

**BOARD PAPER - NHS ENGLAND**

<b>Title:</b>  <b>Greater Manchester Health and Social Care Devolution: The journey so far, the significance of the delegations proposed for 16/17 and the ambitions for the future</b>
<b>Author:</b>  Sir Howard Bernstein, Head of Paid Service, Greater Manchester Combined Authority
<b>Lead Director:</b>  Paul Baumann, Chief Financial Officer and National Director responsible for Devolution
<b>Purpose of Paper:</b>  This report describes the highlights of the twelve months' work which followed the signing of the Health & Social Care Devolution Agreement in 2015. It details the progress made since the signing of the Memorandum of Understanding (MOU), including the early implementation priorities, establishment of the Greater Manchester (GM) governance system, delivery of the GM Strategic Plan, securing of the Transformation Fund, devolving of resources and responsibilities for 'go live' in 2016 and the construction of a robust Implementation Plan.
<b>The Board is invited to:</b>  <ol style="list-style-type: none"><li>1. Note the contents of this paper.</li><li>2. Discuss with Sir Howard Bernstein the opportunities and challenges for Greater Manchester Health and Social Care devolution and the implications for other areas seeking devolution.</li></ol>

## **Greater Manchester Health and Social Care Devolution**

### **The journey so far, the significance of the delegations proposed for 16/17 and the ambitions for the future**

#### **PURPOSE AND BACKGROUND**

1. This report describes the highlights of the twelve months following the signing of the Health & Social Care Devolution Agreement in 2015. It details the progress made since the signing of the Memorandum of Understanding (MOU), the early implementation priorities, establishment of the Greater Manchester (GM) governance system, delivery of the GM Strategic Plan, securing of GM's share of the Transformation Fund, devolving of resources and responsibilities for 'go live' in 2016 and the construction of a robust Implementation Plan.
2. The Board's attention is drawn to Annex 1, which provides GM's visual summary of achievements in the last year, its strategy, vision and implementation approach.
3. The Board is asked to consider the devolution journey during 2015/16, the delivery of the associated work streams and the agreements in place to enable GM to take charge on 1<sup>st</sup> April 2016, and to discuss the implications both for GM and for other areas developing devolution proposals.

#### **THE SIGNING OF THE MEMORANDUM OF UNDERSTANDING**

4. In February 2015 the deal was announced which would see Greater Manchester run its £6bn health and social care budget from April 1 2016. The trailblazing move – a national first – saw NHS England, 12 NHS Clinical Commissioning Groups, 15 NHS providers and 10 local authorities agree a framework for health and social care through a Memorandum of Understanding.
5. The agreement was underpinned by a series of principles which were to support the objective of implementing a strategic sustainability plan for GM to assume full responsibility for NHS funding streams for GM: these principles can be found in the Memorandum of Understanding<sup>1</sup> and in Annex 2. As well as shaping GM's approach to devolution, they have also informed the assessment framework developed by NHS England for use with other potential devolution candidates.
6. The signing of the MOU confirmed the relevance of health and social care reform to the growth and reform ambitions of GM. That relationship recognises that in order for GM to achieve its ambitions as a successful place with a thriving economy we must improve the health of GM residents.
7. The MOU also confirmed GM's footprint in relation to health and social care reform. Building on a history of collaboration, it established GM as a coherent geography to link health & social care to the full range of social determinants of health. NHS England recognised the significant opportunity this presented for GM to demonstrate what large-scale implementation of the Five Year Forward View could achieve.
8. The agreement galvanised GM's leadership for the work in the year ahead. It provided further impetus to accelerate and extend health and care reform work already underway in GM, notably the integration of health & social care, primary care at scale and acute care collaboration and reconfiguration through Healthier Together. It also prompted the enthusiastic participation of 10 HealthWatch partners, the voluntary, community and social enterprise sector and wider healthcare provision across the independent and charity sectors.

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<sup>1</sup> [https://www.greatermanchester-ca.gov.uk/downloads/download/40/greater\\_manchester\\_health\\_and\\_social\\_care\\_devolution\\_memorandum\\_of\\_understanding](https://www.greatermanchester-ca.gov.uk/downloads/download/40/greater_manchester_health_and_social_care_devolution_memorandum_of_understanding) (pp 4 and 5)

9. The MOU outlined a clear roadmap which informed the work for 2015 to 2016. That work included:

- The development of a clinical and financial sustainability plan
- Establishing appropriate leadership governance and accountability arrangements
- Devolving responsibilities and resources
- Partnership engagement and communications
- Early implementation priorities

## **ANALYSIS OF THE DEVOLUTION JOURNEY ACHIEVEMENTS**

This section outlines the key stages of the journey and the key building blocks in place to enable GM to take charge in April 2016.

### **Early Implementation Priorities**

10. The delivery of each of the early implementation priorities utilised the galvanising effect which the signing of the agreement produced. Many of the achievements delivered through those priorities did not require devolution to establish our ability to deliver them. However they have driven changes which are untypical, may not have happened otherwise and are under realised elsewhere in the UK.

11. They have pursued the logic of GM's collaboration and have extended the scope and ambition of our integration. Key achievements in 2015/16 include:

- Plans announced to ensure access to primary care, seven days a week across GM. By the end of December (2015), hubs were operational in each CCG area, providing seven-day access for patients who need medical help across GM, with further hubs opening soon.
- A new partnership between healthcare research, academia and industry in GM. Health Innovation Manchester will speed up the discovery, development and delivery of innovative solutions to help improve the health of 2.8 million people in GM and beyond.
- A unanimous decision by 12 CCGs for four single services – networks of linked hospitals working in partnerships - in GM. The implementation of the Healthier Together decision is a priority for the devolution programme and a judicial review in January 2016 backed the decisions made to reorganise GM hospital services.
- A new model of public health leadership – placing more emphasis on preventative work. Plans put public health at the heart of wider economic and growth plans for the region by helping people into work, encouraging independence and reducing demand on the NHS.
- A new model for dementia care and support to pursue an ambition for GM to be the best place in the world to live with dementia.
- A three year vision to improve independence for people with learning disabilities across GM. Central to the plan are new, high-quality, community-based services allowing people with a learning disability and/or autism to benefit from new, better care options.
- Accelerated achievement of improvements in children's and young people's mental health in line with the Future in Mind report.
- The expansion of the GM working well pilots and the incorporation of clear mental health support as part of that package to assist GM residents in finding and keeping good work.
- Connecting GM's healthcare workforce as part of the workforce passport programme to facilitate better pan-trust cooperation.

12. If this package were the sole product of GM's collaboration over the past 12 months it would remain an unarguably impressive list of achievements. The fact that together they serve as a taster for a significantly wider range of ambitions is doubly impressive.

## **Establishing the Governance Platform**

13. GM was clear that the opportunity presented by devolution responded in part to the ambitions and track record demonstrated through a history of joint working across councils and other partners and across the NHS.
14. The devolution of health and social care required that we respond by significantly enhancing the collaborative governance of the whole of the health and social care system. The governance system proposed in the MOU demanded that we recognise three critical design principles:
  - I. That a strategic partnership board representing the whole system is established at the apex of the governance, underpinned by a smaller Executive.
  - II. That the achievement of our health and social care reform objectives would require a radical extension of our approach to joint commissioning, with a Joint Commissioning Board established to provide a forum for the commissioning response to the objectives in the Strategic Plan..
  - III. That the achievement of the health and social care objectives would require the development of collective decision-making capability for GM's NHS providers. The Greater Manchester Provider Trust Federation Board has concluded rapid work to establish the basis for such collective decision-making – to deliver the objectives set out in 'Taking Charge' and to work together on efficiency and productivity opportunities as well as on service redesign models.
15. Work is ongoing to agree how the GM system will work effectively in partnership with NHS Improvement.

## **Agreeing the GM Strategic Plan**

16. The centrepiece of the work arising from the MOU has been the development of the GM strategic plan. This can be seen as a prototype for the national requirements for place-based Sustainability and Transformation Plans. The MOU set out the following objectives, agreed between GM, NHS England and Government, which were to guide the approach to transformation:
  - To improve the health and wellbeing of all of the residents of GM, moving from having some of the worst health outcomes to having some of the best;
  - To close the health inequalities gap within GM and between GM and the rest of the UK faster;
  - To deliver effective integrated health and social care across GM;
  - To continue to redress the balance of care to move it closer to home where possible;
  - To strengthen the focus on wellbeing, including greater focus on prevention and public health;
  - To contribute to growth and to connect people to growth, e.g. supporting employment and early years services; and
  - To forge a partnership between the NHS, social care, universities and science and knowledge industries for the benefit of the population.
17. The Strategic Plan provides a robust framework for long-term health and social care reform. It provides the basis for GM's single response to the Five Year Forward View, and to both Sir David Dalton's and Lord Carter's respective reviews. The Plan will direct the application of the £450m transformation funding to help towards creating a sustainable and successful health and social care system in GM by 2021. The Strategic Plan: Taking Charge of Health and Social Care in GM has now been endorsed on behalf of all 37 organisations involved in the

devolution partnership, the Department for Health and NHS England. The approach to implementation aligns to 5 transformation programmes, delivered through reform across all parts of the care and treatment pathway. Further detail on these can be found in Annex 1.

18. The plan seeks to:

- Maximise the potential health improvements across the population, recognising the need for a different approach to drive efficiencies to meet today's demand but also to fundamentally rethink the opportunity to change the character and profile of tomorrow's demand. Action is necessary to engineer a shift from a reactive system of health and care to one which is genuinely anticipatory, shifting the approach to finding and treating the early signs of disease. It also recognises that key health contributions are made through non-medical responses such as the public health contribution of GM Fire and Rescue services, the contribution of housing providers and partners to a preventative health system, as well as the evidence of approaches to prevention and support which value, utilise and build upon the talents of individuals as community assets.
- Recognise that integration has primarily to take place at the locality and neighbourhood level, so the GM Plan rests upon 10 locality plans which each drive radical shifts in the approaches to prevention, health and social care integration, and public service reform. Perhaps most importantly, those plans need to recognise the opportunities presented by changing the relationship between the public and the public services. GM has been explicit in pursuing the opportunity of a fully engaged population, where individuals are the active partner in the design and coordination of the care and support and the pre-eminent expert in the quality and value of that care and support.
- Support collaboration across GM in order to pursue the requirements for acute service reconfiguration, the full potential benefits of aligned approaches to information sharing and information governance, the opportunities to support the consequent transformation of the health and care workforce, and a radical payment innovation and contracting mechanism to align incentives in a reformed system.
- Ensure a process, through Health Innovation Manchester, to ensure that the GM health and care system is dynamically adaptive to the opportunities for innovation and genuinely operates at the limits of science and discovery.

19. The golden thread connecting 10 locality plans and a single GM strategic plan has been the establishment of a single Strategic Financial Framework. This sets the base for the future approach to investment, reform, impact, and the sustainable re-profiling of relative resource between preventative and reactive health and care services. Significantly, the Strategic Financial Framework provided the technical basis for the GM submission to the national comprehensive spending review process and the establishment of the Transformation Fund.

### **Securing the Transformation Fund (through the Spending Review)**

20. The Devolution Agreement of November 2014 established the principle of a Transformation Fund for health and social care. In February 2015 it was agreed that GM would bring forward a Strategic Plan, based upon the Five Year Forward View, which would set out how GM would achieve clinical and financial sustainability during a five year period. How this will be achieved was set out in the SR submission which identified that in order to close the £2bn gap and achieve fiscal neutrality the following key elements need to be in place:

- A fair share of the £8bn Five Year Forward View Money
- Bringing forward access to this funding to create the capacity for one-off transformation funding of £500m to support the delivery of the savings opportunities

- Protection of the Social Care baseline
- Access to capital funding to support both the enablers such as development of a single patient record and for the reconfiguration of the estate required.

21. The Spending Review secured a Transformation Fund of £450m, which represents a unique opportunity to transform how health and social care is delivered within GM and to make significant progress towards clinical and financial sustainability. Overall, the Spending Review, Financial Settlement and other recent announcements have provided a financial platform that enables GM to progress to the next stage. This means the work is now moving into the implementation phase with the need to ensure the infrastructure for delivery is in place and to develop detailed commissioning and financial plans.

## **Communications and Engagement**

22. GM established effective system-wide communications describing the opportunities and objectives of the work programme for the year to all key stakeholders. That directed the development of the routine circulation list running to more than 1000 direct recipients across the full range of statutory, non-statutory, voluntary, independent, and individual partners.

23. GM also supported external understanding of the background to and response to the devolution agreement by contributing to dozens of conferences, events and learning exchanges over this last year. The biggest single engagement was supported through the devolution zone as part of NHS Expo 2015. The GM zone was visited by over 3000 participants across the two days of Expo.

24. As the GM strategic plan has developed, the focus of communications and engagement has been to harness the ideas, energy and collective intelligence of the people, staff and communities of GM. Under the banner of taking charge we are communicating the work to date and showing how we are realising the intention that GM should “take charge” of its health and care system as well as, more significantly, pursuing the ambition of GM's residents taking charge of their own health. Work is being carried out with the community and voluntary sector and HealthWatch, alongside new media approaches to crowd source ideas and reach groups not normally involved in traditional engagement exercises.

25. The early signs are that GM's residents are eager to participate. The first 10 days of the listening exercise reached more than 1 million people online, via the media and face to face, with 9,000+ people visiting the corporate and campaign websites. In terms of generating active engagement with the programme, there have been more than 1,000 people completing the health snapshot survey and actively joining the online crowdsourced workshop, generating 1,450 ideas, comments and votes.

## **Devolving Responsibilities and Resources**

26. The Programme Board of 11 March agreed a suite of accountability arrangements<sup>2</sup>, which have also been approved by the GM Health and Social Care Strategic Partnership Board.

27. The Programme Board endorsed a paper on Finance, Budgeting and Reporting arrangements which established the accountability of different bodies under the devolved arrangements from 1 April 2016. This sets out the scope of the budgets to be delegated or devolved, the nature of that delegation and the basis for establishing the quantum of such budgets. This does not change the responsibilities of individual organisations but establishes a GM responsibility for 2016/17 to achieve the overall control limit across CCG and Direct

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<sup>2</sup> [https://www.greatermanchester-ca.gov.uk/meetings/meeting/243/gm\\_health\\_and\\_social\\_care\\_strategic\\_partnership\\_board](https://www.greatermanchester-ca.gov.uk/meetings/meeting/243/gm_health_and_social_care_strategic_partnership_board).

Commissioning Budgets (excluding specialised service commissioning). It is the intention of GM to include specialised services commissioning budgets within an overall GM financial control limit once the overall level of risk is better understood.

28. For strategic planning purposes GM will become the unit of planning and, in that context set its own internal business rules, in addition to the national ones, in line with the requirements and phasing of its strategic plan. The requirement of the national business rules will be delivered in aggregate on a GM basis.
29. The Programme Board also endorsed an Accountability Agreement which includes arrangements for administering the CCG Assurance Framework, CCG assurance delivery, 2016/17 planning round, finance and performance reporting and was co-designed by the GM devolution team and the NHS England Lancashire and GM Team. Under the terms of this agreement, NHS England will remain legally responsible for the delivery of its statutory functions within Greater Manchester. However, NHS England intends to delegate internal responsibility for the operational management of the delivery of the NHS Constitution and Mandate to the Greater Manchester Chief Officer, who will be an employee of NHS England. The Accountability Agreement describes the terms of that delegation, which requires the approval of the NHS England Board at this meeting (see separate paper).
30. The delegation of these responsibilities materially impacts the relationships and dependencies between the GM organisations and is designed both to foster greater local ownership of performance, quality, variation and service change issues and to drive collaborative responses independent of historic assurance arrangements. Such an approach is already reflected in the development of sector-led improvement approaches within local government and encourages:
  - GM to be responsible for its own performance;
  - Principal accountability to sit locally, not nationally;
  - Collective responsibility for performance of the system as a whole;
  - GM infrastructure to develop and provide appropriate tools and support.
31. We are experiencing the first effects of these new approaches in the context of the transitional arrangements for the 2016/17 planning round and the Better Care Fund assurance processes.

## **GM Implementation Plan**

32. During January and February work has commenced to develop an Outcomes Framework for GM. Implementation plans are being developed to map out how the objectives will be delivered and how the clinical and financial sustainability gap can be bridged.
33. The 10 localities are in the process of updating their plans including an updated finance and activity locality position that will feed into the underpinning financial framework.
34. Further support will be provided to localities and GM work streams to ensure the plans are robust, meet the expectations linked to accessing the Transformation Fund and demonstrably drive delivery of the improvement in outcomes for people across GM.
35. In this context, the existing risk register will be updated to reflect the full range of risks present across the GM health and care system as it embarks on implementing its ambitious transformation strategy.

## **WIDER IMPLICATIONS**

36. GM is the first health and social care system nationally to begin working under devolved arrangements. GM leadership is committed to sharing the approach, learning and experiences with NHS England and other national bodies.

## **RECOMMENDATIONS**

37. The Board is invited to:

- Note the contents of this paper.
- Discuss with Sir Howard Bernstein the opportunities and challenges for Greater Manchester Health and Social Care devolution and the implications for other areas seeking devolution.

**Author: Sir Howard Bernstein**

**Date: March 2016**



# **Taking charge** of our Health and Social Care **in Greater Manchester**

From MOU to Taking Charge  
*February 2015 – April 2016*

# Greater Manchester Health and Social Care “Devo Diary”



#takingcharge

# Reimagining services across our whole care system

1

## Radical upgrade in population health prevention

A shift in focus to population health that supports GM residents to self-manage, innovates the model for prescribers and pharmacies, and tackles the future burden of cardiovascular disease and diabetes.

2

## Transforming community based care & support

A new model of care closer to home that includes scalable evidence based models for integrated primary, acute, community, mental health and social care. Key features will be targeted case management of the population most in need delivered by upskilled multi-disciplinary teams, together with streamlined discharge planning in order to reduce the demand placed on acute hospitals.

3

## Standardising acute & specialist care

The creation of "single shared services" for acute services and specialist services to deliver improvements in patient outcomes and productivity, through the establishment of consistent and best practice specifications that decrease variation in care; enabled by the standardisation of information management and technology.

4

## Standardising clinical support and back office services

The transformational delivery of clinical support and back office services at scale across GM, including the establishment of coordination centres to help navigate GM residents through our complex system to the right services.

5

## Enabling better care

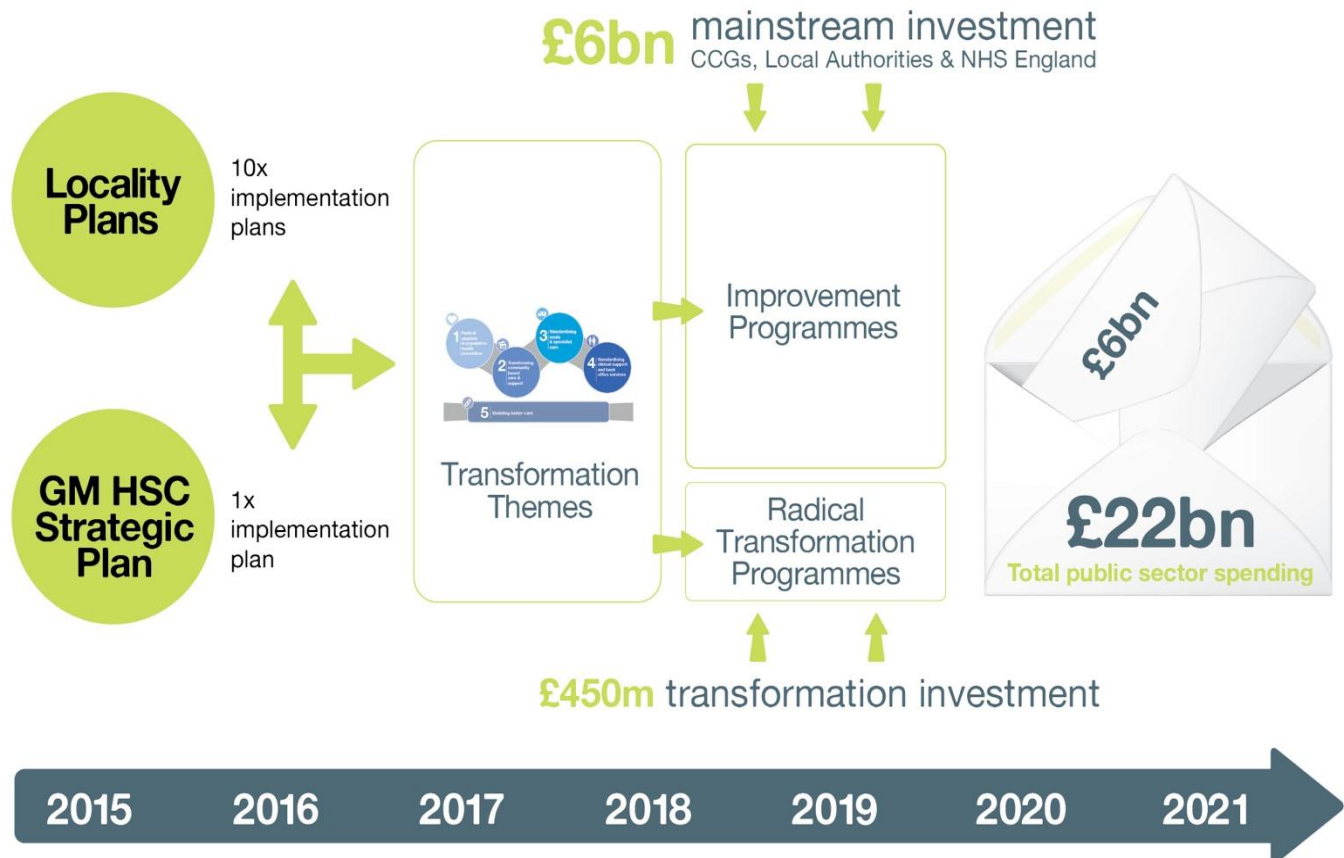
The creation of innovative organisational forms, new ways of commissioning, contracting and payment design and standardised information management and technology to incentivise ways of working across GM, so that our ambitious aims can be realised.

# Vision:

To deliver the greatest and fastest possible improvement to the health and wellbeing of the 2.8m people of Greater Manchester

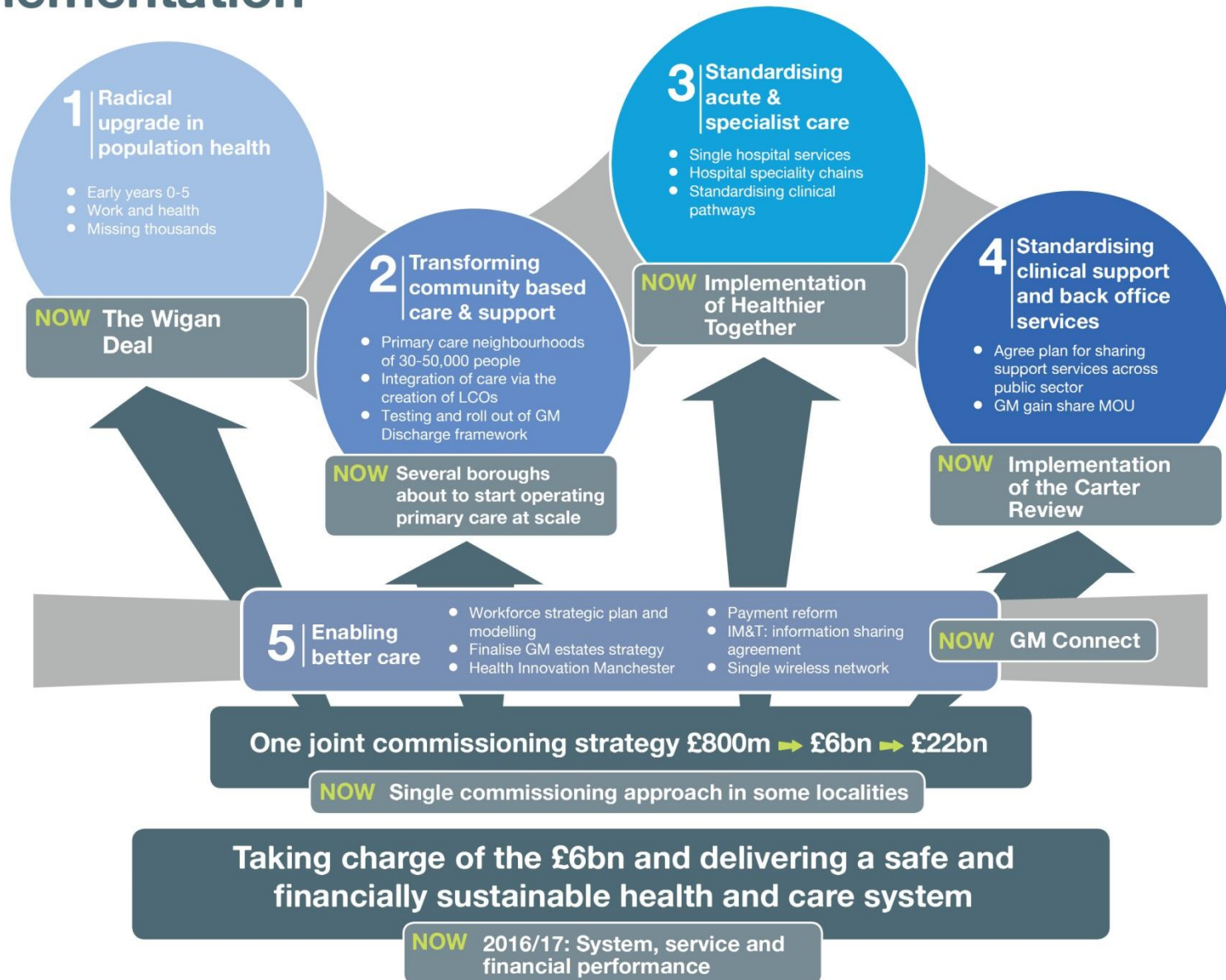
## We will do this by:

1. Creating a transformed health and social care system which helps more people stay well and takes better care of those who are ill
2. Aligning our health and social care system far more widely with education, skills, work and housing
3. Creating a financially balanced and sustainable system
4. Making sure the system remains clinically safe throughout.





# Implementation



# Summary

- MOU delivered ✓
- Ready to Take Charge ✓
- Final plan 'Taking Charge of our Health and Social Care in Greater Manchester' (including implementation priorities, public feedback and financial framework) to be endorsed by Strategic Partnership Board April

## BOARD PAPER - NHS ENGLAND

### **Annex 2: Greater Manchester Health and Social Care Devolution Memorandum of Understanding Principles**

The Memorandum of Understanding agreement was underpinned by the following principles which were to support the objective of implementing a strategic sustainability plan for Greater Manchester (GM) to assume full responsibility for NHS funding streams for GM:

- i. GM will still remain part of the National Health Service and social care system, uphold the standards set out in national guidance and will continue to meet statutory requirements and duties, including those of the NHS Constitution and Mandate and those that underpin the delivery of social care and public health services
- ii. Decisions will be focussed on the interests and outcomes of patients and people in Greater Manchester, and organisations will collaborate to prioritise those interests;
- iii. In creating new models of inclusive governance and decision-making, the intention is to enable GM commissioners, providers, patients, carers and partners to shape the future of GM together. There will be regular communication and engagement with patients, carers and the public during the different stages of devolution;
- iv. Commissioning for health and social care will be undertaken at a GM level where the GM place-based approach is optimum for its residents, rather than at a regional or national level;
- v. A principle of subsidiarity will apply within GM, ensuring that decisions are made at the most appropriate level;
- vi. Decision making will be underpinned by transparency and the open sharing of information;
- vii. There will continue to be clear accountability arrangements for services and public expenditure;
- viii. The delivery of shared outcomes will drive changes to organisational form where necessary;
- ix. Any changes to accountabilities and responsibilities for commissioning health and care services will be carefully evaluated, agreed with the DH where necessary and phased to achieve the benefits of devolution at the maximum speed consistent with safe transition and strong governance. The risks associated with transition of health commissioning responsibilities to GM will be shared with NHSE;
- x. There will be a transfer of skills and resources to support the commissioning functions being transferred, and we will ensure that neither duplication of activity nor an increase in total cost arises from these changes;
- xi. The principle of new burdens should also apply, such that where GM is expected to take on a new responsibility during this period, the funding to cover the associated costs will transfer, to the extent where there is such national funding available;
- xii. We commit to the production, during 2015/16, of a comprehensive GM Strategic Sustainability Plan for health and social care. This aligned with the 5 Year Forward View will describe how a clinically and financially sustainable landscape of commissioning and provision could be achieved over the subsequent 5 years, subject to the resource expectations set out in the 5 Year Forward View, appropriate transition funding being available and the full involvement and support of national and other partners.
- xiii. We will aim to address any funding inequalities for the benefit of all residents in GM;
- xiv. A radical approach will be taken to optimising the use of NHS and social care estates;
- xv. GM will be able to access any new or additional health and/or social care funding streams that become available during the CSR period;

- xvi. There will be a principle that “all decisions about Greater Manchester will be taken with Greater Manchester”;
- xvii. GM will work collaboratively with local non-GM bodies and take into account the impact of GM decisions upon non-GM bodies and their communities.