

# Roadmap for integrating specialised services within Integrated Care Systems

On 31 May 2022, NHS England (NHSE) published [a document](#) (or 'roadmap') outlining how it envisages commissioning arrangements for specialised services developing over the next few years, following integrated care systems (ICSs) taking statutory form in July. This briefing summarises these proposals, and offers some preliminary analysis. We would welcome members' views on the roadmap; please contact [Leo Ewbank](#), policy advisor, to share comments and raise questions on the proposals.

## Key points

- The roadmap for specialised commissioning details how NHSE plans to transition to a model of specialised commissioning in which integrated care boards (ICBs) lead much of the operational planning work from April 2023. This builds on previous policy statements which articulated a broad direction of travel towards more localised commissioning.
- Based on a number of considerations, NHSE has divided the portfolio of specialised services into three categories: 1) suitable and ready for delegation to ICBs in April 2023; 2) suitable for delegation to ICBs at some point but not ready in April 2023; 3) not suitable for delegation and will continue to be commissioned nationally. The intention is that ICBs will take on lead responsibility for operational commissioning of the first category from 1 April 2023, subject to an assessment of their readiness.
- The roadmap makes clear that ICBs will need to develop arrangements which reflect sensible population footprints for planning specialised services, and that in some geographies that will mean multiple ICBs working together to jointly commission these services.
- The rest of 2022/23 will be a transition period in which NHSE will retain responsibility for commissioning and contracting specialised services, but with regional teams working with ICBs as they prepare to take on delegations. ICBs are asked to work with their local partners – and where relevant develop joint commissioning arrangements with neighbouring ICBs – to develop proposals for how they will discharge delegated commissioning functions in their geographies from 2023/24.

- Local proposals will be submitted to NHSE later this year, at which point regional teams and NHSE national leaders will oversee an assessment and moderation process to test ICBs' proposals and their readiness to take on delegation of specialised commissioning responsibilities in April 2023.
- For services judged to be suitable and ready for delegation there will be two main options for how they will be commissioned from April 2023: 1) ICB-led or multi-ICB-led commissioning based on a delegation agreement; 2) a joint commissioning arrangement between NHSE and ICBs, via a statutory joint committee. The latter option will be the default model in geographies where ICBs are assessed as not ready to take on delegation. These joint arrangements will be intended to serve as a stepping-stone to full delegation to ICBs at a later date.
- NHSE will continue to play a central role in specialised commissioning: it will commission services which need national planning; it will maintain overall accountability for the whole portfolio, including services that are delegated; it will monitor and assure locally-commissioned services; and it will set national service specifications.
- In our view, the appropriate delegation of some specialised services to local commissioners may present opportunities for more joined-up commissioning arrangements which benefit patients. But this is a substantial programme of change which also presents risk and requires decisions to be made on each service in question. The implementation process will need to be taken forward with real care, and with strong involvement from trusts, to stand the best chance of maximising the opportunities for improvement.
- Although not a formal consultation, we understand colleagues at NHSE would value feedback from trusts on the roadmap document, including the portfolio analysis of specialised services' suitability and readiness for delegation. NHS Providers will be gathering comments from members over coming weeks and would welcome any reflections on the roadmap document.

## Summary

### The case for integration

Since 2013, responsibility for commissioning specialised services (a portfolio of around 150 services) has sat with NHSE. This facilitated the development of national standards and service specifications, but also meant some patients' pathways of care, such as for people being treated for cancer, involved accessing services that were commissioned by different organisations.

The establishment of ICBs planning services for relatively large populations – ranging between around 600,000 and 3 million people – presents the possibility of devolving responsibility for commissioning some specialised services from NHSE. This would mean that ICBs' portfolio of services will span

primary care, community services, secondary care and some specialised care. In theory, this provides greater scope for ICBs to shape local care services around patients' needs.

As part of the establishment of ICBs, NHSE is refreshing how funding is allocated to local commissioning bodies. There will be a new method for allocating funding for specialised services to ICBs based on an assessment of local population health needs. This is partly intended to allow ICBs to look at the totality of NHS resource available in their geography and consider opportunities to invest in approaches that improve value. The Advisory Committee on Resource Allocation (ACRA) is inviting feedback on a proposed methodology for calculating and allocating this funding to ICBs ([here](#)).

## Services appropriate for greater integration

The specialised services portfolio includes a range of services with varying characteristics which are suited to different commissioning arrangements. NHSE has undertaken an assessment exercise to look at all specialised services and determine whether they are suitable and ready to be commissioned by ICBs. NHSE has considered a range of criteria, including patient benefit, the provider landscape in that service area, and the future likely service innovations.

Their analysis resulted in services being grouped into three categories:

- Services suitable and ready for local commissioning from April 2023.
- Services suitable for local commissioning but which are not ready at this point so delegation can be explored for a later date.
- Services not suitable for local planning and will remain commissioned by NHS England.

NHSE will work to ensure that where commissioning is delegated, that responsibility is held at the most sensible population footprint. As such, it is likely that some ICBs will work together to commission specialised services.

The full list of services and their grouping in these categories is available in the roadmap document ([here](#)) – pages 27 to 37. Although not formally requesting consultation responses on the proposed service portfolios, NHSE expects to refine the portfolio analysis ahead of April 2023 and will confirm a final categorisation of services 'later in the year'.

## National standards and accountability

NHSE recognises that having a national commissioner for specialised services has generated some benefits – for example through improving standardisation. Looking ahead, they aim to allow for more local commissioning while retaining some of the benefits of national standards.

In this vein, several aspects of the existing planning infrastructure for specialised services will be retained in the future, including:

- The existing portfolio of 154 specialised services will continue to be prescribed in legislation.
- NHSE will retain overall accountability for the specialised services, including services delegated to ICBs, and will develop assurance arrangements to discharge these responsibilities.
- All specialised services will be informed by national service specifications and clinical policies developed by NHSE.
- There will be national arrangements to support clinical involvement in specialised commissioning; this will happen via clinical reference groups (CRGs) and national programmes of care.
- Communities will be involved in specialised commissioning either locally, informed by expectations set by NHSE, or nationally through engagement forums such as CRGs and national programmes of care.
- NHSE regional teams will maintain some specialised commissioning expertise beyond 2023, and aim to deploy that to support ICBs in discharging their delegated responsibilities.

## Phased transition towards further integration

### Strengthening partnership arrangements during 2022/23

During 2022/23 NHSE will continue to hold the commissioning budgets and discharge the contracting functions for specialised services. Over the course of the year, NHSE intends to support a phased transition towards delegation: regional teams will work with ICBs to support them to become increasingly involved in the planning of services assessed as suitable and ready for delegation in April 2023.

ICBs will need to develop and agree appropriate multi-ICB footprints and governance arrangements for services where needed, and they will need to develop their capabilities and capacity to take on specialised commissioning responsibilities in April 2023.

The document makes clear that over the rest of this financial year, any mechanisms developed to support greater joint planning of services between NHSE and ICBs will need to ensure good disciplines of commissioning, including: connection to ICB governance structures; embedding clinical involvement; involving patients and service users in planning processes; and ensuring connection with the financial oversight arrangements for ICBs and regions.

## **Delegated commissioning responsibility from 2023/24**

NHSE will be seeking to track ICBs' development through 2022/23, and this will culminate in a readiness assessment, planned for Q3 2022/23, ahead of any final decisions on delegation to ICBs. This assessment will be led by NHSE and will use a nationally consistent pre-delegation assessment framework (PDAF).

Where pre-delegation assessment concludes that ICBs are not yet ready to take on delegation, the default approach will be to establish a statutory joint commissioning arrangement between NHSE and the relevant ICB(s). The expectation is that any such arrangements will lead to full delegation in April 2024. There may be scenarios where multi-ICBs arrangements include an ICB which is assessed as not ready to take on delegation. The pre-delegation assessment process will reach decisions in these scenarios, and it may be that it will still be possible for these ICBs to take on delegations as part of multi-ICB arrangements.

NHSE will continue to commission services assessed as not suitable for local commissioning, and those which have been assessed as suitable but not ready. In both cases, NHSE will seek to ensure collaboration with ICBs where relevant to ensure services which are nationally planned can still join up with locally planned services where it can benefit patients.

## **Pre-delegation assessment**

NHSE's PDAF will build on the approach used in the past to assess local commissioning organisations' readiness to take on commissioning of primary care and dental services. The process will begin with assessment at regional level and then move to a national moderation phase. All decisions will be reached by December 2022 with a view to being ratified by NHSE's board in February 2023. NHSE will publish more details on the PDAF methodology and criteria in the coming months.

## Integrated commissioning of specialised services

Alongside preparing for delegation, NHSE is making a number of changes to specialised commissioning to support ICBs managing delegated commissioning in the future and improve how NHSE discharges its direct commissioning functions.

### Changes to the funding formula

NHSE plans to move specialised services commissioning towards a population-based funding allocation methodology. In the first instance, April 2023, funding for delegated services will be based on historic costs. There will then be a process, using a pace of change policy, to gradually adjust ICBs' funding to reflect a needs-based methodology which NHSE and ACRA have been developing. The transition to a needs-based population funding allocation for specialised services will begin in April 2024 at the earliest.

### Service specifications and standards

NHSE has reviewed the format of its national service specifications, and will be gradually reviewing all existing specifications with a view to making them more concise and easier to use. Updated specifications will place greater emphasis on articulating the most important components of care, and reducing non-mandatory requirements. There will also be a new 'streamlined' review process for specifications which need only minor updates.

### Strengthening the role of clinical networks

NHSE has changed the funding model for clinical networks. For clinical networks relevant to specialised services, NHSE and ICBs will work together to agree a work plan. In 2022/23, as ICBs develop their role in planning specialised services, NHSE expects them to play a greater role in shaping the development of clinical networks. From April 2023, the expectation is that all regions and ICBs will have arrangements in place to jointly influence clinical networks in their geography.

### Improved data and infrastructure

NHSE is undertaking a strand of work to improve data quality around the attribution of specialised service utilisation to CCGs. They plan to revise the specialised service identification rules; and they are developing a clinical analytical service for specialised commissioning which will be available to ICSs in due course. ICBs will inherit the rights to data access that currently belong to CCGs, and colleagues are encouraged to reach out to their local commissioning support unit (CSU) to confirm preparation is being made to ensure data flows effectively to ICBs from July.

## Improved patient and public involvement

NHSE will maintain its Patient and Public Voice Assurance Group as part of its national oversight of specialised commissioning. ICBs which take on delegated responsibilities will be required to meet their legal obligations on public involvement. Preparatory activity during 2022/23 should include making provision to involve patients and the public in devolved decision making from April 2023. NHSE will be issuing guidance on public involvement in the coming months.

## Updated clinical leadership infrastructure

National standards and clinical policies relevant to specialised services will remain within NHSE's remit. NHSE has recently refreshed its CRGs with a view to ensuring that priority work programmes are informed by clinical involvement.

CRGs will now operate on one of three operating models:

- *Transform* for service areas which are subject to a national transformation programme and a major focus for NHSE.
- *Lead and inform* for services where a service requires a full work programme of clinical input at national level.
- *Respond and advise* for service areas where a responsive function will meet the needs of NHSE and ICBs.

## Assurance and oversight for delegation

NHSE is developing an assurance and oversight framework for delegated specialised commissioning which will align with the updated system oversight framework, which is expected in the coming months. More details on this assurance framework will be shared later in 2022/23.

## Governance to support integration

NHSE will be introducing a new national governance model from April 2023 to oversee delegated specialised commissioning and the commissioning of services that are retained nationally:

- A Delegated Commissioning Group for Specialised Services (DCG) will have oversight of delegated services and provide overall leadership to regions and ICBs on these areas.
- A National Commissioning Group for Specialised, Health and Justice and Armed Forces services (NCG) will oversee the nationally commissioned services.

## NHS-led provider collaboratives for mental health, learning disability and autism

In mental health and learning disability services, there already is a cohort of NHS-led provider collaboratives that lead the planning and delivery of specialised services under lead-provider contracts. These will remain the 'delivery model' for services which have been assessed as appropriate for delegation. NHSE is currently the accountable commissioner for these services, and the intention is that lead provider contracts will be moved to a lead-ICB arrangement, without disrupting the established provider collaboratives. From April 2023, in cases where a MH/LD service is currently part of a provider collaborative arrangement and it has been assessed as suitable for delegation to ICBs, the provider collaborative will remain the delivery model and contracts will be passed to the relevant ICBs. Subsequently, 'the ICBs will be responsible for managing all aspects of the contract'.

### Next steps

Over the coming months, NHSE will produce more resources to support systems to develop their approach and ways of working for delegated specialised commissioning. These include:

- Additional details on delegation agreements
- Refining the financial framework which will govern the movement of specialised commissioning funds from NHSE to ICBs
- Providing more information on the process, timings and criteria for the PDAF
- Developing an assurance and oversight model which will allow NHSE to ensure it is discharging its ongoing responsibilities relating to delegated services.

### NHS Providers' view

We welcome the publication of a roadmap for specialised commissioning which makes clear NHSE's expectations, processes and timelines in coming months. Trusts recognise a rationale for delegating the commissioning of some specialised services to ICBs while maintaining national standards, to improve integrated care and use resources more effectively for particular groups of patients. We know that trusts remain keen to engage with NHSE to ensure the evolution of these commissioning arrangements is successful.

However, this is a far-reaching set of changes. NHS Providers will be working with members over the coming weeks and months to understand their perspectives and to ensure their views are fed into the national programme. Below we identify some of the key risks which need to be managed collectively by NHSE, ICB colleagues and providers:

- These changes will result in a complex pattern of commissioning arrangements for specialised services, with a national commissioner, multi ICB arrangements and ICB approaches. They are likely to have variable impacts depending on geography and service configurations, with trusts delivering large volumes of specialised services particularly impacted. Understanding fully how these changes will affect all types of trusts – and their patients – will be important.
- We remain keen to understand how funding for specialised services will be impacted. Specialised services are inherently capital intensive as they often require bespoke facilities, equipment and technologies, often acting as centres of clinical innovation. In the context of constrained capital envelopes, there is a risk that ICBs will struggle to prioritise the needs of specialised services adequately alongside other calls on capital.

In addition, the roadmap provides some signals about the future revenue funding regime for specialised services as funds transition to ICBs by outlining a gradual move to a needs-based allocation methodology. The full implications of a move to more needs-based funding will need to be understood. Additionally, local funds will need to be carefully managed to ensure specialised services are prioritised adequately on an ongoing basis. ICBs will be operating in an environment of relatively constrained revenue funding and managing a multitude of calls on their resource. There may be scope for financial safeguards ensure specialised services are proportionately resourced, while also protecting local decision-making.

- Trusts have raised concerns about potentially complex commissioning and reporting relationships in a delegated environment. It will be important to take advantage of this change process to streamline the burden of reporting and contract/relationship management. Should trusts or provider collaborations take on additional responsibilities from NHSE and/or ICBs as part of the process of delegation, they will need to benefit from the transfer of relevant commissioning and monitoring skills and resources.
- The language in the roadmap about the direction for mental health / learning disability provider collaboratives in the context of delegation raised some questions. We would welcome confirmation that these proposals have been stress-tested with national mental health stakeholders and importantly with trusts involved in MH/LD provider collaboratives.
- The roadmap articulates some welcome aspirations about maintaining and increasing clinical and public involvement in the commissioning of specialised services. Trusts recognise the value that these perspectives can bring to planning processes and will be keen to see user and

clinical involvement sustained as commissioning decisions move from the national centre to local systems.

- ICBs will be forming as organisations, establishing new ways of working with other partners and leading other planning processes throughout 2022/23, most prominently the development of the five-year forward plans for NHS services (alongside contributing to the development of integrated care strategies). In the context of a full work programme, it is right that there is a readiness assessment built into the process. We would encourage NHSE to be as transparent as possible about how it establishes ICBs' readiness to take on these new responsibilities given the expertise to commission specialised services has not previously sat at a CCG level. Close partnership working with providers will be essential, given the clinical and service level expertise they hold, particularly as service specifications are developed. We are also interested to understand how NHSE will support ICBs and ensure the transfer of the specialist knowledge and skills it has built up within its central specialised commissioning team.
- Lastly, given the extent of the proposed changes ahead for specialised services, and their potential impact on providers, staff and patients, we would encourage NHSE to build on its existing stakeholder engagement approach (which NHS Providers has been pleased to contribute to), to ensure that the next phases of the programme are characterised by true co-production. We strongly believe that this way of working would provide the best basis on which to proceed with delegation of specialised commissioning.