

**NHS VALE OF YORK CLINICAL
COMMISSIONING GROUP**

GOVERNING BODY MEETING



Vale of York

Clinical Commissioning Group

Meeting Date: 6 March 2014

Title: Partnership Commissioning Unit Governance

Responsible Chief Officer and Title

Rachel Potts
Chief Operating Officer

Report Author and Title

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Head of Integrated Governance

Strategic Priority

Ensuring the CCG has the capacity and processes to deliver its statutory duties.

Purpose of the Report

The report sets out the proposed arrangements for Partnership Commissioning Unit (PCU) governance and the recommended actions for the NHS Vale of York Clinical Commissioning Group (CCG) to ensure the PCU has the appropriate governance to deliver work on behalf of the CCG.

Recommendations

The Governing Body is asked to:

- a) Note the report.
- b) Approve the actions listed in 5.1 to be put in place by end March 2014.
- c) Delegate authority to the Senior Management Team to approve the amendment to detailed financial policies as detailed in 5.1 and 5.2.
- d) Approve the actions in 5.2-5.4 relating to Partnership Commissioning Unit staff.

Impact on Patients and Carers

Clear and transparent governance and decision-making arrangements will benefit patients who may wish to query decisions about their care.

Impact on Resources (Financial and HR)

There are no direct implications from these proposals, however the NHS Vale of York CCG will be working in collaboration with the other North Yorkshire CCGs to review the Commissioning Support Unit resource to the Partnership Commissioning Unit over the coming months.

Risk Implications

The purpose of the proposals within the paper is to reduce governance risks to the NHS Vale of York Clinical Commissioning Group and to increase transparency in decision making.

There is a potential risk in permitting PCU staff to follow the host-CCG's policies and procedures when working on behalf of the NS Vale of York CCG, however this is mitigated by the majority of policies being already standardised across the four North Yorkshire CCGs through the Commissioning Support Unit, and through the requirement of the host-CCG to provide an assurance report on compliance with national standards and legal obligations.

Equalities Implications

An Equalities Impact Assessment on this paper has not been carried out, however all policies and procedures that affect staff have an associated Equalities Impact Assessment.

Sustainability Implications

There are no identified sustainability implications. The increased governance of the PCU will be of benefit for the financial and corporate governance of the NHS Vale of York CCG.

GOVERNING BODY MEETING: 6 MARCH 2014

Partnership Commissioning Unit Governance

1. Purpose of the Report

The report sets out the proposed arrangements for Partnership Commissioning Unit (PCU) governance and the recommended actions for the NHS Vale of York Clinical Commissioning Group (CCG) to ensure the PCU has the appropriate authority to deliver work on behalf of the CCG.

2. Background

2.1 The Partnership Commissioning Unit (formally Vulnerable Adults and Children's Commissioning Unit) was established across the four North Yorkshire Clinical Commissioning Groups (CCGs) to manage a number of specialist commissioning areas on behalf of the four CCGs. It is hosted by Scarborough and Ryedale CCG on behalf of the four CCGs, and is legally part of that CCG. The specialised areas the Partnership Commissioning Unit (PCU) covers are:

- Continuing Health Care
- Children, young people and maternity
- Vulnerable Adults (Learning Disabilities and Mental Health)
- Adult Safeguarding

2.2 A draft service level agreement was developed, modelled on the Commissioning Support Unit agreement and a financial risk-share model has been agreed across the four CCGs.

2.3 The draft service level agreement (SLA) did not include the service schedules, nor detail the actions each CCG needed to take within their own governance arrangements to provide the explicit 'permissions' for the PCU to operate. These have been now been reviewed by governance leads and legal support and a series of proposal were presented to PCU Management Board in February to finalise this work.

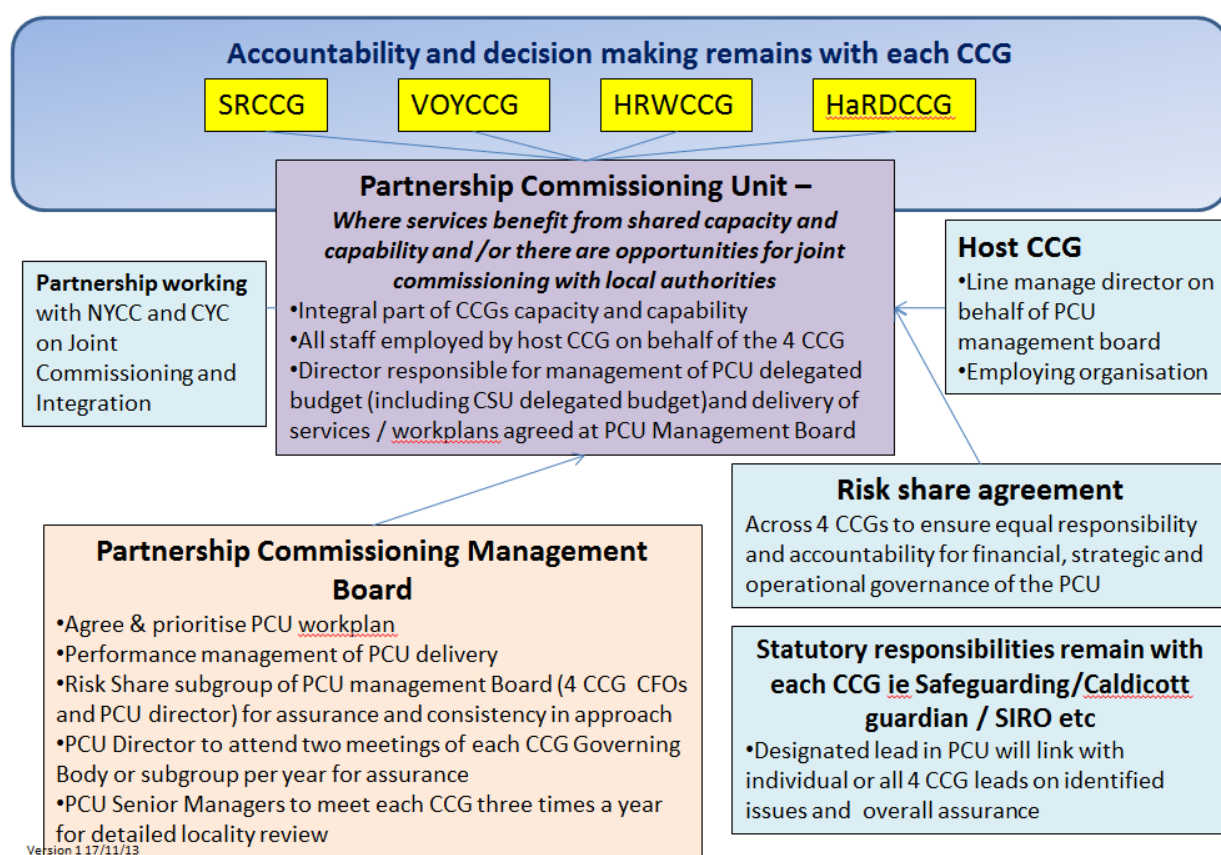
3. Evidence base

- 3.1 The governance requirements are based on the regulations set out by the Health and Social Care Act 2012 and in line with guidance received from legal support and governance leads.
- 3.2 The proposals are based on a series of 'guiding principals'
- a) A CCG cannot delegate its authority of powers to any other organisation NHS and as such each CCG retains the responsibility for the functions carried out by PCU.
 - b) That the proposed governance arrangements should be as transparent as possible and enable the PCU to work effectively.
 - c) Decision making regarding PCU services should only be made at a CCG level where it is legally necessary to do so, or where it adds value to do so.
 - d) Where the PCU is developing contracts on behalf of one or more CCGs, that those contracts are tendered as geographical lots, unless the CCGs collectively agree otherwise
- 3.3 In light of this, the PCU management board cannot be a 'decision-making' committee of any CCG. The individuals on the Board (named officers from the CCG) must be of sufficient authority to make decisions on behalf of their CCG within their CCGs existing scheme of delegation. The PCU cannot issue contracts or formal legal documents under the 'Partnership Commissioning Unit' logo; these must be issued under the relevant CCG.

4. Summary of the proposed arrangements

- 4.1 The Partnership Commissioning Unit Management Board has been established to provide coordination and oversight of PCU activity. This is attended by two delegates from each Clinical Commissioning Group including the Accountable Officers who make decisions on behalf of their CCG in line with their individual CCG scheme of delegation. The NHS Vale of York CCG is represented by the Chief Clinical Officer and the Chief Operating Officer. The Chief Financial Officer attends the finance sub-group. The Accountable Officer is responsible for ensuring the decisions are communicated and appropriately escalated, when required, within their CCG.
- 4.2 The PCU arrangements will be supported by a revised Service Level Agreement, which outlines roles and responsibilities, decision-making arrangements and activity carried out by PCU on behalf of the CCGs. The financial arrangements for the PCU will be managed through an agreed 'risk share' arrangement across the four CCGs.

- 4.3 The Partnership Commissioning Unit requires 'back office' support from the Commissioning Support Unit. This will be provided through the current resource allocated across the four CCGs, with any additional resource required to be agreed across all four CCGs at the PCU Management Board. Human Resources and IT support are provided through the specific management costs for the PCU.
- 4.5 Where a service requires procurement or contract review, this will be managed through the relevant CCG or lead Commissioner with support from the Partnership Commissioning Unit.
- 4.6 Figure 1: Diagram of PCU Governance Arrangements



5. Non-Host Clinical Commissioning Group Implications

- 5.1 To ensure the PCU has sufficient authority to deliver the expected work on behalf of the CCG, it is recommended that the NHS Vale of York CCG:
- Establish the Director of PCU as an employee through an honorary contract.
 - Amend the Detailed Financial Scheme of Delegation for the CCG to include the Director of PCU.

- c) Include the Terms of Reference of the Strategic Collaborative Committee and PCU Management Board as non-decision making Boards as annexes to the Constitution. This is for transparency, rather than legal necessity.
 - d) Delegate authority to the Chief Clinical Officer as Accountable Officer to sign the finalised Service Level Agreement. This is anticipated to be presented at the next PCU Management Board.
 - e) Consider the inclusion of the PCU Management Board minutes as a received item in the Governing Body papers.
- 5.2 To provide consistency of approach for PCU staff, it is proposed that as direct employees of NHS Scarborough and Ryedale Clinical Commissioning Group that the Director of PCU and associated PCU staff work within the Scarborough and Ryedale financial and operational scheme of delegation. This will need to be reflected in the NHS Vale of York CCG's detailed scheme of delegation.
- 5.3 In addition it is proposed that the Director of PCU and members of staff within the PCU follow the policies of Scarborough and Ryedale CCG (including HR, equalities, FOI etc.), with the exception of clinical policies, where the staff will need to apply the relevant clinical policy of the patient's CCG.
- 5.4 To support these proposals it was agreed at PCU Management Board that the host organisation, NHS Scarborough and Ryedale CCG, will provide an annual report to non-host CCGs to provide assurance that their policies and scheme of delegation are in line with national requirements and are fit for purpose.

6. Stakeholder/ Public Engagement

The arrangements have been discussed across legal and governance leads in the four North Yorkshire CCGs, and were discussed and agreed at the PCU Management Board in February 2014.

7. Financial Implications

- 7.1 NHS Vale of York CCG already contributes financial resource to the PCU through the risk share arrangement and management costs. These proposals do not affect the financial agreements in place.
- 7.2 There is a potential impact for the CCG on the arrangements regarding CSU support to the Partnership Commissioning Unit. A review of requirements is currently underway to map the required CSU resource. This may identify areas where the CCG will 'pass over' allocated days of resource to the PCU, or in limited circumstances the CCGs may be asked to fund additional resource for specific projects or service areas.

This work will be overseen by the four Chief Financial Officers across North Yorkshire and York.

8. Legal Implications

Adopting these proposals provides a stronger governance basis for the CCG's relationship with the Partnership Commissioning Unit.

9. Equalities Implications

None

10. Recommendations

The Governing Body is asked to:

- 10.1 Note the report.
- 10.2 Approve the actions listed in 5.1 to be put in place by end March 2014.
- 10.3 Delegate authority to the Senior Management Team to approve the amendment to detailed financial policies as detailed in 5.1 and 5.2.
- 10.4 Approve the actions in 5.2-5.4 relating to Partnership Commissioning Unit staff.

PARTNERSHIP COMMISSIONING UNIT (PCU) MANAGEMENT BOARD

Terms of Reference

1. INTRODUCTION

- 1.1 This document outlines the terms of reference of the Partnership Commissioning Unit (PCU) Management Board.

2. PURPOSE

- 2.1 This document sets out the principles by which the PCU Management Board will transact its business on behalf of the governing arrangements of Hambleton, Richmondshire and Whitby Clinical Commissioning Group; Harrogate and Rural District Clinical Commissioning Group; Scarborough and Ryedale Clinical Commissioning Group; and the Vale of York Clinical Commissioning Group (CCG).

3. TITLE

- 3.1 The Board shall be known as the Partnership Commissioning Unit (PCU) Management Board.

4. ACCOUNTABLE TO

- 4.1 The Board shall be accountable to the Governing Body's or all member CCG's.

5. REPORTING ARRANGEMENTS

- 5.1 The Board's Terms of Reference shall be agreed by the Governing bodies of each member CCG.
- 5.2 The minutes of the Board shall be formally recorded although there is no formal requirement to present to the individual CCG governing bodies. The Board will by exception escalate matters it considers should be brought to the attention of member CCG governing bodies.
- 5.3 The composition of the Board shall be published in the Annual Report.

6. AUTHORITY

- 6.1 The Board has the authority to consider areas relating to the management and provision of services outlined in the PCU Service Level Agreement.
- 6.2 The Board **does not** have the authority to enter into binding collaborative agreements e.g. section 75 or pooled budgets, should this be a suggested outcome each CCG governing body will be required to approve.

7. MEMBERSHIP

- 7.1 CCG membership of the PCU Management Board will comprise of the Accountable Officer (or their nominated deputy) and another member of each associated CCG senior management team.
- 7.2 PCU membership of the PCU Management Board will comprise of the Director of Partnership Commissioning and the Deputy Director of Partnership Commissioning (or a nominated deputy).
- 7.3 Regular attendance at PCU Management Board meetings leads to improved engagement and governance. In the event that an attendee is unable to attend a meeting it is their responsibility to ensure that a nominated deputy is properly briefed and empowered to act on their behalf.
- 7.4 Frequency of attendance by members and attendees will be reviewed by the PCU Management Board at least four times per year.
- 7.5 The members of the Board must ensure that at all times they:
- Observe the highest standards of propriety involving impartiality, integrity and objectivity in relation to the stewardship of public funds and the management of the bodies concerned.
 - Always strive to maximize value for money through ensuring that services are delivered in the most efficient and economical way, within available resources and with independent validation of performance achieved where practicable
 - Are accountable to Parliament, to users, to individual citizens, and to staff for the activities of the bodies concerned, for their stewardship of public funds and the extent to which key performance targets and objectives have been met
 - Comply fully with the principles of the Citizens charter and the Code of Practice on Access to Government Information, in accordance with Government Policy on openness
 - Must comply with the Nolan's seven principles of public life
 - Bear in mind the necessity of keeping comprehensive written records of their dealings, in line with general good practice in corporate documents.

8. QUORUM

- 8.1 A representative from each Clinical Commissioning Group and a representative from the Partnership Commissioning Unit.

9. DUTIES

The main duties of the PCU Management Board will be:

- 9.1 To establish and agree the vision, strategic aims and priorities for the PCU and its associated work plan.
- 9.2 To monitor, review and performance manage the delivery of the PCU's strategic aims and priorities and its associated work plan, paying special regard to financial, clinical and corporate risk, assurance and audit.
- 9.3 To support each CCG to meet its local priorities and national targets.
- 9.4 To monitor the PCU's financial plans ensuring at all times that resources are used effectively and with best value for money, by seeking opportunities to minimise financial risk and increase effectiveness and the delivery of services.
- 9.5 To monitor the quality and safety of services within the PCU remit.
- 9.6 To hold the PCU to account in relation to its operational governance arrangements and to assist in problem solving and decision making as required.
- 9.7 To receive the minutes of the Risk Sharing Sub Group and to resolve any issues that have been escalated.
- 9.8 To actively develop partnership working with the Local Authorities and to fully utilise this wherever possible and where this is the best option for the delivery of services.
- 9.9 To require and receive the declarations of Members' interests that may conflict with those of the Partnership Commissioning Unit.

10. DECLARATION OF INTERESTS

- 10.1 Members are required to declare interests prior to the commencement of the Board and a register of interests will be maintained. The Chair is required to reconfirm this as a standing item on Board agendas. Individuals may be required to leave the meeting for relevant agenda items at the discretion of the Board and will no longer count towards the quorum.

11. REPORTING AND ACCOUNTABILITY ARRANGEMENTS

- 11.1 The Board's Terms of Reference shall be approved by the Governing bodies of all the member CCGs.
- 11.2 The minutes of the Board shall be formally recorded although there is no formal requirement to present to the individual CCG governing bodies, the

Board will by exception escalate matters it considers should be brought to the attention of member CCG governing bodies.

- 11.3 It is the responsibility of each Accountable Office (or their nominated deputy) to ensure appropriate feedback to and from their organisations.
- 11.4 The minutes of each meeting will be circulated to all Members to take through the appropriate governance arrangements within their organisation.
- 11.5 Decisions are made which are within the authority of the PCU Management Board Members, in line with the scheme of delegation of each CCG. If there is an item that requires Governing Body approval, a decision will be deferred until the outcome of these discussions are known and reported back to PCU Management Board Members.
- 11.6 The Director of Partnership Commissioning will attend two meetings of each CCG's Governing Body (or sub group) per year for accountability and assurance purposes.
- 11.7 The PCU's senior managers will meet with the individual CCGs three times a year for a detailed locality review.

12 MONITORING EFFECTIVENESS

- 12.1 The effectiveness of the PCU Management Board will be monitored via the routine recording of minutes noting issues raised, actions taken and those that have been resolved as a result of the PCU Management Board's decisions and guidance.
- 12.2 The PCU Management Board's terms of reference will be reviewed annually.
- 12.3 An annual report will be produced by the PCU for the CCGs detailing challenges, achievements and the identification of key actions for the coming year. This report will also include a statement on the attendance, quoracy and compliance with the PCU Management Board Terms of Reference.

13. MANAGEMENT ARRANGEMENTS

- 13.1 The PCU Management Board will usually meet every two months [bi-monthly] in private, but may adjust frequency if the membership considers it is appropriate. Extraordinary meetings may be called by the Chair, or by a majority of CCG Accountable Officers, with a minimum of 5 working days' notice to each member CCG.
- 13.2 The meetings will be administered by the PCU team. Standing items on the agenda will include the minutes of the previous meeting, declarations of interest, risk reporting and any other item as agreed by the Board.