and Social Care Act 2012 – "a Health and Wellbeing Board must, for the purpose of advancing the health and wellbeing of the people in its area, encourage persons who arrange for the provision of any health or social care services in that area to work in an integrated manner".

3.3 As part of its involvement in the national Vanguard Programme, Dudley was able to contribute to the development of national policy for this area, including the "emerging care model and contract framework" published in July 2016.

4.0 MAIN FEATURES

4.1 From January 2016, during the period leading up to the production of the framework, the CCG began a process of dialogue and engagement with patients

and the public on the concept of this type of service delivery model. As a result of this three themes emerged:-

Access – people wanted to make sure they had rapid access to services when required;

Continuity – people valued continuity of care – "only telling their story once" – particularly where they had an ongoing need for treatment due to a long term condition;

Co-ordination – ensuring that where patients are in contact with more than one service, their care is co-ordinated effectively.

4.2 As a result of this, work took place to develop a service model that reflected these principles. The proposal created envisaged an organisation having responsibility for:-

- all community based physical health services for adults and children;
- all NHS commissioned mental health services;
- all NHS commissioned learning disability services;
- a number of out-patient services related mainly to the treatment of long term conditions;
- direct access tests and investigations;
- NHS Continuing Health Care and Intermediate Care;
- some Council commissioned public health services – including substance misuse, sexual health, health visiting, Family Nurse Partnership, school health advisers, wellness services;
- primary medical (GP) services;
- some voluntary sector services;
- adult social care services - to be potentially phased in over time, subject to the criteria agreed previously by the Council.

4.3 The integration of health and social care and the inclusion of social care within the scope of services is a key component of the care model. Already, social workers have been actively involved in the development of Multi-Disciplinary Teams and this work will continue. As elected members will be aware, the Council had previously agreed that adult social care services would only be included within the scope of services once an agreed set of criteria were met. These were as follows:-

- the service can be transferred at a decreased cost to the Council;
- transfer of services can be affected within both regulatory and statutory requirements;
- modelling demonstrates improved outcomes for the people of Dudley;
- the services in question will adapt to decreasing resources throughout the contract period or taper;
- the transfer will not decrease income to the Council in the form of either VAT and/or client contributions.

4.4 The Council will apply these tests to adult social care services at regular intervals, to assess whether they should be phased into the scope of the ICP. In

addition, the CCG will conduct its own risk assessment in relation to each potential transfer before agreeing to its inclusion. Any transfer will be subject to final agreement with the successful bidder. Until such time as this takes place the ICP will be expected to align itself with social care services and this will be a requirement of the contract.

4.5 The ICP would be responsible for these services by receiving the "Whole Population Annual Payment" (in effect making this a fixed price contract). Elected members may wish to note that this is net of the CCG's BCF contribution to the Council which will remain a direct transfer from the CCG to the Council as required nationally. In some instances, rather than providing services directly, the ICP could choose to sub-contract (e.g. with voluntary sector bodies).

4.6 The contract held will be longer in terms of duration than historically has been the case (10 years with an option to extend for 5 years), to encourage investment in "up-stream" activities designed to support prevention and demand management.

4.7 The traditional activity based contract payment mechanism would be ceased with an element of the contractual payment (now agreed as 10%) linked to the delivery of a set of outcomes through an outcomes framework, consistent with those developed locally for use in the existing GP contract . In effect, ensuring the entire system was working towards the same outcome measures.

4.8 The financial mechanism would be further enhanced through the agreement of "gain/loss" share arrangements between the CCG, the ICP and other parts of the system. This would be designed to facilitate appropriate behaviour, such as taking action to reduce unnecessary emergency admissions, with the CCG, the Council and the ICP sharing any resultant gain or loss.

5.0 ROLE OF PRIMARY CARE

5.1 The ICP model has the potential to create a different set of contractual arrangements with GPs for the first time since 1948, the intention being to base the integration and co-ordination of service delivery around the registered list of general practice. This can happen in two ways:-

- partial integration – where practices retain their existing independent contractor status and enter into a voluntary integration agreement with the ICP;

- full integration – where practices relinquish their existing contracts and have a different relationship with the ICP – perhaps as employees.

5.2 In both cases general practice would have a significant role in service delivery and change and any potential ICP contract holder would need to generate the support and confidence of primary care.

6.0 PROSPECTUS, SERVICE SCOPE AND OUTCOMES FRAMEWORK

6.1 Discussions took place locally regarding the characteristics of the potential ICP organisation and the form it might take, focusing on the need for good

governance; public accountability; the role it would play in the local health and care economy; its role as a "corporate citizen"; and its behaviour as a good employer. These were reflected in a prospectus.

6.2 In addition, work took place regarding the Outcomes Framework led by the CCG and supported by the Council's Public Health team. This was also the subject of specialist external support to test out the local thinking.

6.3 The Prospectus, Service Scope (see 4.2 above) and Outcomes Framework were the subject of a further engagement process from July to September 2016 and formally agreed by the CCG Governing Body in September 2016.

7.0 CASE FOR SERVICE CHANGE

7.1 It is worth reminding ourselves of the underlying case for change from service, outcomes and financial perspectives.

7.2 The Dudley population faces significant challenges in terms of:-

- the growing burden of disease affecting a frail elderly population;
- the complex nature of presenting conditions with patients having multiple physical health, mental health and social care needs;
- the demands that this places on the health and care system in general and on general practice in particular, at a time when the workforce is strained.

7.3 Managing this demand requires continuity of care for those with long term conditions and co-ordination of care for those with the most complex needs with the support of a sustainable primary care system where demand first manifests itself. The ICP care model provides the mechanism for addressing this set of circumstances and this was demonstrated at Checkpoint 1 of the Integrated Support and Assurance Process (see paragraph 9.0 below).

7.4 The ICP care model is based upon the delivery of a set of health outcomes and the impact of this in terms of improving the healthy life expectancy of the population Hs been modelled. In meeting the contracted outcomes framework, the ICP has the potential, within 5 years, to increase healthy life expectancy by 1.38 years, equivalent to 440,430 extra years of healthy life expectancy for the whole Dudley population.

8.0 PROCUREMENT PROCESS AND GOVERNANCE

8.1 It was agreed that the nature, scope and scale of change required would necessitate a full procurement process and arrangements were put in place to enable this.

8.2 A Project Board and Project Team were established with a membership consisting of both CCG and Council representatives. Both bodies had access to further specialist support on areas including procurement, legal advice, governance advice, finance and clinical issues. In order to address potential conflict of interest issues created by the involvement of GPs both as CCG Governing Body members and key players in the service delivery model, the CCG agreed that the Project Board would have delegated authority to deal with

all matters relating to the procurement with the exception of the decisions to begin the procurement and ultimately award the contract.

8.3 The Project Board was mindful of the lessons arising from the collapse of the Uniting Care contract in Cambridgeshire and Peterborough following a flawed procurement exercise. This had been the subject of reports from NHS England and an enquiry by the Public Accounts Committee. The recommendations from the relevant reports were reviewed and the procurement's position in relation to them noted, in order to ensure they had been addressed.

9.0 REGULATORY APPROVALS

9.1 The Uniting Care contract collapse resulted in NHS England and NHS Improvement developing a process to ensure procurements of this nature were properly managed – the Integrated Support and Assurance Process (ISAP). This consists of 4 stages:-

- Early Engagement – should the process be applied?
- Check Point 1 – has the procurement been set up properly?
- Check Point 2 – has the procurement been conducted properly?
- Check Point 3 – is the contract ready to commence?

9.2 Early Engagement and Check Point 1 were completed in November 2016 and March 2017 respectively. It should be noted that this is an assurance process that applies to the NHS only and the first line of assurance should come from the CCG Governing Body. However, Council colleagues may take some comfort from the fact that the CCG is required to complete this process satisfactorily before the contract can commence. Checkpoint 2 will commence with a submission due to be made by 30 September 2020. The specific "lines of enquiry" that will be addressed at Checkpoint 2 are:-

- Are there clear clinical transformational benefits?
- Have legal risks been identified and mitigated?
- Is the governance and management appropriate?
- Are the contracted services financially sustainable?
- Is there an appropriate provider structure, financial capacity, governance and capability to transform and deliver?
- Is the procurement and contract documentation appropriate?
- In the event of provider failure, are contingency plans in place?

9.3 There is a further set of regulatory approvals required in relation to the Dudley Integrated Health and Care NHS trust itself as described in paragraph 11.0 below.

10.0 PRE-QUALIFICATION PROCESS

10.1 Prior to publication of the contract notice, a market engagement event took place in January 2017 involving 69 interested suppliers - both potential main contractors and sub-contractors. This was followed by a period during which potential contract holders were given the opportunity to engage with primary care in recognition of the issues identified at 5.0 above.

10.2 The original contract notice was published on 9 June 2017 with potential bidders invited to complete a Pre-Qualification Questionnaire (PQQ) before proceeding to the next stage. A qualifying bid was submitted by a consortium involving Dudley Group NHS Foundation Trust (DGFT), Dudley and Walsall Mental Health Partnership NHS Trust (DWMHPT), Birmingham Community Services NHS Foundation Trust (BCNHSFT), Black Country Partnership NHS Foundation Trust (BCPNHSFT) and the local GP Collaborative.

11.0 ORGANISATIONAL FORM

11.1 The prospectus set out the expectations in terms of the style and characteristics of the organisation from which the CCG and Council wished to commission services. The intention being to establish an organisation which:-

- had strong local roots;
- contributed to the wider health and care economy;
- was an employer of choice;
- displayed a set of governance arrangements which recognised the role that primary care played in the creation of a MCP and gave credence to public sector values including local accountability;
- recognised its role as a corporate citizen and placed an emphasis on “social value”.

11.2 The original bid submitted at the Pre-Qualification Stage was based on the establishment of a community interest company as the means of achieving this. However, it soon became apparent that this would create VAT implications resulting in monies intended to be spent on the provision of care being spent on VAT. Therefore, it was considered that the creation of a NHS body was the best route to establishing a suitable organisational entity.

11.3 Dudley Integrated Health and Care NHS Trust has now been established as the NHS body that will hold the Integrated Care Provider contract. This organisation, as part of the regulatory process, will be subject to a Transaction Review to assess its capability of holding the contract. This review takes place as part of the ISAP Checkpoint 2.

12.0 COMPETITIVE DIALOGUE

12.1 The agreed process for conducting the procurement was one of “competitive dialogue” where commissioner and bidder discussed the proposal submitted to the point where the commissioner was satisfied that the bidder was clear on what was required and was in a position to make a final submission for evaluation.

12.2 A single bidder was therefore invited to participate in dialogue and this began in early September 2017. Dialogue meetings covered the following areas:-

- service model
- outcomes
- organisational form
- finance

- IT/IG
- contract and mobilisation

12.3 Dialogue concluded at the end of March 2018 and the bidder was invited to submit its final tender.

13.0 EVALUATION

13.1 Evaluation of the bid was conducted by a team of staff from both the CCG and the Council. In addition, external advisers contributed to the evaluation as follows:-

- advice in relation to clinical aspects including outcomes framework – Commissioning Outcomes Based Incentivised Contracts (COBIC)
- clinical advice – Dr S Mitchell (senior GP – Sandwell and West Birmingham CCG)
- legal advice to CCG – Mrs R Vandrill, Partner - Mills and Reeve
- legal advice to Council - Weightmanns
- governance advice – Mr D Grayson – Good Governance Institute
- financial advice – Ms K Eaves – independent financial adviser

Internal clinical advice was provided by:-

- Mrs C Brunt – Chief Nurse - Dudley CCG
- Dr R Gee – GP Engagement Lead - Dudley CCG
- Dr D Jenkins – Specialist in Pharmaceutical Public Health – Dudley CCG
- Ms D Harkins – Chief Officer - Health and Wellbeing (Director of Public Health) - Dudley MBC
- Ms K Jackson – Deputy Director of Public Health - Dudley MBC
- Dr M Abu Affan - Consultant in Public Health Medicine - Dudley MBC
- Mrs B Kaur – Consultant in Public Health – Dudley MBC

14.0 CURRENT POSITION

14.1 The need to create a suitable organisation to hold the ICP contract and the impact of responding to the COVID – 19 pandemic has led to considerable delays to the process. Nevertheless, a number of actions have taken place during the past 12 months that have enabled the development to reach a point where full mobilisation of the ICP provision of primary care contract can be achieved.

14.2 Dudley Integrated Health and Care NHS Trust was established on 1 April 2020 and since that time it has held a standard NHS contract for the delivery of a small range of mental health services. The organisation has a chair, non-executive directors and an interim senior leadership team.

14.3 In order to extend the capacity and capability of the organisation, prior to taking on responsibility for the full range of services, proposals have been submitted to NHS England and NHS Improvement to increase the scope of services delivered through the existing contract from 1 October 2020. The services involved would be as follows:-

- primary care “local improvement schemes”, currently commissioned form general practice;
- provision of primary care services for the High Oak practice population;
- a number of commissioning activities currently carried out by the CCG with the associated TUPE transfer of staff and resource.

14.4 A separate submission will be made with a view to responsibility for the provision of children’s services to transfer at a date to be agreed after 1 October 2020.

14.5 The next stage in the process is completion of the regulatory approval requirements described above – the Integrated Support and Assurance Process (ISAP) and the associated Transaction Review. Documentation for these will be submitted by 30 September 2020. The process lasts 3 months. This will provide sufficient time to enable the contract to commence by 1 April 2020.

15.0 GOVERNANCE AND ACCOUNTABILITY

15.1 The CCG and the Council have in place a Section 75 Agreement governing their relationship as co-commissioners of the ICP. This enables Council resources for Council commissioned services to transfer into the ICP’s Whole Population Budget and the ICP contract. A Joint CCG/Council Group will be established under the terms of the agreement to have oversight of the operation of the contract with the ICP, reporting to the CCG governing body and the Council Cabinet respectively. This will start to meet in “shadow” form in the coming months.

16.0 RESPONDING TO COVID-19 AND ADRESSING HEALTH INEQUALITIES

16.1 Whilst there is a clear requirement to ensure all appropriate regulatory and governance arrangements are addressed, it is useful to be mindful of some of the fundamental issues that the ICP is designed to address through its unique contractual arrangements.

16.2 COVID-19 has further exposed some of the underlying health inequalities that exist in Dudley. The ICP contract provides a mechanism for addressing these in a number of ways:-

- bringing services together, including general practice, as a means of providing a co-ordinated response to areas of need;
- having a clear focus on health and care outcomes with all parts of the system contractually responsible for meeting the same set of evidence based outcome measures;
- identifying those areas, such as housing and employment, where the ICP needs to work in conjunction with other organisations to deal with the wider determinants of health and wellbeing.

16.3 The role of children’s services in this is critical. These services will be delivered by a single outcomes driven provider, presenting opportunities to integrate and co-ordinate these in a novel manner. This provides a mechanism for addressing issues such as school readiness and emotional health which are important areas for tackling wider inequalities.

17.0 RECOMMENDATION

17.1 That the current position in relation to the development of the Dudley Integrated Care provider – Dudley Integrated Health and care NHS Trust – be noted.