Proposals and progress on developing further collaborative working across the North West London CCGs

Section 1: Context & Background

1. Collectively, we have developed a shared vision for health and care in North West (NW) London whereby we aim to work together as a single health and care system to reduce unwarranted variation for our patients and to work together with our main providers to further increase the amount of care delivered closer to home. We also recognise that our financial challenges are significant and that only by working together can we begin to address them.

2. It is from this platform that we have embarked on a programme of work to further develop and strengthen collaborative commissioning across our eight CCGs, culminating in key agreements at Governing Body meetings in September 2017.

3. At the September meetings, we agreed the need to strengthen collaborative commissioning arrangements across NW London to enable us to:

    - Identify and reduce variation in the quality and availability of services so that we avoid a 'postcode lottery' and improve health outcomes for our populations.
    - Increase the amount of care that can be delivered closer to patients' homes.
    - Harness the collective influence of CCGs when negotiating with major providers.
    - Reduce the burden on the health and care system of fragmented and duplicative care pathways.
    - Set minimum standards for community and primary care.
    - Reduce the number of "stranded patients" in our acute and mental health hospitals.
    - Maximise the effectiveness of efficiency of administrative spend.

4. Specifically, we agreed (in principle) to establish a Joint Committee and appoint a shared Accountable Officer (AO) and a shared Chief Financial Officer (CFO); we also agreed to carry out further detailed design work in relation to:

    - The operating model for a Joint Committee
    - The current operating models of the governing bodies and associated committees
    - A refreshed financial strategy for NW London
    - Developing the organisational design of CCGs in support of more collaborative working

5. In agreeing these actions, each CCG raised a set of key questions that they asked the programme team to address in the resulting design work.

Engagement in creating this paper

6. The CCGs established two design groups and three working groups to progress the detailed design work and to produce the recommendations outlined in this paper. The design groups were overseen by the programme's steering group, co-chaired by two CCG Chair representatives. Clinicians, staff, governing body members, committee members and the

leadership teams across NW London CCGs have also tested these proposals in a series of workshops and away days:

- **Governance Design Group:** developed the governance elements of this paper, supported by a *Technical Working Group* and two away days – the first with committee chairs and the second with Governing Body members.

- **Organisational Design Group:** responsible for developing proposals for the joint senior leadership team under the shared accountable officer. Two joint senior management team sessions were held to facilitate this work, as well as a dedicated session at an away day on 16 November.

- **Financial Working Group**: responsible for developing proposals for financial management arrangements under the new operating structure. There was a dedicated session for Governing Body members on 13 December.

- **Communications and Engagement Working Group:** responsible for the development of communications to staff and Governing Body members and for supporting CCGs to work directly with members and local stakeholders. More recently, a *Patient and Public Engagement Working Group* has been established, co-led by local Engagement Leads from each CCG. Plans are now being developed for enhanced engagement activity before the go-live of the proposed Joint Committee.

7. CCG chairs also participated in three facilitated sessions to confirm the shared vision set out above and to put forward their views on local roles under a shared Accountable Officer.

Purpose of this paper

8. This paper sets out the progress of the development work to date and asks Governing Body members to consider recommendations in relation to establishing a Joint Committee. The Governing Body is also asked to support the continuation of the detailed design work that is necessary to ensure we meet the needs and requirements agreed in September.

9. The Governing Body is therefore asked to:

    i. Agree the remit of collaboration as set out in Section 4.

    ii. Agree the proposed terms of reference for the Joint Committee, as set out in Annex A, to be effective as of 1 April 2018.

    iii. Agree the shared functional roles that will report to the shared AO (Section 5).

    iv. Note the progress and to support the continuation of detailed design work that is required in relation to:
        - NW London Financial Framework
        - Sub-Committee arrangements
        - Collaboration Agreement

- Organisational Development
- Organisational Design

Section 2: Confirming agreements to date & addressing the key issues of Governing bodies

10. Following the Governing Body meetings held on 26 and 27 September, all eight CCG Governing bodies agreed:

    - That there is a case for changing commissioning arrangements.
    - To work collaboratively and make joint decisions with the other CCGs in NW London.
    - That the recommended form for joint decision-making is a Joint Committee, accountable to the eight CCGs via the Governing bodies, and to initiate the process of constitutional change with membership to allow the establishment of such a committee.
    - That the Joint Committee should have an independent chair.
    - To a two-month review to develop more detailed proposals on how to change the current operating model of the Governing Body and its committees, in line with the design and decision-making principles.
    - To a shared Accountable Officer and a shared Chief Finance Officer appointed across all eight CCGs.
    - To a two-month review to develop options for a shared management structure in support of the shared Accountable Officer.

11. Whilst agreeing to undertake joint decision-making via the creation of Joint Committee, it was fully acknowledged that each CCG will remain an independent sovereign body which will continue to be directly accountable for the commissioning of local health services. A Joint Committee therefore acts on delegated authority from each Governing Body and is required to account for its performance during the course of exercising is duties and responsibilities.

12. In addition to these agreements, governing bodies identified a set of questions for further clarification. These are summarised below:

    - **Finalising the operating model of the Joint Committee**
      Members wanted more clarity on: how decisions will be arrived at and supported for local implementation; the role of an individual on the Joint Committee; and how each Joint Committee member will be held to account.

      Members were also keen to see the mechanisms in place to manage the performance of the committee and if necessary, how CCGs may safely withdraw from the arrangements. The proposed operating model to address these needs is set out in Section 4.

    - **Remit of collaboration**
      Whilst the services and functions that local CCGs are asked to delegate to the Joint Committee were discussed in September, further clarity was required around the types of

decisions that the Joint Committee will be asked to make. This is addressed in Section 4 of this paper.

- **Organisational Design**
  Governing bodies agreed to appoint a shared accountable officer and shared chief financial officer for the NW London CCGs; however they requested more detail on the likely new arrangements. Section 5 sets out proposals for the shared roles that will report directly to the shared Accountable Officer.

- **Governance**
  Establishment of a Joint Committee will have implications on existing Governing Body arrangements and committee structures. Assurances were sought that we would look to avoid duplication and bring clarity to where / how each statutory duty will be discharged under any new arrangements. This is covered in section 6.

- **Financial Framework**
  Given that a Joint Committee will require the 8 CCGs to share risk, detail was required around the financial framework that will govern collaborative commissioning. Such arrangements need to take account of the current legislative framework and should facilitate the transition towards equitable funding for all 8 CCGs. Progress on developing the financial framework is set out in section 6.

Section 3: Confirming the case for change

13. The eight CCGs in NW London have worked in collaborative ways since their formation in 2013. Our NW London Collaboration Board, established in 2014, has overseen the development and delivery of many shared clinical priorities including the Diabetes Transformation Programme, the Like Minded mental health strategy and the Prescribing Wisely scheme, all of which have been cited as successful examples of collaborative working. NW London CCGs have demonstrated that closer working can bring improved outcomes for patients and staff.

14. The collaborative approach that we have always brought to commissioning is now reflected in national policy, following the introduction of sustainability and transformation plans and the establishment of sustainability and transformation partnerships (STPs).

15. Each of our CCGs has signed up to the NW London STP plan and this describes our strategy and vision for health and care services across the sector. The STP focusses on five priorities, which have been identified as areas that will make the largest and fastest positive impact on our residents' health:

    i. Improving health and wellbeing
    ii. Better care for people with long-term conditions
    iii. Better care for older people
    iv. Improving mental health services
    v. Safe, high quality and sustainable hospital services

16. Despite progress however, we continue to face challenges. Patients experience variation in the quality and experience of care; most providers in NW London are in deficit, with an estimated £1.4bn system financial gap by 2021; and as commissioners we are currently unable to speak to our large providers with “one voice” in order to affect transformational change.

17. All these developments and changes make it important for us to test whether our current commissioning arrangements are sufficient to meet the growing clinical and financial needs of NW London.

The case for developing collaborative commissioning arrangements

18. We have agreed that reforming commissioning arrangements across NW London will enable us to play a leading role in addressing the system challenges, helping us to identify and minimise variation, harness the collective influence of CCGs to reduce duplicative care pathways and increase the amount of care delivered closer to home. It is also an opportunity to maximise the effectiveness and efficiency of administrative spend.

19. Reforming commissioning is not just limited to CCGs – we are keen to maintain the development of closer ties with local authorities. In this way, working together as a joined-up health and care system, we can help to cut delays, confusion and frustration in commissioning and care delivery. This in turn means we can free up more time and money to keep the population well, improve efficiency and effectiveness, and address financial challenges. It would also allow us to invest more in preventing illness, in more GPs, into more care in or nearer people’s homes.

20. The goal of greater collaboration is therefore to strike a balance between local and joined-up system working. We recognise the importance of the local clinically-led work in each CCG, especially in the development of primary care and in building strong relationships with local areas and local people. There are clear advantages to this way of commissioning and we need to retain the best of these in any improvements we make. Equally, there are compelling reasons and significant gains to be made by working even more closely together.

21. The recommendations and developments outlined in this paper are part of this journey and set out the latest developments that we now need to implement if we are to make progress towards our collaborative commissioning vision and goals.

Section 4: Remit of collaboration & the Joint Committee operating model

Introduction

22. In this section we set out which commissioning responsibilities will continue to be carried out locally, versus what is proposed to be delegated to the Joint Committee; we also describe the proposed operating model for the Joint Committee.

23. It is important to stress that under these proposed arrangements, our eight CCGs remain independent sovereign statutory bodies which continue to be directly accountable for the commissioning of local health services.

24. For this reason, the Joint Committee is subservient to and accountable to the CCGs' governing bodies, who each have the power to withdraw from arrangements should this ever be judged to be in the best interests of the local population. Conversely, these arrangements will empower each CCG to work together in new and progressive ways and thus enhancing our reach and influence for the benefit of all residents of NW London.

Remit of the Governing Body

25. Under the proposed arrangements, governing bodies will continue to directly oversee:
    - Prescribing
    - Primary care
    - Mental health services conducted jointly with Local Authority: Adult placements, children and young people, e.g. school based services, older People's Mental health
    - Primary care mental health
    - Community services, including: NHS continuing healthcare, rehabilitation services, services for people with learning disabilities, other community based services
    - Running costs for local functions
    - Local communications and campaigns
    - Local engagement

Remit of the collaborative commissioning arrangements

26. The proposed remit of the Joint Committee is limited to the range of service areas and functions as set out in Figure 2 (a *Framework for decision making*) and as outlined below.

Service remit

27. In September we proposed a range of services that would benefit from collaborative commissioning (Figure 1). During the design phase these proposals were further tested and we have reached agreement that these should be recommended for joint commissioning across NW London.

28. Further, it is recommended that individual governing bodies delegate the commissioning decisions for these services from 1 April 2018 to the Joint Committee.

Figure 1: *Services where commissioning decisions will be made by the NW London Joint Committee*

- All acute services (excluding locally developed accountable care pathways)
- Acute Mental health services (with the exception of those conducted jointly with local authorities), including:
    - Adults with serious and long-term mental health needs, including bedded care and urgent care
    - Children and young people (CAMHS Tier 2 and 3)
    - Perinatal

  - IAPT
- Out of hours primary medical services
- Integrated urgent care, including NHS 111
- Some community-based services shared with clusters of CCG commissioners that would benefit from decisions made at a group level
- Semi specialist areas with a pooled budget across NW London
- Specialist care not commissioned by NHS England

Functions remit

29. To support the management of the collaborative services and to embed greater collaboration across NW London, it is recommended governing bodies delegate responsibility to the Joint Committee for overseeing and making decisions on the following functions:

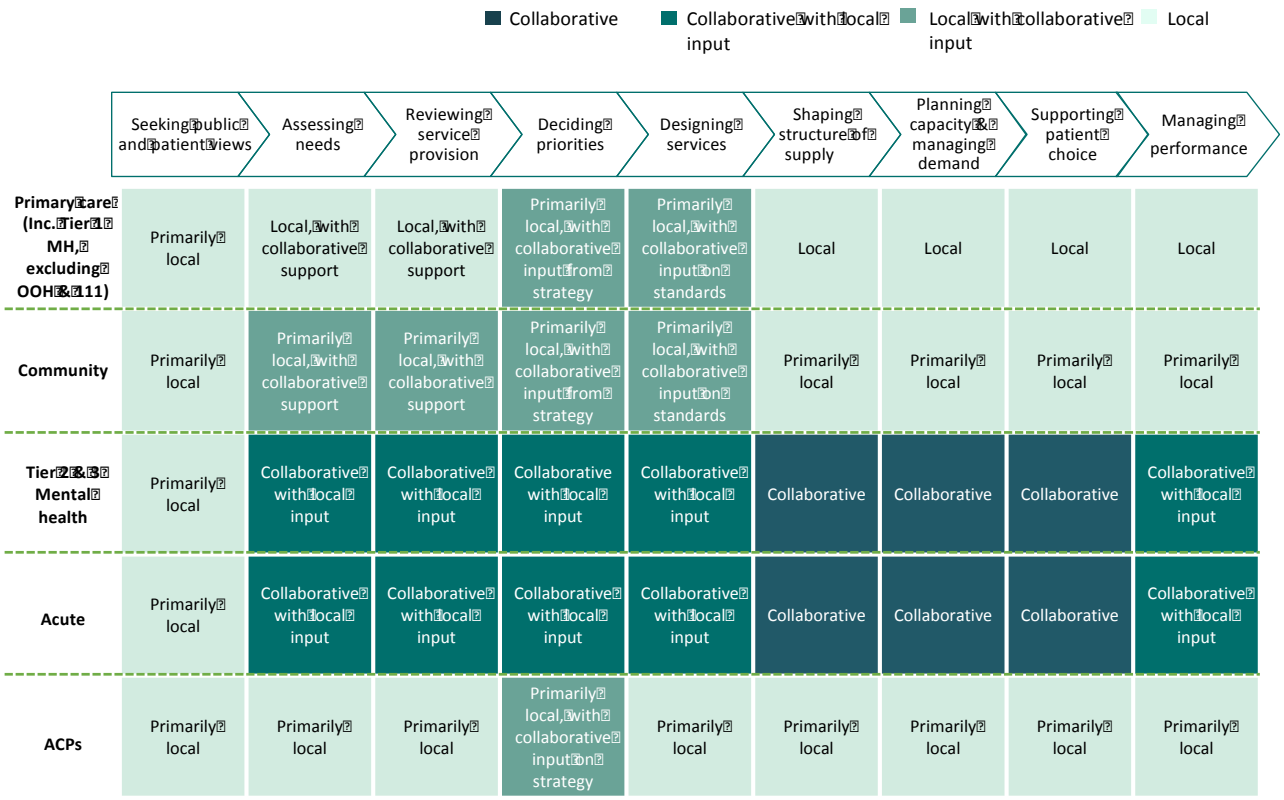
    In relation to strategy:
    - Setting the overall strategy across NW London
    - Setting the financial strategy for NW London

    In relation to all services:
    - Setting consistent minimum standards across NWL, involving local CCG staff for services commissioned directly by CCGs

    For the services set out in Figure 1 above:
    - Approval of business cases within delegated limits and change requests
    - Needs assessment across NW London as informed by local strategies
    - Planning service requirements
    - Contracting and contract management
    - Developing the provider landscape
    - Setting and monitoring outcomes for providers
    - Aligning incentives across the system
    - Monitoring adherence to the strategy
    - Approval of decommissioning of services

30. It is important to note that services decided on collaboratively will continue to be reported on locally, and discussed when relevant (e.g. acute service performance). It should also be noted that this framework is dynamic and should be revised over time, in line with learning and experience. It should also be noted that these arrangements will require new ways of working and it will be important to support and develop our staff accordingly. A programme of organisational development has been outlined in Section 6 to help address these needs.

Figure 2: *Framework for decision making across NW London CCGs*



Recommendation 1:
The Governing Body is asked to agree to the remit of collaboration as set out in section 4

Proposed Terms of Reference for the Joint Committee

31. A full Terms of Reference (ToR) for the Joint Committee can be found in Annex A of this document. The questions raised by governing bodies in September have been considered as part of the engagement work that has taken place to support their development. The key points of the ToR are set out below.

Membership

32. One of the key actions from the September Governing Body meetings was to further consider the number of Governing Body members on the Joint Committee to ensure that the level of CCG representation reflects our ambitions for fully collaborative decision making. One of the key principles guiding this review was to ensure the Joint Committee remained clinically-led.

33. Following discussion, it is proposed that a further Governing Body member per CCG be invited to attend the Joint Committee in addition to the CCG Chairs. This allows for a broader representation of views and expertise.

34. However, it is also recommended that the additional Governing Body member will be non-voting to ensure that decision making remains flexible. A potential 23 voting members could make the committee inefficient under a principle of seeking to achieve consensus.

35. It was also agreed that three lay members will sit on the committee. Each lay member would represent the NW London population as a whole and would be appointed by the CCG Chairs. Of the three lay members it is proposed that at least one should bring expertise in audit and finance and, in recognition of our commitment to patient and public involvement, at least one should bring expertise in patient representation.

36. This takes the final proposed membership of the Joint Committee to 26 members (see Figure 3). The Joint Committee may also call additional experts to attend meetings on an ad-hoc basis, to inform discussions.

37. It is proposed that the Joint Committee is established with an independent chair, with a process of recruitment to commence on agreement of the Terms of Reference. It is recognised that recruitment of an independent chair may take some time and so it is proposed that a CCG chair (on a rotational basis across the 8 CCGs) will chair the Joint Committee until an appointment is made.

38. The Vice Chair of the Committee shall be one of the three lay members. Where the Chair is unable to participate in a meeting or vote due to absence or a conflict of interest, the Vice Chair will chair the meeting.

Voting and quoracy

39. The voting rights of each member have been set out in Figure 3. During the Governing Body discussions in September there was general support for setting a majority voting threshold to be the equivalent of 6 or 7 CCGs to carry a decision.

40. However, the exact threshold has not yet been agreed and it is recognised that there are benefits in further developing operating processes before a final recommendation is made. It is therefore proposed that a consensus approach is used to reach decisions / arrive at recommendations during the period of shadow running of the Joint Committee (subject to Governing Body approval this will be January to March 2018), with a commitment to further test the approach to voting during the next phase of design work (as set out in Section 6).

41. For the committee to be quorate, it is proposed that at least 11 members of the committee are present, including the following:
    - The independent chair (or deputy)
    - At least one lay member
    - A local representative from each CCG (with no individual counting more than once)
    - The Accountable Officer or the Chief Financial Officer

42. The quoracy requirements will be revisited after one year.

Figure 3: *Proposed membership of the Joint Committee*

Joint Committee role	No. of members	Voting
Independent chair	1	No
CCG chair	8	**Yes**
Accountable officer	1	**Yes**
Chief finance officer	1	**Yes**
Secondary Care clinician	1	**Yes**
Director of quality and nursing	1	**Yes**
Lay members – *including one with responsibility for finance and audit, and one patient and public engagement*	3	**Yes**
Other Governing Body members	8	No
Healthwatch representative (co-opted)	1	No
Public Health representative (co-opted)	1	No

Frequency, location & accessibility

43. Meetings will be held monthly and will rotate across venues in all eight CCG areas in NW London. A facility will be available to live stream meetings over the web to other locations. Questions may be asked in advance or at the end of the meeting, either in person or fed through live via technology (subject to suitable technology being available).

44. Meetings of the Committee shall be held in public unless the Committee resolves to exclude the public from a meeting for issues of a confidential or sensitive nature; such items will be considered in Part 2 and members of the public and usually co-opted members will not be in attendance. In adherence to the Nolan Principles, issues considered in Part 2 will kept to an absolute minimum. Before excluding the public, the Chair will advise the Joint Committee of the matters to be discussed.

45. A summary of decisions made in Part 1 will be issued publically within 24 hours to ensure a common record of the meeting for all those that are interested. Decisions made in Part 2 will be reported in Part 1 as appropriate.

Role of individuals on the Joint Committee

46. It is the duty of every member to review evidence, actively participate in discussions and to provide objective, expert input to the best of their knowledge and ability in order to facilitate collective decisions that produce the best results for all residents across NW London.

47. The primary duty of each individual member will be to facilitate the arrival at a joint decision in the best interests of the population of NW London. Their secondary duty will be to understand the view of local areas and to actively ensure local needs and challenges are taken fully into account.

48. Carrying out these duties in this way relies on an evidence-based approach that demonstrates, in a transparent way, how relevant local information and considerations have been taken into account. Developing an effective standard operating procedure for the development of papers and recommendations to the Joint Committee is therefore extremely important.

49. Over the course of the proposed period of shadow running (January – March 2018) we will seek to define and agree the process and procedure which all lead managers will be expected to follow when developing and submitting proposals to the Joint Committee. This will include the need to demonstrate (and evidence) how local circumstances and issues have been accounted for; how the Financial Framework (once agreed) has been applied; and for ensuring papers are circulated in good time. At all times, CCGs will have recourse to a dispute resolution process (to be set out in the Collaboration Agreement) if required.

50. It should also be stressed that as with all Governing Body members, each Joint Committee member is bound by the NW London CCGs *Standards for Business Conduct Policy*. This places a duty on member to declare any actual or perceived conflicts of interests in advance and where relevant to nominate an alternate, non-conflicted deputy to attend for the particular agenda item or meeting.

51. To support the successful operation of the Joint Committee, it is proposed that the roles and responsibilities of individuals are further defined during the shadow running period (January-March 2018).

Managing the performance of the Joint Committee

52. The governing bodies expect the Joint Committee to successfully carry out the duties and responsibilities delegated to it and to remain fully accountable to each Governing Body for its work. As part of this, the Joint Committee will be required to agree and submit an annual work plan to governing bodies.

53. The Joint Committee must therefore ensure there is effective communication and reporting to each Governing Body to assure them that the committee is operating effectively.

54. Informally, members on the Joint Committee are expected to feedback updates on progress of workplans and performance to governing bodies in their local meetings. More formally, it is recommended that the Joint Committee completes an annual self-assessment of performance, in the same way as the audit committee. This self-assessment should subsequently be reported to each Governing Body.

55. If there is consensus that Joint Committee is not working successfully and this cannot be resolved through the usual workings of the committee (including interventions from the Accountable Officer), a three-part escalation process is proposed:

    - **Independent Chair action:** the independent chair will attempt to resolve issues through negotiation and discussion. A number of remedial actions might be agreed including additional reporting to governing bodies, withdrawal of some responsibilities or amendment to the Terms of Reference.

- **Referral to governing bodies:** the Joint Committee is a sub-committee of each of the governing bodies and each Governing Body will retain the right to require the committee to provide information and reassurance, as required, as to its working. The CCG Chair will lead any effort required to manage the performance of the Joint Committee.

- **Withdrawal from the committee:** as a final resort a CCG may withdraw from the Joint Committee upon giving 6 months' notice of termination, as set out in the Terms of Reference. Withdrawal from the Joint Committee implies withdrawal from the collaboration agreement.

56. The Collaboration Agreement, once finalised and agreed by governing bodies will further define the expectations and lines of accountability for the committee as a whole and for individual members.

Removal of the independent Chair

57. The Joint Committee has the power to remove the independent chair, if required, if:

- They are not legally eligible to sit on a governing body or committee.
- A motion of no confidence is passed by simple majority of voting members present at a Committee meeting. The simple majority must include at least one representative from each of the NW London CCGs.

Formal launch and shadow running of the Joint Committee

58. If agreed, the Joint Committee would take on powers from 1 April 2018. It is also proposed that it meets in shadow form in the preceding months (January to March 2018), to support preparations and an orderly transition to the formal new arrangements.

Recommendation 2:
The Governing Body is asked to agree the terms of reference for the Joint Committee (as outlined in Section 4 and as detailed in Annex A), which will come into effect on 1 April 2018.

Section 5: Organisational design

Summary of agreements and progress to date

59. In September, all eight governing bodies agreed to appoint a shared Accountable Officer and a shared Chief Finance Officer across all eight CCGs in NW London.

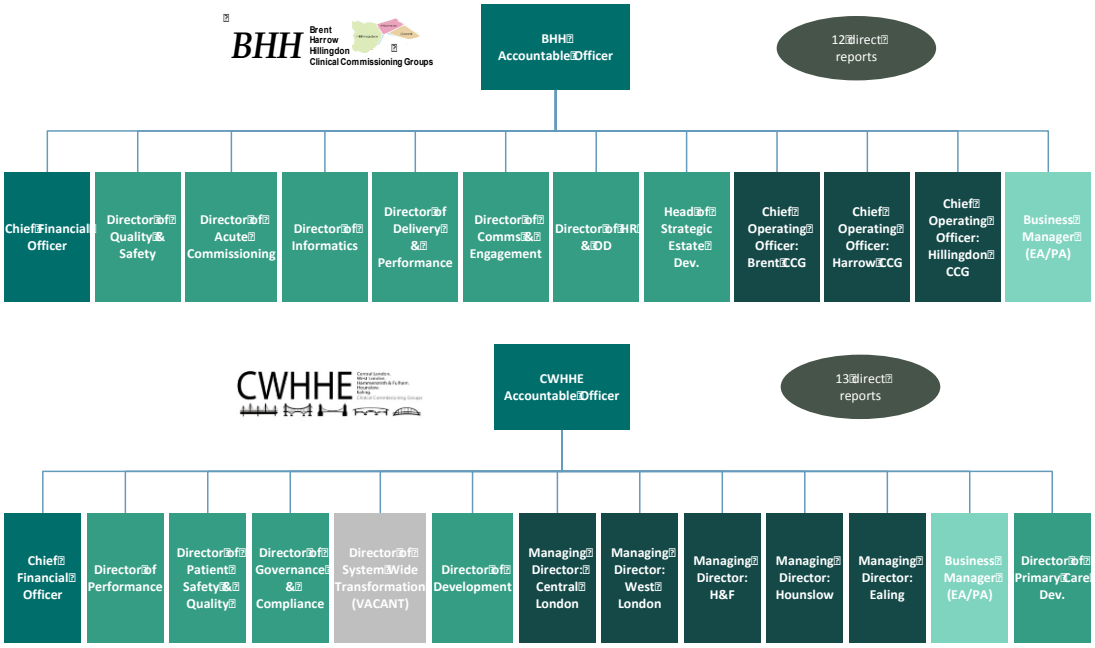
60. All eight governing bodies also agreed that work should be undertaken to develop options for a shared management structure in support of the shared Accountable Officer. These proposals were to be created in line with design principles set out in the September Governing Body paper.

61. Since our September meetings were held, we are pleased to confirm the appointment of Neil Ferrelly (currently Chief Finance Officer, BHH CCGs) as the new shared CFO for the NW London CCGs with effect from 1 January 2018.

The current state structure

62. There are currently a total of 25 staff reporting directly to the two accountable officers in NW London; this includes two Chief Financial Officers, eight Chief Operating Officers/Managing Directors with local leadership roles, 15 Directors with functional roles and two administrative staff. The organograms for the BHH senior management team and CWHHE senior management team are set out in Figure 4.

Figure 4: *As-is management structure*



63. In the current arrangements the separate senior management teams (SMTs) of CWHHE and BHH meet once a week. Both SMTs meet formally once every two weeks in a Joint SMT session.

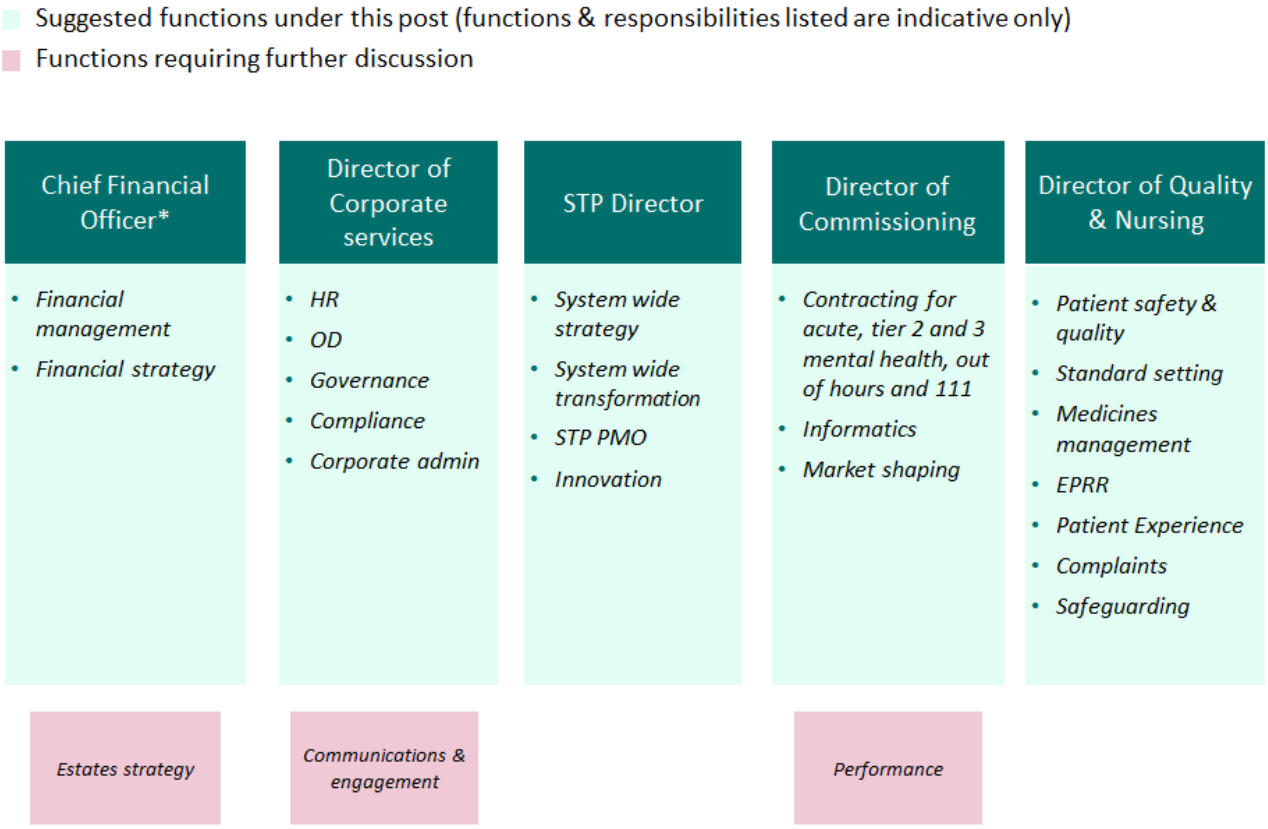
Developing the system-level functional roles

64. Whilst it has been acknowledged that the new shared Accountable Officer may wish to shape their own team, discussions have been held with the two existing accountable officers, the senior management team, and the wider Governing Body members, with regards to the functional posts that would be required to make the shared Accountable Officer role do-able.

65. At the away day on 16 November 2017, consensus was reached regarding five joint management posts and their associated portfolio of functions (Figure 5) which will need firming

up by the shared Accountable Officer, once in post. Note that the shared Chief Financial Officer and Director of Performance roles have already been appointed to.

Figure 5: *Recommended functional posts across NW London*



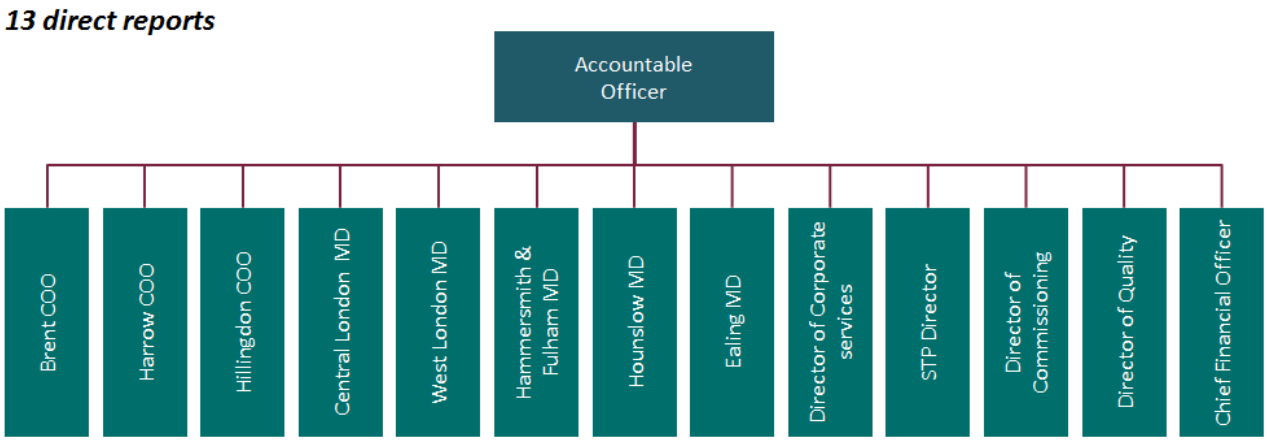
What this means at a local level

66. A number of senior managers are required to oversee the functions that CCGs would continue to conduct locally. These roles would sit alongside the five shared functional roles in Figure 5.

67. To support stronger collaboration and to enable an effective operating model, facilitated discussions have been held with CCG Chairs to explore the potential benefits of grouping CCGs in the new structure so that they share management resources. Whilst grouping is supported as a good idea in principle, it accepted that this needs to be further developed and that any final decisions will be based on the local circumstances and the readiness of each CCG.

68. This means that the shared AO would need to retain the existing 8 Managing Director (MD)/Chief Operating Officer (COO) roles in the new NW London collaborative structure. Each MD/COO would, as now, report directly to the Accountable Officer (see Figure 6) and local leadership arrangements would be retained.

Figure 6: *Possible new leadership structure*



Operating model development

69. There is clearly value in retaining the some of the current arrangements to support the transition into greater collaborative working but it is also recognised that 13 direct reports presents a significant leadership challenge for the shared AO. It is proposed that work should continue – not least with the new AO once in post – in order to explore and test the benefits of alternative operating models and leadership structures.

70. Additionally, regardless of the final leadership model adopted, the new collaborative ways of working will require the development of unified (or new) operating processes and procedures to ensure we are able to operate efficiently and effectively.

71. It is therefore proposed that the organisational design group continues to lead the detailed development and design work that is needed to ensure a high performing collaborative operating model.

Recommendation 3:
The Governing Body is asked to agree the shared functional roles that will report to the shared AO as set out in section in Section 5.

Section 6: Areas where on-going development work is required

72. This paper seeks approval for the key recommendations arising from the detailed design work to date. As indicated throughout, there are a number of areas where work needs to continue in order to further test and develop recommendations for formal consideration at a later stage.

73. In this section we set out the progress and current areas of focus in the following workstream areas:

- NW London Financial Framework

- Sub-committee arrangements
- Collaboration Agreement
- Organisational Development
- Organisational Design

NW London Financial Framework

74. Developing and agreeing a financial framework for collaborative working across NW London is of paramount importance. Our 8 CCGs require a clear understanding (and will need to agree) of the scope of financial authority the Joint Committee will have and of the risk share arrangements that will need to applied. Governing bodies have also sought assurances that effective financial management (within the agreed scope) is in place and that the principle of setting affordable minimum standards is maintained.

75. Whilst more work is required to finalise the detailed recommendations, agreement has been reached on the key principles and objectives that will underpin the framework:

Key Principles

76. Joint working and collective decision making will be enabled by adopting the following principles regarding the operation of the financial framework:

- Supporting NW London CCGs to operate to the single commissioning control total.

- All CCGs remain statutory bodies with separate accountability whilst operating as a united collective.

- All CCGs retain management of budgets for primary care (including Tier 1 Mental Health) and community services for local decision making.

- Joint financial decisions are made transparently and the financial impact on each organisation of any decision or recommendation is fully assessed and recognised.

Key Objectives

77. The proposed objectives for the future financial framework are:

- Implementation of the NW London strategy (the STP) focusing on the 5 areas that will have the greatest and fastest positive impact on our residents' health.

- Identifying and minimising variation, harnessing our collective negotiating influence with providers, and reducing duplicative care pathways whilst increasing the amount of care delivered closer to home.

- Mitigating the impact of one-off unexpected cost pressures through managing financial risk collaboratively.

- Maximising the effectiveness and efficiency of administrative spend by providing common commissioning functions at scale and sharing the costs equitably.

Areas of focus in the next phase of development of the Financial Framework

78. Discussions are on-going in a number of key areas with a view to presenting a full Financial Framework for agreement before the Joint Committee goes live on 1 April 2018. The areas of focus include:

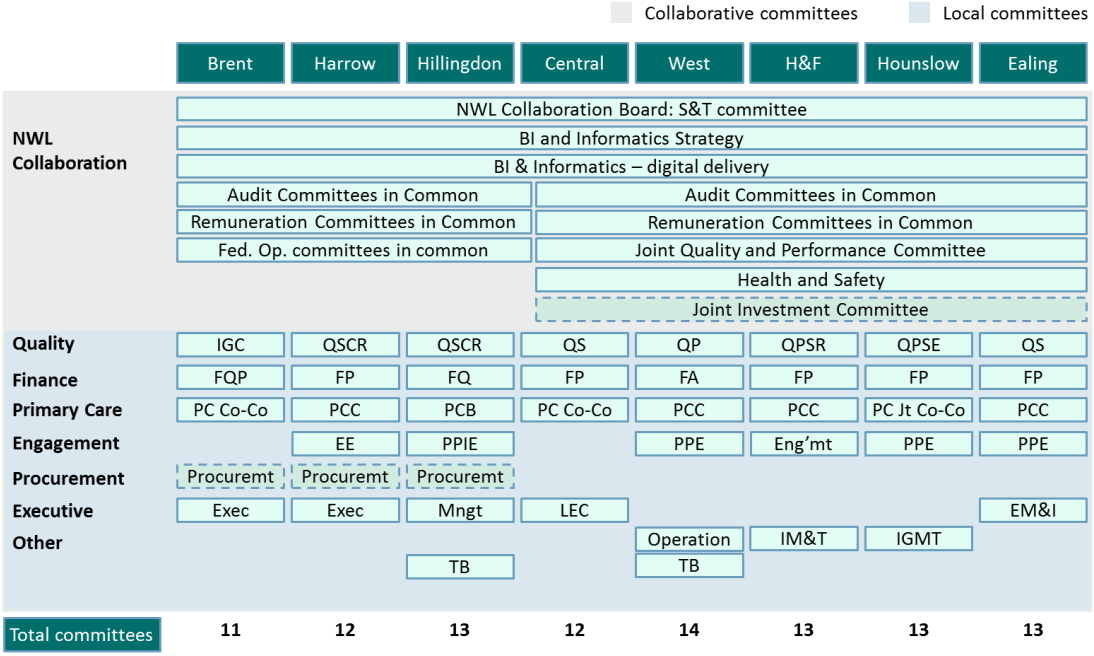
- Contingency and risk share arrangements.
- QIPP development and delivery across NW London including interlinking these with local schemes.
- Level of contributions to the Financial Strategy to support delivery of the shared NW London strategy.
- The development of an 'investment fund' (from agreed contributions) and how this is applied to support CCGs.

Further developing sub-committee arrangements

79. Each CCG has a number of committees to which it delegates some powers or responsibilities, as well as a number of advisory groups that do not have any delegated powers but which undertake detailed work to advise the Governing Body in discharging its duties.

80. A detailed review of committees in NW London revealed that there are 54 committees that currently report in to the governing bodies across the eight CCGs, as shown in Figure 6. Membership of these committees under our current arrangements totals 393, the overwhelming majority of whom (82%) attend two or more committees. In addition to these committees there are a number of non-statutory committees in operation. A survey distributed to all Governing Body committee members highlighted significant duplication of work across committees and untapped potential to streamline existing committees.

Figure 7: As-is subcommittee structure (54 committees)



Note: the Procurement/ investment committees are not standing committees, and they only meet on an ad hoc basis

Reviewing committee arrangements

81. Establishing a Joint Committee as a committee of each of the CCGs' governing bodies will have implications for the rest of the supporting committee structures. It is important therefore to review current Governing Body arrangements to ensure that the Joint Committee will have the required support to discharge its functions and that the new arrangements are not duplicative.

82. Legally, governing bodies are not allowed to "double-delegate" responsibilities. This means that the Joint Committee cannot itself delegate anything that has already been delegated to it by the governing bodies.

83. Governing bodies will therefore need to delegate responsibilities directly to the other proposed shared committees, which will have a separate set of responsibilities to the Joint Committee. Given that functions may be interdependent of one-another, each shared committee should interact with the Joint Committee to ensure that they are discharging their duties effectively. The Terms of Reference for each committee should lay out how this will work in practice.

Tackling and removing duplication across the committees

84. Sharing some of our committees across the NW London CCGs will help to reduce the overall number of committees in operation. Alongside greater delegation and improving the operation of committees, this could release valuable time and resource back to the system and facilitate discussions on a much wider range of local issues.

85. It is therefore clear that the new Joint Committee should take on the responsibilities of the existing NW London Collaboration Board (the Strategy & Transformation committee) which has operated mainly as an advisory body since the CCGs were first authorised. The Collaboration Board already has some limited powers to set equitable policies for Planned Procedures with a

Threshold (PPwT) and to agree strategy across the eight CCGs. Incorporating the work of this committee into our proposed new Joint Committee would ensure that we do not create an additional governance layer in our new arrangements.

86. The wider committee structure has also been discussed with committee members, governing bodies and CCG chairs in several workshops. These discussions have identified the committees that could be held jointly across the 8 CCGs (Figure 7) to support greater collaborative working. These committees would continue to report and provide assurance to governing bodies.

87. In particular, we have identified the following committees that would benefit from being brought together to support both the work of Joint Committee as well as each Governing Body:

    - A Joint Finance Committee across the 8 CCGs, building on current working group arrangements (terms of reference to be developed by the single CFO).

    - Remuneration committees in common (subject to clarifying the chairing responsibilities).

88. There is also an opportunity to further coordinate the approach to quality, performance and finance. A suggested starting point is to consider having a joint committee for quality, which will focus on the larger contracts; under these arrangements local committees would be retained to focus on smaller contracts (that do not get the necessary scrutiny in the current set up). Further development is also required to understand the roles and interlinks of local Clinical Quality Groups (CQGs) to ensure full synergy across the quality agenda.

89. Ultimately, there is a need to develop a joined up quality assurance regime that links together quality, performance and finance; it is recommended that this work is led by the NW London Director of Quality and Nursing once in post.

90. It has been further suggested that local primary care committees could expand their remit to include other local services, like community and care homes. We will work as individual and collective CCGs to explore this further. However, as CCGs will retain lead responsibility for community and primary care services, final decisions on this will be for each Governing Body.

91. In due course we aspire to establish other joint committees and committees in common as appropriate for the successful management and discharge of our collective goals and responsibilities. The forward work-plans for all shared committees will be coordinated and aligned with that of the Joint Committee. It is envisaged that the Joint Committee will have a role in supporting the development of these, and the relevant terms for reference, to enable approval by governing bodies.

Streamlining existing committee operations

92. Whilst these steps would reduce the total number of committees to 48 across NW London, attendees at the Governing Body seminar on 30 November agreed that we could go further with regards to improving the operation of existing committees, including:

- Changing the schemes of delegation to give greater authority to senior managers.
- Reducing the frequency of meetings.
- Ensuring that committee papers are kept succinct (e.g. creating a rule that limits the number of pages per paper).
- Using technology to canvas opinion (where appropriate).
- Disseminating items for information through means other than the committee structure, freeing up committees for items requiring decision or assurance.
- Ensuring that committee chairs effectively mediate meetings and balance views, as well as accepting or rejecting agenda items to ensure committees are action-oriented.

93. It is proposed that work continues prior to the launch of the Joint Committee on 1 April 2018 to finalise and agree any changes to committee structures and/or operating procedures with a view to any changes being implemented at the same time.

Figure 8: *Proposed subcommittee structures – up to 48 committees*

Collaborative committees Local committees

	Brent	Harrow	Hillingdon	Central	West	H&F	Hounslow	Ealing
NWL Collaboration	NWL Joint Committee							
	Quality Committee							
	Finance Committee							
	Audit Committees in Common							
	Remuneration Committees in Common							
	BI and Informatics							
	Corporate and Operational Policies Committee							
	Conflicts of Interest Management Committee							
Quality	IGC	QSCR	QSCR	QS	QP	QPSR	QPSE	QS
Finance	FQP	FP	FQ	FP	FA	FP	FP	FP
Primary Care	PC Co-Co	PCC	PCB	PC Co-Co	PCC	PCC	PC Jt Co-Co	PCC
Engagement		EE	PPIE		PPE	Eng'mt	PPE	PPE
Executive	Exec	Exec	Mngt	LEC				EM&I
Other			TB		TB	IM&T	IGMT	
					Operation			
Total committees	**12**	**13**	**14**	**12**	**14**	**13**	**13**	**13**

Note: The Brent, Harrow and Hillingdon Procurement committees and the CWHHE investment CiC are not standing committees – as a combination of these two committees, the procurement committee would therefore also meet on an ad hoc basis
The policy committee would be an amalgamation of the BHH Federation Operational committee in common and the CWHEE Health and Safety committee

Discharging our statutory duties under these arrangements

94. Given that each Governing Body will be required to delegate some of their existing responsibilities to the Joint Committee and other shared committees, it is recognised that members should be provided with an assurance that all statutory duties will be discharged correctly in these new arrangements. A full review of statutory duties is being undertaken and will be reported back to the Governing Body before the Joint Committee model is implemented.

95. Additionally we propose to commence work to harmonise the constitutions of the eight CCGs over the course of the next few months (and subject to approval by CCG members); we will

also seek assurance that a move to 'go live' for the Joint Committee on 1 April 2018 is done so within the prevailing governance framework.

Developing a new Collaboration Agreement

96. Collaboration agreements are already in operation to support our collaborative work across the CWHHE Collaboration of CCGs, across the BHH CCG Federation, and in support of the existing NW London collaborative working.

97. Building on these, a new single Collaboration Agreement (which will serve as a Memorandum of Understanding) is required to underpin the recommendations, developments, and emerging agreements that are described in this paper. This new document will supersede our existing agreements and furthermore, will set out legally assured approaches to ensure we can successfully deliver collaborative working.

98. It is recommended therefore that work continues to develop a new Collaborative Agreement to be presented for consideration by governing bodies in March 2018.

Stepping up Organisational Development work

99. Improving and increasing the scope of collaborative commissioning across NW London will require changes to the way we work across all levels of our organisations. To realise the full benefits of greater collaboration it is important to support our senior leaders and wider teams to develop and adopt new ways of working. An enhanced programme of Organisational Development work (building on current strategies but ensuring the new requirements are supported) is therefore recommended, covering the key areas below:

- Confirming and disseminating the shared vision (as set out in section 1) for collaborative commissioning.
- Ensuring we have appropriate capacity and capability across NW London and providing support for the development and further improvement of key skills.
- Developing the leadership model for the future state, including definition of the principles that will guide the values the leadership team will champion to support successful implementation. This will include facilitated work with senior clinical and managerial leads across NW London.
- Defining news ways of working – working with local teams to build or improve systems and processes.

Organisational design next steps

100. As set out in section 5, more work is required to explore and agree the most effective leadership model for the new collaborative structure. This work needs to continue at pace in order to minimize disruption and uncertainty for staff.

101. In the immediate term, and subject to Governing Body approval, work will be undertaken to develop job profiles and descriptions for the proposed shared functions but also – to ensure full synergy of responsibilities – across all roles reporting to the shared Accountable Officer.

102. It should be noted that implementing any changes to roles and responsibilities will be subject to the processes and procedures set out in the NW London Change Management policy.

Continuing with the programme approach to the detailed design work

103. To support the development needs set out above it is recommended that the three design groups (Governance, Finance, Organisational Design) established in October 2017 continue to lead the detailed design and development work. To enhance these and support further work, we will also look to formally establish a new Organisational Development Group and to confirm the role of the Communications and Engagement Group.

104. All these groups should continue to report to a steering group / programme board, chaired by two of the CCG Chairs (currently Ethie Kong, Brent CCG Chair and Mohini Parmar, Ealing CCG Chair).

105. The development work will continue to involve Governing Body members and outputs / recommendations will be presented for consideration by governing bodies as set out above.

Recommendation 4
The Governing Body is asked to note the progress and to support the continuation of detailed design work as set out in section 6.

Section 7: Conclusion

106. A significant amount of work has been completed since September to address the questions raised by governing bodies and to develop more detailed proposals around governance, organisational design and financial management arrangements in the collaborative structure.

107. This paper seeks agreement on the key developments so far in relation to the scope and terms of reference for a new Joint Committee of the NW London CCGs and on a new leadership structure for key functional roles.

108. This paper also describes the next phase of work that is required to finalise recommendations across the four key areas: the financial framework; governance; organisational design; and organisational development.

109. The Governing Body is therefore asked to:

i. Agree the remit of collaboration, as set out in Section 4.
ii. Agree the proposed terms of reference for the Joint Committee, effective as of 1 April 2018 (Annex A).

iii. Agree the shared functional roles that will report to the shared AO (Section 5).
iv. Note the progress, and support the continuation of detailed design work (Section 6) in relation to:
    - NW London Financial Framework
    - Sub-Committee arrangements
    - Collaboration Agreement
    - Organisational Development
    - Organisational Design