

## **NHS COMMISSIONING BOARD AUTHORITY**

### **Minutes of a Private Meeting held on 13 April 2012**

**Present:** Professor Malcolm Grant (Chair)  
Sir David Nicholson, Chief Executive  
Mr Ed Smith, Non-Executive Director  
Mr Ciaran Devane, Non-Executive Director  
Mr Paul Taylor, Interim Director of Finance  
Mr Paul Baumann, Director of Finance  
Ms Jane Cummings, Chief Nursing Officer  
Mr Bill McCarthy, National Director, Policy Partnership and Corporate Development  
Ms Jo-Anne Wass, Chief of Staff  
Dame Barbara Hakin, National Director, Commissioning Development  
Mr Ian Dalton, Chief Operating Officer

**Apologies:** Sir Bruce Keogh, Medical Director

#### **MINUTES OF MEETING**

1. The Chair welcomed Ian Dalton and Paul Baumann to the meeting.

#### **Minutes of the Previous Meeting – 2 February 2012**

2. The minutes of the previous meeting, held on 2 February 2012, were approved.

#### **NHS CBA's Budget and Business Planning – Oral Update**

3. Paul Taylor, Interim Director of Finance, gave an oral update on the NHS Commissioning Board Authority's (NHS CBA) budget and business plan.

#### **Budget**

4. Board members were informed that the budget for 2012-13 (£75.4m) had been allocated to National Directors. The budget was 15% less than the NHS CBA had bid for, but it was anticipated that it was sufficient for delivering the business objectives.
5. The budget covered the whole financial year 2012-13, and as such would encompass the NHS CBA and the NHS Commissioning Board (NHS CB). However, the NHS CB would need to approve its portion of the budget when it came into existence. The issue will need to come back to the NHS CB's Board in October 2012.

6. It was confirmed that when the NHS CBA, as a Special Health Authority, becomes an Executive Non-departmental Public Body, the Special Health Authority would be dissolved through a Dissolution Order. There should be no period of overlap between the two bodies and the accounts for both organisations would be part-year for 2012-13.

## **Business Plan**

7. A hard copy of the NHS CBA's Business Plan was circulated, which set out the ambitions of the organisation for the next 7 months. The aim was to publish the business plan on the website.
8. Board members discussed the critical success factors that were contained in the business plan. It was agreed to add two extra success factors on:
  - the NHS CBA's process of engagement; and
  - organisation development.

**Action: Bill McCarthy to ensure two additional critical success factors were added.**

9. Board members approved the business plan, subject to adding the two extra critical success factors.

## **Item 2 – There were three papers under this agenda item**

### **NHS Commissioning Board Authority: NHS Commissioning Board Development and Implementation Programme Update**

10. This paper provided an update on the delivery of the NHS Commissioning Board Development and Implementation Programme, covering the reporting period of 19 January 2012 to 31 March 2012. Board members were asked to note current progress with delivery of the programme.
11. The programme was proceeding reasonably well (amber status, but closer to red than green) in the aggregate hitting milestones but there were still significant risks concerning the programme, and these would need to be managed actively.
12. The risk areas that had increased since the last report were:
  - Commissioning support services – the red status reflected the fact that a final decision on the hosting arrangements for these services needed to be made by May, and the decision would be a big one to make;

- Patient and Public Voice – the feedback from the team and some stakeholders on this workstream was that they were looking for more leadership; and
  - Estates – some progress had been made on estates, but some “hard wiring” work still had to be done and further work was required on the costs and the public sector requirements to use existing estates.
13. Board members were informed that some good work had been done on the IT bid around benchmarking and to specify the requirements. There was significant advantage in the system being offered and it was good value for money, but it was not the DH system. This presented a handling issue with Government Shared Services. In addition, DH was pushing quite hard for the NHS CBA to take up the DH offer. The NHS CBA would also need to consider its options in the light of advice on the procurement rules; and our ability to negotiate greater flexibility and value from a DH offer. A decision would need to be made shortly.
14. The IT specification and associated work would need to be taken to the NHS CBA’s Board in the near future.

**Action: Bill McCarthy to bring the IT work to a future NHS CBA Board meeting.**

### **Critical Success Factors**

15. This paper proposed a set of critical success factors for the NHS Commissioning Board Development and Implementation Programme for discussion and agreement.
16. In addition to agreeing two more success factors (see paragraph 8 above) it was accepted by Board members that there needed to be a specific critical success factor to cover the Emergency Preparedness workstream, separate to Success Factor 1- the “Safe Transfer of Functions”.
- Action: Bill McCarthy to ensure a new critical success factor was devised to cover Emergency Preparedness.**
17. Furthermore, for the success factors that covered CCGs (critical success factor number 4) and commissioning support services (critical success factor number 5) it was agreed that the NHS CBA should not be aspiring to percentage target as part of the key measures. The wording for the key measures on the critical success factors needed to be redrafted and reviewed by Board members.

**Action: Bill McCarthy/Barbara Hakin to agree a form of words and then circulate to NHS CBA’s Board members for clearance.**

## **Update on the Gateway Review Action Plan**

18. In February 2012, the Cabinet Office conducted a Gateway 'Gate Zero' Review of the NHS Commissioning Board establishment programme. This paper provided an update on delivery of the Gateway Review Action Plan. Board members were asked to note the progress made against the actions identified in the action plan.
19. The majority of actions were on track and there was nothing in the paper that should give serious concern. Board members would be kept informed of progress on the Gateway Review Action Plan.
20. Board members were informed of a piece of due diligence work covering all of the final duties and functions from the Act and the functions that DH believes it was transferring to the NHS CB. A piece of work had also been done to look at the legal responsibilities across the different directorates. Bill McCarthy was happy to take Board members through this work, if they would find it helpful.

## **Item 3 – The Mandate**

21. This paper discussed how the NHS CBA, building on work to-date, could most successfully influence the drafting of the Mandate. The timeframe was slipping and it was estimated that the deadline for finalising a draft of the Mandate was about a month behind.
22. The original intention was for DH to consult on the broad approach and use this feedback to finalise the document. However, it looked like this phase of producing the Mandate may be dropped.
23. Board members felt strongly that the Mandate would make the biggest impact if it remained simple and clear setting out high level aims centred on the NHS Outcomes Framework, the NHS Constitution, and value for money. This would properly reflect the new relationship between ministers and an independent NHS Commissioning Board. It was agreed that a discussion with colleagues at No 10 would be beneficial. It was also agreed that this issue needed to be raised with Secretary of State.

### **Actions:**

**The Chair, Chief Executive and Bill McCarthy to speak to Secretary of State on the Mandate and liaise with relevant colleagues in No 10. A meeting with DH colleagues working on the Mandate should also be set up.**

24. Board members confirmed they were content with the steers in the paper.

**Item 4 - Any Other Business**

25. There was no other business.