BOARD PAPER - NHS ENGLAND

Title: Authorisation and Assurance Committee

Clearance: Lord Victor Adebowale, Chair of the Authorisation and Assurance Committee

Purpose of paper:

To provide an update on discussions and actions following the Authorisation and Assurance Committee held in May 2014.

Actions required by the Board:

The Board is asked to note the outcome of discussions and next steps from the Authorisation and Assurance Committee held in May 2014.

CCG authorisation and assurance committee

Summary of committee discussions

1. The Committee received the Authorisation and Assurance Committee Annual Report and confirmed that they were content with the report and the proposal to amend the terms of reference. Members agreed proposals to refresh the terms of reference to give more clarity and to reflect the role of the Committee going forward. The Annual Report and updated terms of reference will be submitted to the Board in July 2014 for ratification.

2. The committee received an overview of the current CCG assurance process and proposals for the future. It was agreed that whilst the current process had been appropriate for the transition period, further refinement was required going forward. The Committee were assured that the proposals would:
   - Assess organisational capacity and capability;
   - Monitor performance on key deliverables;
   - Take account of system risk; and
   - Take account of whether the CCG and its performance was improving or deteriorating.

3. The Committee noted the results of the quarter three CCG assurance process conducted in accordance with the published CCG assurance framework. Members were informed that all 211 CCGs are rated as 'assured' across the assurance framework. There are 119 CCGs rated as 'assured with support' for at least one domain, representing 56 per cent of CCGs across England.

4. The Committee received an update on CCG development and were given assurances on three areas of work:
   - The implementation of a Learning Environment to enable CCGs to learn from one another
   - The development of tools to support good governance, as an issue highlighted by the committee last year, as well as by CCGs
   - The development of capability within system leadership

   The Committee was content that appropriate CCG development was in place.

5. The Committee ratified the minutes of the previous meeting held on 17 January 2014. These minutes are attached.

   Actions required by Board Members

6. The Board is asked to note the outcome of discussions and next steps from the Authorisation and Assurance Committee held in May 2014.

Lord Victor Adebowale
Non-Executive Director
May 2014

NHS England

Minutes of the Authorisation and Assurance Committee meeting
held on 17 January 2014

Present

- Lord Victor Adebowale – Non-Executive Director (Chair)
- Mr Ciaran Devane – Non Executive Director
- Ms Jane Cummings – Chief Nursing Officer
- Dame Barbara Hakin – Chief Operating Officer/Deputy Chief Executive
- Ms Rosamond Roughton – National Director: Commissioning Development

Apologies

- Professor Sir Bruce Keogh – National Medical Director
- Mr Paul Baumann – Chief Financial Officer
- Helen Hirst – Director of CCG Development

In attendance

- Dr Sarah Pinto-Duschinsky – Director of NHS Operations and Delivery
- Ms Chris Garrett – Head of Delivery
- Mr Gerard Hanratty – Partner, Capsticks Solicitors
- Ms Ann Johnson – Deputy for Paul Baumann
- Mr Dominic Hardy – Regional Operations and Delivery Director (South)
- Mr Graeme Jones – Regional Operations and Delivery Director (Midlands and East)
- Mr Jon Develing - Regional Operations and Delivery Director (North)
- Mr Simon Weldon – Regional Operations and Delivery Director (London)
- Mr Martin McShane representing Sir Bruce Keogh (part meeting)

Dame Barbara Hakin, Rosamond Roughton and John Develing attended by VC from Leeds.

Secretariat

- Mr John Schick – Head of Corporate Governance
- Ms Meri Leak – Corporate Governance Officer
- Ms Jessica Seed – Development, Support and Intervention Manager (Midlands and East)
- Mr Andrew Prudames – CCG Assurance Lead

Item	
1	The Chair welcomed members to the second meeting of the newly constituted Authorisation and Assurance Committee.
2	**Minutes of the previous meeting**
	The Committee approved the minutes of the CCG Authorisation and Assurance Committee held on 8 October 2013 as a correct record of the meeting. • There were no declarations of interest. • There were no actions from the previous meeting.
3	**Matters arising**
	The committee formally noted that Naguib Kheraj is no longer a member of this committee following his resignation. The Chair thanked Mr Kheraj for his contributions and the committee discussed the requirement for a third Non-executive Director, deciding to approach the NHS England Chairman with a request to fill the vacancy, maintaining three Non-executive Directors on the committee.
4	**Presentation – Authorisation process to date**
	Dame Barbara Hakin introduced the tabled presentation, providing a summary of progress in CCG Authorisation since April 2013 in removing conditions, key themes, progress by authorisation domain, changes in support levels and progress in removing legal directions. Good progress has been made; there are fewer CCGs with fewer conditions. The domain with most remaining conditions is Planning, highlighting not only the need to plan effectively, but that the plans must be credible to respond to local challenges. Dame Barbara outlined the importance of differentiating between CCGs who operate competently and those who operate within very difficult and challenging environments. Mr Devane asked how we would translate the process to outcomes, to shift to developmental models. Dr Sarah Pinto-Duschinsky replied that the CCG assurance framework has already been produced to assist CCG development. **The Committee thanked Dame Barbara for her presentation**
5	**Paper – Q3 authorisation conditions review**
	Dr Sarah Pinto-Duschinsky took the Committee through the overview of the fourth post-authorisation conditions review process drawing attention to the

process undertaken and the alignment to the planning assurance process.

The Committee noted the high level results from the conditions panel:

- 45 conditions (51%) are now considered to have been met; leaving 43 conditions remaining to the next review.
- 12 CCGs are considered to have fully discharged their conditions so can now be fully authorised.
- Including the 180 CCGs fully authorised following the September review, and if the committee approves the recommendations, a total of 192 (91%) CCGs could now be fully authorised by NHS England
- 19 CCGs are recommended to continue with conditions remaining to the next quarterly review, ranging from between 1 to 5 conditions.
- The average number of conditions remaining is 2.5.
- The North region is now fully authorised.

The Committee were advised that the main areas where CCGs had been able to remove conditions were Governance and Planning; 12 CCGs have addressed some or all of their planning issues. In total 27 out of 64 planning conditions can be removed. The main area where conditions remained was in regard to Planning with 37 of the remaining 43 conditions relating to this area.

It was noted that directions were in place for seven CCGs. Scarborough & Rydale and Vale of York CCGs are proposed for full authorisation, with directions revoked. Waltham Forest and Basildon & Brentwood CCGs have addressed all issues covered by their directions and it is recommended that all directions for these CCGs are revoked. The committee were asked to note that for Waltham Forest CCG, this includes the return of the commissioning function for Barts Health NHS Trust.

The committee discussed the need to bring the conditions report to this committee and agreed that this would be the last report. The area teams would keep the remaining CCGs with conditions under review as part of the ongoing assurance process. In future, projects with discharging conditions will be included in the assurance report to the committee.

The Committee noted the process for the fourth post-authorisation conditions review:
Approved the removal of conditions;
Agreed the proposed amendments to support levels for remaining conditions; and
Agreed the proposed removal and variation of directions.

6	**Paper – CCG Constitution review**
	Dr Sarah Pinto-Duschinsky introduced this paper, giving assurances that all of England is covered by a functioning CCG. She reported to the committee the 164 applications for variation of CCG constitutions received during 2013 and outlined the process followed by the regional teams in reviewing those applications.

No applications were made for CCG merger or dissolution. Of the 164 |

	applications made, 146 were approved.
	Three applications for variation were not granted. All three had requested that local authority officers be included as members of the governing body. Regional teams are working with those CCGS to ensure compliance with their constitutions, legislation and guidance.
	The committee had previously been advised of the application made by NHS Ealing CCG to alter its federated arrangements. The area team have since provided oversight of the constitutional changes required to support this change and legal advice was provided by Capsticks.
	A further 15 applications for variation remain subject to review. The relevant regional teams are in discussion with these CCGs with a view to agreeing changes to their proposed amendments.
	The Committee noted the outcomes of CCG constitution reviews completed in 2013.
7	**Paper – AO Appointment process**
	Dr Sarah Pinto-Duschinsky introduced the policy template for appointing a new Accountable Officer to a Clinical Commissioning Group.
	Following authorisation, some CCGs are at a stage where they have to appoint new accountable officers with instances of appointments on both a substantive and interim basis occurring recently. SPD presented the policy guidance, developed to ensure a robust process to allow appropriate due diligence and scrutiny is applied to the appointment of new accountable officers.
	Dr Pinto-Duschinsky explained that this guidance is in the final stages of drafting and is awaiting comment from regional operations and delivery directors, before going to the ETM at the end of January. It is anticipated that once all comments have been taken on board and final clearance has been given, the policy will be published and formally implemented.
	The committee discussed the development needs of the AO's. Rosamond Roughton confirmed the diagnostic leadership development taken as part of the assessment to take on AO status. Work is continuing with the Leadership Academy to ensure all areas of development are covered. Dame Barbara reminded the group that the lead clinician can be the AO, but then cannot be the chair (a lay chair is then required) or the clinician can be the chair and the AO is salaried. Ms Roughton confirmed that all posts are advertised – she will amend the wording to make it clearer that posts are open externally.
	The committee were asked to note the content of the draft policy guidance.
8	**Presentation – The Assurance Process**
	Dr Sarah Pinto-Duschinsky took the committee through a summary of the

assurance process followed to agree and moderate the Q2 position for CCGs in 2013/14. She also presented an overview of the new process to be used for Q3 and Q4 following the successful publication of the CCG Assurance Process in November 2013. Dr Pinto-Duschinsky included a summary of our learning to date and confirmed that this is the last time that the committee will consider an assurance summary based on the interim CCG assurance Framework.

This was also an opportunity to evaluate the role of this committee and look at where it should concentrate its efforts.

Dr Pinto-Duschinsky explained that the process had established a strong conversation framework for ATs and CCGs, brought consistency through the moderation process and highlighted emerging key themes. On things that would have been done differently, Dr Pinto-Duschinsky stated that the RAG rating of the scorecard hid a lot of detail; the domain titles did not always communicate the right message and sometimes missed the range and complexity of issues being dealt with. Additionally, CCG's achievements and challenges were not set within the context that a CCG operated in.

Looking forward, the balanced scorecard is now called the Delivery Dashboard and will form part of the new assurance process as approved by the Board in December. SPD took the committee through some other key elements including the 360 degree survey from local partners which will drive more discussion and get a view on the strength of relationships. We would expect to see themes and trends across the country and local feelings will be tested by introducing themed questions for local discretion.

Dr Pinto-Duschinsky took the committee through the governance which underpins the assurance assessments. The CCG Oversight Group and the CCG Assurance Working Group report into the senior management teams of both Rosamond Roughton and Dame Barbara Hakin.

Dame Barbara acknowledged that this committee is going through a difficult period, continuing to oversee the ends of the authorisation process and moving into the substantive assurance process. The purpose of this committee is to oversee the strategy and be assured that we have the right processes in place to support CCGs. The committee need to know if we are able to identify the capabilities of CCGs and their individual contexts, and if we are delivering the right support and the providing the right interventions where necessary. It was suggested that a more stratified approach to CCG support will be required and the committee discussed how the assurance process can help support this approach.

In further discussion, the committee were concerned about the cumulative ability of CCGs to deliver against the Mandate and were assured that there is a link to the planned use of a consistent set of indicators across the domains. It was agreed that further discussion was needed by the Executive Team about where CCG performance and collective delivery would be scrutinised, if this committee is to focus on assurance and development. Dame Barbara Hakin agreed to lead this discussion.

The committee discussed the possibility of external reviews. Dr Pinto-Duschinsky pointed out that Capsticks had a presence to assure the committee on the correct and consistent use of the assurance framework.

		Dominic Hardy commented that CCGs are statutory bodies in their own rights with their own boards – we should make sure that they can do the job. It was agreed that the committee may wish to consider the future use of evaluation methodologies and deep dives to examine key themes and the NHS England response. The committee discussed how we would use the 6 domains of the framework to give a thematic way of seeing value and moving healthcare forward. We should be able to identify hot topics and make sure the process of assurance matches the intent. **The Chair instructed the committee think about the impact and evaluation.**
9		**Presentation – An area team perspective**
		Dominic Hardy presented a case study of a CCG which had faced considerable challenges throughout 2013 (Oxford). By the end of month 2 they were struggling to demonstrate progress. Mr Hardy reinforced the need to focus attention by always going through the accountable officer and went on to highlight the support stages implemented by the area team. Although this is still a work in progress, the conversations going forward have been reframed in line with the domains in the final CCG Assurance Framework. The committee welcomed the fact that Oxford CCG are now in a position to share learning and to help specify what support, intervention and learning would be useful and to develop a consistent approach. It was suggested that regional operations directors consider how learning from early intervention and support case stories can be disseminated across Area Teams. **The Chair thanked Mr Hardy for his presentation and asked that we continue with the sharing theme.**
10		**Paper – Q2 CCG Assurance Summary**
		This paper was introduced by Dr Pinto-Duschinsky with the purpose of informing the committee of the results of the Q2 clinical commissioning group (CCG) assurance process and set out the three broad cohorts of CCGs following area team conversations and regional and national moderation. Dr Pinto-Duschinsky gave a national summary, stating that at headline level, there were no CCGs rated as green across the balanced scorecard, indicating that support or intervention conversations had taken place across 191 CCGs on the basis of at least one balanced scorecard. This represents 90% of CCGs. The CCGs were presented in three groupings, CCGs assured, CCGs assured with support and CCGs not assured, intervention required. There are currently 144 CCGs regarded as 'assured', and 67 as 'assured with support'. There are no CCGs in the 'not assured, intervention required' group.

		Dr Pinto-Duschinsky drew the committee's attention to the synergies with authorisation. In future, interventions will be dealt with thought the assurance framework. The alignment with the CQC inspection reports was discussed, highlighting a need for some consistency to be developed in how we use the CQC reports and how the quality summits fit in. Overall, it was noted that this is a good position to be in after 12 months and congratulations were given to Dr Pinto-Duschinsky, the authorisation team and the CCGs themselves for their achievements. **The committee noted: the content of the paper;** **confirmed that assurance has been applied consistently and fairly;** **approved proposals for formal intervention (if any)** **recognised that this was an interim process**
11		**Presentation – Direct Commissioning Assurance**
		As we now have the Directly Commissioned Services Committee (DCSC), the Chair commented that this presentation was no longer suited to the CCG Authorisation and Assurance committee. **The Chair asked that this paper be taken for information only.**
12		**Paper – Update on CCG Development Framework**
		This paper was introduced, for information, by Rosamond Roughton. She presented the CCG Development Framework which was published last summer. The framework sets out what excellent practice looks like in CCG clinical commissioning across 6 established areas. Almost 90% of CCGs have taken the opportunity to review and contribute to its development. The group discussed citizen's assemblies and debated how we would ensure focus on working and sharing power with patients, and if this was being considered as part of CCG development. CCGs want to know what support they will get to help them deliver – there needs to be clarity between what is done at national level and what CCGs do for themselves locally. The committee discussed how the new tariff development is informed by conversations including clinical voice, public voice and patient voice. The group considered that we may need one collaborative conversation. Work is continuing on the development of the Commissioning Assembly and its future, relationships have been built with clinical leaders and the opportunity is there to use the assembly as a vehicle to work with others including local authorities, public, commissioners. As we move into broader leadership, we should use the assembly to work with others as the next phase of maturity.
13		**Any other business**

	There was no other business
Date of next meeting	**It was noted that the next meeting would be held on 28 April 2014.**