Summary:
On 11 July 2017, the East London Health & Care Partnership (the new name for the partnership formerly referred to as the Sustainability & Transformation Plan partnership) launched a consultation on future payment mechanisms within the NHS. The document is attached and introduces the need for reform and some of the key considerations. A response is required by 29 September 2017, which is an extended deadline to accommodate this (and other) formal Board meetings.

The Health & Wellbeing Board received a report on 6 September 2017, which set out the points that may be made in response to the consultation from London Borough of Barking & Dagenham. Officers will verbally update the Health & Adult Services Select Committee on the discussions that took place at the Health and Wellbeing Board on 6 September 2017.

The Health & Adult Services Select Committee is invited to further consider the Health & Wellbeing Board report and to add further comments to the response that will be sent from the Council. If there are additional comments, or points of disagreement, then they will be flagged up in the combined response as having been provided by this Committee. To support the Committee in considering the response, the East London Health & Care Partnership will attend the meeting to present the consultation and contribute to the discussion.

The proposals set out by the ELHCP in their consultation document, whilst quite generalised at this stage, are broadly consistent with the work that has been undertaken across Barking & Dagenham, Havering and Redbridge to scope the development of
accountable care approaches. In particular, the Business Case for the development of an Accountable Care Organisation, completed in late 2016, covered much of the same ground in setting out the case for change. Currently organisations in the health and care system are driven by the competing requirements of their commissioners, and therefore new payment arrangements need to drive a focus on the outcomes needed for residents and patients, rather than payments for episodic and unconnected care.

**Recommendation(s)**
The Health and Adult Services Select Committee are recommended to:

- Note the consultation document, and the presentation provided by the East London Health & Care Partnership;
- Note the verbal update on the proposed response of the Health & Wellbeing Board and its discussion from 6 September;
- Provide any further comments and observations that the Committee feels appropriate and delegate to the Chair to approve on its behalf the Select Committee’s contribution to the final response for submission by the deadline of 29 September 2017.

**Reason(s):**
If we are to improve how well the health and care system prevents ill-health, promotes well-being, and joins up the care received by residents, then we will have to make some changes to how individual organisations are contracted and paid. These payments form incentives to behave in certain ways (attracting episodes of care, rather than responding more fully to the needs of an individual, for example). Working across organisational boundaries can only really happen when financial incentives are aligned to the outcomes that are wanted.

**Appendices**

- **Appendix 1:** Health & Wellbeing Board report proposing a draft response and seeking comments.
- **Appendix 2:** East London Health & Care Partnership Consultation Document on New Payment Mechanisms