Making the best use of collective resources

An introduction for health and wellbeing boards

June 2012

Key points

- Taking a systematic, planned approach to joint working is more likely to produce success.
- There are a variety of ways that resources can be shared – with different degrees of formality.
- Collaborative use of resource types such as finances can help local agencies get more from the same.
- A focus on building trust and a genuinely shared vision and strategy should be a first-order priority for emerging health and wellbeing boards.
- A longer version of this summary guide is available on the LGA knowledge hub.

This summary guide is meant to help health and wellbeing boards understand how to collectively use the resources available in their local area. Money is one part of this, but the guide also highlights how other kinds of resources can be used collaboratively to greater effect. This summary guide was produced by the health and wellbeing board learning set for the use of collective resources.

Health and wellbeing boards have been created to enable leadership of local health and social care systems and encourage partnership working between these services. A key component of this role will be the ability to join-up the resources available to each of the organisations that make up the board – sharing, reducing duplication and getting more from the same.

The current context of financial pressure on public services and need for savings makes the lessons contained in this guide all the more valuable. As money gets tighter, it is vital that local organisations resist the temptation to retrench or become inward-focused and instead pursue the opportunities that using their limited resources collaboratively can bring.

At a glance

Audience: This summary guide is aimed at all health and wellbeing board (HWB) members and supporting officers.

Purpose: To provide HWBs with some top tips and suggested questions to use when considering how to make the most of the resources available to each member.

Background: This guide was developed by a HWB learning set, which is part of the National Learning Network (see back cover) and is supported by the Department of Health, NHS Confederation, the Local Government Association and the NHS Institute for Innovation and Improvement.

Supported by

DH Department of Health

Local Government Association

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Integrated commissioning: Duties and Directions

Different areas will be in different positions regarding levels of joint working. Some localities will already have well-developed integrated teams whereas others will operate a model of collaborative commissioning without formal integration. It is important to understand the differences between **integrated commissioning** and **joint commissioning** in planning how local partnerships will operate under the health and wellbeing board.

Integrated commissioning is the process where organisations come together to consider their respective strategic commissioning responsibilities in their entirety. This may include aspects of work where joint arrangements do/do not materialize, but where there is an agreement to be open and transparent about all commissioning activity.

Where agreements to undertake pieces of commissioning work together are reached, this can be said to be joint commissioning: where organisations combine their resources (formally or informally) for a particular service or pathway.

The following boxes describe some of the mechanisms that exist to help health and wellbeing boards achieve more joined-up local services.

Encouraging integrated working

A key duty on health and wellbeing boards is to promote integrated working to improve services, reduce inequalities and make the best use of collective resources – something that clinical commissioning groups, the NHS Commissioning Board and the health regulator Monitor are also required to do. There are various levels at which health and wellbeing board members can coordinate their commissioning processes and decisions to achieve joint working. At the most basic level, boards can agree to an integrated commissioning approach, meaning that commissioning members use the board as a forum to keep each other informed and involved as they make important commissioning decisions.

Joint commissioning

For services or pathways that may benefit from a closer level of cooperation, organisations can agree to joint commissioning. Joint financing arrangements can be formal, such as when NHS and local authority bodies 'pool' their budgets, or take more informal configurations that retain each party's independence – so called 'aligned' budgets. Health and wellbeing boards will have a duty to consider how joint financing arrangements could better meet the needs in the Joint Strategic Needs Assessment (JSNA), and a further duty to provide advice, assistance and other support to encourage commissioners to take advantage of pooled budgets.

For more information see: Audit Commission (2009), *Means to an end: Joint financing across health and social care.*

JSNA/Joint health and wellbeing strategy

Regardless of degrees of formal integration, clinical commissioning groups, the NHS Commissioning Board and local authorities will need to have regard to the relevant JSNA and joint health and wellbeing strategy when carrying out their functions. Specifically, CCGs must involve health and wellbeing boards when preparing their commissioning plans or making revisions that CCG's consider to be significant.

For more information see *JSNA and joint health and wellbeing strategies draft guidance:* **www.dh.gov.uk**

Relationships

Research and experience show that where successful service transformation has been achieved, no amount of duties, mechanisms or intelligence has been able to replace close, positive relationships between local system leaders. Focusing on building trust and a genuinely shared vision and strategy should be a first-order priority for emerging health and wellbeing boards.

Commissioning support

Strategic commissioners will require support to collate and interpret the range of information into intelligence that can be used to inform their decisions, and then to implement and monitor these. As there is considerable overlap between the commissioning functions performed by different health and wellbeing board members – particularly local authorities and CCGs, boards should consider whether some of the support arrangements they need could be joined up.

For more information see: NHS Commissioning Board (2012), *Developing Commissioning Support: Towards excellent service.*

Funding for collaborative working

A portion of NHS funding – £1 billion per year by 2014/15 – has been set aside to be spent on social care and reablement services. Local authorities must work together with NHS commissioners to identify ways to allocate this money to support vital services or invest in preventative approaches.

For more information see page 50, paragraph 5.24 of the *Operating framework for the NHS in England 2011/2012:* **www.dh.gov.uk**

Personal budgets

Integrating personal budgets (social care) with new personal health budgets (NHS) could allow for greater service integration at the level of the individual. Many people who receive services from both the NHS and local authority could benefit from a single joint budget that brings together the two funding streams and helps partnership working between professionals.

For more information see forthcoming publication from the Department of Health and NHS Confederation: *Integrating personal budgets for health and social care.*

Ten questions every health and wellbeing board should ask itself

Below are some questions for boards to discuss that may help them to think through different ways of deploying resources and agree an approach that is right for their own local circumstances.

1. Is there a consensus over what the board wishes to achieve through the sharing of resources?
2. Are the right people on the board to commit to and mandate any decisions to commit resources?
3. Do the board's members have a clear understanding of what types of fixed and variable resources (finance, people, buildings, information) they need information on, and what the totals of these are?
4. Has the approach to utilising resources collaboratively been agreed by the relevant agencies (for some ideas of different approaches, see the 'examples in practice' that accompany this guide)?
5. Has the board considered where formal joint commissioning arrangements, or other forms of integrated commissioning, might work best?
6. Is there an understanding of the different governance requirements of each organisation involved in using resources collaboratively?
7. Is there scope for flexibility and innovation in the deployment of resources, especially those that appear to be already committed or fixed?
8. What other agencies might the board engage in order to bring other resources to bear (for example, from the private or voluntary sectors)?
9. Do the board's members share a commitment to, and definition of, openness and transparency in their decisions about the use of resources?
10. Is there an agreement on how the benefits will be shared? Are there risk sharing protocols if success is not achieved?

Five top tips from early implementers

All boards should learn from the endeavours of each other. The following pieces of advice on making the best use of collective resources are based on the experience of early implementer sites and examples of what has worked well for those within the learning set. The five top tips were taken from a list of 10 that can be found in the longer version of this guide, which is available on the LGA knowledge hub.

Top tip 1: Benchmark use of resources

Boards and their members should consider benchmarking their allocation of resources against similar or comparable areas (for example, statistical neighbours) that are achieving good outcomes. Comparing variations in different areas' programme budgets to their improvements in outcomes can be a useful way of analysing investment levels for a particular community's need. A useful resource (particularly for clinical commissioning groups) when doing this work is the NHS Benchmarking Club (**www.nhsbenchmarking.nhs.uk**), and particularly the National Audit of Intermediate Care (**www.nhsbenchmarking.nhs.uk/icsurvey.aspx**) due in autumn 2012.

Why? Benchmarking approaches are a helpful way of understanding levels of return on investment that boards might aspire to achieve. They also give a useful perspective on what can be done to address inequalities in populations across a defined area.

Top tip 2: Use evidence to support the board's decision-making

Health and wellbeing boards should ensure they have access to and use regional and national evidence on the most effective ways of improving health and wellbeing, as well as information of what has worked well in their own locality. Different board members and partners

will also hold a plethora of data and intelligence that, when brought together, may provide a more comprehensive understanding of what solutions will meet their population's needs.

Why? Boards will have access to intelligence on how to make the best use of resources, however this information, held by different organisations, is not always brought together. Using these knowledge resources collaboratively will help boards to learn from the successes and failures of others in the locality, region and country.

Top tip 3: Plan for areas of tension

Not all organisations want the same thing, so it will be useful to set out processes for areas of disagreement. Although time invested early on in understanding the pressures and positions of each board member will be well spent, in the long term it may also be useful to ensure that the board's discussions are not solely focused on the agreed priorities, and that some time is given to understanding issues that are not shared and could cause tension if they are not openly discussed.

Why? Boards will benefit from taking account of how successful partnerships operate. This includes understanding that there will be common areas of interest but also areas outside the scope of the board that member organisations will be influenced by. Understanding which of these could impact on the successful work of the board could reduce the build up of tensions and improve how the board deals with them – this is especially important where organisations have put financial resources at risk.

Top tip 4: Establish the scope of each member's responsibilities

Since few health and wellbeing boards will be directly commissioning services, a key part of their role will be to oversee the governance and delivery of locally agreed plans (such as the joint health and wellbeing strategy). Coordinating perspectives and actions across the NHS, public health, social care and the whole of local government will be easier if it follows from a shared understanding of what the board exists to do and what each member's contribution to this is.

Why? Different board members and organisations may have differing levels of understanding of the role and responsibilities of the board. Exploring these to reach a common position will make it easier to agree new ways of working.

Top tip 5: Clarify how financial decisions are taken in member organisations

As well as calculating the totality of resources within the scope and influence of the health and wellbeing board, it would be beneficial to understand how financial decisions are taken in each of the member organisations. This may include required timescales for returns on investment, current financial pressures and the processes for commissioning or decommissioning a service. Members will need to be able to challenge investment decisions, especially where these may have an unforeseen impact in other parts of the local health economy. Reaching a consensus will help avoid adding to financial constraints and cost pressures, cost shunting and short-term decision making.

Why? Reaching agreement on how to use resources collectively will be easier if board members understand each other's decision-making style and procedures.

Scoping resources: what to ask for and in how much detail

Across the NHS and local government there are myriad funding streams, financial regimes, accountability arrangements and governance procedures. This makes bringing ambitions and resources together difficult. An important initial stage for health and wellbeing boards who do this is to scope the extent and nature of what resources are available to members. It is important to get this process right, as gathering information of sufficient depth and quality often involves significant effort by people that support the board.

Below are some important considerations to hold in mind when gathering resource information for use by the health and wellbeing board, including a suggestion as to the level of detail that boards are likely to consider appropriate and other questions that it may be important to ask.

Agree which organisations are to be scoped

Resources that the board may consider as potentially under its influence may belong to a broad range of organisations that need to be engaged, including:

- statutory organisations
- voluntary sector organisations
- carers and informal support networks
- major local employers.

Agree what should be considered as a resource

Resources that the board may wish to consider worth scoping include finances, people, assets, skills, networks and information.

Of these, some important areas to think about gathering data on are:

Finances:

- total budget of the stakeholder organisation
- unit cost data, such as total cost per head of population
- price charged for a range of common services
- saving and efficiency targets
- budget setting timetables.

People:

- employed workforce
- non-employed human resources, for example, volunteers, carers and expert patients
- anticipated requirements for the future (for example, integrated workforce, generalists vs specialists).

Infrastructure:

- list of all property assets held
- extent of under/over utilisation of assets
- any asset strategies currently in place.

Boards may also wish to calculate some of the individual assets of citizens, as this links to the levels of deprivation, government funding and impact of changes to means tests. Information to consider collecting might include the rates of unclaimed benefits/entitlements and the number of self-funders.

Resources consumed by the board

Since health and wellbeing boards will consider system resources and the efficacy of their usage, they should also be aware of their own costs of operation. This includes a breakdown of the board's annual operating costs against its budget, who the named budget holder and group accountant is, and what ancillary expenses are being consumed by board members to support its work.

Initiating joint work

Sharing resources can release significant additional capacity in local systems and reduce duplication. Such arrangements need to be managed carefully, however, as close joint working needs to be done with a clear understanding between all parties involved of any agreement.

Before entering into a joint working arrangement, it is essential that the health and wellbeing board has a scoping template completed to set out some of the core details of any proposed arrangement. At a minimum, this should include the following:

- a definition of the scope of the project, i.e. what is inside/outside its range
- an agreement from all members to the defined scope
- a description of what kinds of resources are included from each member, for example:
    - if finances, analysis should be included between capital, revenue and time period of payments
    - if personnel, the names of posts being seconded or, in the case of new posts, who is the employing organisation and what are the terms
    - if assets, these should be individually listed and stated as to whether they are to be loaned or acquired, with the terms on which either of these has been agreed stated
- the sources of any funds used and how these have been made available
- approval arrangements/procedures for each organisation involved
- whether the project will be marketed under a single participating organisation or all
- who the legal entry for contracting purposes will be
- a risk assessment and risk management plan
- a list of the key staff in each participating organisation who are responsible for the oversight or day-to-day running of the project.

This document was developed as part of the National Learning Network for health and wellbeing boards, a programme funded by the Department of Health and supported by the NHS Confederation, the Local Government Association and the NHS Institute for Innovation and Improvement. Each health and wellbeing board learning set has focused on a theme that early implementers have said is of most interest and importance.

It aims to provide health and wellbeing board members with an accessible and helpful resource and does not necessarily showcase best practice but represents key learning on the issues. For further information, or to comment, please email hwb@nhsconfed.org.

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