

## **NHS COMMISSIONING BOARD AUTHORITY**

### **Minutes of the Board Meeting Held in Public on 31 May 2012**

**Present** Mr Ed Smith – Non-Executive Director (deputising for the Chair)  
Sir David Nicholson – Chief Executive  
Mr Ciaran Devane – Non-Executive Director  
Mr Paul Baumann – National Director of Finance  
Mrs Jane Cummings – Chief Nursing Officer  
Sir Bruce Keogh – Medical Director  
Mr Ian Dalton – Chief Operating Officer & Deputy Chief Executive  
Mr Jim Easton – National Director of Transformation  
Dame Barbara Hakin – National Director of Commissioning Development  
Mr Bill McCarthy – National Director of Policy, Partnership and Corporate Development  
Ms Jo-Anne Wass – National Director of Human Resources and Chief of Staff

**Apologies:** Mrs Ailsa Claire – Acting National Director Patient Insight  
Professor Malcolm Grant - Chair

### **MINUTES OF MEETING – 31 MAY 2012**

#### **Welcome**

1. Mr Ed Smith deputised as Chair for this meeting on behalf of Professor Malcolm Grant, who had given apologies. Apologies were also received from Mrs Ailsa Claire, Acting National Director Patient Insight.
2. Board members welcomed colleagues from the National Patient Safety Agency (NPSA), who had transferred into the NHS Commissioning Board Authority (NHS CBA) on 1 June.

#### **Item 1 – Minutes of previous meeting – (13 April 2012)**

3. The minutes of the previous meeting were agreed by all board members.

#### **Matters arising**

4. Board members were informed that a paper on the organisation development strategy would be brought to the board meeting in September.

**Action: Jo-Anne Wass to prepare a paper on the Organisation Development Strategy for the September board meeting.**

#### **Item 2 – NHS Commissioning Board programme update**

5. This paper provided board members with an update on delivery of the NHS Commissioning Board's (NHS CB's) development and implementation

programme. Significant progress had been made on the work programme. The main points were:

- the mandate had been discussed at an accountability meeting between the NHS CBA Chair, Chief Executive and the Secretary of State for the Department of Health. The minutes of the meeting would be published on the NHS CBA website;
  - progress was being made on developing partnership arrangements with organisations such as NICE and Monitor, to ensure a common understanding of roles and responsibilities. However, more focus was required on Public Health England;
  - further work was required on the implementation of emergency planning and preparedness;
  - the recruitment of the executive team had been completed and recruitment was underway for the senior management tier; and
  - work had been done on the organisation development strategy and the strategy would continue to be developed with the input of senior colleagues.
6. The board was asked to note progress on delivery of the programme, recognise the challenges ahead and accept that delivery carried a degree of risk.
7. The board resolved to:
- note progress and the considerable efforts that had been made to deliver the development and implementation work programme; and
  - recognise there was still a considerable amount of work to deliver within the timescales.

### **Item 3 - Update on the end state running cost position of the NHS Commissioning Board 2013/14 and 2014/15**

8. This paper presented the current position on the running cost estimates for the NHS CB in 2013/14 and 2014/15.
9. Board members agreed that the definition of running costs needed to be finalised.
10. It was acknowledged that although there was some flexibility within the discretionary budget, the organisation had to live within its assigned budget, and the contingency fund should only be used as a last resort.

11. It was agreed that any new work would only be absorbed into the NHS CB if it could be aligned with the organisation's core purpose, and was supported by appropriate resources.
12. Board members were asked to note progress on the end state running cost position of the NHS CB 2013/14 and 2014/15.
13. The board resolved to:
  - endorse the proposed changes to the initial budgets;
  - delegate to the National Director of Finance any deployment of the agreed contingency and the management of a process to allocate discretionary non-pay costs;
  - note that the granularity and stability in the running cost estimates is starting to bed down;
  - recognise that care must be taken when considering taking on additional responsibilities; and
  - welcome the disposition of costs towards local areas rather than the centre.

#### **Item 4 – Design of the Operations Directorate**

14. This paper updated board members on the progress made on the operating model and the shape of the Operations Directorate.
15. The NHS CB would be a national organisation with local reach. There would be multi-disciplinary teams at regional and local area levels. There would be single conversations on finance, clinical outcomes and quality as a consequence of matrix working.
16. There had been a significant reduction in the expected number of clinical commissioning groups (CCGs). To support these changes a different structure was being recommended to the board and to support strong relationships between local area teams and CCGs. The proposal was that there be 27 local area teams with 24 outside of London and three in the capital.
17. The new structure would provide interesting job opportunities for staff.
18. Conversations on the new structure had also taken place with the Trade Unions and Partners.

19. The board:

- welcomed the debate on the design of the NHS Operations Directorate; and
- commended the progress made to date.

**Item 5 – Emerging Clinical Commissioning Group configuration: names, geography and constituent members**

20. This paper set out the configuration of emerging CCGs across England ready for authorisation, and identified the indicative allowance for the running costs of CCGs in 2013/14.
21. Two hundred and twelve CCGs were going forward to authorisation with or without conditions. While acknowledging that there were fewer CCGs than originally expected, GP practices had worked collaboratively over the last 12 months to get to this stage.
22. All prospective CCGs had NHS names and a geographical identity. They were based on the membership of their constituent practices and they would be responsible for the registered and unregistered population, and the provision of emergency care.
23. Board members were also asked to note that a contract had recently been awarded to Price Waterhouse Coopers to support the authorisation process.
24. The board was also informed that there would be an assessment process and an authorisation process for Commissioning Support Services (CSSs). Good progress had been made with 23 organisations moving forward to checkpoint three.
25. It was confirmed that the NHS CB would be hosting CSSs, but that the hosting arrangements would be done at “arm’s length”. A proposal would be brought to the next board meeting on the programme arrangements for hosting CSSs.

**Action: Barbara Hakin to draft a proposal on the programme arrangements for hosting CSSs.**

26. The board resolved:

- to note progress on CCG authorisation;
- to support the planning systems in place for authorisation; and
- to congratulate the whole system on the hard work undertaken to reach this stage.

**Item 6 – Any other business**

27. There was no other business. The next board meeting would be held on 19 July in Quarry House, Leeds.