

**SHADOW CLINICAL COMMISSIONING BOARD
INFORMAL MEETING**

TUESDAY 11TH OCTOBER 2011

**REGATTA PLACE, BOARDROOMS 2 & 3
(lunch to be provided at 12.30pm)**

A G E N D A

1. Introduction and background to meeting
Simon Bowers / Nadim Fazlani / Ray Guy / John Hussey

2. Towards Authorisation, the future role of the Shadow Clinical Commissioning Board in Liverpool
Discussion paper attached

3. Questions

4. Next Steps

Discussion paper

Towards Authorisation - The future role of the Shadow Clinical Commissioning Board in Liverpool

1. Purpose

The purpose of this paper is to present some ideas and questions to the Shadow Clinical Commissioning Board for debate and agreement regarding the future role of the Shadow Board.

As part of this, the Shadow Board is also asked to consider the implications of proposed governance arrangements set out by Merseyside Cluster, and to agree the approach for Liverpool.

2. Background

Clinical Commissioning is gathering strength in Liverpool, building on a sound foundation of clinical leadership in commissioning.

The Shadow Clinical Commissioning Board was established in June 2011 as a Committee of Liverpool PCT. This replaced the Professional Executive Committee and the Commissioning Committee, with responsibility for -

- Leading the commissioning of health services for the city,
- Scrutinising and approving commissioning plans and provider performance
- Ensuring a focus on improving health outcomes for patients.

Three Shadow Clinical Commissioning Consortia are also in place, with their Executive Boards established as sub-committees of the city-wide Shadow Board.

Their key objectives are

- To provide clinical leadership within and on behalf of their consortium
- To ensure real practice engagement in commissioning
- To develop and ensure the implementation of local commissioning plans, aligned to city-wide plans which are evidence based, ensure value for money and best meet the health needs of local people
- To ensure patients / public engagement in commissioning

Clinical commissioners are now getting on with the job of 'doing' commissioning, focused on delivering the Service Improvement Plans and drawing up the Commissioning Plan and intentions for 2012/13. And most significantly, securing full implementation of the General Practice Specification, which is key to the success of Clinical Commissioning.

3. Developing Clinical Commissioning Groups - Towards Authorisation

This document was updated and published on 30th September 2011. It sets out the journey towards authorisation, outlining three phases –

Phase 1 - the risk assessment for configuration (the words 'ideally no later than Dec 2011' are used)

Phase 2 - the 'development path' (ie getting on with practising commissioning)

Phase 3 - the authorisation process itself which has 3 aspects

Aspect 1 - submission of evidence

Aspect 2 - NHSCB reviews the evidence

Aspect 3 - NHSCB draws together information from local stakeholders

The Shadow Board and Shadow Consortium Executives have agreed that more information and understanding is required before a decision can be made regarding the proposed shape of statutory bodies for Liverpool. However, the consensus is that there needs to be full exploration of two options -

- 1) Three statutory bodies in the city, with a mechanism to underpin this across the city
- 2) One statutory body, with three localities with devolved responsibilities.

In either option, it is apparent that there needs to be a city-wide forum which ensures a coherent approach to commissioning across the city, whilst still enabling far more local decision making and service developments.

This leadership role will be key to the success of clinical commissioning in the future.

4. Future Governance Arrangements

At its September Board meeting, Merseyside Cluster approved new governance arrangements for Clinical Commissioning Groups (paper attached at appendix 1).

As the Cluster is a Committee of each PCT, it is proposed that CCG Boards are established as sub-committees of the Cluster. As such, CCG Boards would have delegated responsibilities for Commissioning and commissioning budgets from October, in line with national requirements. This would enable CCGs to lead the commissioning round for 2012/13, supported by expertise delivered by the Cluster / Commissioning Support Organisation.

5. Questions for the Shadow Board to consider

Given the devolution of commissioning responsibilities from the Cluster to CCGs, there are some key questions which need to be considered by the Shadow Board:-

- How should a city-wide body operate in either of the options set out above?
- How will it relate to the Shadow Clinical Commissioning Groups / Localities?
- How will it relate to the Health and Wellbeing Board?
- How will it ensure a determined focus to address health inequalities, both between Liverpool and the rest of the UK, and within Liverpool?
- What is its role in leadership of the system and ensuring financial balance?
- What are the responsibilities of members of this body?
- How will Shadow CCGs relate to each other?
- Should each Shadow CCG Board be established as sub-committees of the Cluster, or should the city-wide Shadow Board be established as the sub-committee?

6. Conclusion

This is a really complex challenge. Clinicians, managers, non-executive Directors and patient representatives need to work together and create the environment which ensures the best results for the people of Liverpool.

REPORT TO MERSEYSIDE CLUSTER BOARD

Date:	29th September 2011
Accountable Executive:	Chief Executive
Report title:	Merseyside Cluster Board Terms of Reference
Report prepared by:	Jim Hughes, Director of Commissioning Development
Purpose:	This paper outlines proposed changes to PCT governance arrangements to include the creation of Clinical Commissioning Groups as sub committees of the Merseyside Cluster Board. The report recommends that the Integrated Governance sub-committee further consider and approve the detail of a Scheme of Delegation and Terms of Reference.
Recommendations: <i>The Merseyside Cluster Board is asked to:</i>	<i>Approve The principle and direction for the establishment of governance arrangements to include Clinical Commissioning Groups as sub-Committees of the Merseyside Cluster Board</i> <i>Approve: The integrated Governance Committee at its October 2011 meeting, to consider and approve the detail of the governance arrangements.</i>

The NHS Constitution

All Principles and Rights enshrined within the NHS Constitution will be upheld by the Board.

Merseyside Cluster Objective

Sustaining management capacity	Yes
Ensuring delivery of Quality, Finance, QIPP and Performance	Yes
Development of GP Commissioning Consortia	Yes
Development of commissioning support arrangements	Yes
Supporting the development of Health and Wellbeing Boards	Yes
Assignment and alignment of staff to new health system	Yes
Supporting provider reform	Yes

National Policy, Guidance, Standards or Legislation

- Merseyside Cluster Implementation Guidance (2011) – Gateway Reference: 15520
- NHS (Functions of Strategic Health Authorities and Primary Care Trusts and Administrative Arrangements) (England) Regulations 2001 (SI 2002/2375).
- NHS Primary Care Trust (Membership, Procedure and Administration Arrangements) Regulation 2000 (2000/89);
- Dear Colleague Letter, 24th August 2011 – Note of Clarification Delegation of Commissioning Responsibilities to CCG and Legal Status of Pathfinders. Dame Barbara Hakin – Gateway reference 16529
- NHS Northamptonshire and NHS Milton Keynes

Equality and Diversity and Human Rights

Resource implications
N/A
Risks
N/A

Clinical Commissioning Groups

Clinical Commissioning Groups must have terms of reference that describe their roles as committees of the Merseyside Cluster Board. This document outlines that role and the relationship between the commissioning groups and the Merseyside Cluster Board. The Merseyside Cluster Board has delegated responsibility from the constituent PCTs, NHS Halton and St Helens, NHS Knowsley, Liverpool PCT and NHS Sefton, to form Sub-Committees to discharge relevant functions.

Status

Subject to parliamentary approval emergent Clinical Commissioning Groups (CCGs) will be able to apply to the NHS Commissioning Board (NCB) to be established as a statutory body from April 2011 onwards. Once the NCB has authorised an application the Clinical Commissioning Groups will be established as a statutory body. Until that point CCG do not have any legal status and therefore must be established as sub Committees to enable the exercise of delegated PCT functions.

Constitution

The Clinical Commissioning Groups are developing arrangements during September and October 2011 to establish the organisational form that they wish to take through the authorisation process. This may include Clinical Commissioning Groups forming alliances or federations where a single Board Committee would suffice for that grouping. The list below is the current list of proposed Clinical Commissioning Groups

North Liverpool
Central Liverpool
Matchworks
South Sefton
Southport and Formby
Knowsley
StHealth
United League Commissioning
Halton

The proposed arrangements align the governance arrangements between the Board and the Clinical Commissioning Groups. The Merseyside Cluster Board will have delegated responsibility to oversee the development and progress of the Clinical Commissioning Group and as such, the Clinical Commissioning Groups will report to the Merseyside Cluster Board.

The powers and responsibilities of the CCGs are set out in a Terms of Reference to be considered in detail by the October meeting of the Integrated Governance Committee. These Terms of Reference should be read in conjunction with the Merseyside Clusters Standing Orders and Standing Financial Instructions as approved by the constituent PCTs in September 2011 and any subsequent schemes of delegation approved by the

Merseyside Cluster Board. The main direction and principles for establishing Clinical Commissioning Groups as sub-committees of the Board are set out below.

Authority

The Merseyside Cluster Board is responsible for ensuring that it discharges its statutory duties for the commissioning of health and wellbeing services. The Chief Executive of the Merseyside Cluster is the Accountable Officer for the constituent PCTs in accordance with the Accountable Officer Memorandum for Chief Executives (2002). Together with the Merseyside Cluster Director of Finance the Chief Executive is responsible for ensuring that the PCTs meet their statutory duties for financial management.

Purpose

The Clinical Commissioning Groups have been established to drive forward clinical commissioning and to facilitate the delivery of the policy ambition set out in Liberating the NHS; Legislative Framework and Next Steps.

The Clinical Commissioning Groups will set out arrangements for the effective, efficient and economic discharge of its responsibilities. These arrangements will need to be agreed by the Group and be compatible with the arrangements set out in its Constitution and scheme of delegation.

It is proposed that the Merseyside Cluster Board will hold the Clinical Commissioning Group to account against an agreed set of measures and indicators. The Merseyside Cluster Board remains accountable and where the Board is not assured that the Clinical Commissioning Group is discharging its delegated duties, functions and responsibilities efficiently, effectively and economically, the Board reserves the right to take back to itself any or all such duties, functions and/or responsibilities.

The Merseyside Cluster Board will ensure that the Clinical Commissioning Groups are facilitated to be a success e and authorised according to their proposed timescales.

Accountability

It is proposed that any Clinical Commissioning Group will be accountable to the Merseyside Cluster Board for the range of duties delegated at any given time during the transition towards authorisation. Minutes of the Clinical Commissioning Group must be submitted to the public section of the Merseyside Cluster Board. CCGs will also be required to submit reports to the Joint Audit Committee.

Each Group will operate within the powers delegated to it under Standing Financial Instructions. Until formal establishment as a statutory body by April 2013, all contracts entered into as a result of the Clinical Commissioning Group delegated activity must be signed off by the Chief Executive of the Merseyside Cluster or any other Executive Officer that has been duly authorised by the Cluster Board.

The CCG will be required to develop and submit to the Merseyside Cluster Board a business plan setting out the milestones and deadlines to be achieved in order to deliver the CCG objectives.

Scheme of Delegation

A 'Scheme of Delegation' is the primary document that explains what authority is delegated to individuals or committees and the limit of the authority to act.

The range and scope of duties to be delegated by the PCT Cluster Board to the Clinical Commissioning Groups will be significant. A staged process of handover of clinical commissioning will be required leading to authorisation by the NHS Commissioning Board as Clinical Commissioning Groups. In order to facilitate this, a detailed plan for transition towards authorisation is currently being developed to ensure a transparent, systematic process to plan and assure the delegation of responsibilities to Clinical Commissioning Groups during 2011/12.

The Clinical Commissioning Groups and the Merseyside PCT cluster will work together to fully implement this transition. It is anticipated that Clinical Commissioning Groups will be fully engaged in the 2012/13 Contracting round from October 2011 and will manage the complete range of delegated responsibilities from April 2012 to provide the Groups with significant experience prior to application for authorisation later in 2012.

The Clinical Commissioning Groups will be supported in doing this through the office of the Merseyside PCT cluster Director of Commissioning Development and by the Merseyside Commissioning Support Organisation

Standing Orders and Standing Financial Instructions

The Clinical Commissioning Groups will be required to adopt and operate within the Merseyside Cluster Standing Orders and Standing Financial Instructions.