

# **Delivering London devolution:**

## **Overview of progress against MoU themes**

**Strategic Partnership Board  
24 May 2017**

# Context



- In developing proposals for devolution, London partners were working to a timeline that anticipated the London Health and Care Devolution Memorandum of Understanding (MoU) being signed ahead of or at the start of FY17/18.
- Following the announcement of the election, it is clear that the MoU will now need to be agreed by the new government.
- This paper provides an overview of progress against the MoU themes, including details of the progress achieved to date and potential next steps within existing powers. It also explores the themes where further development is challenging while the MoU is awaited.

MoU theme	Progress to date	Available next steps	Challenges facing further implementation
<p>Collaboration, capacity and streamlined decision-making</p>	<ul style="list-style-type: none"> <li>• A <b>London Estates Board</b> (LEB) was established in an advisory form (phase 1) in December 2016 and provides a single forum for NHS estate discussions in London.</li> <li>• A <b>London Estates Delivery Unit</b> (LEDU) Steering Group has been established to take forward proposals for a LEDU, and support the LEB in its early operation. Partners are working through the Steering Group and LEB to co-develop ways of working and core operational principles for a LEDU.</li> </ul>	<ul style="list-style-type: none"> <li>• In phase 1 of its operation the LEB will continue to bring partners together, work with STPs and local areas to develop an up-to-date asset register and list of prioritised sites, and broker discussions with national bodies to explore how best to accelerate progress on potential priority sites.</li> <li>• The Steering Group will continue to support the LEB in its advisory phase.</li> </ul>	<ul style="list-style-type: none"> <li>• As agreed with national partners in the LEB Operating Framework, the LEB cannot move to phase 2 of operation until the MoU has been published. This prevents members collectively undertaking strategic functions including development of a clear capital plan for London.</li> <li>• In phases 3 and 4 of its operation the LEB will serve as a forum within which NHS capital investment decision-making can be exercised. This includes the ability to approve capital business cases in London, with early involvement of and influence by local and London government in the decision-making process. In the absence of an MoU, the LEB will not have the ability to take decisions in London. National estates boards are likely instead to make these decisions. While decisions are being taken elsewhere, local and sub-regional partners are reluctant to openly share site information due to concern that assets will not be used to deliver the best value for local populations.</li> <li>• Without the requisite commitments, partners cannot substantively progress plans to form an operational LEDU, including appointment of a Director to provide focused leadership and management of the estates delivery workstream. The LEDU would bring together the resources and expertise of London and national partners to ensure that schemes are developed at pace but with due consideration of wider public sector opportunities.</li> </ul>
<p>Capital retention</p>	<p>Partners are working through the LEB to <b>gain clarity on national capital availability and the expectations of London</b>. This includes some discussion around options for release of land, such proposals being brought to the table by STP representatives.</p>	<ul style="list-style-type: none"> <li>• The LEB can continue with the information gathering exercise within phase 1.</li> <li>• Local organisations may be incentivised to take advantage of opportunities offered by DH for rapid release of land (see next column).</li> </ul>	<ul style="list-style-type: none"> <li>• DH has responded to the Naylor review by asking local organisations to release surplus assets at speed, with the ‘reward’ of capital retention from surplus assets sold within 2 years. This target does not refer to holistic or strategic estates planning or opportunities to maximise wider value for Londoners, such as through affordable housing. As such, there is a real risk that significant value will be left ‘on the table’. Without the commitments within the MoU, partners do not have the necessary levers to enable the release of land for housing and capital for reinvestment in health and care in the best interests of Londoners.</li> <li>• The delay of LEB phasing also limits progression towards a more strategic approach to capital.</li> </ul>

MoU theme	Progress to date	Available next steps	Challenges facing further implementation
Utilisation	The LEB Operating Framework enables the LEB to “ <i>provide strategic oversight of London activity to enhance utilisation</i> ” in phase 1. A short update on utilisation activity has been provided to the LEB.	In June, the LEDU Steering Group will consider a paper on development of a <b>clear utilisation policy for London</b> . This policy could then be issued as guidance or a collective LEB recommendation.	Compliance with any utilisation policy issued by the LEB will serve as a collective recommendations from members. Therefore, uptake is likely to be dependant on the influence of the LEB. This will be limited while the LEB is unable to move through progressive phasing to undertake more strategic leadership, and decision-making functions.
Devolution or delegation of NHS England functions to within the London system	NHS England is putting arrangements in place for the <b>delegation of primary care commissioning</b> to London CCGs.  As referenced in <i>Next steps on the NHS Five Year Forward View</i> , NHS England has committed to offering certain benefits to areas which form an Accountable Care System (ACS), including delegated decision-making rights in respect of specialised commissioning and devolved transformation funding.	Delegation of primary care to CCGs will continue to ensure that this function is exercised locally as soon as possible.  The ACS programme presents opportunities for sharing of learning in relation to details of delegations.	The MoU would enable local and sub-regional areas to access the majority of benefits that would be available to the 11 newly announced ‘Accountable Care Systems’ (none of which are located in London). In the absence of these commitments, local areas with plans for ACS-type arrangements will not enjoy these broader benefits, such as freedoms, flexibilities and support.  Through the MoU, NHS England makes commitments to progress the delegation/devolution of other functions and budgets (e.g. specialised commissioning and transformation funding). To ensure that the details of these delegations (including ‘receiving’ governance) are fit for purpose and in line with integration aims, the details will need to be co-developed through a Partnership Commissioning Board (PCB) and the Strategic Partnership Board (SPB). While the MoU remains unsigned, these boards may not become fully operational (decision-making). This could delay the ultimate date for delegations and will hinder the extent to which these functions can be exercised in an integrated way.
Supporting personalised, joined up care at all spatial levels, particularly focusing on barriers to joint or lead commissioning arrangements	NHS England has nationally commenced a review into <b>how changes to secondary legislation could enable more integrated service provision</b> .  Work has commenced to scope how London’s health and care organisations could be best supported in their integration aims, building on learning from the New Care Models and ACS teams.	NHS England is due to present its proposals to the Department of Health (DH) for consideration. Prior to any changes to legislation, DH will need to consult more widely on proposals for change.	The PCB and SPB would provide a single forum for local and national commissioners to review barriers to joint/lead commissioning arrangements and co-develop any proposals for change. This formal partnership approach will improve sharing of learning/experience, reduce siloed working and subsequently strengthen proposals for change and ensure that these command system-wide support. The new governance mechanisms enable London to develop and advocate for a system-wide view, strengthening its influence in respect of national calls for change.

MoU theme	Progress to date	Available next steps	Challenges facing further implementation
Support to co-develop and adopt innovative payment models at pace and scale.	Some local areas have considered or are developing or implementing new models of payment through their local plans, STPs, as devolution pilots or as 'Vanguards'.	There are some flexibilities within the national framework, which enable local areas to take forward different payment models, should there be local appetite.	The formal support offer within the MoU – analogous to the New Care Models or 'ACS' programmes – would provide the opportunity to co-develop solutions together and with national partners, through skills, expertise and direct relationships with partners. In the absence of this, the pace and ease of implementation by local areas may be reduced. The rapid piloting and scaling of place- and outcomes-based commissioning and capitated payment models would enable joined up pathways of care and incentivise early intervention and rapid discharge.
Regulation and oversight	<p>Within London, NHS England and NHS Improvement are working together to consider <b>how functions could best be aligned</b>.</p> <p>Some steps have been taken by NHS England, NHS Improvement to align approaches nationally and to look at how regulatory approaches can better support system-based regulation.</p>	Existing national workstreams will progress, and " <i>a single 'one stop shop' regulatory relationship with NHS England and NHS Improvement</i> " will be explored through the ACS programme.	Regulatory barriers continue to hinder local areas looking to move forward with ambitious integration aims.
Workforce and skills	A <b>London Workforce Board (LWB)</b> has been established, bringing together health and care partners and ensuring a collaborative strategic approach to London-wide issues.	The LWB will continue in set-up phase, bringing together partners and establishing key areas of focus.	While the MoU is pending, the LWB may not be able to gain the necessary traction or influence to be able to successfully tackle some of the key issues facing the health and care workforce in London (e.g. apprenticeship levy and single employer framework), particularly where these require joint working with national partners.
Prevention (including employment and health)	<ul style="list-style-type: none"> <li>Some initial work is ongoing at the local level. For example, the <b>Haringey pilot is establishing the evidence base for specific options</b>.</li> <li>Work continues within the GLA to move forward with the <b>refreshed London Plan</b>.</li> <li>Plans are underway for the London boroughs and Mayor of London to jointly commission employment support (outside the Jobcentre Plus regime) to assist the very long-term unemployed and those with health conditions and disabilities to (re-) enter work.</li> </ul>	Greater collaboration and alignment of partner efforts in delivery.	The ability to deliver on bold prevention initiatives would be accelerated on the agreement by national partners to back the proposals that require planning and other national influence.

# Progressing governance

December 2015

May 2017

Local and sub-regional

Newly formed devolution pilots, with some mechanisms for partnership working in place.



Devolution pilots have prioritised areas of local focus, designed new and tailored ways of working in partnership, and are moving forward with more integrated governance structures, including:

- Partnership boards at local/sub-regional level, supported by operational boards/committees, enabling a whole system outlook and targeted work streams to jointly address specific local challenges.
- Mechanisms for joined-up commissioning between CCGs and local authorities.
- Local/sub-regional estates workstreams/boards to consider the NHS/local government estate in a more holistic way.

STP and vanguard programmes recently introduced, and some areas exercising more joined up ways of working.



- More areas have put in place mechanisms for integrated working (e.g. partnership boards, joint appointments, s.75 agreements). Direction of travel supported by national policy e.g. Five Year Forward View: Next Steps.
- All STPs and pilots are members of the London Estates Board, and three representatives from each STP will sit on the Strategic Partnership Board. The Devolution Pilots attend Devolution Programme Board meetings, and will become formal members of that board going forward.

London

Devolution Programme Board established, with oversight provided by the London Health Board (LHB).

A number of strategic groups in place across London to enable better integrated working.



- A new **Strategic Partnership Board**, which provides strategic oversight and absorbs functions of a number of existing strategic groups. Plans to expand membership of the **LHB** as required.
- **London Estates Board** began operation in December 2016, and London Estates Delivery Unit is under development.
- **London Workforce Board** met for the first time in March 2017.
- Plans in place for a **Partnership Commissioning Board**, and more aligned regulatory functions.
- Local and sub-regional areas to be represented (through their STP arrangements) on new governance structures.
- Collaborative **strategic delivery function** to be established, to support the London system across its transformation efforts.

# Further governance progression

	Progress	Challenges facing further implementation
1	<p>The <b>Strategic Partnership Board</b> (SPB) has been formed. At the March 2017 meeting the group considered the content of a governance paper, which set out proposals for the SPB including membership, functions and phasing. The group will meet formally for the first time on 24 May 2017, with three representatives from each STP having been invited to join the membership. At the May 2017 meeting the group will determine Terms of Reference, collectively consider the scoping of an integration support offer and begin work to gain clarity on the key delivery barriers in London .</p>	<p>The functions and remit of the SPB are inextricably linked to the content of and commitments contained within the draft MoU. In the absence of a signed MoU, partners can continue with set up work, but there may not be sufficient momentum within the system to enable the SPB to become fully operational within rapid time scales. In the absence of the MoU, the SPB would have voluntary rather than formal influence when advocating for London with national partners.</p>
2	<p>The <b>London Health Board</b> (LHB) is already operational. The draft MoU expands the role and membership “<i>as required to reflect political leadership from sub-regional groups. The London Health Board will have strategic political oversight for health and care in London.</i>”</p>	<p>It would be open to partners to consider expanding the membership at this stage, however this would not be finalised until the MoU is signed and adopted.</p>
3	<p>The <b>London Estates Board</b> (LEB) is operating with full membership and making progress through phase 1 of its operation. An LEDU Steering Group is working with STPs/local areas to develop an up-to-date asset register and list of prioritised sites</p>	<p>The LEB cannot move into the next phase of its operation (see page 3), limiting its ability to undertake and consolidate strategic estates functions, and delaying the timetable for capital investment decision-making.</p>
4	<p>The <b>London Workforce Board</b> (LWB) is operational in a ‘set-up’ phase by way of expanded membership of the London and South East LETB. Partners are coming together to establish membership and key areas of business.</p>	<p>The operation of the LWB is linked to the commitments in the MoU, and formalisation of these commitments (including the support/buy in of national partners) will enable the LWB to make significant progress in areas such as the single employer framework.</p>
5	<p>Members can work through the details of a <b>Partnership Commissioning Board</b> (PCB), including membership, key functions and phasing. Some early work which will inform the PCB’s discussions has already begun (for example, within NHS England or by pilots), and partners can discuss how this would transition.</p>	<p>The PCB is unlikely to become operational until after the MoU signing, given that its functions are predicated on the commitments within the MoU.</p>
6	<p>Discussions are underway between London partners to enable collaborative delivery through a <b>shared strategic function</b> administered by Healthy London Partnership (HLP). This will include areas such as Thrive, prevention, workforce, estates and integration.</p>	<p>The functions of the strategic delivery mechanisms are again influenced by the final content of the MoU.</p>

# Next steps and discussion

## Key areas of activity: April-June 2017

### Estates

- London partners are finalising set up of the LEDU
- Continuing to work with STPs/local areas to develop an up-to-date asset register & list of prioritised sites
- Working with the Department of Health and NewCo to ensure that NewCo's emerging estates functions are complementary to the LEB/LEDU
- Brokering discussions between providers/local areas identified as potential London priorities and national bodies to explore how best to accelerate progress.

### Prevention

- The DPH network, PHE London, the GLA health team, the HLP prevention programme, and the Haringey pilot are working together to explore a holistic prevention offer for London that responds to local and sub-regional needs and delivers on MoU and statutory commitments.

### Integration

- Work is underway to scope a system support offer for local and sub-regional areas.
- Collaboration between NHS England and NHS Improvement nationally and in London to develop a single oversight framework.
- Discussions ongoing with the New Care Models team and Accountable Systems support team within NHS England, to ensure that partners develop a regional support offer which is able to build on national learning and resources.

### Governance and delivery

- The SPB continuing in set-up phase; strengthening connections between SPB & LHB.
- Discussions underway between London partners to establish a plan for collaborative delivery through a shared strategic function.

- *Are partners supportive of the current areas of work? Are there any particular areas of concern or risk?*
- *Are there areas where London partners should be going further at this point?*