15 April 2021

The evolution of mental health commissioning: what boards need to know

With health and social care in a period of significant reform, amidst all of the change mental health trusts are increasingly taking on more commissioning functions. As mental health commissioning evolves, boards need to understand their role.

As we all know, health and social care is in a period of flux. Across the sector, structures, relationships and ways of working are shifting.

We have already written about some the key changes that health and social care leadership teams are having to grapple with, including recent Illuminations on provider collaboratives, NHS planning guidance, and the importance of place.

The changes are not limited to the way in which services are being provided. With the introduction of ICSs and provider collaboratives, as well as the dissolution of CCGs, commissioning for health and social care is also transforming dramatically.

One consequence of this is that the transactional processes that have historically been rooted in procurement and contract requirements are beginning to give ground to a more relational style of working, in which providers work alongside partners to plan and deliver services that aim to improve population health.

And, within all of this, providers are taking on greater commissioning responsibility for the commissioning and monitoring of services.

Governance of commissioning within mental health: a report

This is a topic that we have explored previously, but now, with our new report, Commissioning by mental health trusts - what do Boards need to know?, written by GGI Associates Edana Minghella and Jane Carrier about to be launched, we felt that it would be timely to spend some more time discussing this important issue.

The focus of the report is the governance of commissioning within mental health trusts and, in particular, the key role that the board plays in ensuring that the services that they commission are equitable, effective and efficient.

To inform the paper, we have spoken to more than 20 leaders from within mental health and run a

roundtable event, particularly focused on ICS Chairs - their insights have been crucial to the development of what we believe is an important and necessary piece of research.

How does commissioning by mental health trusts currently work?

At present, there are three main ways in which mental health trusts are taking on a commissioning role:

Sizeable collaboratives between a range of NHS and independent providers via New Models of Care (NMC) roll out.

- A lead NHS mental health provider given budget to take on on former NHSE specialised commissioning role (forensic, T4 CAMHS, EDs) across large geographical areas
- NMC collaboratives have budgets of upwards of £100m for eg. Secure mental health services, based on 2018/19 spend
- Strong focus on reducing out of area bed days
- Savings may be reinvested in local services

Local alliances and collaboratives between NHS mental health trusts and other providers, including independent and voluntary sector, to deliver a particular service or pathway.

- A lead NHS provider takes commissioning role within the alliance
- Often taken on in response to tender or jointly agreed with local commissioners
- Examples of transformng local pathways through alliance working

Spot purchasing and other ad hoc examples

Although Trusts have approached their new commissioning role in a variety of ways, by far the most significant in terms of size and budget are the New Models of Care Collaboratives.

So, what does the report say?

Without spoiling too many of the surprises, the new report identifies four key and interconnecting areas that, we feel, require focused attention in the near term to ensure that the boards of mental health trusts are adequately prepared to take on new commissioning responsibilities:

1. Understanding the commissioning role

Trusts have broadly welcomed the opportunity to take on a more central commissioning role. In particular, the chance to make positive changes to benefit people with mental health problems and to reinvest savings motivates boards and clinicians.

That being said, our research indicates that strategic approaches to commissioning and systematic consideration of the commissioning cycle are not yet widespread and that board members do not always feel close to or involved in decision-making in this space. Focused board development and training may help in this regard.

2. The governance of commissioning

Taking on commissioning functions alongside the provision of services presents several governance challenges for Trusts.

Those with whom we spoke commented that issues of accountability and conflict of interest had proved particularly difficult to overcome and we sensed a real anxiety around resolving issues around managing and addressing poor performance in commissioned services.

Given this, the need for the greater and more effective use of institutional and population data in service management was consistently emphasised.

3. Commissioning and partnerships

Effective commissioning requires strong and open relationships with a range of stakeholders across the system. Our research suggests that many mental health trusts are beginning to work effectively in partnership with others, including providers and service users, around the discharging of their commissioning role but that these links are not yet systematic or strategic.

A key challenge is in clarifying how commissioning by mental health trusts intersects with commissioning at either system or place levels, with varying levels of engagement within these observed across the country.

4. Leadership and commissioning

Finally, in resolving these challenges the importance of strong leadership cannot be underestimated. Boards are the controlling mind of the organisation and are accountable for all aspects of its operation.

Positively, our research suggests that mental health trusts are already using a range of strategies to manage and mitigate the tensions inherent in their commissioning role. This includes describing themselves as the 'lead provider in name only' or by adopting a dispersed leadership model across Trusts within the patch.

That being said, it is clear that few boards feel fully equipped currently to play a leadership role in relation to commissioning and that focused support, development and guidance is needed to make the role practical and actionable.

Illuminations

1. Mental health trusts are increasingly taking on more commissioning functions

2. In many instance this will be for the first time and, as such, trusts may need support and guidance to discharge these roles effectively

3. Our new report highlights four key areas in which further consideration may be required:

Understanding the commissioning role
The governance of commissioning
Commissioning and partnerships
Leadership and commissioning

For more information about any of the themes raised here, be sure to check out our new report Commissioning by mental health trusts - what do Boards need to know? as soon as it is published.

GGI is committed to supporting boards navigate, and mitigate, the risks associated with the governance challenges presented in this Illumination. If you would like to discuss any of these issues with us further please do get in touch at on 07732 681120 or email **advice@good-governance.org.uk.**