NHS Clinical Commissioners

The independent collective voice of clinical commissioning groups

www.nhscc.org


# Steering towards strategic commissioning

## Transforming the system

A networked organisation of NHS CONFEDERATION

# Transformers of the system

CCGs are leading the way to transform healthcare, develop new care models and have evolved into bodies that work across boundaries. Our member survey told us that:

**93%** ARE ACTIVELY SEEKING EARLY LESSONS ON THE NEW CARE MODELS.

**74%** FELT THEIR CCG FULLY UNDERSTOOD THE OPPORTUNITIES PRESENTED BY NEW CARE MODELS.

**77%** ARE PLANNING TO CONTRACT FOR A NEW CARE MODEL IN 2017/18.

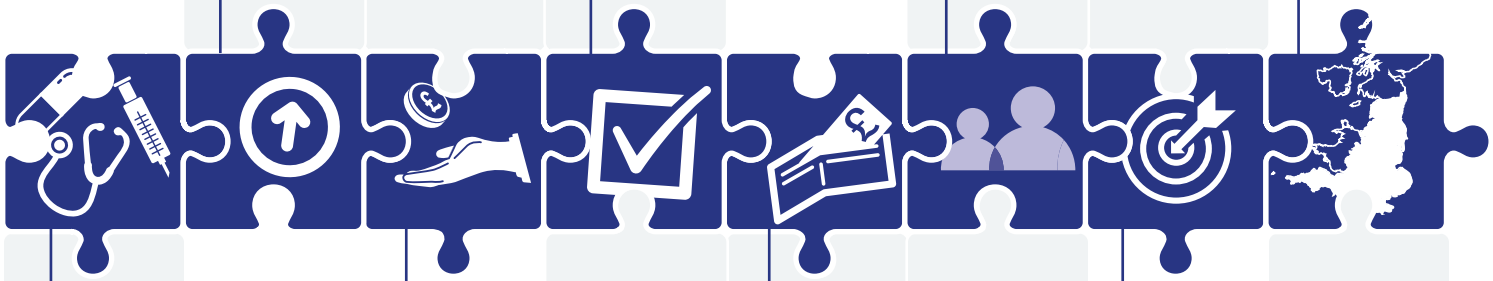
**72%** ARE PLANNING TO INCREASE COLLABORATIVE CCG COMMISSIONING IN 2017/18.

# What is strategic commissioning?

The next phase of commissioning must retain the strategic functions of managing population healthcare at a local level. Our members believe this means:

"…we'll need a strategic commissioning function, including needs assessment, setting expected outcomes that would also make sense to the population, resource allocation, strategic procurement and holding the delivery system to account."

- OPERATING AS HIGH LEVEL DECISION-MAKING BODY
- DEVELOPING SOPHISTICATED APPROACHES TO POPULATION NEEDS ASSESSMENT
- BEING ACCOUNTABLE TO THE LOCAL POPULATION
- OPERATING AT A GEOGRAPHY LARGER THAN THE CCG



- RETAINING STRONG CLINICAL LEADERSHIP
- WORKING WITH CAPITATED BUDGETS
- RETAINING THE ROLE OF A PURCHASER
- FOCUSING ON OUTCOME-BASED COMMISSIONING

"We want to preserve the value of clinical leadership and input into commissioning. Clinicians bring a level of credibility to a plan or objective that otherwise wouldn't be there."

# What our members say

The future of commissioning is moving at pace. The development of integrated delivery models such as accountable care organisations (ACOs), local strategic partnerships such as accountable care systems (ACSs) and larger planning footprints such as sustainability and transformation partnerships (STPs) are becoming the norm. Whatever the next stage is, it's clear CCGs are gearing up to the next phase of commissioning in order to support better outcomes for their patients and populations.

In 2017, NHS Clinical Commissioners (NHSCC) commissioned a research project (undertaken by Thesis 11 Ltd) to understand CCG leader perspectives on the changing commissioning landscape.

The report told us:

- **CCGs are evolving at pace.** They are positively embracing the evolution of commissioning and provision to facilitate new models of care and see it as providing opportunities for improved health and social care outcomes in the long term. Many are actively engaged in developing new models of care on the ground as well as working at scale through collaborative commissioning.
- **Four emerging landscapes are visible among members:**
    1. CCGs operating across larger footprints as strategic health commissioners using STPs as a key vehicle for delivery
    2. integration of healthcare commissioning with local authorities
    3. developing an ACS
    4. developing an ACO.
- **Strategic commissioning as the future destination.** Primarily defined as the 'payor' function in a health and care system, our members believe it must be clinically led, operate at a scale larger than a CCG footprint and be recognisably accountable to the local population in order to hold providers to account.
- **Needing the capacity to evolve and change.** Our members have concerns about the current capacity and capability to undertake strategic planning for population level. Gaps in several capabilities are flagged, including data gathering and analysis, legal expertise and organisational development. Above all, CCGs request the speedy sharing of best practice from ACO and ACS areas in contracting and identifying common pitfalls.

# What do clinical commissioners need?

NHSCC has identified six asks for national stakeholders to support CCG readiness for the future commissioning landscape.

1. **National clarity on the direction of travel.** For CCGs to evolve, they need to understand the range of 'end states' for clinical commissioning and therefore which functions remain, which work at scale and how they interact. The current policy landscape is perceived as permissive, and while this opens opportunities, it also creates risks for CCG governing bodies which are trying to execute their existing functions.
2. **Sharing best practice.** CCGs have a strong appetite to learn from each other and from areas pioneering the development of ACOs and ACSs. They ask that national bodies work with NHSCC to share learning more consistently and frequently.
3. **Support clinical commissioning leaders to manage change.** CCG leaders have fairly high morale at present. However, there are concerns about succession planning and resilience in the context of such large change programmes. It's important to ensure existing leaders are equipped with bespoke skills in keeping resilient and collaborative in changing times. They also need to be supported as networks of leaders.
4. **Time, resource and space to transform.** CCGs need less burden from centralised reporting to ensure they can confidently plan for the future. Our members would like stronger commitment and clear policy steer on their role in transformation from the national bodies, to support the delivery of longer-term change.
5. **Capabilities to support strategic commissioning.** CCGs need national support to gain the capability to commission at a larger scale for population health. Skills and tools needed to support readiness of the sector are identified as data gathering and analysis, predictive modelling, succession planning and organisational development.
6. **An improved regulatory framework.** CCG leaders feel that the pace of change towards ACOs and ACSs was fast, but their confidence in the regulatory framework's ability to catch up was low. CCGs would like a single regulatory framework which will mirror the way integrated provision will work on the ground, ie as one system. For strategic commissioning specifically, our members are clear the assurance process would need to be lean and high level.

To read the full research report visit www.nhscc.org

# The challenges

Our members envisage significant risks in the current pace of change. These include a perception that the national regulators are not keeping up with the volume and complexity of developments, that there is little clarity for CCGs on the direction of strategic commissioning or 'end state', and concerns about provider readiness.

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## Legislative framework

Concerns that the national bodies will not be able to adapt current regulation to the pace of change and collaboration needed. While STPs are potential catalysts, our members are concerned about their accountability.

## Time

Managing the pressures of today with planning for tomorrow.

## Untried models

Concerns that many of the emerging landscapes are as of yet untried models in the UK context and this could have unintended consequences if they are not closely monitored or supported.

## Skills gap

For CCGs to be ready for more strategic working, they need skills in data gathering and analysis, navigating the legislation, organisational development, succession planning, collaborative leadership.

## Capacity

Our members believe their CCG does not currently have the capacity to undertake strategic commissioning.

## Readiness for integrated working

Concerns about managing legacy debt and the current fragility of providers across primary, secondary and social care.