

Paper 3 of 3

**Developing the commissioning arrangements in North
Central London: Management arrangements**

Contents

1. Introduction	3
2. Leadership roles.....	3
3. Impact on resources.....	6
4. Remuneration Committees	10
6. Implementation	10
Appendix 1: Overall job purposes for the proposed new executive roles	14
Appendix 2: Breakdown of current CCG running cost workforce in finance and performance ...	16
Appendix 3: Breakdown of current CCG programmes workforce by function	17
Appendix 4: CSU service specifications by CCG	18

1. Introduction

Five Clinical Commissioning Groups (CCGs) have come together across North Central London (NCL) to commission services differently. These CCGs are Barnet CCG, Camden CCG, Enfield CCG, Haringey CCG and Islington CCG. The CCGs have extensive experience of commissioning and have been working together for some time, but we have ambitions to do more and are facing collective challenges. The CCGs have proposed to establish a joint committee to commission the following range of services on behalf of the NCL CCGs:

- Acute services including core contracts and other out of sector acute commissioning;
- All learning disability contracting associated with the Transforming Care programme;
- All integrated urgent care
- Any specialised services not commissioned by NHS England

Paper 2 sets out the proposed governance arrangements of this committee.

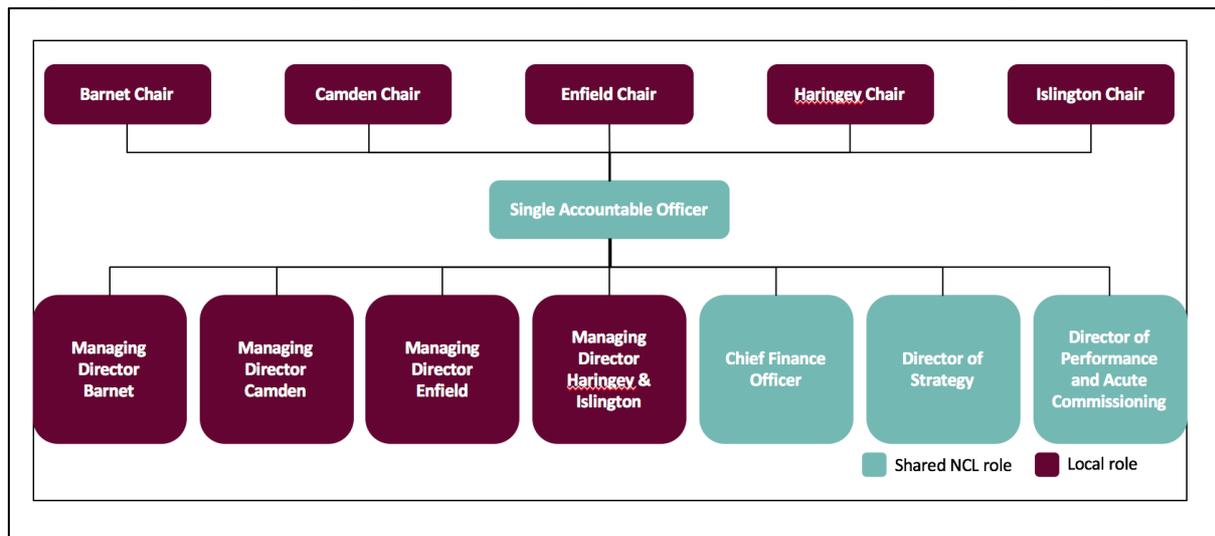
To support these governance arrangements, the current management structures across the CCGs in NCL have been reviewed. The creation of two new shared NCL executive roles was agreed by all five CCG governing bodies at their meetings in September and October with a further two shared roles requiring approval. In addition to this, four proposed local leadership roles are detailed within this paper and require approval from the governing bodies.

This paper sets out the proposed new executive structure, the impact of the proposals on current CCG resources and an implementation strategy for these changes.

2. Leadership roles

Strong leadership both locally and across NCL will be extremely important in delivering the mission and ambitions of the five CCGs. Four NCL wide leadership roles have been proposed at previous governing body meetings. An additional four Local Director roles are also proposed in this paper to be accountable for local services and functions. The proposed executive structure is shown in *Figure 1*.

Figure 1: Proposed management structure for NCL under new commissioning arrangements



NCL leadership roles

At the governing body meetings that took place across the NCL CCGs in September and October, it was agreed that the following functions would be best performed at the NCL system-wide level:

- **Setting a vision for health and social care:** Under the STP the vision for health and social care is shared by all constituent organisations
- **Financial strategy:** As CCGs move toward more integrated budgets, risk-sharing arrangements and an aspiration for capitated budgets, financial strategy and resource allocation will be driven at the system level. The Governing Bodies of the five CCGs have already agreed a paper outlining this.
- **Strategy and overall priorities:** The strategy and priorities that will drive delivery of the shared vision are to be set at the system-level under the STP.
- **Standards and outcomes:** Will be set at an NCL level although there may be different options for delivery, all the population should receive the same standard of care for the same condition. Quality monitoring will be conducted at a system level.
- **Assurance:** Assuring outcomes across the five CCGs, and working together to ensure providers are meeting standards for good quality, effective and efficient service.

To support these functions, it was agreed that there would be the following NCL-shared executive roles:

- **An Accountable Officer (AO):** with accountability for the executive management of the NCL system and Accountable Officer for each individual CCG.
- **A Chief Finance Officer (CFO):** with executive accountability for the financial performance of the NCL CCGs and financial strategy and Finance Director for each individual CCG.

In addition, two further roles were proposed:

- **A Director of Strategy:** with accountability for shaping and delivering the strategy of the STP across NCL.
- **A Director of Performance and Acute Commissioning:** with accountability for assurance and service performance across NCL.

Local leadership roles

As detailed in Paper 2, it is proposed that there will still be a substantial amount of commissioning undertaken within the individual CCGs, as follows:

- Children’s joint commissioning and children’s services outside of hospital
- Primary care development
- Primary care prescribing
- Sexual health commissioning (within CCG responsibilities)
- Joint commissioning with social care:
 - preventative care
 - complex elderly
 - Better Care Fund
- Mental health and community contracts including the contracts for:
 - Barnet, Enfield & Haringey Mental Health NHS Trust
 - Camden & Islington NHS Foundation Trust
 - South London & Maudsley NHS Foundation Trust
 - East London NHS Foundation Trust
 - Tavistock & Portman NHS Foundation Trust
 - Central London Community Healthcare NHS Trust
 - Central and North West London NHS Foundation Trust
 - Whittington Health NHS Trust
- Other mental health commissioning
- All hospice-based end of life care
- Continuing healthcare and funded nursing care
- Day-to-day tactical delivery of A&E performance

There is, therefore, a continuing need for strong local executive leadership within each CCG to lead and discharge these functions. Members at the 6 October governing body workshop proposed that executive leadership to discharge these functions was required, and that one Local Executive Director (VSM level) would be employed for each CCG, except in the case of Haringey and Islington where there would be a combined role to support their partnership with each other.

An outline of the purpose of this position is attached in Appendix 1 of this paper and a draft job description is available from the Chair prior to its discussion at the remuneration committee. Work is being conducted with CCG Chairs to develop these locally prior to going to advertisement.

It is asked that the Governing Body approve the following:

- 1) The creation of a new Local Executive Director role, as described above, to lead the delivery of local functions.
- 2) The proposal for a shared Director of Strategy and a shared Director of Performance and Acute Commissioning.

3. Impact on resources

The NCL CCGs have a dedicated and experienced workforce committed to providing the best service for local people. It has been, and will be, a priority to retain the talent that is currently in NCL CCGs and create opportunities for people to develop and progress. It has also been a principle of the work that any changes will not increase the managerial resource costs across NCL CCGs, and the proposals have been developed with this principle in mind.

Impact on leadership (VSM) roles

Currently there are 11 VSM roles across the five NCL CCGs: one AO and one CFO in each CCG (and an additional VSM position in Enfield CCG for the deputy Chief Officer with no change being proposed to this position at this point). It is proposed that under the new NCL executive structure, detailed in section 2 of this paper, there are four shared executive roles and four local executive director roles resulting in nine VSM roles across NCL (including the Deputy Chief Officer role in Enfield).

CFOs of all the NCL CCG have calculated that these proposed changes would cost £155,500 per year less than the current structure. This is due to a combination of the increased seniority of the roles and the reduction in numbers of roles by two.

Impact on resources and workforce

The implications of the changes proposed to the VSM structure in section 2 on the wider NCL CCG resources are considered in this section. This consideration of how these resources are affected is taken in three areas, these are detailed in *Table 1*.

Table 1: Current CCG resources

Resource	(i) Running costs (£k)	(ii) Programmes (£k)	(iii) CSU (£k)	(iii) CSU GPIT (£k)
Resource Value	£15,580 (205 WTEs)	£14,211 (225 WTEs)	£16,173	£3,800

To ensure business continuity across the five CCGs, it is proposed that there is no immediate change to the CCG workforce or resource allocation of any roles other than VSM roles. However, to support the new executive structure, it is proposed that the reporting accountabilities of some functions be changed. The impact of this is shown on (i)

establishment (running cost) workforce, (ii) CCG programme workforce and (iii) CSU resource, which is divided into two contracts.

Impact on running cost workforce:

Across NCL, there are currently 205 staff in the CCG establishment (running cost workforce) at the cost of £15.6m. The CCG Chief Officers and CCG CFOs have reviewed the function and roles of the staff to establish a proposal of staff that would report into one of the new NCL executive roles and staff that will remain within individual CCG’s, being accountable to the Local Executive Director. This assessment was based on:

- Consideration of which functions should be shared across NCL
- Understanding of the scope of the new NCL executive posts
- The functions that are being delegated to the new joint committee
- The current roles and responsibility of members of staff

It is proposed the members of staff working within the functions of finance, performance and acute commissioning (of which there is only one person in the running cost resource pool, in Haringey) would work across NCL reporting into the new NCL shared executive roles. This would create a shared workforce of 34 whole time equivalents (WTEs) and a combined budget of £2,241,000, in the sub-VSM running cost workforce resource. This is detailed in *Table 2*.

Table 2: Detailed analysis of staff working across NCL

Function	WTEs	Budget	Accountable Executive
Finance	22	£1,588,000	NCL CFO
Performance & acute commissioning	12	£653,000	NCL Director of Performance and Acute Commissioning
Total	34	£2,241,000	

A breakdown of staff in these two functions, by CCG is attached in Appendix 2.

Aside from the proposed changes to the executive structure, and those employees in establishment roles working in the finance or performance functions, it is proposed that the remaining workforce will, at this point, remain local and their accountability will reside with the proposed Local Executive Director.

It is recognised that the proposed shared team, as well as the new joint committee, will need administrative support in order to discharge their functions. Across the five CCGs there are currently 26 WTEs who have these skills (five in the CEO office cost centre and 21 in the admin cost centre). At this stage, there is no change proposed to these functions, however there is recognition that there will be a need for administrative staff to support the shared team and service the joint committee, and that this will become available as some executive posts move from individual CCGs to the shared team. It is proposed that this should be revisited and addressed once appointments to the team are underway.

Chief Officers, CFOs, and CCG quality leads have additionally spent time discussing the best

way to discharge the “quality” function across NCL: either in a shared way across NCL, or remaining local. It has been recognised that as the changes to the commissioning arrangements progress, there may be a requirement for a shared Director of Quality who would be accountable to all CCGs. There are 25 WTEs across the NCL CCGs that work in a quality role, whom under such a proposal would report into this position. At this point it is felt that there was not sufficient evidence to propose this change to governing bodies; however once the new single Accountable Officer is in post it is likely that this work will progress. As such, there is no change being proposed to quality resources at this point.

It is recommended that the remaining functions are best to remain being discharged at an individual CCG level.

It is asked that the Governing Body approve the following:

- 3) That all CCG workforce in finance, performance and acute commissioning functions be line managed by the new shared executive director roles

Impacts on the CCG programmes workforce

There are 225 WTEs within the programmes workforce across the five CCGs with a budget of £14,21,100, a breakdown of these staff by CCG is given in *Table 3*. A full breakdown of the five CCG programmes workforce by function is given as Appendix 3. The three largest functions by workforce are continuing healthcare services, medicines management and primary care commissioning with 59, 32.5 and 26 WTEs working within these functions respectively.

To support the ongoing programmes in each CCG, it is proposed that there is no change to the programmes workforce and that the staff accountable for discharging these functions remain accountable to their own CCG lead and will report into the proposed Local Executive Director.

Table 3: Breakdown of NCL CCG programmes workforce by CCG

CCG	Workforce, WTEs	Budget, £k
Barnet	33	£1,869
Camden	55	£3,752
Enfield	66	£3,655
Haringey	33	£2,396
Islington	38	£2,539
Total	225	£14,211

It is proposed that the shared Director of Strategy is supported by STP programme resource to oversee and deliver the STP. Going forward, it is proposed that the programmes workforce would deliver both local and shared STP programmes of work. There will therefore need to be a determination into the future delegation of this strategic workforce.

Implications for the CSU resource

The five CCGs all commission a range of support services from the CSU. The support provided is variable across the five CCGs and the detail of current service specifications is included at Appendix 4. Over the next year, all five CCGs will undertake a market testing process for their commissioning support, this will begin with GP IT (apart from Camden who have in-house GP IT services), followed by the wider service specification throughout 2017. It is proposed that the CSU support contracts be reviewed following the outputs of this process, and that the management of the CSU contracts be delegated to the new shared AO. This will enable the CSU resource to support the combined finance and performance functions and the delegated responsibility for the commissioning of:

- All acute services including core contracts and other out of sector acute commissioning;
- All learning disability contracting associated with the Transforming Care programme;
- All integrated urgent care; and
- Any specialised services not commissioned by NHS England.

Across NCL, the single largest line item of the current CSU contracts is “contracts” with £6.6m of support procured annually across the five CCGs. The key sub-activities provided within this are:

- Support with the negotiation process with providers
- Development of a negotiation strategy for each provider
- Delivery of a signed contract with each provider
- Production of activity, finance and performance reports
- Provision of analyses to support provider performance management, contract negotiations and claims management
- Working with providers to ensure delivery to contract and ensuring that issues are addressed in line with the agreed performance management framework.

It is within this resource base that NCL CCG acute commissioning, as well as some performance functionality, is currently undertaken. In order to support the delegation of services as set out in Paper 1, it is proposed that the resource relating to acute contracting be managed by the new shared Director of Performance and Acute Commissioning.

The proposed shared AO would have responsibility for signing the core contracts on behalf of the five CCGs. It is proposed that the commissioning support resource requirement be reviewed every four years to ensure that the contract specification continues to deliver value for money and supports the aims and strategy of the five CCGs and the Joint Committee.

It is asked that the Governing Body approve the following:

- 4) That the management of the core CSU support contracts be reviewed across the five CCGs based on their needs and reflecting the proposals of the new commissioning arrangements
- 5) That accountability for the management of the core CSU support contracts be delegated to the new shared Accountable Officer, who would have responsibility for signing the core contracts on behalf of the five CCGs
- 6) That the day-to-day management of the CSU support, relating to acute contracting, be undertaken by the proposed Director of Performance and Acute Commissioning

4. Remuneration Committees

A CCG remuneration committee-in-common (all the CCG remuneration committees meeting at the same time in the same place with a shared agenda) will take place on 10 November to formally agree:

- Job descriptions and pay for the agreed new shared Accountable Officer and Chief Financial Officer roles (an outline of the purpose of these roles are attached at Appendix 1 and draft job descriptions are available from the Chair prior to their discussion at the remuneration committee)
- The range of exposure to redundancy costs that may result from the removal of the current CCG AOs and CFOs positions.

Assuming governing bodies approve the contents of these papers, a second meeting of all CCG remuneration committees will be required in early December (following the final November governing body in Haringey on November 30) to agree:

- Job descriptions and pay for the new shared Director of Performance and Acute Commissioning and Director of Strategy roles as well as the Local Executive Director role relevant to each CCG (an outline of the purpose of these roles attached at Appendix 1 and draft job descriptions are available from the Chair prior to their discussion at the remuneration committee)

6. Implementation

Chief Officers have been undertaking work on the implementation of the proposed new management structure. An independent HR advisor has been appointed to support this process. Engagement and communication with current members of staff will be extremely important in retaining scarce and experienced commissioning talent. This process has

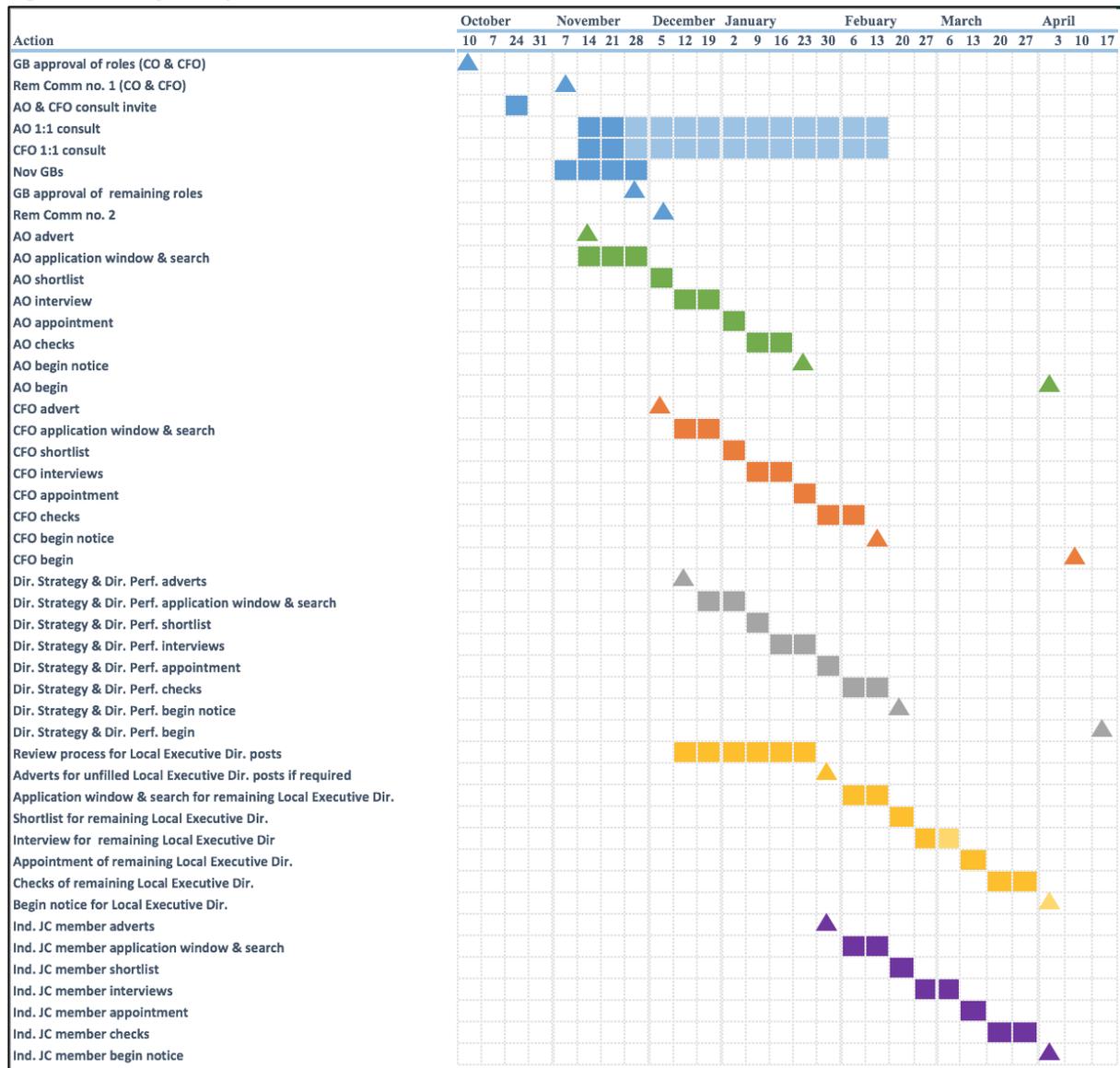
already started and will continue in the coming months. A detailed timeline for the HR process has been developed, alongside a detailed communications and engagement strategy and a risk register.

Timeline for implementation

A proposed timeline for the HR process is given in

Figure 2. This timeline sees the recruitment of the new NCL executive roles during December 2016 and January 2017 with roles appointed to by the end of January 2017. It is anticipated that the successful candidates will start in their new roles from April 2017 permitting notice periods.

Figure 2: Draft HR process timeline.



NOTE: notice periods for appointments in the above are indicative only, and may vary on a case by case basis from zero to six months.

a) Communications and engagement

A full communications and engagement plan will be developed by Chief Officers supported by HR specialists and communications leads for the changes proposed under the commissioning arrangements programme. This plan will align with the wider NCL communications and engagement plan for the STP. Messages to be delivered to each group of stakeholders should be consistent, however, it will be necessary to tailor these messages for the audience so it is best received. The best engagement channel to deliver these communications will additionally be considered, as well as the time at which messages are delivered.

i) Stakeholders

Four key stakeholder groups for communication and engagement have been identified. As this programme progresses toward implementation, and beyond, it will be important that regular, consistent communications and engagement is undertaken with each of these groups across all five CCGs:

1. CCGs staff
2. CCG members
3. CCG partner organisations (e.g. local councils, providers, etc.)
4. Inter-CCG communication (e.g. ensuring each organisation is aware of what is happening at the others)

b) Headline messages

The five NCL CCGs have been reviewing the need for strategic commissioning across NCL to deliver on our STP and the Five Year Forward View. Key to this, is looking at ways of working more closely with other CCGs whilst maintaining and building on joint work with local authorities.

The five CCGs have agreed a shared commissioning strategy outlining how they will work together to deliver the NCL STP, as part of this a shared financial strategy has been agreed. These papers also propose a new NCL CCG governance structure to effectively make decisions and commission services.

These changes will be managed in accordance with the London Change Management Policy which has recently been updated as well as local CCG change management policies where appropriate. Existing CCG change policies are aligned to the London policy and these will be updated to reflect the new additions on staff engagement.

The work that underpins these proposals has been ongoing for several months, and has been to governing bodies of all NCL CCGs in September/October and will continue to be developed in detail by the Governing Body meetings going forward. Currently it is thought that the new executive structure will be in place by April 2017 and all NCL CCG staff will be kept informed as these changes progress.

i) Channels

For the four stakeholder groups identified above, a number of channels will be used to deliver the key messages going forward. These include:

- Regular formal and informal staff briefings
- Workshops and/or staff engagement meetings as required
- Consistent email messages as process progresses
- Public borough meetings
- Digital engagement, including:
 - CCG internal intranet messaging boards
 - CCG public websites
 - Partner digital media channels (as part of wider, ongoing STP communications)
 - twitter, Facebook, Instagram etc – which already exist across both health and local government
- Regular CCG meetings with STP leadership
- Face to face meetings between the STP leadership team and local councilors and MPs along with Ministers in the Department for Health

ii) Timing for delivery of key messages

As the commissioning arrangements programme progresses through November and looking forwards towards April 2017, when it is expected that the new executive posts will be filled, the plan for communicating will not be static. However, it is expected that communications to each stakeholder group will need to be issued:

- At the end of November to provide update on the outcomes of the five NCL CCG governing bodies
- Following appointments to proposed new executive roles
- As formal changes to governance progresses (formal agreement to change; progress of formation of joint committee; first meeting of joint committee)

Going forward, the exact timing for issuing these communications will be agreed depending on when the ‘trigger events’ happen, however these communications will be issued concurrently to stakeholders across CCGs.

Proposal for the host employer of shared roles

Any new staff joining the CCGs in a shared role need one of the five CCGs to employ them. Legally, these posts need to be hosted by a single CCG. It is proposed that the host employer for any new appointments, which are to be shared, is Islington CCG. As Islington CCG are already the host employer for the Healthier London Partnership, it is felt that they were already well placed to undertake hosting responsibilities.

For any existing staff undertaking shared roles, there will be no change to their employing organisation.

It is asked that the Governing Body approve the following:

- 7) That Islington CCG be the host employer for any new appointments that are shared across the five NCL CCGs.

Appendix 1: Overall job purposes for the proposed new executive roles

NCL Accountable Officer

This new role will act as the Accountable Officer for all the CCGs and will be responsible for bringing together the 5 CCGs to deliver the objectives set out above.

1. To provide leadership and innovation to develop and implement both short and long term strategies for the five CCGs within the collaboration and ensure that agreed plans are effectively delivered.
2. To ensure that the CCGs within the collaboration exercise their functions effectively, efficiently, economically, with good governance and in accordance with the terms of the CCG constitution as agreed by its members.
3. To enhance and build a culture that ensures the voice of the member practices is heard and the interests of patients and the community remain at the heart of discussions and decisions.
4. The collaborative nature of the role requires the Accountable Officer to influence relationships with multiple key stakeholders across the North Central London Sustainability and Transformation area (STP) and London. Including NHS providers, local authorities (including health and wellbeing boards, social care and public health leads), local Health watch and the voluntary and statutory sector.
5. To manage the delegation of functions from NHS England including those relating to Specialised Commissioning and Primary Care. To ensure effective systems are in place to manage the delegation and ensure objectives are met.
6. Further enhance innovative strategic programs such as those promoting new models of care and continue to drive clinical leadership in NHS Commissioning.
7. To ensure that there is clear strategic direction and vision for the CCG(s) in conjunction with the Governing Board(s) and keep this under regular review.
8. To maintain a strategic overview of individual CCG performance within the collaboration.

NCL Chief Finance Officer

1. To provide strategic advice to the Accountable Officer and Governing Board of the CCG(s) on all aspects of financial strategy and financial management.
2. Play an active role in the determination and implementation of the NCL strategy
3. To lead on the financial strategy underpinning the Sustainability and Transformation Plan in North Central London
4. To provide leadership and direction to all finance staff working across the five CCGs in North Central London.

NCL Director of Performance and Acute Commissioning

1. To manage the commissioning and contracting of all acute/secondary/tertiary contracts in NCL (£1,007M of Acute Contracts)
2. To manage any delegated Specialist commissioning contracts held by NHS England

3. To ensure reporting routines for all aspects of acute performance for the five CCGs and NHSE are implemented and effective across North Central London CCGs.
4. To lead on the delivery of performance improvement strategies across NCL CCGs including ensuring recovery plans are put in place and monitored
5. To ensure the CCGs deliver all Operational Standards and Performance Targets and take appropriate action as soon as possible when there are concerns
6. To managing the performance of all Providers within North Central London
7. To develop an effective performance management and assurance working relationship with the NHSE Regional Team
8. To manage the CSU contract for Acute Contracting to ensure that the CCG objectives and commissioning strategy is delivered.
9. To maintain effective relationships with a wide range of senior stakeholders across NCL and ensure integration and joint working with CCG colleagues

NCL Director of Strategy

1. To provide direction and leadership to the overall design, delivery and implementation of the North Central London's response to the Five Year Forward View and in particular the Sustainability and Transformation Plan for the area.
2. To co-ordinate the portfolio of transformation programmes across North Central London and ensure strategic alignment across the other programmes within the Sustainability and Transformation Plan portfolio working closely with CCG based staff
3. To manage the delegation of functions from NHS England – in particular in relation to Specialised Commissioning and Primary Care. To set up appropriate commissioning functions and integrate the work into the Sustainability and Transformation Plan for the area

Local Executive Directors

This role is part of the NCL Executive Team and has line managed responsibility for XXXX CCG staff. They will be expected to work collaboratively with the NCL-wide team who are leading on the Sustainability and Transformation Plan and Acute Commissioning to deliver the vision and objectives set out above.

They will be responsible for leading on services which should be commissioned by individual CCGs or in partnership with Local Authorities – including:

Appendix 2: Breakdown of current CCG running cost workforce in finance and performance

Table 4: Number of Whole Time Equivalent (WTE) CCG staff working in the functions finance and performance by band

Function	Band 8d WTEs	Band 8c WTEs	Band 8b WTEs	Band 8a WTEs	Band 7 WTEs	Band 6 WTEs	Band 5 WTEs	Band 4 WTEs	Total WTEs
Finance	2	4	2	8	3	1		2	22
Performance		3	2	4	1	1			11

Table 5: Number of Whole Time Equivalents (WTE) CCG staff working in the functions Finance and Performance by CCG

CCG	Finance function WTEs	Performance function WTEs	Total WTEs
Barnet	5	1	6
Camden	5	2	7.3
Enfield	5	4	9
Haringey	4	1	5
Islington	3	3	6

Appendix 3: Breakdown of current CCG programmes workforce by function

Table 6: Number of Whole Time Equivalent (WTE) CCG programmes staff working by function

Function	Barnet programmes workforce WTEs	Camden programmes workforce WTEs	Enfield programmes workforce WTEs	Haringey programmes workforce WTEs	Islington programmes workforce WTEs	Total programmes workforce WTEs
Continuing healthcare	20		22	15	2	59
Medicines management	8	8.5		9	7	32.5
Commissioning - primary care		4	13		9	26
Commissioning - other		11	11			22
Admin			17			17
Corporate services		8				8
Transformations		3				3
Safeguarding	4	2		6	2	14
Commissioning - non acute					10	10
Referral Management		8				8
Quality		6			5	11
Comms & PR		3				3
Finance		1.7				1.7
Programmes project	1				3	4
Clinical governance			3			3
Commissioning - maternity				3		3
Total	33	55	66	33	38	225

Appendix 4: CSU service specifications by CCG

Table 7: CSU contract details by CCG (£k)

Service	Barnet Spend	Camden Spend	Enfield Spend	Haringey Spend	Islington Spend	5 CCG Total
Contracts	£1,778	£1,161	£1,446	£1,295	£1,082	£6,762
Reporting and BI	£1,107	£813	£990	£921	£862	£4,693
Finance	£307	£273	£307	£235	£281	£1,403
Business Support	£296	£376	£347	£220	£138	£1,377
Clinical Services	£191	£146	£121	£108	£222	£788
HR	£138	£136	£145	£108	£80	£606
DITC (Fol, Comms and DITC pre-bought)	£38	£44	£43	£23	£23	£172
Enhanced surge	£23	£23	£23	£23	£23	£113
Cancer commissioning	£26	£17	£22	£19	£15	£99
Surge	£21	£19	£20	£20	£18	£98
Support and Commissioning	£12	£12	£12	£12	£12	£62
Total	£3,937	£3,020	£3,476	£2,984	£2,756	£16,173

Table 8: CSU GP IT contract by CCG (£k)

	Barnet Spend	Camden Spend	Enfield Spend	Haringey Spend	Islington Spend	Total Spend
GP IT core	£901	£0	£728	£675	£528	£2,832
GP IT total spend	£1,198	£0	£968	£898	£702	£3,766