

GOVERNING BODY

LEAD: David Smith – Director of Health and Adult Services	ATTACHMENT:	<div style="border: 1px solid black; padding: 5px; width: 40px; margin: 0 auto;">E</div>
REPORT AUTHOR: Tonia Michaelides – Head of Commissioning and Delivery	AGENDA ITEM: 5	
RECOMMENDATION: The Governing Body is asked to: <ul style="list-style-type: none"> • Approve the proposed organisational structures • Approve the proposed use of the allocated running costs 	MEETING DATE: 12 th June 2012	

Proposed Commissioning Support Framework for Kingston Clinical Commissioning Group

EXECUTIVE SUMMARY:

The purpose of this paper is to describe the proposed Commissioning Support framework for Kingston Clinical Commissioning Group (KCCG).

It is proposed that KCCG will source its commissioning support from four main areas:

- Directly employed by KCCG
- Via the Royal Borough of Kingston (RBK)
- Via South London Commissioning Support Service (SLCSS)
- Via Kingston Co-operative Initiative (KCI)

The final structure and descriptions of functions, roles and responsibilities, together with any required signed contracts will be finalised in time to run the commissioning support function in shadow form, from 1st October 2012. This mirrors the timeline for the establishment of the shadow South London Commissioning Support Service.

KEY SECTIONS FOR PARTICULAR NOTE:

Section 2.0 Commissioning Support
 Section 3.0 Working Collaboratively with other CCGs

RECOMMENDATIONS:

The Governing Body are asked to:

- Approve the proposed commissioning framework and organisational structures
- Approve the proposed use of the allocated running costs

RISKS IDENTIFIED:

The following risks have been identified:

- *Financial*

The available running costs for KCCG are set at £4.9M. Current assumptions show that we will be able to deliver the scope of the functions delegated to CCGs within the allocated funding. However there is still some lack of clarity over where the responsibility for some of the deliver of functions will ultimately sit. Once these decisions are finally made more responsibility could flow to the CCGs that will need to be met using the running cost allocation.

To mitigate this risk we have included a contingency pot of £225K or £1.15 per head in non-pay costs. We will also ensure that any commissioning support functions that do not have to be funded from the running costs allocation are identified and funded from the appropriate source.

- Capacity

Given the size of KCCG there has been some concerns expressed, externally, about the organisations capacity to discharge all its responsibilities. We have internally assured our proposed structure and believe it is sufficiently robust. We have also been working with NHS South West London (NHSSWL) to quality assure our proposals. Discussions to date have not highlighted any major concerns.

- *External Commissioning Support Functions*

There is a risk that the commissioning support functions we are sourcing externally, particularly from SL CSS which is a start up organisation, will not adequately delivered. The added risk for SL CSS is that they are also going through an authorisation process where there is a potential to fail.

We will be working with all external providers of commissioning support functions to assure that they have sufficient capacity and expertise in place to meet the requirements of KCCG. We will also closely follow the authorisation process for SL CSS to ensure that we have early warnings on any issues that may arise that could impact on the service they provide to KCCG.

FINANCIAL IMPLICATIONS:

The majority of commissioning support will be funded through the running costs allocated to Clinical Commissioning Groups (CCGs). The National Commissioning Board has recently announced that running costs the CCGs will receive £25 per head of GP registered population scaled to ONS Data. Under this approach Kingston CCG's running costs allocation is £4.9M. The previous working assumption was that allocation of running costs would simply be £25 per head based on registered GP population. Under this revised approach Kingston CCGs running cost allocation increases by £140K.

A summary of the proposed usage of the running cost allocation is shown in the table below follows:

Function	Total Cost (£)	Cost per head (£)
Governing Body	422,375	2.15
Governing Body Support	791,549	4.04
Local Commissioning Support	1,109,561	5.66
Collaborative Commissioning with other CCGs	159,000	0.81
SL CSS	1,511,369	7.69
Non Pay Costs	906,146	4.63
Total	4,900,000	25.00

NATIONAL DOMAINS - TOWARDS AUTHORISATION:

All papers to the Governing Body are assumed to be evidence towards authorisation.

Please indicate below all the domains which the paper provides evidence for

- Clinical focus adding value
- Patient, carer, community engagement
- Planning and QIPP delivery
- Corporate and clinical governance incl. non financial risk management
- Finance incl. financial risk management
- Collaborative or joint commissioning, commissioning support
- Leadership

If not, please explain below:

EQUALITY IMPACT ASSESSMENT:

An Equality Impact Assessment has not been carried out at this stage. An Equality Impact Assessment will be completed as part of the NHS South West London HR Framework

PRIVACY IMPACT ASSESSMENT:

No personal data was used in the writing of this report

Kingston Clinical Commissioning Group Proposed Commissioning Support Framework

1.0 Introduction

1.1 The purpose of this paper is to describe the proposed Commissioning Support framework for Kingston Clinical Commissioning Group (KCCG). We will use the coming months to finalise the details and put in place any contract that are required.

1.2 It is proposed that KCCG will source its commissioning support from four main areas:

- Directly employed by KCCG
- Via the Royal Borough of Kingston (RBK)
- Via South London Commissioning Support Service (SLCSS)
- Via Kingston Co-operative Initiative (KCI)

The functions to be delivered by these four areas are explained more fully further on in this paper.

A high level structure chart is attached as **appendix A** which illustrates how the separate commissioning functions will report in to the Accountable Officer (AO), and ultimately to the KCCG Governing Body. A structure chart showing the membership of the Governing Body is attached as **appendix B** to this this paper.

1.3 The majority of commissioning support will be funded through the running costs allocated to Clinical Commissioning Groups (CCGs). The National Commissioning Board has recently announced that running costs the CCGs will receive £25 per head of GP registered population scaled to ONS Data. Under this approach Kingston CCG's running costs allocation is £4.9M. The previous working assumption was that allocation of running costs would simply be £25 per head based on registered GP population. Under this revised approach Kingston CCGs running cost allocation increases by £140K. A proposal for the deployment of the available running costs is included later in this paper.

The only commissioning functions that do not have to be funded via the running costs allocation are those that provide a predominantly clinical service. Any functions that transfer from Public Health will fall into this category.

1.4 The final structure and descriptions of functions, roles and responsibilities, together with any required signed contracts will be finalised in time to run the commissioning support function in shadow form, from 1st October 2012. This mirrors the timeline for the establishment of the shadow SLCSS.

The KCCG aim remains to jointly commission services with the Royal Borough of Kingston (RBK) as far as possible via an integrated commissioning unit run by the jointly appointed AO and Director of Adult Services. We are already running an integrated commissioning approach with some service areas such as mental health, children's services and with projects such as Kingston at Home. This joint commissioning approach will continue to be expanded during 2012/2013. We will have a proposal in place for joining health and social care commissioning structures in place by March 2013.

1.5 The KCCG will continue to source their IT support from Your Healthcare (YHC) for the foreseeable future. This IT function encompasses support to both the CCG and GP practices.

- 1.6 The majority of the commissioning support functions will be accommodated on the Guildhall campus. As a minimum health and social care commissioning will be co-located. The potential for co-locating Public Health with health and social care commissioning is being explored although this may not be achievable given the space available.
- 1.7 We are discussing with NHS South West London the HR framework that will be in place to fill posts both in the KCCG and the SL CSS. Our principle is to make the process the least disruptive as possible to both the KCCG and staff. This will allow us to maintain both continuity of service and local knowledge to ensure a smooth transition to KCCG becoming a statutory body from 1 April 2013

2.0 Commissioning Support

2.1 Below is a description of the functions that will be delivered by the four main areas providing commissioning support to the KCCG. The list of what functions and how they will be delivered will be finalised in time for the shadow commissioning support function to go live on 1st October 2012. It should be noted that the list of functions given are not inclusive but give an indication of the functions that need to be delivered and where they will be sourced from

2.2 Functions to be directly delivered by KCCG

The functions that will be delivered directly by the KCCG will be:

- Commissioning– including Out of Hospital commissioning, community services, enhanced services, GP Chambers and GP with a special interests
- Governing body support
- Governance - including information governance, risk registers, clinical quality, management of complaints and Freedom of Information Requests , equality and diversity
- Local stakeholder engagement
- Local strategy - including support for the development of plans and the delivery of QIPP, Commissioning Intentions, Operating Plans

A structure chart showing those staff to be directly employed by KCCG is attached as **appendix C** to this paper

2.3 Functions to be delivered via RBK

KCCG will source their commissioning support from the following areas of RBK:

- Mental Health Commissioning of community based services.
- Children's services
- People with learning disability (PLD)

2.4 Functions to be delivered by the SL CSS

Attached as **appendix D** of this paper is a schedule showing the range of commissioning support functions KCCG has agreed, in principle, to purchase from the SL CSS. This schedule shows the position across 12 CCGs in South London.

The main functions to be sourced from the SL CSS are:

- Acute Contracting
- Mental Health Contracting
- End to end finance
- Performance and Business Intelligence
- Communications and Engagement
- HR/OD
- Clinical Procurement advice

The SL CSS have grouped their offer into the following sections:

- Core Package
- Additional Package 1
- Additional Package 2

The expectation from the NHS Commissioning Board is that, as a minimum, CCGs will sign up to the core offer made by the Commissioning Support Services. KCCG is currently signed up to the core offer being made by SL CSS minus ICT support. Kingston, along with Bexley has signed up to the smallest number of core functions.

One of the prerequisites for the KCCG to finally agreeing to source functions from the SL CSS is that they have access to named staff members where relationships have been built up over the previous year for example, performance and information, finance and communications.

2.5 *Functions to be delivered by the Kingston Co-operative Initiative*

The KCCG will continue to hold a contract with the Kingston Co-operative Initiative (KCI) to provide predominantly a referral management service for Kingston and commission information to GP practices.

The scope of the functions provided by KCI will be reviewed during 2012/2013 and revised in agreement with KCI to meet the objectives of KCCG.

3.0 Working Collaboratively with other CCGs

Crucial to the success of KCCG will be the willingness and ability to work collaboratively with other CCGs both within and outside of South West London. A series of workshops have been held to agree an approach to collaborating and this work continue over the summer. The areas that are currently being explored include:

- Risk sharing – agreeing a financial risk sharing arrangement across the commissioning portfolio
- Hosting of functions – such as Mental Health with KCCG hosting the mental health strategic contract lead
- Working on joint strategies that cut across CCGs - such as Better Services Better Value
- Delivery of specific projects – such as the joint procurement of NHS SPA 111 with Richmond CCG.

4.0 Funding

CCGs will be allocated £25 per head GP registered population scaled to ONS Data to meet the running costs of the organisation. Attached as **appendix E** to this paper is a schedule detailing the proposed expenditure of the running costs available to KCCG. A summary of the proposed expenditure is shown in the table below follows:

Function	Total Cost (£)	Cost per head (£)
Governing Body	422,375	2.15
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Table 1 – Proposed expenditure of the available running costs funding available to KCCG

5.0 Risk

The following risks have been identified:

5.1 *Financial*

The available running costs for KCCG are set at £4.9M. Current assumptions show that we will be able to deliver the scope of the functions delegated to CCGs within the allocated funding. However there is still some lack of clarity over where the responsibility for some of the deliver of functions will ultimately sit. Once these decisions are finally made more responsibility could flow to the CCGs that will need to be met using the running cost allocation.

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5.2 *Capacity*

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5.3 *External Commissioning Support Functions*

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early warnings on any issues that may arise that could impact on the service they provide to KCCG.

6.0 Next Steps

We will continue to refine the commissioning support framework for KCCG over the summer, putting in place all the detail required for authorisation and to support the South West London HR framework.

An update on progress will be given at the next Governing Body meeting

7.0 Recommendations

The Governing Body are asked to:

- Approve the proposed organisational structures
- Approve the proposed use of the allocated running costs