

**REPORT TO MERTON CLINICAL COMMISSIONING GROUP
GOVERNING BODY**

Date of Meeting: 26th November 2015

Agenda No: 6.8

Attachment: 12

<p>Title of Document: Devolution in London</p>	<p>Purpose of Report: To agree</p>
<p>Report Author: Adam Doyle, Chief Officer</p>	<p>Lead: Adam Doyle, Chief Officer</p>
<p>Executive Summary: London Councils and the Mayor of London submitted a Devolution and Public Service Reform Proposition to the government on 4th September 2015. For health and care, a broad model of reform for London was set out, together with a range of devolution ‘asks’ covering budgets, powers, regulation and freedoms and flexibility regarding national rules and performance management.</p> <p>Reflecting recognition of the scale and complexity of systems in the capital, the London Proposition set out a multi-spatial approach (local, sub-regional and pan-London) to health and care reform, underpinned by a principle of subsidiarity. It also recognised that progress will be made at different paces in different parts of London. So, as well as setting out some immediate devolution ‘asks’, it proposed that menus of devolution opportunities be developed that could be unlocked at different levels subject to the establishment of robust joint plans, governance and delivery mechanisms.</p> <p>The document sets out a collective agreement by partners to transform health and wellbeing outcomes, inequalities and services in London through new ways of working together and with the public. It establishes high level design criteria to use for this transformation and to inform the devolution of health and care funding and decision-making in London. Devolution is viewed as a tool to unlock and accelerate greater integration and collaboration in London.</p> <p>The agreement presents a roadmap of agreed immediate actions by parties within existing powers and further outline steps that are subject to formal acceptance of devolution asks, legislative permissions and other future developments. The London roadmap will include a series of pilots to test the viability of devolution in the London system. Insights from the pilots and other major initiatives, including vanguards, will inform a strategic view of how greater collaboration, integration and devolution will support sustainable and high quality health and care in London.</p> <p>This agreement builds on the vision for health and care set out by London Partners in March 2015 and London’s response to the invitation by HM Treasury to submit devolution proposals as part of the 2015 Spending Review</p> <p>MCCG Governing Body is asked to support the approach</p>	
<p>Key sections for particular note (paragraph/page), areas of concern etc: Devolution agreement</p>	
<p>Recommendation(s): The Governing Body are asked to agree with the content of this paper and to ask any questions relevant to the content</p>	

<p>Committees which have previously discussed/agreed the report: Nil – this report is provided for the Governing Body</p>
<p>Financial Implications: Each of the areas discussed within the paper have a financial element to some extent. However, there is nothing extraordinary for noting in relation to finance.</p>
<p>Implications for CCG Governing Body:</p> <ul style="list-style-type: none"> • For note and discussion
<p>How has the Patient voice been considered in development of this paper:</p> <p>Merton CCG will engage the public on these proposals in line with any timescale as they emerge.</p>
<p>Other Implications: (including patient and public involvement/Legal/Governance/Risk/Diversity/Staffing) Nil of note</p>
<p>Equality Assessment: Each of the areas discussed within the paper have an equalities element to some extent. However, there is nothing extraordinary for noting in relation to equalities.</p>
<p>Information Privacy Issues: Nil of note</p>
<p>Communication Plan: (including any implications under the Freedom of Information Act or NHS Constitution) Aspects of the report are communicated through the appropriate internal and external communications channels. The Office of London CCGs will be notified of the decisions after the GB.</p>

London Health and Care Collaboration Agreement

1. Purpose

This document sets out a collective agreement by partners to transform health and wellbeing outcomes, inequalities and services in London through new ways of working together and with the public. It establishes high level design criteria to use for this transformation and to inform the devolution of health and care funding and decision-making in London. Devolution is viewed as a tool to unlock and accelerate greater integration and collaboration in London.

The agreement presents a roadmap of agreed immediate actions by parties within existing powers and further outline steps that are subject to formal acceptance of devolution asks, legislative permissions and other future developments. The London roadmap will include a series of pilots to test the viability of devolution in the London system. Insights from the pilots and other major initiatives, including vanguards, will inform a strategic view of how greater collaboration, integration and devolution will support sustainable and high quality health and care in London.

This agreement builds on the vision for health and care set out by London Partners in March 2015ⁱ and London's response to the invitation by HM Treasury to submit devolution proposals as part of the 2015 Spending Review^{ii,iii}.

2. Parties

The Parties to the agreement are:

- All 32 London Clinical Commissioning Groups (CCGs), all 33 local authority members of London Councils and the Greater London Authority (GLA) – collectively referred to as 'London partners'
- NHS England (NHSE)
- Public Health England (PHE).

All parties agree to act in good faith to support the objectives and principles of this agreement for the benefit of all Londoners and patients in London.

3. Objectives

The parties have a shared commitment to deliver on the 10 aspirations to promote health and wellbeing set out in Better Health for London: Next Steps and, in doing so, deliver on the NHS Five Year Forward View and secure the sustainability of health services and social care.

Aspiration	2020 Ambition
 Give all London's children a healthy, happy start to life	Ensure that all children are school-ready by age 5 Achieve a 10% reduction in the proportion of children obese by Year 6 and reverse the trend in those who are overweight.
 Get London fitter with better food, more exercise and healthier living	Help all Londoners to be active and eat healthily, with 70% of Londoners achieving recommended activity levels.
 Make work a healthy place to be in London	Gain a million working days in London through an improvement in health and a reduction in sickness absence.
 Help Londoners to kick unhealthy habits	Reduce smoking rates in adults to 13% - in line with the lowest major global city and reduce the impact of other unhealthy habits.
 Care for the most mentally ill in London so they live longer, healthier lives	Reduce the gap in life expectancy between adults with severe and enduring mental illness and the rest of the population by 5%.
 Enable Londoners to do more to look after themselves	Increase the proportion of people who feel supported to manage their long-term condition to the top quartile nationally.
 Ensure that every Londoner is able to see a GP when they need to and at a time that suits them	Transform general practice in London so Londoners have access to their GP teams 8am-8pm, and primary care is delivered in modern purpose-built/designed facilities.
 Create the best health and care services of any world city, throughout London and on every day	Work towards having the lowest death rates for the top three killers. Close the gap in care between those admitted to hospital on weekdays and at weekends.
 Fully engage and involve Londoners in the future health of their city	Achieve 10 basis point improvements in polling data on how organisations that deliver health or health-related services engage Londoners in service design.
 Put London at the centre of the global revolution in digital health	Create 50,000 new jobs in the digital health sector and ensure that innovations help Londoners to stay healthy and manage their conditions.

To meet these aspirations, the parties share the following objectives:

- To achieve improvement in the health and wellbeing of all Londoners through a stronger and collaborative focus on health promotion, the prevention of ill health and supporting self-care
- To make rapid progress on closing the health inequalities gaps in London
- To engage and involve Londoners in their health and care and in the health of their borough, sub-region and city including providing information so that people can understand how to help themselves and take responsibility for their own health
- To improve collaboration between health and other services to promote economic growth in the capital by addressing factors that affect both people's wellbeing and their wider economic and life opportunities, through stronger partnerships around housing, early years, employment and education
- To deliver integrated health and care that focuses on maximising people's health, wellbeing and independence and when they come to the end of their lives supports them with dignity and respect
- To deliver high quality, accessible, efficient and sustainable health and care services to meet current and future population needs, throughout London and on every day. To reduce hospitalisation through proactive, coordinated and personalised care that is effectively linked up with wider services to help people maintain their independence, dignity and wellbeing

- To invest in fit for purpose facilities for the provision of health and care services and to unlock the potential in the health and care estate to support the overall sustainability and transformation of health and care in the capital
- To secure and support a world-class workforce across health and care
- To ensure that London's world-leading healthcare delivery, academic and entrepreneurial assets provide maximum benefit for London and the wider country and that health and care innovation is facilitated and adopted in London.

Health and care delivery partners have already begun to organise themselves and their services differently to deliver these objectives. The London Health Board and Healthy London Partnership have demonstrated strong collaboration and joint working to progress the vision set out in the *Five Year Forward View* and *Better Health for London*. Co-commissioning arrangements are underway in almost all CCGs and health and wellbeing boards are taking on wider activities. CCGs have organised into sub-regional strategic planning groups and London's boroughs are working with CCGs and NHSE to accelerate progress within existing powers, including developing joint sub-regional arrangements^{iv}.

New delivery mechanisms have been instrumental in providing fora for collaboration and aligned priorities. Devolution is viewed as an additional potential tool to help deliver London's aspirations at pace and scale, responding to London's unique challenges and opportunities.

4. Key principles

All parties have agreed key principles for reform and devolution:

- Improving the health and wellbeing of all London's people will be the overriding driver for reform and devolution.
- We will work to secure a significant shift from reactive care to prevention, early intervention, self-care and care close to home that supports and enables people to maximise their independence and wellbeing.
- London will remain part of the NHS and social care system, upholding national standards and continuing to meet and be accountable for statutory requirements and duties, including the NHS Constitution.
- Joint working will improve local accountability for services and public expenditure. Where there is local agreement to change accountability arrangements, accountability to NHS England for national standards and the NHS Constitution will be maintained. Decision-making will be underpinned by transparency and the open sharing of information between partners and with the public. Changes to current accountabilities and responsibilities will be agreed with government where necessary and may be phased to balance the pace of progress with ensuring a safe transition and strong governance.
- Transformation will be locally owned and led and will aim to get the widest possible local support. We will ensure that commissioners, providers, patients, carers, the health and care workforce and wider partners are able to work together from development to implementation to shape the future of London's health and care.

- All decisions about or affecting London will be taken in or at least with London. Our goal is to work towards resources and control being devolved to and within London as far as possible, certainly in relation to outcomes and services for Londoners.
- Collaboration and new ways of working will be needed between commissioners, providers, patients, carers, staff and wider partners at multiple levels. Recognising that the London system is large and complex, commissioning and delivery will take place at three levels: local, sub-regional or pan-London. A principle of subsidiarity will underpin our approach, with decisions being made at the lowest most appropriate level.
- Given London's complexity we recognise that progress will happen at different paces and in different orders across the different spatial levels. We will ensure that learning, best practice and new models for delivery and governance are shared to support and accelerate progress in all areas. Subsidiarity as a principle will extend to the adoption of ideas piloted in other areas to allow flexibility and adaptation to local conditions.
- The people that work in health and care are critical to achieving London's transformation goals. We will build on London's position as the home of popular and world-class health education, to develop new roles, secure the workforce we need and support current and future staff to forge successful and satisfying careers in a world-class London health and care system.
- We recognise that considerable progress can be made, building on existing foundations, with existing powers and funding – and we are committed to doing so. But devolution is sought to support and accelerate improvements. A series of devolution pilots will be established through which detailed business cases can be developed jointly with government and national bodies. Through these pilots, devolution may be secured both for the pilots themselves and also for other parts of London, contingent on them developing suitable plans, delivery and governance arrangements.
- While embedding subsidiarity, we will ensure the strategic coherence and maximise the financial sustainability of the future health and care system across London. Political support for jointly agreed change will be an important feature of the arrangements. New London-level arrangements, including governance and political oversight, will be established to secure this. We commit to minimising bureaucracy as much as possible to enable delivery of local innovation.
- In 2016/17 - and drawing from the experiences of the pilots - sustainable Strategic Plans for Health and Care will be developed as part of NHS and local authorities planning arrangements. These will draw on learning from the devolution pilots, other transformation initiatives and London-wide initiatives. A London-level picture, drawn from sub-regional health economy plans, will enable oversight of the impact on health outcomes and financial sustainability of the system across the capital.
- London will be able to access any new or additional health and/or social care funding streams that become available during the CSR period.
- We recognise that London provides expertise and services for people who live outside the capital and that benefit the country more widely. London will work collaboratively with other regions and national bodies to take into account the impact of London decisions on surrounding populations reliant on London-based services.

5. Proposed model for devolution in London

a. Scope

The parties will work together during 2015/16 to agree the mechanisms and timescales to undertake pilots of devolution within the London system. Consistent with a phased approach, proof of concept will be explored through these pilots beginning April 2016, with a view to devolution in shadow form in April 2017. This will be supported by robust governance arrangements and a clear delivery plan.

Devolution of health and care to London potentially will involve the full health and care system:

- primary care
- acute care (including specialised commissioning)
- community services
- mental health services
- social care (adult and child)
- public health, with additional fiscal and regulatory powers devolved to promote health through planning, licensing and employment support

Key enablers will include:

- devolution of funding and commissioning powers
- changes to governance and regulation
- joint capital strategic planning
- joint workforce strategic planning
- full involvement in development of new payment mechanisms
- full involvement in decisions about provider performance

b. The London model

The London model will be developed on three geographical levels: local, sub-regional and pan-London. There is recognition that acute service transformation will require collaboration across sub-regional footprints and place based budgets will support the linkages between locally led out of hospital transformation and sub-regionally co-ordinated hospital network transformation.

Core components of the London approach across the three geographical levels for action will include:

Locally:

- joint multi-year local integration planning, supporting Health and Well Being Board strategies, to secure increased prevention, early intervention, personalisation and integrated out of hospital health and care services – and alignment of provider plans
- full pooling and joint commissioning of NHS, social care and public health commissioning budgets through s75 agreements
- local public asset plans and scheme development to secure facilities to deliver accessible, multi-purpose, integrated out of hospital services and build on local schemes in place to provide other public sector services

Sub-regionally:

- Delivery of local Health and Well Being Board aspirations through accountable strategic partnerships based on joint committees established to lead transformation at sub-regional scale
- Joint health and care strategies to develop new models of care across acute, primary and social care settings
- Joint commissioning to secure delivery of sub-regional plans that are clinically and financially sustainable for all parts of the health and care system within the geography
- Sub-regional estate plans and scheme development to unlock redevelopment of un- or under-used NHS estate, aligned with local public asset planning

Pan-London:

- The London Health Board, chaired by the Mayor of London, will provide political leadership, oversight and support for the London strategy including delivery of the ambitions of Better Health for London and commitment to the vision set out in the Five Year Forward View
- A pan-London joint executive committee, accounting to the London Health Board and with ability to act on behalf of regional and local partners to agree strategic priorities and to create frameworks that support devolved working at all levels. The committee will support and evaluate the devolution pilots
- Partnerships for strategic estate planning, allied to the London Land Commission and sub-regional strategies
- Workforce planning and skills development to match the pace of health system transformation
- Collaboration to develop city level public health improvement actions, including both regulatory and fiscal interventions
- Development of London wide financial and other frameworks, such as new payment models, for use at sub-regional and local level.

We are committed to ensuring wide ranging engagement to support development of this model.

To deliver this strategy, parties commit to:

1. *Action by London:* London will build on its record of collaboration and joint working by developing the leadership and delivery arrangements that are required at local, sub-regional and pan-London levels. Recognising the size and organizational diversity of London's health and care system, we will test different elements of greater integration, collaboration and devolution in different parts of the system. This will include the swift setting up of pilot collaborations at local and sub-regional levels in 2015/16, with delivery commencing 1 April 2016. This will demonstrate proof of concept with learning that will be made available to other parts of London. Opportunities to participate in testing new models of working have been made available to all parts of London. Devolution pilots will explore four themes:
 1. Sub-regional care integration
 2. Sub-regional estates pilot
 3. Local care integration
 4. Local prevention pilot
 - 5.

Letters of support from partners in the pilot areas are annexed in Appendix 1.

In addition, London-wide action will support local and sub-regional efforts on estates and childhood obesity. A partnership for strategic estate, allied to the London Land Commission and sub-regional strategies, will be established to develop a strategic approach to capital & estate management and development in London.

2. *Devolution Unlocked as London Becomes Ready*: a menu of new devolved flexibilities, opportunities and authority will become available to London and parts of London upon the development of robust joint governance, strategies and delivery arrangements and contingent on the success of the pilots. We recognize that different parts of London are likely to deliver this vision at different pace. Further devolution will take a phased approach, to allow local systems flexibilities in the timing and structure of implementation.
3. *Requirements of NHS and Government*: London partners have submitted a proposed set of financial, regulatory and service reformsⁱⁱⁱ to unlock health improvement and system transformation as part of the CSR decision-making process.

6. Commitments by partners

- NHS England will actively lead and facilitate the links to other national bodies (including NHS Improvement and HEE) to help all key bodies align to achieve the outcomes described in this agreement. In particular, NHS England is committed to working with London to enable full involvement of London partners in decisions about provider performance and cash support and to support an integrated approach to workforce strategy across London.
- London partners will:
 - Continue to deliver the NHS Constitution and Mandate
 - Design and deliver innovative models of health and care delivery as set out in the Five Year Forward View and Better Health for London, and use the learning from pilots to support national delivery of new models of care and efficiency
 - Ensure clear accountability, governance and value in relation to the health funds delegated or devolved to London.

7. Engagement

Building on the significant public and stakeholder engagement undertaken by the London Health Commission, we will undertake a public engagement effort at local, sub-regional and – where appropriate – London-wide level to ensure co-development of pilots and wider devolution plans. Building on our asset-based approach, we will ensure that commissioners, providers, patients, carers and wider partners are able to work together from development to implementation to shape the future of local, sub-regional and London-wide health and care.

8. Delivery

a. Governance

Governance mechanisms will reflect pan-London, sub-regional and local working. Governance of the set up phase will be underpinned by subsidiarity, with decisions taken at the most local level, consistent with the principles underpinning devolution. The local and sub-regional pilots will form the heart of the set up phase, testing how the principles of greater collaboration, integration and devolution are applied in practice. Governance arrangements must be co-developed, owned and agreed by local partners. They will therefore be developed by individual pilots and may take different forms in different areas.

At London level, governance arrangements for the set up phase will need to:

- Exercise the pan-London functions in the CSR ask

- Set up the London collaboration initiative: evaluate the pilots and extrapolate from the learnings of pilots, other and sub-regional health economies business plans to develop the business case for full devolution
- Facilitate links to national bodies to support the devolution pilots
- Oversee delivery of the Better Health for London ambitions and commitment to the vision set out in the Five Year Forward View

These functions will evolve as the set up phase draws to an end and devolution is implemented. The governance arrangements will therefore also change.

The functions of this set up phase will be administered by building on existing structures:

- The London Health Board, chaired by the Mayor, will provide political leadership, oversight and support for the London strategy
- A London joint executive committee will be established on 1 January 2016, accounting to the London Health Board and with ability to act on behalf of regional and local partners to agree strategic priorities and to create financial and other frameworks that enable local and sub-regional devolved working. The joint executive committee will include representation by all London Health Board partner organisations: local authorities, CCGs, Greater London Authority, Public Health England (London region), NHS England (London region), with the addition of provider representatives. [DN: Further discussions will take place to finalise and confirm the membership.]

No collaborative provider forum formally exists in London. One of the tasks of the set up phase will be to support providers to come together to collectively engage in discussions and decision-making.

The proposed governance structure is outlined in Appendix 2.

b. Roadmap

January 2016 London joint executive committee established

2016 Set up of pilot collaborations. Pilots commence development of detailed integration and transformation plans and negotiate devolution to support these

April 2016 Pilots commence implementation of new ways of working and plans (implementation phased during FY 16/17 with timelines agreed by each pilot). Formal local government involvement in sub-regional health and care strategies. Providers establish an agreed form of arrangements to enable them to provide a collective response to the London project, building on previous experience of successful joint working.

By April 2017 Initial evaluation of pilots complete.
Business case submitted for devolution of health and care in London, based on evaluation.
Other parts of London can seek similar devolution as has been unlocked in the pilots to support their own integration and transformation plans, subject to meeting appropriate requirements.

c. Support structure and resources

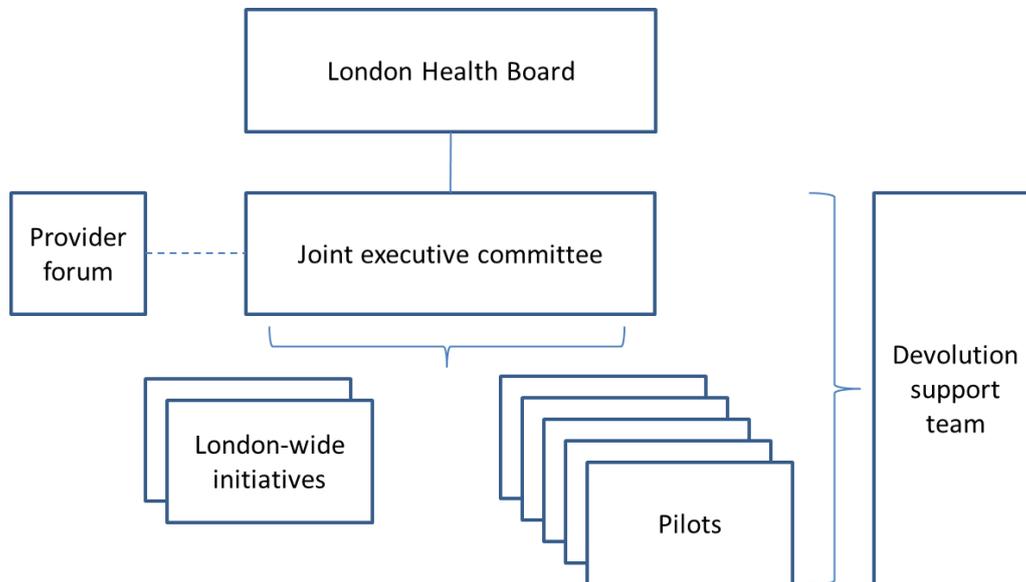
The joint executive committee and pilots will be supported by full-time resources including a Programme Director and team. The programme team will be accountable to the joint executive committee. All London Health Board partners will contribute to resourcing the programme in cash and in-kind support. In addition, pilot areas will contribute in part to resourcing individual pilots. Additional funding will be required to support the transformation process and a full programme and resourcing plan will be agreed with all parties by 1 January 2016.

Appendix 1: Letters of support from health and care partners in pilot areas

To be added at a later date

Appendix 2: Proposed governance

The proposed governance structure for the set up phase will be established from 1 January 2016.



ⁱ Better Health for London: Next Steps March 2015

ⁱⁱ HM Treasury [A country that lives within its means: spending review](#) July 2015

ⁱⁱⁱ The London Proposition: Health section. 4th September 2015.

^{iv} London Councils Leaders Committee, July 2015 : <http://www.londoncouncils.gov.uk/node/26669>