Specialised Healthcare Alliance
FOR EVERYONE WITH RARE AND COMPLEX CONDITIONS

SHCA Area Team Meetings – June to October 2013

Introduction

As part of its programme for 2013, the Specialised Healthcare Alliance visited each of NHS England's 10 Area Teams with responsibility for specialised commissioning. Throughout this formative period for Area Teams, there were rapid changes as priorities shifted from establishment and recruitment to the implementation of national contracts with providers. In similar fashion, several meetings brought Area Team representatives together with their local Public Health Centre Directors for the first time.

In meeting the Area Teams, the Alliance sought to learn more about how their role was developing. Within the new specialised commissioning arrangements, Area Teams play a crucial role in holding contracts with providers for nationally-determined service standards. While policy development is undertaken on a national level, Area Teams work with their providers to ensure compliance and improve the implementation of national standards.

This places Area Teams in a pivotal position within the new arrangements. They are best-placed to understand their local provider landscapes and are the first point of contact for local commissioners and health stakeholders. At the same time, without the latitude to alter national policy in response to local circumstance, Area Teams must be closely linked to NHS England's national commissioners to ensure their local context is taken into account as policies are developed in future.

The Alliance sought to hold wide-ranging discussions on the challenges and opportunities for the new commissioning system from the Area Team perspective. This included discussion of the shift to provider-based commissioning over population-based commissioning, the potential barriers to integrating specialised and non-specialised services more closely, the ability of Area Teams to drive transformative change to services in their area, and the early implications of the new commissioning model for issues such as patient and public engagement and relationships with Clinical Commissioning Groups.

Key observations for the Alliance would include:

- the urgent need to communicate the merits of the new arrangements to CCGs and HWBs;
- the importance of developing accurate budgets and to avoid mid-year top-slicing which could inflame those relationships and potentially prejudice patient care;
- the need to clarify the role of Area Teams in patient and public engagement;
- the weak nature of relationships with area representatives on CRGs.

Summary of findings

The first months of NHS England's existence have been marked by rapid change, nowhere more so than in the Area Teams responsible for contracting specialised services with providers. Through a series of meetings with the Specialised Healthcare Alliance, the changing focus of Area Team work and the challenges for the future became clear, as did a number of early successes.

A key success was in the rapid creation of a common identity for Area Teams as part of a single organisation. Formerly, Specialised Commissioning Groups (SCGs) had been separate entities and it was therefore pleasing to note that each Area Team, often including former SCG staff, felt connected to the national leadership of NHS England as well as to other Area Team colleagues. There was a strong understanding that Area Teams were different in focus and scope than former SCGs as part of the new operating model for specialised services. Since the first meeting in June, a 'roadshow' had been undertaken by NHS England's national team to meet each Area Team, helping to reinforce this unity.

Across the country, Area Teams had been working closely with providers to implement the new national service specifications. This had involved detailed conversations about the core standards of specifications and a process of provider self-assessment against these. Area Teams would play a crucial role in the derogations process which allows for temporary deviation from specifications.

At the same time, relationships were being formed with local Clinical Commissioning Groups (CCGs). These relationships would be crucial for future joint working, in commissioning from the same providers and working together on care pathways. In developing these relationships, as well as others with local Health and Wellbeing Boards and neighbouring Area Teams, the reduction in capacity for specialised commissioning was brought to the fore, with difficulties experienced across the country.

Difficulties were perhaps clearest in relation to the allocation of resources between specialised and non-specialised care. Changes to the amount of activity commissioned within specialised services at a late stage of the transition process, added to under-estimations of the volume and cost of activity in specialised services and contributed to a significant budgetary shortfall for NHS England just a few months into its existence. NHS England therefore reclaimed resource from CCGs mid-year to correct the funding allocations.

There were a number of implications arising from this activity. One was to damage early relationships between NHS England and CCGs, with Area Teams on the front line of financial discussion and negotiations. A further consequence was the undermining of some local support for national commissioning of specialised services, having seen the top-slicing of resource mid-year, against the intentions of the new commissioning arrangements. Finally, for Area Teams themselves, the

capacity required to conduct the technical work on defining specialised activity and costs drew attention away from other important matters, which remain to some extend unresolved.

One such issue is integration of services, particularly between those commissioned locally and those commissioned by NHS England. To some extent, the new commissioning arrangements were bound to introduce difficulties in this regard, as the price of rationalising specialised commissioning under a sole national commissioner, distinct from local commissioning. In practice, Area Teams are faced with the challenge of planning specialised services with little control over the commissioning of preventive services by CCGs and others. The potential for perverse incentives for local commissioners was a source of concern for many of the Area Teams across the country.

Further concerns were expressed about other organisations. Commissioners reported helpful relationships with clinical networks under the previous health system, contrasting with a potential loss of experience in recent months as Strategic Clinical Networks and Clinical Senates had yet to find their feet. There were also mixed views of the support provided to date by Commissioning Support Units. Area Teams were required to use these services, though to date the uptake of such support, and its usefulness, appears to have been varied. Finally, the involvement of NHS England's Regional teams in Area Team commissioning appeared also to have been mixed across the country. In some areas, close links were reported, in a sense giving the Area Team added capacity for its work, whereas elsewhere, the role of the Region was unclear.

This raises early concerns about a key aspect of the single operating model for specialised commissioning. The model envisages national planning of services and local contracting of services with providers by Area Teams. In between these, the Regions' role in co-ordinating activity seems of limited value and is often delivered through Area Team staff in any event. A more compelling identify and is therefore required in determining their future role in specialised commissioning.

Another challenge for the development of the new system is its ability to reflect local concerns in changes to national specifications. In most cases, Area Teams expressed optimism that their local circumstances would be reflected in future changes to service specifications. For example, in Cheshire there was hope that duplication of services in Manchester and Liverpool could be addressed alongside the preferences of the local population, while in Surrey and Sussex, the local 'Three T's' service reconfiguration needed to be reconciled with service specification compliance.

There is a clear need for such matters to feed in to the development of services at national level. Many Area Teams reported weak relationships with clinicians sitting on national Clinical Reference Groups from providers in their area, which would seem a sensible place to build links between local and national processes. On other issues too, there was a desire for clearer guidance. For the most part, patient and public engagement was thought to be a matter for the national team to undertake,

though some Area Teams had their own plans in place and many felt that local consultation would be needed if national specifications resulted in local service reconfiguration. This might be a further area for clarification going forwards.

Perhaps most importantly, two clear requirements were conveyed at the Area Team meetings, both of which remain unresolved. The first is to increase support for and understanding of specialised commissioning among local commissioners, particularly CCGs. It was felt that there had been little recognition that spending on specialised services was for local people, simply planned at a national level. London had been seeking to map its spend on specialised services by CCG to demonstrate this point, however the difference between provider-based commissioning of specialised services and population-based commissioning of CCG services limits this approach.

Finally, while hard work at national and Area Team level had resulted in a number of early successes, not least the establishment of the system itself, the power of the new commissioning arrangements to drive transformational change in specialised services had not yet been realised. With a consolidated commissioning budget and nationally-determined service standards behind them, Area Teams should find themselves better placed to lead service changes with local providers and reshape services to gain better outcomes for patients. In the first months of the system, this had not yet been achieved. Addressing the early issues experienced by Area Teams should enable them to begin this process of change, which might usefully be considered in the context of the forthcoming five-year strategy for specialised services.