

NHS COMMISSIONING BOARD AUTHORITY

Minutes of the Board meeting held in public on 13 April 2012

Present: Professor Malcolm Grant
Sir David Nicholson, Chief Executive
Mr Ed Smith, Non-Executive Director
Mr Ciaran Devane, Non-Executive Director
Mr Paul Taylor, Interim Director of Finance
Ms Jane Cummings, Chief Nursing Officer

In attendance: Mr Bill McCarthy, National Director, Policy, Partnership
and Corporate Development
Ms Jo-Anne Wass, Chief of Staff
Dame Barbara Hakin, National Director, Commissioning
Development
Mr Ian Dalton, Chief Operating Officer

Apologies: Sir Bruce Keogh, Medical Director

MINUTES OF MEETING

1. The Chair opened the meeting by welcoming Jane Cummings, Chief Nursing Officer, and Ian Dalton, Chief Operating Officer, to their first Board meeting.
2. The public were reminded that this was not a public meeting, so questions from the public would not be taken.
3. The minutes of the previous meeting were signed-off.

Matters Arising

4. There were no matters arising.

Item 2 – CCG authorisation: draft applicants' guide

5. Board members were asked to approve the draft guide – "*Clinical commissioning group authorisation: Draft guide for applicants*". The guide would remain in draft form until the NHS Commissioning Board (NHS CB) came into being on 1 October 2012. The intention was to circulate the draft guide to clinical commissioning groups (CCGs) so that CCGs had an understanding of what was required of them as part of the authorisation process.

6. The document had been produced collaboratively with a wide range of colleagues, and it had been well received.
7. The Board resolved to approve the guide, while retaining the latitude for editorial changes.
8. The Board passed on its thanks to all the people who helped to produce the document.
9. Within the next few weeks, all CCGs would be clear about their configuration and constituent practices. The NHS CBA resolved that CCG configurations needed to be identified to meet the authorisation timetable. Board members requested a list of all the potential CCGs across England, their geographical areas and constituent practices, and an indication of the timetable for their authorisation.

Action: National Director of Commissioning Development to produce a paper for the next Board meeting setting out a list of all the potential CCGs across England, their geographical areas and constituent practices, and an indication of the timetable for their authorisation.

10. Board members wanted reassurance that the Authorisation process was rigorous and fair, and had received the right amount of oversight. They also wanted more detail on how the authorisation process would be run.

Action: The National Director of Commissioning Development to review the process, especially with regard to external scrutiny, and provide further assurance on this issue.

11. Board members were keen that CCGs understood the obligations placed upon them to work collaboratively, with the right levels of engagement and interaction across the various organisations. Board members were reassured that collaborative work was on-going between CCGs, the current Strategic Health Authorities and the primary care trust clusters, and the NHS CBA. The NHS CBA was also working with a group of CCG leaders to create a commissioning assembly, so that organisations could work together on a range of issues.
12. Work was also being done to ensure that organisations were more connected to patients and the public, given that the building blocks of CCGs were practices. There was a broad range of people assessing CCGs, including clinical leaders. A tender had also been let to undertake a 360-degree review of CCGs.

Item 3 – Recruitment strategy

13. This paper outlined the significant recruitment and organisational development challenge facing the NHS CB and summarised the progress that had been made to-date. It set out the broad timetable for transfers and

recruitment over the coming year and described the preparatory work that was currently taking place. It identified challenges to delivery and the steps that were being taken to address these challenges.

14. The plan only covered recruitment in the NHS CB, and not CCGs and other organisations.
15. Board members recognised the scale of the challenge and tight timeframe to complete the work, with just under a year to fill approximately 3,500 jobs within the NHS CB.
16. The Board was informed that the People Transition Policy (PTP) was the framework that had been used for recruiting people to the NHS CB. One of the key principles of the PTP was that staff affected by change and staff at risk would be considered for posts, prior to any job going to open advert.
17. As other organisations were being established, the timetable would be aligned across the system, so that staff could see all available job opportunities. However, the NHS CB was slightly ahead in planning terms. The aim was for the NHS CB to be finished its recruitment by the end of December. Reviews on the recruitment process would be carried out at the end of June and in October.
18. It was agreed at the first meeting of the Board that the PTP would be reviewed. However, the PTP seemed to have worked well and the Trade unions are content with it, so it would be “refreshed” rather than re-written. A request was made for the Board to delegate responsibility for the refresh of the PTP to the NHS CBA’s Chief Executive.
19. Board members wanted reassurance that the induction process would not be affected throughout this period of change. This point was accepted but it was felt that as more people were recruited, work burdens would reduce and attention could be given to the induction process. In addition, the organisation was still relatively small, so there would be sufficient senior managers to provide context for staff. Work would also be done on induction as part of the organisation development strategy. Board members felt that the work on the organisation development strategy needed to be progressed and they asked for early sight of the strategy.

Action: Chief of Staff to prepare a paper for the Board on the Organisation Development Strategy.

20. The Board resolved:

- to note progress to date and the work currently being undertaken to finalise the recruitment strategy;
- to endorse the proposed timetable for recruitment;
- to note the risks associated with the recruitment plan and the mitigating actions and;

- delegate authority for approval of the revised People Transition Policy to the Chief Executive.

Item 4 – NHS Commissioning Board Development and Implementation Programme Update

21. This paper provided the Board with an update on delivery of the NHS CB Development and Implementation Programme, covering the period up to 31 March 2012. The report highlighted the main activities during this period and the key programme challenges.
22. The Board resolved to note the current progress and the risks in the NHS CB programme update report.

Item 5 – An integrated finance and accounting system for the NHS Commissioning Board and the Clinical Commissioning Groups

23. This paper updated the Board on progress to secure an integrated finance and accounting system for the NHS CB and CCGs. The Board was asked to:
- note the paper and the actions taken under delegated powers by the Chief Executive and Interim Director of Finance;
 - confirm that the use of the integrated finance and accountancy system will be a condition of authorisation for all CCGs;
 - confirm that the cost of providing the integrated finance and accountancy system will be retained by the NHS CB and not passed onto CCGs for the life-time of the contract; and
 - note that the NHS CBA's Chief Executive and Interim Director of Finance signed the contract on the basis of delegated authority.
24. The Chair confirmed that approval to proceed with the contract had been given by the Board in a private meeting, and the contract had been signed. The reason for discussing this issue in private was due to the "Commercial in Confidence" nature of the documents.
25. Board members were asked to note that the system did not encompass contract management, this was a shortcoming for a commissioning organisation. It was suggested that the Board should set the ambition that a new system, which combined contract management with finance and accounting, should be in place from April 2016.
26. Board members were keen for work to be carried out on the utility of using this system for CCG benchmarking. However, more work was required to understand the confidentiality issues surrounding the use of patient data. The Board was informed that commissioning support services would be instrumental in the implementation of the system, and would be doing so

as agents of CCGs. Client confidentiality would have to be maintained in any benchmarking. However, it may be possible to work with CCGs to get their broad agreement around accessing some form of aggregated data.

27. Board members were informed that SBS was engaged on the implementation plan. There was a risk around implementation but colleagues were confident that SBS was geared up to deliver. The NHS would also have to invest appropriately in the implementation in order for the project to be successful.

28. The Board resolved to:

- note the paper and the actions taken under delegated powers by the Chief Executive and Interim Director of Finance;
- confirm that the use of the integrated finance and accountancy system will be a condition of authorisation for all CCGs; and
- confirm that the cost of providing the integrated finance and accountancy system will be retained by the NHS CB and not passed onto CCGs for the lifetime of the contract.

Item 6 – Emergency Preparedness Resilience and Response model and implications for the NHS Commissioning Board Authority

29. This paper provided the Board with information on a new health Emergency Preparedness Resilience and Response (EPRR) model for England and the proposed next steps to implement the model across the NHS. A key role of the NHS CB was to ensure that the NHS in England was properly able to deal with potential threats to its operation and to take command of the NHS during emergency situations, where this was necessary. The delivery of the EPRR model must be in place by 31 March 2013.

30. The Board was asked to note the content of this paper and agree next steps to enable the NHS CBA to start the implementation phase for EPRR for the NHS.

31. Board members were keen to understand how the planning worked in practice, and they wanted to be reassured that thorough testing would be carried out to ensure the mechanisms put in place would work properly.

32. The Board agreed that, given the importance of this work, this issue should come back to a future meeting. In addition, the risks should be assessed and added to the current risks shown on the NHS CB work programme.

Action: ensure this workstream was acknowledged on the risk register.

33. The Board resolved:

- to note the paper; and
- to agree next steps to enable the NHS CBA to start the implementation phase for EPRR for the NHS.

Item 7 – Governance issues – Finance and Procurement Controls sub-committee

34. This paper updated the Board on progress to establish a Finance and Procurement Controls Committee to support the NHS CBA procurement efficiency control responsibilities. The Department of Health (DH) agreed to allow NHS CBA the opportunity of managing Efficiency and Reform Group (ERG) controls, subject to setting up the appropriate governance arrangements, as a sub-committee of their main Boards. A Finance and Procurement Controls sub-committee had been identified as a suitable vehicle by the NHS CBA for the purposes of carrying out these responsibilities, but it required formal approval of the Board to establish it, and an amendment to Ways of Working (including Standing Orders).

35. The Board resolved to approve:

- the establishment of the Finance and Procurement Controls sub-committee and the Terms of Reference; and
- the amendment to Ways of Working (including Standing Orders) to take account of this new sub-committee.

36. Board members were informed that an urgent request to proceed to procurement was received from the Commissioning Development Directorate early in March 2012 requesting the NHS CBA to proceed with the procurement of external professional support for the assessment of CCGs through their authorisation stage.

37. This request fell within the terms of the Government's efficiency controls, so it needed the approval of the Finance and Procurement Controls sub-committee before it could proceed. However, the timetable for CCG authorisation was so tight that a Chair's urgent action was requested under the powers given to him in Para 3.1 of Ways of Working (including Standing Orders). The Chair gave approval on 19 March 2012. The terms of this approval remain commercial in confidence until the NHS tender is let because the budget value might prejudice the NHS CBA's negotiating position with suppliers.

38. The Board resolved to note the use of Chairman's Action regarding the procurement of external support for the CCG authorisation process.

Item 8 – Any other business

39. The date of the next meeting is 31 May 2012.