NHSCBA/02/2012/7

NHS COMMISSIONING BOARD AUTHORITY

Title: AUTHORISATION OF CLINICAL COMMISSIONING GROUPS

Clearance: Barbara Hakin, National Managing Director of Commissioning Development

Purpose of Paper:

- To inform the board of the proposed arrangements for the authorisation of Clinical Commissioning Groups and to seek formal adoption of *Developing Clinical Commissioning Groups: Towards Authorisation* as the basis for future work.
- To seek approval for the basis on which the NHS Commissioning Board Authority (NHS CBA) will publish further draft guidance on authorisation in March 2012 with the final guidance and regulations being published by July 2012.
- It is important to note that elements of this paper are subject to passage of the Health and Social Care Bill.

Actions Required by Board Members:

The Board is asked to:

1. Note the progress thus far on authorisation of Clinical Commissioning Groups and formally adopt *Developing Clinical Commissioning Groups: Towards Authorisation*.
2. Agree the future work plan as outlined.
3. Note the key risks identified and our proposed actions to manage these risks.

AUTHORISATION OF CLINICAL COMMISSIONING GROUPS

Context

4. Subject to the passage of the Health and Social Care Bill the new system of clinical commissioning goes fully live on 1 April 2013 when the Primary Care Trusts, which presently commission services for local people, are abolished. The vast majority of the national commissioning budget overseen by the NHS CB will be discharged through Clinical Commissioning Groups (CCGs). The purpose of CCG Authorisation is to assure the Board that CCGs are capable of taking on that challenge.

5. A key part of the legislative programme to liberate local clinicians to take ownership of commissioning has been to let CCGs decide, within parameters, what configuration best suits local circumstances. At present, it is estimated there will be approximately 220 CCGs nationally to be assessed by the Board in readiness for April 2013. This is one of the most significant and complex changes the NHS has experienced with the potential to transform the quality of services and the outcomes patients and communities experience.

Approach

6. CCG Authorisation represents a significant challenge in terms of scale and pace. The approach to CCG Authorisation has been firmly based around co-production. During 2011 pathfinder CCGs, national primary care organisations and other stakeholders developed initial thinking on the content and process of authorisation, which was summarised in *Developing Clinical Commissioning Groups: Towards Authorisation* (published 30th September 2011, attached).

7. Recognising that CCGs have not previously existed, the approach to authorisation needs to accept that they are unlikely to have a significant track record of delivery to assess and it cannot be known at this stage what the full potential of these new clinically led organisations is. Reflecting this position authorisation is designed within some key parameters:

    - authorisation is a threshold on a journey of continuous improvement, not and end point;

    - authorisation is an assessment of confidence in the potential of CCGs to deliver, whilst also drawing on any track record to date as delegated sub-committees of PCTs; and

- authorisation should be designed at a scale and pace that assumes all CCGs are ready and willing to apply in the timescale to go live in April 2013.

8. Clinicians are already demonstrating the clinical added value they bring to commissioning which, systematically harnessed, is the defining improvement to the local commissioning system. Authorisation should recognise and promote these qualities.

Authorisation Content

9. Authorisation content remains focused on the six domains described in *Developing Clinical Commissioning Groups: Towards Authorisation.* These have enjoyed significant support, including in emerging CCGs, as a clear framework that is easily understood. These are:

    - a strong clinical and multi-professional focus that brings real added value;

    - meaningful engagement with patients caters and communities;

    - clear and credible plans;

    - proper constitutional and governance arrangements with the capacity and capability to deliver;

    - collaborative arrangements for commissioning with other CCGs and Local Government; and

    - great leaders who individually and collectively make a difference.

10. Each domain is currently being refined by expert policy leads, CCGs and lead owners in the NHSCB to propose the specific criteria, thresholds and the evidence that will be required for authorisation. This will inform the draft guidance to be issued in March 2012.

11. Authorisation will consider both the effectiveness and the sustainability of the organisation.

Authorisation Process

12. It is anticipated that the authorisation process will comprise two phases – SHA-led pre-assessment prior to the establishment of the Board and formal assessment by the NHS CB after an application to the NHS CB (subject to the passage of the Health and Social Care Bill).

13. It is proposed that pre-assessment will invite CCGs to participate in a sequential set of development checklists, including configuration, governance, leadership, commissioning support, planning and core infrastructure with accompanying support and guidance from SHA and PCT Clusters. This approach will contribute to the CCGs being able to phase and manage the authorisation process and the NHSCB being able to rely on a significant body of assured work being available when formal authorisation commences.

14. The formal assessment by the NHSCB is to demonstrate readiness for authorisation and is designed to be both rigorous and lean, using a mix of demonstrated delivery, existing documentation, 360° stakeholder survey and site visit by the NHSCB.

15. Work is also ongoing to refine the outcomes of authorisation and the risks and mitigations the Board will wish to consider in each of the scenarios below:

- authorised without conditions;
- authorised with conditions; and
- established but not authorised.

16. A detailed and costed programme to undertake the necessary analysis, panel site visits and collation of the evidence for consideration by the Board has been completed. It is envisaged that given the scale and intense nature of the authorisation process, some external support will be required in relation to analysis and leadership assessment to avoid destabilising the present system's responsibilities for delivery.

Timeline

17. The proposed timeline for authorisation is based around four tranches of applications from CCGs seeking authorisation:

- draft authorisation guidance – March 2012;
- final guidance and regulations – June/July 2012;
- first tranche of CCG applications – July 2012 with decisions by October 2012; and
- final tranche of CCG applications - October 2012 with decisions by January 2013.

Risks and mitigating actions

18. Over the next twelve months the CCG authorisation process will require a substantial and skilled resource for relatively short periods of time. It will be important to ensure that the necessary resource can be secured from the NHS during the transition with appropriate external support where necessary.

19. The full range of development support, both from the NHS and external providers, needs to be secured.

Action

The Board is asked to:

20. note the progress thus far on authorisation of Clinical Commissioning Groups and formally adopt *Developing Clinical Commissioning Groups: Towards Authorisation*;

21. agree the future work plan as outlined; and

22. note the key risks identified and our proposed actions to manage these risks.

Dame Barbara Hakin
National Managing Director for Commissioning Development
January 2012