

NHSCBA/19/07/12/05

**BOARD PAPER - NHS COMMISSIONING BOARD AUTHORITY (NHS CBA)**

**Title:** Progress on Partnership Arrangements

**Clearance:** Bill McCarthy, National Director: Policy

**Purpose of Paper:**

- to assure the board that appropriate actions are being taken to ensure that partnership agreements are in place which set out the way the NHS Commissioning Board (NHS CB) will co-operate and collaborate with external partners to deliver its statutory functions, consistent with its organisational objectives.

**Key Issues and Recommendations:**

The paper sets out:

Why the NHS CB needs a strategic approach to partnerships.

Who the NHS CB's key partners are.

The principles that should underpin the Board's approach to partnerships.

The products of partnership working.

How partnerships should be managed across the NHS CB.

How the "health of partnerships" should be monitored.

**Actions Required by Board Members:**

- the board is requested to **receive assurance** that good progress has been made with the development of a strategic approach to the NHS CB's partnerships and that the corporate objectives and critical success factors relating to partnership working will be achieved.

## **Progress on Partnership Arrangements**

### **Introduction**

1. This paper provides an update for the board on the actions being taken to develop a partnership strategy for the NHS Commissioning Board (NHS CB).
2. The paper sets out:
  - why the NHS CB needs a strategic approach to partnerships;
  - who the NHS CB's key partners are;
  - the principles that should underpin the board's approach to partnerships;
  - the products of partnership working;
  - how partnerships should be managed across the NHS CB; and
  - how the "health of partnerships" should be monitored.
3. It seeks to provide assurance that appropriate actions are being taken to achieve the corporate objectives and critical success factors relating to partnership working.

### **NHS CBA objectives**

4. The Department of Health (DH) will hold the NHS Commissioning Board Authority (NHS CBA) to account for its performance against four strategic objectives, relating to:
  - transferring power to local organisations;
  - establishing the commissioning landscape;
  - developing specific commissioning and financial management capabilities; and
  - developing excellent relationships.
5. The overall aim of the NHS CBA is to prepare for the successful establishment and operation of the NHS CB and the new commissioning architecture for the NHS. The NHS CBA has translated the strategic objectives into its own operational objectives. These include the objective that it will work with clinicians, managers and a wide range of stakeholders, so that the NHS CB's relationships and the approach to how it will work with its partners are developed and agreed.
6. The issues covered in this paper relate to this corporate objective.

### **Context**

7. The NHS CBA has identified 13 critical success factors for the successful establishment of the NHS CB. Two of these relate to the development of its partnerships with external bodies:

- **critical success factor 10:** partnership agreements are in place which capture the way the NHS CB will co-operate and collaborate with external partners to deliver its statutory functions, consistent with its organisational objectives; and
- **critical success factor 11:** the NHS CB has received positive feedback from partners on its values, behaviours and whether the NHS CB is delivering on its commitments.

8. Work has been undertaken over recent months to develop relationships with a range of partner organisations and to establish a strategic framework for these relationships. This paper reports on the progress to date of this work and sets out the key next steps.

### **The need for a strategic approach to partnerships**

9. The NHS CB will need a strategic approach to developing partnerships because:
- it will need to work with a range of organisations at national and local level to achieve its goals of improving outcomes, meeting the requirements of the mandate and achieving its financial duties;
  - legislation sets clear duties on the NHS CB to co-operate with a range of organisations;
  - it can be successful only if others see the NHS CB as an organisation committed to working in partnership and good to do business with; and
  - it is a complex organisation. We need to help external stakeholders to understand and navigate the organisation. We also need to ensure consistency and coherence in the way we manage our relationships with partners.

### **The NHS CB's main partners**

10. The groups and bodies with which the NHS CB will need to work can be categorised in eight broad areas:
- patients and the public;
  - clinical commissioning groups (CCGs) and their representative bodies;
  - national statutory NHS organisations such as Monitor, the NHS Trust Development Authority (NHS TDA), the Care Quality Commission (CQC), the National Institute for Health and Care Excellence (NICE), Public Health

England (PHE), Health Education England (HEE) and the Health and Care Information Centre (HCIC);

- healthcare-related industries and research bodies;
- government bodies: including the Department of Health(DH), other government departments, the Devolved Administrations and European institutions;
- local government, including the Local Government Association (LGA) as well as individual authorities and health and wellbeing boards;
- service providers and their representative bodies; and
- the healthcare professions, including royal colleges, professional bodies and trade unions.

### **Principles for the development of partnerships**

11. The NHS CBA's Future Design Group (FDG) has agreed a number of principles which will inform and under-pin the development of the NHS CB's partnerships. These are summarised below.
12. Partnerships should be focused on the NHS CB's core purpose and priorities. In particular they should:
  - contribute to improved outcomes;
  - be clinically-led;
  - promote equality and support the reduction of health inequalities;
  - place patients and public at heart of everything the NHS CB does; and
  - promote innovation and service transformation.
13. They should be mutually supportive, enabling partners to derive value from relationships, and facilitating their involvement in and influence over the NHS CB's business processes.
14. The NHS CB should be open and transparent in its relationships, with a presumption in favour of sharing information and committing to no surprises.
15. Partnerships will be developed through a disciplined, rigorous approach, based on formal agreements which set out a shared vision, values and agreed ways of working, underpinned by clear accountability and governance arrangements.
16. Within the NHS CB a named national director will provide leadership and ensure corporate commitment for each partnership. This will ensure a coherent corporate approach, supported by robust matrix working to involve all relevant parts of the

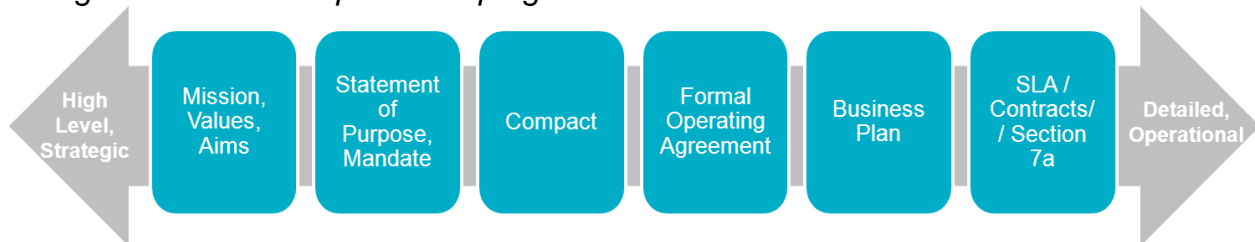
organisation.

17. The NHS CB should continuously measure and monitor the 'health' of its partnerships, using systematic listening and feedback mechanisms (for example 360° reviews). Each relationship should be based on clear measures of success; which are reviewed regularly by the executive team and the board, and regularly refreshed.

### The products of partnership agreements

18. The NHS CB's partnerships will each be underpinned by a formal agreement. The nature of these agreements will be tailored to suit the individual relationship. They will vary from the high level and strategic at one end of the scale to the detailed and operational at the other, as illustrated in Fig 1, below.

Fig 1: The nature of partnership agreements



19. The more high-level agreements, such as those with industry bodies, might be a brief statement of shared mission, values and aims. More detailed operational agreements would include the agreement between the NHS CB and DH under Section 7a of the NHS Act 2006 to provide a range of public health functions.
20. Generally agreements with statutory partner organisations will cover three broad themes:
  - areas of common purpose, as defined by statutory responsibilities;
  - a set of agreed common objectives; and
  - the governance arrangements for joint working.
21. The on-going process of developing and refreshing the partnership agreement will in many cases be as important as the agreement itself.

### Managing and co-ordinating partnerships

22. National directors will determine the governance arrangements for each of the partnerships for which they have lead responsibility. They will be responsible for communicating these arrangements across the matrix and for ensuring cross-directorate engagement. They will also be responsible for ensuring that external partners can feed into key NHS CB business processes. The list of lead national directors for each partnership will be published on the NHS CB website.

23. National directors will be supported by a co-ordinating director or deputy director who carries out the day-to-day business of the partnership arrangements.
24. A corporate partnerships team, with Ivan Ellul as director, has been established within the Policy, Partnerships and Corporate Development Directorate to provide support for national directors and co-ordination across the organisation.

### **Aligning partnership working**

25. Some of the NHS CB's partnerships will have both a national and local dimension. For example, bodies such as CQC, NHSTDA, Monitor and PHE will, like the NHS CB, have a local presence as well as national functions. Also, local bodies such as CCGs and local government will also have national collaborative or representative arrangements.
26. It will be essential to align the approach to managing these partnerships across the NHS CB's national support centre, regions and local area teams.
27. Local Area Team Directors will play a crucial role in representing the NHS CB with partners locally and providing the necessary coherence.

### **Corporate governance of partnership agreements**

28. The board will be asked to approve and sign-off the NHS CB's key partnership agreements.
29. As indicated above, the board will also regularly review the 'health' of partnerships through the corporate dashboard.
30. Regular partnership summits, led by the Chief Executive or Chair will be held with the boards or senior management teams of key partner organisations. Introductory summit workshops have already been held with the senior management teams of CQC, DH and NICE. These will be followed by similar sessions with other key partner organisations.
31. FDG has held sessions on the development of the partnership strategy and will continue to discuss the development of partnership agreements in future sessions.

### **Timescale for partnerships to be agreed**

32. FDG has agreed that formal partnership agreements with six of the NHS CB's statutory partner organisations should be completed by October 2012. These will be with:
  - Monitor;

- NICE;
- CQC;
- PHE;
- NHS TDA; and
- Local Government.

33. At the same time, the NHS CB will continue to build relationships with other organisations. This process should gather pace as recruitment to posts in the NHS CB takes place. In particular, now that the Director for Patients and Information has taken up post, partnership arrangements with patient and public representative groups will be developed.
34. By October 2012 a dashboard report will be produced for the NHS CB board, based on a 360° survey of partners.

### **Risk assessment**

35. There is a risk that partnership agreements cannot be concluded with statutory partner bodies by the agreed timescale of October 2012, either because of failure to agree on specific issues or because of lack of capacity to complete the work, either in the NHS CB or in individual partner organisations.
36. Both of these risks are currently assessed as being manageable.
37. The partnership agreement with the most significant inherent risk, because of the complexity of the issues involved and the requirement for transfers of functions and staff, is the Section 7a agreement with DH for the NHS CB to provide a range of public health functions. Progress continues to be made with this agreement but a number of issues remain to be resolved.
38. If specific issues cannot be agreed for any partnership agreement, the main mitigation will be to confirm the aspects of the partnership which can be agreed, and to agree a timescale and process to resolve the areas of disagreement.
39. The capacity within the NHS CB to complete the required partnership agreements is currently believed to be adequate. This will continue to be reviewed and, if necessary, interim capacity will be secured.

### **Resource implications**

40. There are no significant additional resource implications of completing partnership agreements for the NHS CBA or for the wider NHS.

## **Legal implications**

41. There are no major legal implications attached to the partnership strategy which need to be considered by the board. However, it will be necessary to ensure that partnership agreements adequately address all relevant statutory powers and duties. Legal advice will be taken to confirm this as part of the process of completing each agreement.

## **Equality and diversity**

42. Full consideration has been given to equality and diversity issues in the development of the NHS CB's approach to partnership agreements. Each agreement will confirm how the NHS CB's duties to promote equality and eliminate discrimination have been discharged.

## **Communication**

43. There has been extensive internal communication and engagement within the NHS CB on the development of the approach set out in this paper, including workshops with directorate design leads and discussion by FDG.
44. Externally, members of the partnerships team have made presentations at a range of events and had continuous engagement with partner organisations. This activity will continue.
45. A communications plan will be developed when partnership agreements are completed.

## **Recommendation**

46. The board is requested to **receive assurance** that good progress has been made with the development of a strategic approach to the NHS CB's partnerships and that the corporate objectives and critical success factors relating to partnership working will be achieved.

**Bill McCarthy**  
**National Director: Policy**  
**July 2012**