

JOINT STRATEGIC COMMISSIONING – A DEFINITION

Joint Strategic Commissioning across adult health and social care

Purpose

This paper outlines what is meant by Joint Strategic Commissioning and identifies factors considered by the Strategic Commissioning National Steering Group in setting out the nature and scope of Joint Strategic Commissioning in Scotland. Although, recent Change Fund guidance requires that future Strategic Commissioning Plans focus on older people, the generic commissioning principles set out in this paper are intended to be applicable across all client groups.

Background

Strategic Commissioning is not a new activity in health and social care although it is a term that has “*had numerous definitions over the last two decades and continues to be contested*”.¹ This has been most evident in the differing prominence given to commissioning by the NHS and Local Authorities and also, since devolution, in the differing role of commissioning within the NHS in England and that in the NHS in the devolved administrations.

In Scotland, the NHS has tended to focus on Local Delivery Plans and service planning and use of the term “commissioning” has sometimes been discouraged. The issue has tended to be not so much with the activities involved in commissioning *per se* but rather the association of the term with a separation of commissioner and provider functions, a separation which was viewed as being at odds with NHS Scotland’s “*integrated organisational structure in which change and improvement are driven by planning and performance management rather than choice and competition*”.² Scottish Government policy is to retain a publicly funded and provided National Health Service which does not lessen the importance to NHS Scotland of the functions involved in commissioning to improving outcomes but reflects the different mix of in-house and external provision that prevails in Scotland, compared to England.

¹ House of Commons Health Committee: Commissioning, p.10, para 10. *Fourth Report of Session 2009-10; Volume I – HC 268-1*, March 2010.

[\[http://www.publications.parliament.uk/pa/cm200910/cmselect/cmhealth/268/268i.pdf\]](http://www.publications.parliament.uk/pa/cm200910/cmselect/cmhealth/268/268i.pdf)

² Commissioning in the English NHS – the case for integration, p.8. C. Ham, Nuffield Trust. 1 March 2007 [\[http://www.nuffieldtrust.org.uk/sites/files/nuffield/publication/commissioning_in_english_nhs-march-2007.pdf\]](http://www.nuffieldtrust.org.uk/sites/files/nuffield/publication/commissioning_in_english_nhs-march-2007.pdf)

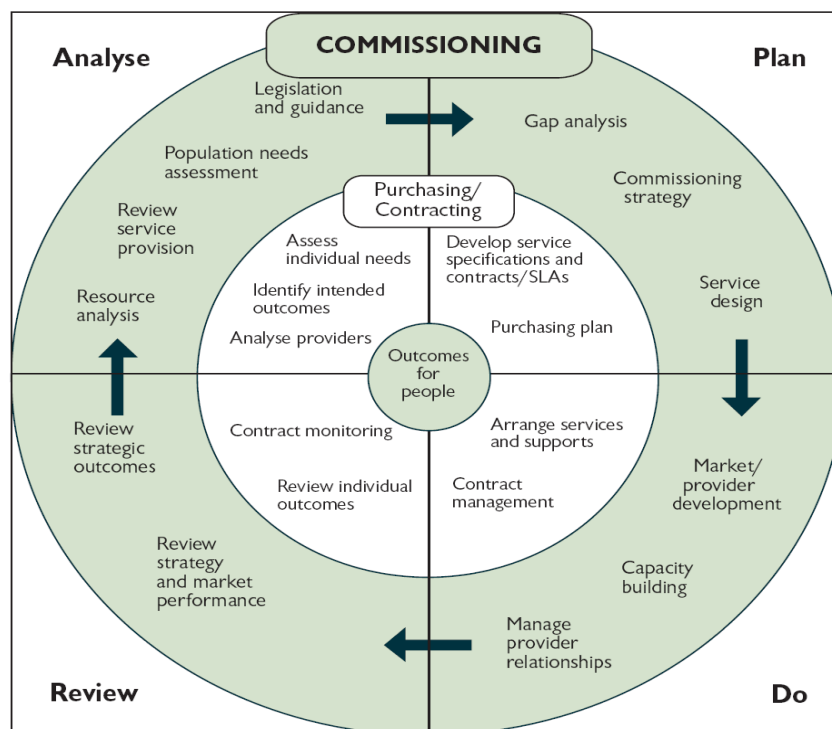
Joint Strategic Commissioning – What is it?

The National Steering Group agreed the following definition, based on earlier work by SWIA³.

Strategic commissioning is the term used for all the activities involved in assessing and forecasting needs, links investment to agreed desired outcomes, considering options, planning the nature, range and quality of future services and working in partnership to put these in place. Joint commissioning is where these actions are undertaken by two or more agencies working together, typically health and local government, and often from a pooled or aligned budget.

Commissioning is commonly described as a cycle of strategic activities similar to that shown in figure 1 below.

Figure 1: Joint Commissioning Model for Public Care



In this model, based on that developed by the Institute of Public Care (IPC), the Commissioning cycle (the outer circle in figure 1) drives purchasing and contracting activities (the inner circle), and these in turn inform the ongoing development of Strategic Commissioning.

So, whilst commissioning involves establishing the strategy, defining outcomes and identifying the resources to achieve the outcomes, procurement is a specific function within the commissioning cycle that focuses on the process of buying or otherwise

³ *Social Work Inspection Agency: Guide to Strategic Commissioning: Taking a closer look at strategic commissioning in social work services*, p.5, para. 2.5, September 2009.
<http://www.scotland.gov.uk/Resource/Doc/284958/0086536.pdf>

securing services, from initial advertising through to appropriate contract arrangements; in other words, commissioning looks at “what do we want”, procurement at “how do we get it”.⁴

Commissioning for Outcomes requires commissioners to make the change from specifying contracts on the basis of services to be provided, to outcomes to be achieved. The funding awarded not in terms of outputs achieved or processes to be followed but what outcomes might be expected.

This can be time consuming for commissioners and is likely to require the development of new skill sets.⁵

Joint Strategic Commissioning – Why is it important?

Strategic commissioning for improved outcomes is a complex multi-faceted process involving a wide range of skill-sets and it is made more complex where the outcomes for the population of interest are dependent on care services accessed from a plurality of interdependent providers engaged by separate commissioners.⁶ The proposed Bill on the integration of health and social care will facilitate integration of commissioning budgets for adult services, in such a way that the source of the resources will lose their identity, for as the Cabinet Secretary has stated “*where money comes from, be it health or social care, will no longer be of consequence*”⁷. This will create a single commissioning budget from which partners will commission improved outcomes for adult health and social care. For this to be effective, it will be essential that steps are taken to integrate the commissioning process.

The Bill is likely to place a duty on partnerships to put in place locality planning arrangements to deliver locally agreed strategic commissioning plans that have the support of the professionals and other care providers who will deliver services as well as users and carers.

Audit Scotland in their report *Commissioning Social Care*⁸ recommended that Councils along with NHS Boards and other relevant partners need to develop commissioning strategies. Ministers are clear that local Change Fund Plans will evolve in to Joint Strategic Commissioning Plans.

The advent of Self Directed Support (SDS) will pose further opportunities and challenges for commissioners and providers and there is a manifest need to develop a better understanding of the potential impact that SDS will have on both

⁴ Procurement of Care and Support Services, *The Scottish Government*. p.19, September 2010. [\[http://www.jitscotland.org.uk/downloads/1290787506-Social%20Care%20Procurement%20final.pdf\]](http://www.jitscotland.org.uk/downloads/1290787506-Social%20Care%20Procurement%20final.pdf)

⁵ Configuring Joint Preventive Services: A Structured Approach to Service Transformation and Delivering Better Outcomes for Older People, August 2008. [\[http://www.csed.dh.gov.uk/library/Resources/CSSED/CSEDProduct/Configuring_Joint_Preventive_Services_v1.0.pdf\]](http://www.csed.dh.gov.uk/library/Resources/CSSED/CSEDProduct/Configuring_Joint_Preventive_Services_v1.0.pdf)

⁶ Overcoming barriers to priority setting using interdisciplinary methods, Peacock, S; Mitton, C; Bate, A; McCoy, B; Donaldson, C. *Centre for Health Economics in Cancer, British Columbia Cancer Agency, Canada*. 2009 Oct; 92(2-3):124-32. [\[http://www.ncbi.nlm.nih.gov/pubmed/19346024\]](http://www.ncbi.nlm.nih.gov/pubmed/19346024)

⁷ Nicola Sturgeon, *Scottish Parliament*, 15 December 2011

⁸ Commissioning Social Care, *Audit Scotland*, pp. 5, 23, 30, 37. March 2012. [\[http://www.audit-scotland.gov.uk/docs/health/2012/nr_120301_social_care.pdf\]](http://www.audit-scotland.gov.uk/docs/health/2012/nr_120301_social_care.pdf)

commissioning and procurement practice. The Social Care (Self-directed Support) (Scotland) Bill will place statutory obligations upon social work services and funding arrangements but will have no direct impact on health services or money.

SDS will provide an opportunity to further personalise the commissioning process to link to individual outcomes. Commissioners will increasingly have to develop and influence their local markets to encourage greater choice and control for service users from a more diverse range of providers; develop financial flexibility to enable resources to be re-directed from unpopular services; and develop systems which provide clarity about purchasing options for SDS clients, eligibility criteria and individual pricing mechanisms for in-house and external services. This will be a challenge for commissioners and providers alike as it heralds a move towards a co-production approach and away from long-term block contracts.

Developing plans

A structured approach is required for joint strategic commissioning. In terms of scope, there will be different requirements for Health Board areas that cover more than one local authority area. In terms of chronology, planning should be undertaken for the short-term, medium-term and long-term, with each phase informing the others.

Scope

- All partnerships should put in place an overarching **Strategic Commissioning Framework** which covers the Health Board and Local Authority or Local Authorities. So, for example, in a Health Board area with more than one local authority partners, this would apply to the Board and *all* of the local authorities. This framework would contain high level visions, principles, policy context, and financial details. The framework should describe allocation decisions *across* the different care groups, and across the different partners, and should help partners to take decisions about the relative priority being given to different care groups as well as the balance of investment and disinvestment in prevention, early intervention and more intensive care;
- Where the framework applies to one Board and several local authorities, a **Joint Commissioning Strategy** should be used to cover all care groups within each constituent local authority area, with each care group being the subject of a separate **Strategic Commissioning Plan**.
- Where an NHS Board area is co-terminus with a single local authority only a Joint Commissioning Framework is required.
- The purpose of all of this planning activity is to ensure that partnerships are clear between themselves, and agreed on, the long term view of the mix of services that will best meet predicted needs and preferences from within the allocated resource defined by the overarching joint strategic framework.

Chronology

- One year investment plans will provide the details of delivery arrangements for the short term change agenda. These will form the required older people's Change Fund Plans for 2013/14.

- Detailed 3 year implementation plans relating to the care group Strategic Commissioning Plans; will be detailed rolling three year planning documents refreshed on an annual basis;
- Partnership Commissioning Strategies and Strategic Commissioning Plans should be of 10 year time-frame reviewed and refreshed regularly consistent with related local planning cycles;

**National Steering Group for Joint Strategic Commissioning
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