

BOARD PAPER - NHS ENGLAND

Title: Report of the CCG authorisation committee

Clearance: Lord Victor Adebawale, Chair of the authorisation committee

Rosamond Roughton, National Director: Commissioning Development

Dame Barbara Hakin, Chief Operating Officer

Purpose of Paper:

- To inform the Board of the work of the clinical commissioning group (CCG) authorisation committee.

Key Issues and Recommendations:

- The CCG authorisation committee established 62 CCGs in February and the final 48 in March.
- The CCG authorisation also reviewed the conditions on the 137 CCGs from waves one to three, with conditions remaining.

Actions Required by Board Members:

The Board is asked to note:

- the decisions of the CCG authorisation committee;
- that the committee will meet to oversee the discharge of conditions of CCGs which require their input as required; and
- agree to a review of the ToR to be considered at the next committee meeting for proposal to the Board.

Report of the CCG authorisation committee

Executive summary

This paper contains an update on the Board's committee on clinical commissioning group authorisation ("the committee") and presents the Board with the minutes and decisions of the committee.

Introduction

1. The committee reported to the Board in February that it had established 101 CCGs in the first two waves of authorisation.
2. The committee met again on 15 February 2013, 6 March 2013 and 22 March 2013. It authorised the third and fourth waves of CCGs and then reviewed the conditions that had been imposed on the first three of the waves.

CCG authorisation decisions

3. At the third meeting on 15 February 2013, the committee established 62 CCGs as new statutory organisations. Six of these were fully authorised, meaning they met all of the 119 criteria required by the applicant's guide. The criteria were developed to demonstrate to the NHS CB that the CCG had satisfied all of the requirements of the relevant legislation (namely, the NHS Act 2006 as amended by the Health & Social Care Act 2012 and the National Health Service (Clinical Commissioning Groups) Regulations 2012). 56 CCGs had not met all of the 119 criteria and were duly authorised with conditions; one condition relating to each of the criteria not yet met. Of those with conditions, five CCGs had requirements for higher levels of support in discharging their conditions and the NHS CB issued them with directions. Directions are legally binding instructions, which relate to certain conditions as specified in the direction. The committee also formally appointed, on behalf of the Board, the Accountable Officers (AOs) of each group.
4. These decisions were notified to each CCG on 19 February 2013 and published on the NHS CB website on 21 February 2013. The AOs were also notified on 19 February 2013.
5. ANNEX A includes the minutes of the meeting on 15 February 2013. The complete list of those CCGs fully authorised and with conditions is available on the NHS CB website. This table also lists the conditions, references the 119 criteria, and includes the support the NHS CB will offer to the CCG to assist with discharging the condition, indicated by a level I to VII. The full list of the 119 criteria is also available on the website as part of the "CCG authorisation guide for applicants."

6. At the fourth meeting on 6 March 2013, the committee established a further 48 CCGs as new statutory organisations. Of these, 10 were fully authorised and 38 had conditions. Of those with conditions, seven CCGs had requirements for higher levels of support in discharging their conditions and the NHS CB issued them with directions. The committee also formally appointed the Accountable Officers for each group.
7. These decisions were notified to each CCG on 11 March 2013 and published on the NHS CB website on 14 March 2013. The AOs were also notified on 11 March 2013.
8. ANNEX B includes the minutes of the meeting on 6 March 2013. The complete list of CCGs fully authorised, with conditions, is available on the NHS CB website. Also on the website is the full text of the directions issued to the seven CCGs.
9. The committee met again on 22 March 2013 to review the conditions for wave one to three. 130 CCGs were covered in this review. Of these, 63 CCGs had all conditions removed and were therefore fully authorised. 67 CCGs had some conditions remaining, although most had made progress in removing some of their conditions. Of those with conditions remaining, seven CCGs required directions; one CCG required new directions; but two CCGs that had initially required directions had made progress such that the directions could be lifted.
10. These decisions were notified to each CCG on 26 March 2013 and published on the NHS CB website on 28 March 2013.
11. ANNEX C includes the minutes of the meeting on 22 March 2013. The complete list of CCGs fully authorised, with conditions is available of the NHS CB website. Also on the website is the full text of the directions issued to the relevant CCGs.

Recommendations

12. The Board is asked to note:
 - The Minutes and decisions of the committee of 15 February 2013;
 - The Minutes and decisions of the committee of 6 March 2013;
 - The Minutes and decisions of the committee of 22 March 2013.
 - that the committee will meet to oversee the discharge of conditions of CCGs which require their input as required; and
 - agree to a review of the ToR to be considered at the next committee meeting for proposal to the Board.

Lord Victor Adebawale

Chair of the CCG authorisation committee

Rosamond Roughton
National Director: Commissioning Development

**NHS COMMISSIONING BOARD
CCG AUTHORISATION COMMITTEE**
Minutes of the Wave 3 CCG Authorisation Committee Meeting
15 February 2013 | Maple Street | London

Present:

- Lord Victor Adebowale (VA) - Non-executive Director (Chair)
- Ciarán Devane (CD) - Non-executive Director
- Naguib Kheraj (NK) - Non-executive Director
- Dame Barbara Hakin (BH) - National Director: Commissioning Development
- Paul Baumann (PB) - National Director of Finance

Apologies:

- Professor Sir Bruce Keogh - National Medical Director
- Ian Dalton - Chief Operating Officer
- Jane Cummings - Chief Nursing Officer

In attendance:

- Dr Sarah Pinto-Duschinsky (SPD) - Head of CCG authorisation
- John Bewick (JB) - Director, CCG authorisation
- Keziah Halliday - Head of CCG authorisation governance
- Gerard Hanratty - Partner, Capsticks Solicitors LLP
- Charlotte Harpin - Lawyer, Capsticks Solicitors LLP
- Janet Dawson - Partner, PriceWaterhouseCoopers LLP
- Kathy Nelson - Independent moderator, head of assessment, PriceWaterhouse Coopers LLP
- Meri Leak – Committee Secretary

Item 1 – Welcome

1. Lord Victor Adebowale (VA) opened the meeting and welcomed panel members.

2. VA presented the minutes of the previous meeting to the committee. JB commented that some errors had been noted which needed to be amended. The minutes were agreed as an accurate record of the substantive discussion held. The committee established that a Chair's action could be taken to agree the final minutes after correction.

3. VA asked how comments from CCGs on authorisation are being reflected throughout the NHS CB. BH noted that the authorisation process has been well received by CCGs but that there was value in a more formal evaluation. VA concluded that evidence of CCG engagement from authorisation should be presented to inform future processes.

4. VA asked if there were any matters arising. SPD updated the committee with regards to a matter regarding Coastal West Sussex CCG. The CCG's final report had contained the incorrect number of conditions. Those which should have been removed at regional review stage had not been saved to the system. SPD reported on how the error occurred, what actions were taken to resolve the issue and

provided further detail on the quality assurance (QA) arrangements to ensure this was an isolated issue.

5. SPD concluded that the authorisation team was assured that this error was not an omission in the QA of recommendations, but was a technical problem. Renewed attention will be given to this stage of the process and all efforts will be made to prevent such an error from reoccurring. VA expressed his satisfaction that the matter had been dealt with appropriately and that the CCG had been provided with the correct information swiftly.

6. No other matters were arising.

Item 2 – Overview of wave 3 CCGs

7. SPD presented item two - an overview of the wave 3 CCGs - to the committee.

8. SPD outlined that the quality assurance mechanisms, as presented to the committee's wave one meeting in December, had continued to underpin the authorisation process. In addition to their quality assurance roles, both PwC and Capsticks Solicitors also provided more general support and advice.

9. This committee would be presented with 62 CCGs in this wave. SPD began by presenting a summary of CCG outcomes at desk top review stage. She described how the CCGs in wave 3 continued to show significant variation at desk top review as in earlier waves, with a range of 38% to 77% green criteria (wave 1 equivalent 46% to 82%, wave 2 equivalent 43% to 89%).

10. SPD explained that the number of criteria turned green at desk top review was lower in this wave. The average outcome for a CCG in wave 3 was 59% greens, which is significantly lower than the wave 1 average of 69% and wave 2 average of 65%. The CCGs with the lowest outcomes had significant documents incomplete (for instance their integrated plan or constitution), poorly signposted evidence or significant QIPP or financial risks noted by the assessors.

11. However, wave 3 CCG site visits in general closed down more issues than site visits in wave 2, with an average of 33% reduction in reds from desk top review, compared to 28% reduction for wave 2.

12. NK asked SPD if the CCGs had the same amount of time between desk top review and site visit. SPD replied that all CCGs had had the same amount of time, with the exception of wave 1, who had slightly more time because of the summer period.

13. Following moderation, three CCGs (North Derbyshire, Southern Derbyshire and Erewash) had no remaining red criteria. A further three CCGs only had one remaining red criterion (4% of the wave) and three had only two remaining red criteria. The overall number of CCGs with a low number of red criteria (0-2) at this stage was lower than in previous waves. Twenty nine CCGs had over 10 red criteria remaining (compared to twenty for wave 2) and two of these had over 20, compared to six for wave 2 (Herefordshire with 21 and Bristol with 42).

14. SPD then drew the panel's attention to the key themes identified during the QA process. The majority of themes were consistent with those discussed in previous waves. The following key themes were identified: clear and credible plans, including financial planning, and capacity and capability; commissioning support including in-house arrangements; shared management teams and federated arrangements; quality; assessment of self-certification criteria.

15. SPD described how during development of the applicant's guide, the Operations Directorate worked closely with the authorisation team to develop interim guidance on clear and credible plans. Given the importance of this area, criteria relating to the clear and credible plan were given consistent focus throughout assessment. SPD confirmed that this was a particular area where all site visits had key lines of enquiry (KLOE), to ensure the criteria were thoroughly assessed.

16. SPD explained how, as with previous waves, there was significant variation in the quality and comprehensiveness of CCGs' plans submitted for desk top review and the majority (96%) did not fully meet the clear and credible plan and financial plans criteria (3.1.1B and 3.1.1C) at this stage. In some cases, evidence was also not sufficient to demonstrate that certain CCGs had the capacity and capability to deliver these plans (6.4G), along with their statutory responsibilities (4.3.1C).

17. SPD outlined how legacy financial deficits were more noticeably a challenge for this wave and many plans could not demonstrate that CCGs had sufficient plans and contingency to address these issues. The committee noted that the assessment of plans for authorisation at this stage was ahead of the current planning round.

18. SPD went on to describe how the CCG authorisation process has aligned as far as is possible with the process for assuring commissioning support services. Where a CCG identified significant in-house arrangements, further guidance was made available to assessors.

19. On the theme of shared management and federations SPD explained that wave 3, as with wave 2, had a significant proportion of CCGs which are working collaboratively with neighbouring CCGs. These arrangements were very varied, including shared senior management posts, shared governance arrangements and collaborative commissioning arrangements.

20. On the management of site visits, SPD confirmed that the feedback from the majority of wave 3 site visits was very positive. One CCG had raised concerns with how the site visit was run. The authorisation team immediately investigated and concluded that one break-out session should be re-run in the interests of fairness. This had been noted and discussed at the moderation panel.

21. Presenting the theme of the regional review, SPD explained that, given the size of wave 3, the CCGs were split into two groups. The regional directors of operations and delivery (RODs) and their teams held reviews over four working days following the evidence submission window. They reviewed all CCGs in wave 3 apart from North Derbyshire CCG, Southern Derbyshire CCG and Erewash CCG who had been recommended for full authorisation and as such did not have any conditions to review.

22. CCGs once again engaged well with this additional evidence submission process with significant numbers of red criteria turning green at this point, particularly 1.3B – the appointment of a secondary care doctor and registered nurse (13 CCGs) and 4.2.3 D – CCG has established appropriate systems for safeguarding (13 CCGs).

23. There are still 26 CCGs (42% of the wave) which have a proposed condition relating to the appointment of a secondary care doctor and a nurse. SPD confirmed that she would be looking to see how this should be addressed for the next review. If these roles were not appointed to, the local area teams are to work with the CCG to help fill the post.

24. Concluding her presentation, SPD clarified that the committee would be asked to approve the use of directions. Under the powers held by the NHS CB, directions are being recommended for five CCGs who require more extensive support in the discharge of their functions. These directions relate to how each CCG is to carry out a function. No functions are being removed.

25. SPD reiterated that the NHS CB has the power to vary the terms of a direction at any review point and that it has the obligation to remove a direction as quickly as is deemed safe and possible.

26. SPD then presented the wave 3 case studies.

27. The committee resolved to note the themes and issues for the wave and how the authorisation process had addressed these.

Wave 4 CCG authorisation committee 9 6 March 2013

Item 3: Wave 3 CCG Applications – Decisions on Authorisation

28. SPD presented the 62 CCGs for authorisation to the committee. SPD explained that wave three would be presented in three main groups - CCGs recommended for full authorisation and CCGs recommended for authorisation for conditions. The five CCGs recommended for directions would then be presented individually for consideration.

29. SPD confirmed that subsequent to moderation and review by the Regional Directors of Operations the following CCGs were recommended for full authorisation: Central Manchester CCG; Erewash CCG; Newark and Sherwood CCG; North Derbyshire CCG; North Tyneside CCG, and Southern Derbyshire CCG.

30. The committee approved the full authorisation of these six CCGs

31. SPD then referred to the CCGs recommended for authorisation with conditions. The committee approved the authorisation of 51 CCGs with the conditions and support offers as outlined. The full details of these CCGs will be published on the NHS CB website.

32. SPD referred the committee to the papers concerning the five CCGs being recommended for authorisation with conditions where directions were also being proposed.

33. The committee approved the authorisation of Eastbourne, Hailsham and Seaford CCG with 13 conditions and two directions as proposed.

34. The committee approved the authorisation of Herefordshire CCG with 15 conditions and three directions as proposed.

35. The committee approved the authorisation of Newham CCG with 13 conditions and one direction as proposed.

36. The committee approved the authorisation of Scarborough and Ryedale CCG with eight conditions and two directions as proposed.

37. The committee approved the authorisation of Vale of York CCG with nine conditions and two directions as proposed.

Item 4: Summing up

38. VA thanked SPD and the authorisation team for their hard work and acknowledged the time constraints that they were working under.

Item 5: Any other business

39. The next committee meeting is to take place on 6 March 2013.

**NHS COMMISSIONING BOARD
CCG AUTHORISATION COMMITTEE**

**Minutes of the Wave 4 CCG Authorisation Committee Meeting
6 March 2013 | Maple Street | London
and via VC | Quarry House | Leeds**

Present:

- Lord Victor Adebawale (VA) - Non-executive Director (Chair)
- Ian Dalton - Chief Operating Officer (via VC)
- Ciarán Devane (CD) - Non-executive Director
- Dame Barbara Hakin (BH) - National Director: Commissioning Development
- Paul Baumann (PB) - National Director of Finance (via VC)

Apologies:

- Professor Sir Bruce Keogh - National Medical Director
- Jane Cummings - Chief Nursing Officer
- Naguib Kheraj (NK) - Non-executive Director

In attendance:

- Dr Sarah Pinto-Duschinsky (SPD) - Head of CCG authorisation
- John Bewick (JB) - Director, CCG authorisation
- Keziah Halliday - Head of CCG authorisation governance
- Gerard Hanratty - Partner, Capsticks Solicitors LLP
- Charlotte Harpin - Lawyer, Capsticks Solicitors LLP
- Janet Dawson - Partner, PriceWaterhouseCoopers LLP
- Louise Norton-Smith - CCG authorisation policy lead;
- Kathy Nelson - Independent moderator, head of assessment, PriceWaterhouse Coopers LLP
- Meri Leak – Committee Secretary (via VC)

Item 1 – Welcome

1. Lord Victor Adebawale (VA) opened the meeting and welcomed panel members.
2. VA presented the minutes of the previous meeting to the committee. The minutes were agreed as an accurate record of the discussion held.
3. There were no matters arising.

Item 2 – Overview of wave four CCGs

4. SPD presented item two - an overview of the wave four CCGs - to the committee.
5. SPD outlined that the quality assurance (QA) mechanisms, as presented to the committee's wave one meeting in December 2012, had continued to underpin the authorisation process. In addition to their QA roles, both PriceWaterhouseCoopers (PwC) and Capsticks Solicitors continued to provide more general support and advice.
6. The committee was presented with 48 CCGs in this wave. SPD began by presenting a summary of CCG outcomes at desk top review stage. She described how the CCGs in wave four showed even greater variability in score at desk top review than earlier waves, with a range of between 34% and 87% greens (wave two equivalent 43% and 89% greens, wave three equivalent 38% and 77% greens).
7. Following moderation at desk top review, there were 32 CCGs (70% of the wave) that scored under 60% greens, reflecting a significantly lower score for this wave than previous waves. The equivalent score for the previous waves was 52% in wave 3 (n=33), 25% in wave 2 (n=17) and 14% in wave 1 (n=5). Fifteen of the wave four CCGs scored less than 50% greens and eleven of these remained the lowest performing of the wave following site visit, with between 15 and 49 remaining reds (the average for this wave was 12 reds remaining pre-moderation).
8. SPD described how, in contrast with previous waves, domain 5 (collaborative commissioning) was the highest scoring domain at this stage. Domain 1 (clinical leadership), domain 3 (clear and credible plan) and domain 4 (governance) were the lowest scoring domains in wave four. This could be because the CCGs in this wave have been operating independently from the PCT clusters for a shorter period.
9. SPD continued with a description of the key themes as noted from site visit outcomes. Wave four CCGs had scored in line with wave three at site visit, with an average of 34% red criteria turned green from desk top review (compared to 33% in wave three, 28% for wave two). This reflects that wave four CCGs' desk top submissions were in general less strong but many CCGs appeared better prepared to address the key lines of enquiry at site visit. Domain 3 remained the most challenging domain for CCGs to address fully.
10. A number of CCGs in wave four had green outcomes from desk top review turned to red at site visit because of conflicting evidence. This was reviewed during the QA process, with the moderation panel addressing any outstanding issues.
11. Some CCGs were able to reduce significantly the number of reds at site visit. Those CCGs who had the most substantial change in reds to green were subject to additional QA to ensure the reduction of reds was justified.
12. SPD outlined that three CCGs who had failed the site visit self-certification review still had red ratings on some or all of these criteria at committee stage. The policy is for a site visit panel to fail a CCG on all self-certification criteria if any of

those it had tested were considered to be red. Where there was time available during the site visit, panels had the discretion to test all in detail. This had been the case for Thurrock and East Surrey CCGs. In these cases, some of the relevant criteria had been turned back to green before reaching the moderation panel. In the case of Basildon and Brentwood CCG, the site visit panel did not have the time to consider all self-certification criteria. The committee was satisfied that in these cases, appropriate judgement has been used.

13. Overall, the key themes identified mirror those of previous waves. In terms of quality, some CCGs who received low scores in domains 1 and 4 seem to be over-reliant on their PCTs and their own systems were underdeveloped.

14. SPD confirmed that in general, the site visits had gone well with the only exception being Thurrock CCG who had their site visit paused and rescheduled three weeks later.

15. SPD confirmed that the moderation and conditions panel did not set any new principles but did refer to previously-established principles.

16. Trafford CCG and Liverpool CCG were not considered at the wave four conditions panel; Trafford having been recommended for full authorisation at moderation panel and Liverpool having been deferred to wave four by the wave one committee meeting.

17. On the theme of shared management and collaboration, SPD described how 15 CCGs in this wave have indicated significant collaboration and shared arrangements. Only three of those CCGs (Barking & Dagenham CCG, Havering CCG and Redbridge CCG) have met the definition of a federation, and have formed Outer North East London (ONEL) federation.

18. SPD presented the committee with an overview of the wave four ROD review, identifying the following points:

- RODs continued to exercise their discretion to review conditions where a level III support offer was indicated. Discretionary review was subject to further QA by the authorisation governance team.
- Many wave four CCGs had been successful in removing proposed conditions following the ROD review. The total number of conditions reduced from 630 to 396, a reduction of 234 or 38%. The average number of conditions post-regional review reduced from 13 to 8 (10 to 5 comparative for wave 3).
- This is the first wave where RODs have requested increases to certain support levels set at conditions panel stage. RODs paid particular detail to this as wave four CCGs would not have the opportunity to have their conditions reviewed before 1 April 2013. Conditions level increases were discussed with the Chairs of the moderation and conditions panels and had been deemed justified in each case. The committee endorsed the recommendations.

- Following the ROD review, there are still 11 CCGs (23% of the wave) with a proposed condition relating to 1.3B (appointment of a secondary care doctor and/or registered nurse). SPD explained the recommendation that any CCG that has still to make an appointment for its governing body nurse and/or secondary care clinician have its support level increased to a level IV. No directions would be necessary for CCGs where this does not reflect a wider issue of organisational development as this reflects the provision of support not a direction of functions. The committee endorsed the recommendations where CCGs require more help from their area teams.
- A similar analysis was undertaken on the lay member governing body posts to ensure full legal compliance by 1 April 2013. Only one CCG - South West Lincolnshire – was still affected by a vacancy in this post. The committee endorsed the increase of 6.4G to IV in the case of South West Lincolnshire.
- The committee considered the specific case of Barnsley CCG. Barnsley had provided an updated constitution for ROD review in relation to its red on 4.1C. On review, not only did this new constitution not meet the threshold for 4.1C, it gave significant concerns about the compliance of the CCG's new constitution. As such, the ROD recommended that criteria 4.1A and 4.1B be turned back to red pending a further review by the CCG to ensure compliance with legislation. This is the first time such an action had been proposed. The committee accepted the recommendation and turned Barnsley's criteria 4.1A and 4.1B to red.

19. In summing up the ROD review, VA commented that some CCGs in wave four have made significant progress at this stage.

20. SPD then reminded the committee of the NHS CB's duties in relation to CCGs as set out in section 14A of the NHS Act 2006 (as amended). This includes a duty to ensure CCGs "together cover the whole of England" (14A(2)(a)) and "do not coincide or overlap" (14A(2)(b)). Section 14F of the Act gives the NHS CB the power to vary a CCG's constitution if the CCG consents to the variation or the NHS CB considers it necessary for the purpose of discharging any of its duties under section 14A. SPD explained that the use of this power was being proposed for use for the first time in the case of several wave four CCGs.

21. SPD clarified that under section 14F(1), the Board has the power to "vary the area specified in the constitution of a clinical commissioning group." In light of recent Office of National Statistics (ONS) changes to certain LSOAs in England following the 2011 census, it is now necessary to vary a certain number of CCGs' boundaries to ensure 100% coverage across the country without gaps; and to improve co-terminosity and eliminate disclosure issues relating to 'slivers'. These are very minor changes and have no material impact on CCGs, however the CCGs concerned have been consulted and agree to the changes. BH confirmed that CCGs have a responsibility to look after a registered population associated with CCGs' practice members, plus unregistered patients within a given boundary. The committee resolved to accept this recommendation.

22. Before going on to discuss CCGs requiring directions, SPD explained that the committee would also be asked to use powers under section 14F(2) in this wave.

Section 14F(2) gives the NHS CB the power to vary a CCG's constitution by, among other things, adding or removing any person who is a provider of primary medical services to the list of members specified in the constitution of a CCG. This issue affects Thurrock CCG and Basildon and Brentwood CCG, who will each have one practice assigned to them, who has otherwise declined to join a CCG. The committee resolved to accept this recommendation.

23. Finally, SPD clarified that the committee would be asked to approve the use of directions as it had for previous waves. Under the powers held by the NHS CB, directions are being recommended for seven CCGs who require more extensive support in the discharge of their functions. These directions relate to how each CCG is to carry out a function. In this wave, recommendations include the removal functions from three CCGs and for these to be carried out by either the NHS CB or another CCG.

24. SPD reiterated that the NHS CB has the power to vary the terms of a direction at any review point and that it has the obligation to remove a direction as quickly as is deemed safe and possible. SPD then presented the committee with the case studies of the seven CCGs recommended for directions.

25. The committee noted the themes and issues for wave CCGs and how the authorisation process had addressed these.

Item 3: Wave 4 CCG Applications – Decisions on Authorisation

26. SPD presented the 48 CCGs for authorisation to the committee in three main groups: CCGs recommended for full authorisation, CCGs recommended for authorisation with conditions and CCGs recommended authorisation with conditions and legal directions.

27. SPD confirmed that subsequent to moderation and review by the regional directors of operations and delivery, the following CCGs were recommended for full authorisation: Darlington CCG; North Durham CCG; Guildford and Waverley CCG; North Kirklees CCG; Hardwick CCG; Northern, Eastern and Western Devon CCG; Ipswich and East Suffolk CCG; Trafford CCG; Knowsley CCG and Wigan Borough CCG.

28. The committee approved the full authorisation of these ten CCGs.

29. SPD then referred to the 31 CCGs recommended for authorisation with conditions. The committee approved the authorisation of these CCGs with the conditions and support offers as outlined. The full details of these CCGs will be published on the NHS CB website.

30. Finally, SPD referred the committee to the papers concerning the seven CCGs being recommended for authorisation with conditions where directions were also being proposed.

31. The committee approved the authorisation of Basildon and Brentwood CCG with 57 conditions and five directions as proposed.

32. The committee approved the authorisation of Croydon CCG with seven conditions and two directions as proposed.

33. The committee approved the authorisation of East Surrey CCG with 17 conditions and one direction as proposed.

34. The committee approved the authorisation of Enfield CCG with seven conditions and one direction as proposed.

35. The committee approved the authorisation of High Weald Lewes Havens CCG with 18 conditions and two directions as proposed.

36. The committee approved the authorisation of Thurrock CCG with 37 conditions and four directions as proposed.

37. The committee approved the authorisation of Waltham Forest CCG with 25 conditions and five directions as proposed.

Item 4: Summing up

38. VA thanked SPD and the authorisation team for their hard work and commended an excellent set of papers, produced with clarity. He underlined how this committee session has highlighted some of the larger challenges that are facing the new system and which have been crystallised in this wave. VA confirmed that it will be of on-going importance to the Board to make sure we understand how these issues affect patients and the population.

Item 5: Any other business

39. VA clarified that the purpose of the next meeting (committee review) was to review, discharge or maintain conditions of those CCGs authorised with conditions in waves one to three. This would take place on 22 March 2013 in London.

**NHS COMMISSIONING BOARD
CCG AUTHORISATION COMMITTEE**

**Minutes of the Wave 4 CCG Authorisation Committee Meeting
22 March 2013 | Maple Street | London
and via VC | Quarry House | Leeds**

Present:

- Lord Victor Adebawale (VA) – Non-executive Director (Chair)
- Paul Baumann (PB) – National Director of Finance
- Dame Barbara Hakin (BH) – National Director: Commissioning Development (via telephone)
- Naguib Kheraj (NK) – Non-executive Director
- Sarah Pinto-Duschinsky (SPD) – Head of CCG authorisation

Apologies:

- John Bewick – Director, CCG authorisation
- Jane Cummings – Chief Nursing Officer
- Ian Dalton – Chief Operating Officer
- Professor Sir Bruce Keogh – National Medical Director

In attendance:

- Dan Burke – Director, PriceWaterhouseCoopers LLP
- Janet Dawson – Partner, PriceWaterhouseCoopers LLP
- Keziah Halliday – Head of CCG authorisation governance
- Gerard Hanratty – Partner, Capsticks Solicitors LLP
- Charlotte Harpin – Lawyer, Capsticks Solicitors LLP
- Amy Kozaczek – Assistant Committee Secretary (via VC)
- Kathy Nelson – Head of Assessment, CCG authorisation (PriceWaterhouseCoopers LLP)
- Laura Nicholas – Programme Director, CCG authorisation
- Louise Norton-Smith – CCG authorisation policy lead.

Item 1 – Welcome

1. Lord Victor Adebawale (VA) opened the meeting and welcomed panel members.
2. VA presented the minutes of the previous meeting to the committee. The minutes were agreed as an accurate record of the discussion held.
3. The terms of reference were confirmed in relation to the role of the committee in the on-going process of reviewing and discharging conditions. Committee meetings would move to quarterly from April.

4. There were no other matters arising.

Item 2 – Committee briefing

5. SPD presented item two – an overview of the conditions review process; and PriceWaterhouseCoopers assurance and Capsticks assurance of the authorisation programme.

Conditions review process overview

6. SPD outlined the review process that had taken place prior to the meeting and confirmed that all conditions on CCGs authorised in waves one to three were reviewed. Wave four CCGs were excluded from this review due to the short time period between them getting their results, and this committee review. SPD outlined:

- CCGs had presented considerable evidence, which they had uploaded onto the knowledge management system (KMS), and which was then reviewed by regional and area teams, supported by expert assessors.
- The conditions panel, chaired by Ian Dalton and attended by the four regional Operations and Delivery directors as well as the Director of Financial Control, had met the previous week. This panel had looked at all recommendations. The panel had moderated for consistency across the regions, ensuring no threshold drift, and ensuring that each recommendation is reasonable and proportionate. The panel tested rationale around support levels in order to balance risk, and ensured that this was done in a nationally-consistent way.
- Alignment with the planning process – the finance and operations directorates had worked together to provide a standardised assessment of plans against criteria 3.1.1B, 3.1.1C and 3.1.1D where they were outstanding. This ensured that plans were not assessed for authorisation separately and outcomes aligned with the planning round.
- Proximity to 1 April – given that CCGs take over their full responsibilities on 1 April, there are a number of criteria that affect their ability to fulfil these. For example there are roles for which at least interim appointments have to be in place prior to 1 April 2013. Where these are outstanding the conditions panel considered what support levels would be appropriate.

7. SPD described how the NHS CB is tracking compliance with key criteria that we would expect CCGs to have in place by the 'go live' date, including for example appointment of registered nurse and secondary care doctor roles on the governing body. She explained that there are a number of reasons why individual CCGs may not have made these substantive appointments yet; some CCGs are trying but not succeeding, and other CCGs have been quite late in trying to make appointments. Both roles are very important, and SPD confirmed that area teams are now involved where the substantive arrangements are not yet in place, to ensure that credible interim arrangements have been made.

8. SPD invited the panel to consider the initial tracker for outstanding governing body appointments that the governance team had produced (tabled). This identified where there are interim arrangements in place and where there are still gaps. SPD confirmed that the central team would continue to update this tracker and report to each committee meeting.

PriceWaterhouseCoopers assurance and Capsticks assurance

9. SPD invited the panel to review the assurance papers provided by Capsticks Solicitors and PriceWaterhouseCoopers (PwC).

10. The committee commended both letters and confirmed that it was assured by their contents. The representatives of each company were invited to add further comments. PwC had no other issues to raise. Capsticks added that in reviewing the scheme of delegation, the Board of the NHS CB may consider at its next meeting whether this committee remains an executive committee of the Board and extended its responsibilities in relation to oversight on CCGs.

Item 3: Overview and outcomes of the conditions review

11. SPD introduced item three and outlined that this conditions review had covered 130 CCGs (excluding those fully authorised and those authorised with conditions in wave four). Some CCGs have had significant change in the number of their conditions, for example Bristol CCG, Medway CCG and Dartford, Gravesham and Swanley CCG. Few CCGs have not made any changes.

12. SPD presented the key themes, which were the same as previous meetings. The biggest changes were in planning and in finalising appointments. However, these also remained the most frequent conditions.

13. In the next review, it was to be anticipated that more CCGs will demonstrate compliance in regard to their planning – the timing of this review meant that the final stage of the planning round was not yet complete. Many planning criteria were likely to be fulfilled by 5 April and would be included in the next review.

14. Due to further changes that had occurred around 1.3B, there were now 63 rather than 61 CCGs being recommended for the discharge of all their conditions.

Key points from the conditions review

15. London had least reduction in conditions, mainly as they had several CCGs with very little movement. Midlands and East was also skewed by two CCGs with high numbers of conditions remaining (Herefordshire and Herts Valleys).

16. In regard to directions, SPD confirmed that Newham and Medway were recommended to have their directions revoked. Very significant progress, especially for Medway, had been made.

17. After extensive discussion at the conditions panel, the addition of a direction for Barnet CCG was being recommended due to lack of progress in planning. The CCG has significant work still to do on its understanding of its QIPP plans to address the financial deficit for 2013/14.

18. The biggest reduction in conditions were those with support levels I and II which is in line with expectations. The net reduction in conditions with level III support was lower, as several CCGs had support levels increased from II to III. These increases related to concerns due to the proximity to 1 April go live date.

19. The non-executive directors queried what the Board was doing in relation to CCGs who were not delivering their plans. SPD and BH outlined that regional operations directors had already held discussions with area directors and area operations directors to identify and address any issues. In addition the NHS CB will shortly be publishing an assurance framework which will include a procedure for using the Board's intervention powers. There will also be a CCG development framework so that the Board can have assurance that CCGs are aware of the development they need and can obtain it.

20. Some of the less developed CCGs in challenged health economies will always require help. However, it is important to distinguish between CCGs that are not managing their plans competently and others that are in difficult patches but are working hard to mitigate these risks. The challenge is spotting those that had not encountered challenges yet but will struggle when they do.

21. Other key issues, such as safeguarding and quality (including early warnings systems of failing services and serious untoward incidents), will continue to be carefully tracked by the operations directorate, including the regional teams, with monthly reporting to the Chief Operating Officer and quarterly updates to the committee.

Item 4: Proposed changes to CCG directions

22. SPD presented the proposed changes to CCGs in three main groups:

- proposed for full authorisation;
- conditions remaining following review; and
- conditions remaining following review with directions to change or remain.

Group 1 – full authorisation

23. Bury CCG and Hartlepool and Stockton on Tees CCG were moved into this group following confirmation that both nurse and secondary care doctor roles on the governing body had been appointed and were in post. Group one therefore totalled 63 CCGs being recommended for full authorisation through removal of conditions.

24. The committee approved the removal of all conditions on the CCGs in this group meaning the CCGs, as detailed at Annex A, are now fully authorised.

Group 2 – authorised with conditions

25. Excluding the two that were moved to group one, there were 58 CCGs in this group. The latest position on 1.3B meant that criterion could be turned green for Bristol, Camden, Eastbourne, Hailsham and Seaford, Hambleton, Richmondshire and Whitby, Hastings and Rother, Leeds South and East, Leeds West and South Gloucestershire CCGs. The committee approved these changes.

26. Camden, North Norfolk, Solihull and Sutton CCGs are now being recommended for monthly review by RODs, because of concerns over progress made addressing conditions relating to planning, finances, quality or safeguarding. The committee agreed that directions would be disproportionate at this time but upheld the recommendation for monthly review to monitor progress and support levels. In addition, any CCG with a condition relating to outstanding appointments (1.3B, 6.4B or 6.4F); quality (4.2.1E and 4.2.1F); or safeguarding (4.2.3D and 5.3B) would have that condition reviewed monthly.

27. The committee agreed all conditions removed, remaining or amended as detailed at Annex A.

Group 3 – authorised with conditions, and directions revoked or required

28. Nine CCGs, including eight with directions from authorisation and one where a direction is being added, are included in this group.

29. Barnet CCG has increased support levels proposed in relation to planning, QIPP and senior management capacity and capability. Four conditions move to a level four support, and directions are proposed in relation to these. The conditions panel was assured that the CCG has been in regular discussion with the regional team throughout the planning round.

30. In two CCGs, Newham CCG and Medway CCG, sufficient progress had been made to recommend that the directions be revoked; although some conditions remain still to be fulfilled, lower levels of support are required for the CCGs to complete these.

31. In addition, progress had been made by NHS Eastbourne, Hailsham and Seaford CCG in relation to capacity and capability (relating to risk-management). As

a result the relevant condition can be removed and a variation to the direction made at authorisation is recommended to revoke the relevant part.

32. The other five CCGs had demonstrated some progress, but need to make further progress before any of the relevant conditions can be lifted. It is proposed that the support levels largely remain the same and that the directions are still required.

33. The committee approved the proposals in relation to these CCGs:

- To remove the directions from Newham CCG and Medway CCG;
- To amend the directions to Eastbourne, Hailsham and Seaford CCG;
- To give directions to Barnet CCG; and
- To make no change to the directions given to the other CCGs at authorisation, although some conditions were removed, as detailed in the annex.

Item 5: Evaluation reports for information

34. SPD presented the committee with a report from Ipsos MORI on the 360 stakeholder survey. This was an aggregate of the individual reports produced for each CCG and a summary of the methodology. In discussion, the following points were made:

- The surveys were conducted prior to the CCG's application for establishment and were largely about the CCG's emerging relationships. In this regard it was very positive to see the high numbers of local authorities and trusts who responded.
- Many CCGs have fed back that they found their survey report very helpful in developing their relationships with stakeholders.
- The report raises wider issues about the engagement of the public in commissioning – commissioners have historically been less visible to patients and the public, but this is changing and it is important that the public feel that they are heard, and that patients and customers understand changes that are going to affect them.

35. SPD then presented the evaluation report from PwC, which formed the part of their contract to review and evaluate the programme as a whole.

36. Dan Burke (PwC) outlined that the first, interim, report produced at the end of the first wave had influenced waves two, three and four. Broadly speaking, the report concluded that the key design principles (division into waves, evidence funnel) had worked. The report was also useful in terms of what the Board might consider as core principles for the assurance programme including organisational health and what are the really good CCGs are doing.

37. The committee was particularly interested in what the Board can learn in terms of CCG development and the learning for the Board going forward. PwC will provide a findings summary to draw out the key points.

38. The executive members would consider how the whole Board would wish to see and discuss the two evaluation reports; possibly for a synthesis to be presented to a development session.

Item 6: Summing up

40. VA thanked SPD and the authorisation team for their hard work and commended the efficiency and effectiveness of the staff and the clarity of the papers. VA remarked that this was the end of a stage but also the beginning of new - and just as challenging - stage which is the development of CCGs, as well monitoring this with conditions.

39. SPD confirmed that 211 CCGs had all been authorised, all received letters, all letters acknowledged, and that the authorisation programme was complete. The further reviews of remaining conditions would be led by the operations teams in the regions.

40. It was noted that the assurance framework would be the successor to the authorisation programme and would cover key areas of quality, linking into the Board's formal response to the Francis report.

Item 7 – Any other business

41. The next meeting of the committee would be 16 July 2013 for review of those CCGs with conditions still remaining.