

BOARD PAPER - NHS ENGLAND

Title: Commissioning Support Committee

Clearance:

Dame Moira Gibb, Chair of the Commissioning Support Committee

Rosamond Roughton, National Director: Commissioning Development

Purpose of paper:

- To provide an update on discussions and actions at the September Commissioning Support Committee

Key issues and recommendations:

The committee has:

- overseen the assurance process for Commissioning Support Units (CSUs) over the period from December 2012 to June 2013, and continues to keep oversight of their performance through a balanced scorecard;
- guided the development of the strategy for the development of the market for commissioning support, published on 12 June, to ensure that all commissioners get access to high quality, affordable support; and
- continues to shape the development of the second phase of this strategy, to enable the Board to meet the mandate requirement that hosting of CSUs by NHS England ends in 2016.

Actions required by Board Members:

- The Board is asked to note the outcome of discussions and next steps from the September Commissioning Support Committee.

Commissioning Support Committee

Context

1. The commissioning support committee has two key responsibilities:
 - a. To oversee **assurance** of Commissioning Support Units (CSUs), ensuring that:
 - all aspects of employment, finance, legal and corporate functions are properly delegated;
 - they are fit for purpose to deliver high quality services; and
 - they are fit for purpose to make the transition to stand alone.
 - b. oversee **development** of CSUs, ensuring that:
 - they continuously improve in their ability to deliver high quality, cost effective services; and
 - they develop independence in line with the board's market strategy for all commissioning support services and its externalisation strategy for NHS CSUs.
2. The Committee has full delegated authority from the Board to decide how CSUs are governed, developed and assured during their transition to full independence.

Summary of September discussions

3. The Committee has met five times up to the end of September 2013. A high-level summary of key decisions made at the September meeting is enclosed below:
 - There was a discussion about NHS England's strategy for creating autonomous CSUs by April 2016 following a Board Development session earlier in September where the topic was discussed in detail. More work is being done to explore further options and to refine the shortlist before consulting on these for three months from December 2013. Members noted the interdependencies between CSU autonomy and the development of the Lead Provider Framework Agreement where CSUs would need to compete with other suppliers to demonstrate they can provide high quality and efficient services in order to be accredited. Committee members requested that NHS England undertakes a high level market analysis which considers the potential shape of the market over the next 3-5 years and how the decisions being currently being taken will impact on its development.
 - Committee members were provided with a summary of the latest performance information across the CSUs and key financial headlines, including the consistently positive news that 15 CSUs had won new business to the value of over £17m since June 2013. Members also noted the positive move by many CSUs to begin to work together more proactively to explore potential partnership arrangements to enrich their offer to customers and drive efficiencies. Members supported the actions being undertaken within NHS Anglia and NHS Central Eastern to manage the operational risks in the units.
 - Committee members supported the ongoing transition in Surrey and Sussex where services are being transferred to alternative CSUs following the

decision by CCGs in the area to choose different suppliers of support. A HR consultation period has now ended and final redundancy numbers are expected to be known by mid-October.

- There was a discussion around the need to support CSUs to rightsize their organisations in order to meet the ongoing financial pressures in the system and the inevitable need for CCGs to find savings and efficiencies from their contracts with support suppliers. Members agreed that in order for CSUs to remain competitive in a future market, it is important that NHS England supports their development and rightsizing in order to mitigate potential financial risks in future. Members supported the work to assess the scale of rightsizing and to identify options for sourcing the funding. Members also asked for some basic benchmarking to be carried out by the end of November 2013 against CSU financial plans.
- Members supported the approach proposed by the CSU Transition Team to intervene to prevent CSU failure and where necessary to manage the consequences of failure, including an administration process to take stock, stabilise the situation and set out a transition process.

Actions required by Board Members:

4. The Board is asked to note the outcome of discussions and next steps from the September Commissioning Support Committee.

Rosamond Roughton
Interim National Director: Commissioning Development
October 2013