

Cluster Governance

Board meeting

3 October 2011

1. Purpose

This report introduces the governance arrangements for the NHS South Yorkshire and Bassetlaw cluster of PCTs and seeks the board's approval for appointments to the board, its committees and the clinical commissioning groups.

2. PCT clusters

The NHS South Yorkshire and Bassetlaw cluster, which comprises the Barnsley, Bassetlaw, Doncaster, Rotherham and Sheffield PCTs, has been formed to meet the requirements for PCT clusters set out in the NHS Operating Framework for 2011/12. The Department of Health issued detailed guidance about clusters in January 2011, and published the single operating model for clusters in July 2011.

In July 2011, NHS Yorkshire and the Humber asked all its clusters to adopt the "single board" model for clusters. This model requires the membership of the boards of each PCT in a cluster to be identical, thereby enabling the boards to operate as if they were one board.

In South Yorkshire and Bassetlaw agreement was reached in August 2011 about who we wished to become the chair, audit committee chair and non-executive directors of the PCTs, and about the lay roles other non-executive directors would be asked to play. Our proposals were endorsed by NHS Yorkshire and the Humber, and then considered and acted upon by the Appointments Commission at its meeting on 13 September 2011.

The principal purpose of today's meeting is to note and confirm these changed roles, and to establish the governance arrangements for the single board and its committees.

3. Board membership

The Appointments Commission has made the following appointments to the boards of the Barnsley, Bassetlaw, Doncaster, Rotherham and Sheffield PCTs:

- Chair: Tony Pedder
- Audit chair: Melvyn Lunn
- Non executive directors: Robert Bailey, Roger Greenwood, David Liggins, Tom Sheard, Alan Tolhurst, Pat Wade

The five former chairs and I have considered what additional arrangements are needed to maintain high standards of governance during the 18 month transition period leading to the new commissioning and public health arrangements becoming operational in April 2013.

We have agreed that Roger Greenwood, David Liggins, Tom Sheard and Alan Tolhurst should be vice chairs.

We have agreed that Roger Greenwood, David Liggins, Tony Pedder, Tom Sheard and Alan Tolhurst should all play the role of locality chair in addition to their other board responsibilities. These additional responsibilities will focus on supporting transition to the new arrangements and will require about two days per week of additional input above that normally expected of a non executive director.

We have also agreed to strengthen the audit committee by asking Robert Bailey to be the committee's vice chair, with responsibility for advising on the transition arrangements. This additional responsibility will require about one day per month of additional input.

We also wish to ensure continuity from each of the five PCTs' boards to the new single board. To assist with this, we have agreed to appoint an additional two lay members to the single board as associate non-executive directors, who will participate fully in board business but will not have voting rights.

The board is therefore **recommended** to:

- Designate Roger Greenwood, David Liggins, Tom Sheard and Alan Tolhurst as vice chairs;
- Designate Tom Sheard, David Liggins, Roger Greenwood, Alan Tolhurst and Tony Pedder as locality chairs for Barnsley, Bassetlaw, Doncaster, Rotherham and Sheffield respectively;
- Designate Robert Bailey as audit committee vice chair;
- Appoint Mel Morris and Les Ranson as associate non-executive directors of the boards to participate fully in all board business, but without voting rights.

Appointments have been made to the five executive director posts required by the national guidance about clusters, and to the post of executive Director of Human Resources and Governance.

The board is **recommended** to:

- Note two previously made appointments of executive directors, both of whom are already members of the boards: Chief Executive, Andy Buck and Director of Finance, Steve Hackett.

The board is **recommended** to:

- Note three previously made appointments of directors, and to approve their appointment as executive directors and hence members of the boards: Director of Commissioning Development and Deputy Chief Executive, Annette Laban; Medical Director, Philip Foster; and Director of Human Resources and Governance, Debbie Hilditch.

The board is **recommended** to:

- Approve the appointment of Margaret Kitching as executive nurse director and hence member of the boards.

PCT directors of public health are required to be members of their PCT board. Each of our five directors of public health will therefore continue to be members of their respective board. To facilitate the smooth working of the board meetings, I have agreed with the directors that Jeremy Wight, director of public health for NHS Sheffield, will attend all board meetings and will represent the other four directors. However, should the board be considering an issue pertaining specifically to one PCT and for which public health advice is required, the director of public health for that PCT will attend relevant part of the meeting as a full member.

The board is **recommended** to

- note that the directors of public health will continue to be members of their respective boards, and the arrangements for their participation in board meetings.

Other officers of the PCTs will be invited to attend board meetings as required.

4. Committee membership

The board will be invited during this meeting to approve the establishment and terms of reference for its corporate committees. The chair and vice chairs have considered which members of the board should be asked to sit on these committees.

The board is **recommended** to approve the non-executive membership of the corporate committees:

Audit Committee

Chair: Melvyn Lunn

Vice chair: Robert Bailey

Members: Mel Morris, Les Ranson, Pat Wade

Quality and Patient Safety Committee

Chair: Alan Tolhurst

Members: Robert Bailey, Roger Greenwood, David Liggins, Tom Sheard

Remuneration Committee

Chair: Tony Pedder

Members: Roger Greenwood, David Liggins, Alan Tolhurst, Tom Sheard

Reference Committee

Chair: Roger Greenwood

Members: Alan Tolhurst, Tom Sheard

Individual Funding Requests Appeals Panel

Chair: Tom Sheard

Members: one other non-executive director

Pharmacy Applications Panel

Chair: David Liggins

Member: one other non-executive director

5. Clinical commissioning groups

The Department of Health has set out its expectations for the development of clinical commissioning groups which, subject to the necessary legislation, will become responsible from April 2013 for commissioning non specialist health services for their patients.

The Government's response to the NHS Future Forum's recommendations made after the "listening exercise" held earlier this year, clarified the national policy about moving to clinically led commissioning. The Department of Health has since then issued a draft authorisation framework for CCGs, and supplementary guidance about CCG governance and legal status.

The Department's hopes that wherever possible CCGs will be established as committees of existing PCTs from October 2011, which then enable PCT boards to delegate to the CCG committees all or some the responsibilities for which the CCGs will become statutorily responsible. The Department has confirmed that this is only means by which CCGs can become responsible for commissioning before April 2013.

Following extensive discussions during the past year with GPs, agreement has been reached about the configuration of CCGs in Bassetlaw, Doncaster, Rotherham and Sheffield.

The board will during this meeting be invited to approve the outline terms of reference for these CCGs as committees of the board. At its meeting on 17 October 2011, the board will be asked to consider the outcome of the confirm and challenge meetings held with these CCGs during late September, and to agree what responsibilities and authority should be delegated to each CCG committee.

A key aspect of the Government's response to the NHS Future Forum's recommendations was the decision that CCG governing bodies should have at least two lay members. In light of this it has been agreed locally that each of the CCG committees should have four lay members, to be drawn from the former non-executive directors of the PCTs. This arrangement will contribute to maintaining high standards of governance during the transition to the new commissioning arrangements.

The board is **recommended** to approve the following appointments as lay members of clinical commissioning group committees:

Bassetlaw CCG

John Bell, Roger Nunn, Mukesh Panchal, Mike Quigley,

Doncaster CCG

Anne Gilbert, Pam Horner, Jill Morris, Albert Schofield

Rotherham CCG

Philip Drury, John Gomersall, Rekha Kapoor, Robin Stonebridge

Sheffield CCG

Mohammed Ismail, Malcolm Lindley, Mike Taylor, Malcolm Whitfield

It has not proved possible to reach agreement about the CCG arrangements for Barnsley. A detailed report about this will be made to the 17 October 2011 board meeting.

As a consequence, the board will need to retain direct responsibility for commissioning non-specialist health services for Barnsley patients, until such time as CCG arrangements can be agreed. The board will, at its meeting on 17 October, be asked to establish an interim Barnsley Commissioning Advisory Committee to assist the board in discharging this responsibility. In order to maintain high standards of governance and effective lay oversight, this committee will include four lay members.

The board is **recommended** to appoint the following appointments as lay members of the interim Barnsley Commissioning Advisory Committee:

Pauline Acklam, Geoff Dalton, Sarah Johnson, Glenis White

6. Remuneration

I will, with the chair, be convening a special pay committee to approve remuneration locality chairs, the audit committee vice chair, CCG lay members and interim Barnsley Commissioning Advisory Committee lay members.

7. Yorkshire and Humber Specialised Commissioning Group (SCG)

NHS Barnsley is the accountable body for the SCG. I have, for the past six months, delegated to Ailsa Claire the responsibility for chairing the SCG. As Ms Claire has taken a new secondment to the shadow NHS Commissioning Board with effect from 1 October she can no longer fulfil the role of SCG chair. I have therefore assumed the chair myself. I will also, in this capacity, be the Yorkshire and the Humber representative on the National Specialised Commissioning Group and the Joint Committee of the PCTs for Children's heart services.

Andy Buck
Chief Executive
26 September 2011