

## **NHS COMMISSIONING BOARD AUTHORITY**

### **Minutes of a public meeting held on 20 September 2012**

**Present** Professor Malcolm Grant – Chair  
Sir David Nicholson – Chief Executive  
Lord Victor Adebawale – Non-Executive Director  
Mr Ciaran Devane – Non-Executive Director  
Dame Moira Gibb – Non-Executive Director  
Mr Naguib Kheraj – Non-Executive Director  
Mr Ed Smith – Non-Executive Director  
Mr Paul Baumann – Chief Financial Officer  
Mrs Jane Cummings – Chief Nursing Officer  
Mr Ian Dalton – Chief Operating Officer/Deputy Chief Executive  
Mr Jim Easton – National Director: Transformation  
Dame Barbara Hakin – National Director: Commissioning Development  
Tim Kelsey – National Director for Patients and Information  
Sir Bruce Keogh – National Medical Director  
Mr Bill McCarthy – National Director: Policy  
Ms Jo-Anne Wass – National Director: HR  
Jon Schick – interim Board Secretary

**Apologies** Ms Margaret Casely-Hayford – Non-Executive Director

#### **Item 1 – Minutes of previous meeting**

1. The minutes of the previous meeting, held on 19 July 2012, were approved.

#### **Item 2 – NHS Commissioning Board (NHS CB) programme status report**

2. Bill McCarthy introduced this regular update, noting good progress across the range of work streams in the programme. He drew attention to one change since the last report around data and financial flows. Although good progress was being made in these areas, the report acknowledged greater inherent risk than had previously been assessed. Paul Baumann, Tim Kelsey and Bill McCarthy would monitor closely successful implementation.

#### **Item 3 – Recruitment strategy, associated risks and contingency planning**

3. Jo-Anne Wass introduced this paper, updating the Board on progress with the recruitment strategy. At this point in the timetable, she was cautiously optimistic that staff would be recruited according to the agreed timetable, with a majority of posts filled by March 2013 and all staff in the existing system informed if they have a job with the NHS CB by December 2012. The detailed organisational design for the NHS CB had been approved and shared with sender organisations so that they could begin the process of job-matching. Sending organisations are identifying staff who deliver Family Health Services functions, and these staff will join the NHS CB by transfer, pending a review of these functions from April 2013 onwards.

4. Whilst cautiously optimistic about meeting the overall timetable at this point, Jo-Anne Wass highlighted the need to develop recruitment contingency plans on a directorate-by-directorate basis. In particular, recruiting at scale (around 3,000 staff) to regional office and local area teams is complex. However, she advised caution in implementing contingency arrangements unless they were absolutely necessary as they could have a longer-term detrimental effect on both the organisation and individual members of staff.
5. Diversity figures were presented to the Board, based on the first 50 appointments to the NHS CB. Appointments to the NHS CB so far did not reflect the diversity of the communities it serves. Jo-Anne Wass outlined actions that were being taken to address this, including her writing to all participants on NHS leadership programmes from black and minority ethnic (BME) backgrounds to encourage them to consider job opportunities in the NHS CB, providing diversity training to recruitment managers, and using executive search companies that specialise in BME recruitment where senior posts remain vacant.
6. There was considerable discussion about the recruitment strategy, with:
  - agreement that it was sensible to look at developing contingency plans on a directorate-by-directorate basis. It was recognised that many people who would be appointed to the NHS CB over the coming months could continue to have significant roles in the existing system and this may impact both on their ability to take up post and on their health and well-being;
  - acceptance that recruiting at the scale required and inducting new entrants was a significant task, and agreement that it was right that these processes should focus on the vision and values of the NHS CB; and
  - shared concerns that appointments to the NHS CB so far did not reflect a richness of diversity. There was agreement that the organisation's transparency and openness about its diversity profile was to be congratulated; however, concerted action was needed to ensure that the NHS CB workforce was diverse.

**Action: Executive team to assess in the New Year the need, if any, to use contingency arrangements in as limited a way as possible to support the recruitment process.**

**Action: Jo-Anne Wass to provide figures on staff who are managing more than one role.**

**Action: Jo-Anne Wass to provide information on how many appointments have been made from outside the NHS.**

**Action: Jo-Anne Wass and Jim Easton to identify further work to ensure that enough is being done to improve the diversity of the NHS CB workforce in the short-term and consider what actions need to be achieved over the medium to longer term.**

**Action: Executives to spend more time in future Board meetings reflecting more broadly on the diversity issues. Executives to propose timing and format of this conversation.**

#### **Item 4 – CCG authorisation governance**

7. Dame Barbara Hakin introduced this paper, outlining that the purpose of CCG authorisation was to be assured that CCGs had the necessary competencies to undertake important functions on behalf of patients. The Board had previously signed off separate elements of the authorisation process and the paper was intended to give the Board assurance on the whole process of CCG authorisation.
8. The Board was asked to approve the terms of reference and membership of the moderation panel and the conditions panel, and to establish a sub-committee with delegated authority to agree the authorisation of individual CCGs including any conditions of their authorisation.
9. During the Board discussion:
  - it was noted that the task of authorising 212 CCGs was significant, however, there was agreement that the process outlined in the paper was robust and well-organised; and
  - it was agreed that the Board needed to make sure that CCGs had every chance to be fit for purpose and that this should continue post-authorisation.

**Action: Board members to undertake site visits to assist with more detailed understanding of the CCG authorisation process.**

**Action: Dame Barbara Hakin and Jim Easton to consider how the Board can inform its future work programme based on the themes that emerge from the conditions panel meetings.**

10. The Board approved the terms of reference and membership of the moderation panel and the conditions panel, and the establishment of the CCG authorisation sub-committee. The Chair appointed Lord Victor Adebawale, Ciaran Devane and Naguib Kheraj to the CCG authorisation sub-committee and approved a proposal by Dame Barbara Hakin that Paul Baumann, Chief Financial Officer, should be added to the membership of the sub-committee.

#### **Item 5 – Partnership agreements**

11. Bill McCarthy introduced this paper and described the need to work collaboratively with other organisations to deliver greater outcomes to patients and the public. Draft partnership agreements have been prepared with some of the key organisations in the new system, for example the Care Quality Commission, Health Education England, Public Health England, National Institute for Clinical Excellence, Monitor and the NHS Trust Development Authority. In addition, a concordat has been developed with the Local Government Association, to provide a strategic framework for the relationship between local authorities and the NHS CB.

12. Each of the partnership agreements would need to be approved by the relevant partner's Board. The Board were invited to agree the draft partnership agreements and delegate authority for finalising them to the Chief Executive.
13. In discussion, the Board:
  - asked that the agreement with the National Institute for Clinical Excellence is strengthened to make sure that the processes adopted will be for the benefit of patients;
  - highlighted the importance of the agreements supporting the organisation's approach to diversity;
  - in the context of the concordat with the Local Government Association, outlined the important role the NHS CB local area teams would play as active participants in Health and Well-being Boards; and
  - agreed that whilst each partner's authority is set out in legislation, the framework agreements were an important element to make sure all partners act together in the interests of patients.
14. The Board delegated authority for finalising the partnership agreements to the Chief Executive.

**Action –Bill McCarthy to liaise with the National Institute for Clinical Excellence to amend their partnership agreement (at section 1.8); strengthening so that the Board is assured that the processes adopted will support the outcomes the NHS CB is seeking.**

**Action –Bill McCarthy and Jim Easton to consider how the NHS CB should approach its work in partnerships, to reflect the full scope of its ambition around equality, as part of a broader consideration of how to move from agreements to work together in principle and towards how to develop a common purpose across the health system.**

#### **Item 6 – NHS CB organisation development strategy phase one (2012/13)**

15. Jo-Anne Wass introduced this paper, setting out a planned approach to organisation development that supports the NHS CB objectives and vision. She outlined that the organisation development strategy needed to align with a number of other key strategies and interventions, for example the estates and IT strategies.
16. It was important that the strategy helped foster a shared purpose and culture. To assist with this, recruitment activities, for example, job descriptions and person specifications, had been built on values that support the vision for the NHS CB. Recruitment interviews have also focussed on values. Team development and performance management were being considered within the context of a matrix organisation. Organisation development expertise had been put in place at the NHS CBA national support centre, and consideration was being given to how this expertise could be replicated at regional levels.

17. Tim Kelsey outlined the vision for the NHS CB to be a world-class customer service, prioritising patients in every decision it made. Transparency and participation were two key principles behind this.
18. During the Board discussion:
  - it was noted that the NHS CB should not underestimate the challenge of putting patients at the heart of its service and that the organisation development strategy should be part of operationalising this; and
  - the Board welcomed the vision outlined for the NHS CB as genuinely exciting with the ability to shift the public experience of the NHS.
19. The Board endorsed the organisation development strategy.

**Action: Bill McCarthy (Tim Kelsey and Jo-Anne Wass) to consider how the Board can ensure it spends sufficient time on the organisation development agenda moving forward, in particular, the vision within the document needs to drive the Board agenda and discussions, as well as the Board's own development.**

#### **Item 7 – Finance report summary (2012/13 up to July 2012)**

20. Paul Baumann presented the finance report for NHS CBA to the Board. The NHS CBA had spent £8m in the first four months of 2012/13 and spending forecasts indicated that the budget of £80m for the full year (including the budget for the NHS CB for the last six months of the financial year) would be sufficient for the needs of the National Support Centre given current recruitment timelines and funding criteria.
21. The Board noted the financial position of the NHS CBA after the first four months of 2012/13.

#### **Item 8 – Remuneration and terms of service committee revised terms of reference**

22. Jo-Anne Wass introduced this paper. The remuneration and terms of service committee revised its terms of reference at its meeting on 19 July 2012 to require only the Chair of the committee and two nominated Non-Executive Directors as its members, rather than requiring all Non-Executive Directors to be members of the committee. This revision reflected that when the committee was established there were only two Non-Executive members appointed, whereas the NHS CBA now had all six Non-Executive Directors in place.
23. The Board noted the minutes of the remuneration and terms of service committee meeting on 19 July 2012, and ratified the revised terms of reference for the committee.

**Item 9 – Any other business**

24. The first meeting of the Board of the NHS CB will take place in London at 10.30am on Monday 1 October 2012. This would be its first meeting as an executive non-departmental public body.
25. The following Board meeting is due to take place on 8 November 2012 in Leeds. Full details of the meetings will be placed on the NHS CB website.

**Date** 12 October 2012

**Signed as an accurate record**

A handwritten signature in black ink, appearing to read 'Malcolm Grant'.

**Professor Malcolm Grant CBE MA LLD  
Chairman**