Agenda Item No. 10

Health and Adult Social Care Scrutiny Committee – 28th March 2012

Report of the Senior Responsible Officer Dudley Clinical Commissioning Group

Dudley Clinical Commissioning Group – Update on Development

Purpose of Report

1. This report sets out progress to date in the development of the Dudley Clinical Commissioning Group (CCG) and highlights key tasks for the CCG in the coming months

Background

2. The Committee will recall that the Dudley CCG was established on 1st April 2011 as a sub-committee of Dudley PCT, with a number of PCT staff assigned to provide managerial support. Since that time the CCG has started the process of becoming established as a clinically led commissioning organisation with a delegated budget.

3. There are a number of key issues that the CCG is now focussing upon in terms of its development as follows:-

   - governance arrangements;
   - organisational arrangements;
   - relationships with partner organisations and the wider community;
   - fulfilling its commissioning responsibilities;
   - ensuring that it is developing appropriately to meet the requirements for formal authorisation.

4. These are dealt with below

Governance Arrangements

5. As indicated above the formal status of the CCG at present is that of a sub-committee of the PCT. This is the mechanism by which the CCG is able to hold a budget delegated by the PCT.

6. The existing CCG Board was established from representatives from the former Practice Based Commissioning Groups. This pre-dated the publication of proposals for the establishment of CCGs. Therefore, in order to provide a firm mandate to the CCG in its developing role, the Board has refreshed its membership and mandate through an electoral process. The Board is now constituted as follows:-

- 10 GP Clinical Board Members (2 per township)
- 1 Nurse
- 2 Independent Committee members (former PCT non-Executive Directors)
- Chief Executive, Dudley MBC
- 1 Co opted GP Member
- Senior Responsible Officer
- Chief Finance Officer
- Director of Public Health (non-voting)

Guidance is awaited on arrangements to be followed for a patient representative and hospital doctor to join the Board and the membership will be adjusted in the light of this.

7. The Board will shortly start to hold meetings in public.

Organisational Arrangements

8. The CCG has organised itself on the basis of each clinical member of the Board overseeing a work programme for a particular clinical area such as planned care, urgent care, long term conditions, mental health, children's services. The clinical leads are supported by members of the commissioning team.

9. Following my appointment as the Senior Responsible Officer (SRO), arrangements are being made to agree and appoint to the CCG's management structure.

10. A number of services such as IT, information support, finance support, contract management and other back office functions may well be provided as "commissioning support services" from other organisations set up for this purpose and serving a number of clients. At the time of writing, it is likely that such an organisation will serve CCGs in the Black Country, Birmingham and Solihull.

Relationships With Partner Organisations and the Wider Community

11. It is important that the CCG continues to develop effective relationships with partner organisations both within and outside the local health and social care community. This will be a key feature of the CCG's "development journey" (see below).

12. CCG representatives already serve on a number of partnership bodies. The clinical leads (see above) are actively engaged in developing relationships with our main service providers with dialogue on commissioning and service development issues taking place between respective clinicians and real "clinical challenge" being put into the system.

13. A key task for CCG representatives will be to make a positive contribution to the development and future role of the Health and Wellbeing Board and the 3 Health and Wellbeing Board members are actively involved in its development (see below).

14. The CCG is also in the process of developing its approach to patient and public involvement. This will be based upon ensuring that appropriate mechanisms for

engagement are utilised both in relation to the commissioning process and the commissioning decisions that need to be made and in terms of maintaining a wider dialogue with the local community as a good "corporate citizen".

Commissioning Responsibilities

15. The CCG is now responsible for a delegated budget in excess of £388 million. This budget is broken down into a set of work programmes as indicated above. In this context the CCG has also taken on responsibility for implementing the three key strategies previously developed by the PCT – planned care, urgent care, long term conditions – which are also dependent upon contributions from key partners.

16. Given the Shadow Health and Wellbeing Board's role in encouraging coherent commissioning strategies across all partners, the CCG will have a clear responsibility to ensure that the continued development of these strategies and the commissioning intentions that flow from them are developed through the Shadow Health and Wellbeing Board. A report will be made to the Board in April 2012.

17. In addition, as part of the commissioning cycle, a key responsibility for the CCG will be to make a full contribution to the development of the Joint Strategic Needs Assessment and the Joint Health and Wellbeing Strategy.

18. As commissioning intentions emerge for future commissioning rounds, these will be shared with the Shadow Board.

19. The CCG is also responsible for the implementation of a number of Quality, Innovation, Productivity and Prevention (QIPP) initiatives, designed, amongst other things, to deliver financial savings. The CCG is performance managed in relation to these by both the Black Country PCT Cluster and the Strategic Health Authority. The CCG will have to ensure that any risks in relation to these are appropriately managed and that schemes continue to be developed that are robust enough to deliver the changes required.

20. At the time of writing the CCG is completing its contracts with the main providers. It is anticipated that these will be completed satisfactorily.

Authorisation

21. Information has now been published in relation to the authorisation process for CCGs. It is envisaged that by April 2013, CCGs will have been authorised to take on commissioning responsibilities for the populations they serve. Applications for authorisation will be considered by the NHS Commissioning Board which is likely to be established between July and October 2012.

22. Authorisation is seen as a "development journey", the first element of which a risk assessment of the proposed configuration of the CCG. This was be carried out by the SHA and has examined:-

- support of member practices
- population coverage
- relationship to local authority boundaries
- size – relationship with organisational capacity and engagement with

practices

23. The CCG completed this successfully.

24. The next element is the “development path”. The authorisation process will be based upon an assessment relating to six domains:-

- strong clinical and professional focus
- engagement with patients, carers and communities
- delivery of the QIPP
- constitutional and governance arrangements
- collaborative commissioning arrangements
- leadership capacity

25. Some of these issues have been alluded to, in part, above. The CCG has carried out a self assessment in terms of how well it meets the criteria which support these domains. As a result of this assessment, a development plan has been produced designed to take the CCG to the point where it can demonstrate through a track record of delivery that it meets the criteria and is in a position to seek authorisation.

26. A 360 degree assessment will form part of the authorisation process. In this context, the Shadow Health and Wellbeing Board will have an important role in the authorisation process, in terms of commenting upon the CCG’s contribution to partnership working and relationships with the local population. Therefore, it will be critical for the CCG to fulfil its responsibilities in relation to the Shadow Health and Wellbeing Board and make its contribution to the Board’s own developmental process.

Conclusion

27. In the coming months, the CCG has a number of key issues to address both in terms of its day to day responsibilities for managing a commissioning budget of £388 million, have a functional management support structure, agreements in place for commissioning support services and in terms of taking the necessary steps to be formally authorised as an NHS organisation.

Finance

28. There are no financial implications arising directly from this report.

Law

29. Clinical Commissioning Groups will be established under the provisions of the Health and Social Care Bill currently before Parliament

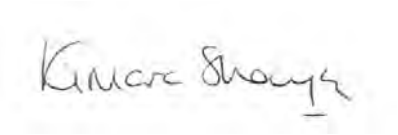
Equality Impact Assessment

30. There are no equality issues arising directly from this report. Addressing health inequalities in their widest sense will be a key consideration for the CCG in determining its commissioning intentions.

Recommendation

31. The Health Overview and Scrutiny Committee is recommended to:-

- Note progress to date in terms of the development of the Dudley Clinical Commissioning Group
- Note the role that the CCG will be expected to play in the development of the Health and Wellbeing Board in terms of its future commissioning strategies, the Joint Strategic Needs Assessment and the Joint Health and Wellbeing Strategy.
- Note the requirements of the CCG authorisation process.



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List of Background Papers

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