

## **Commissioning development: Key facts**

### **What is commissioning?**

Over the past decade the role of commissioning, as a key driver of quality, efficiency and outcomes for patients, has become increasingly important to the health system in England.

At its simplest, commissioning is the process of planning, agreeing and monitoring services. However, this simple definition conceals great complexity. Securing services is much more complicated than securing goods and the diversity and intricacy of the services delivered by the NHS are unparalleled. Commissioning is not one action, but many; ranging from the health needs assessment for a population, through the clinically-based design of patient pathways, to service specification and contract negotiation or procurement, and finally to the ongoing assessment of the quality of service.

There is no single geography across which all services should be commissioned: some local services can be designed and secured for a population of only a few thousand; for rare disorders, services need to be considered and secured on a national footprint.

### **What is changing?**

From April 2013 the commissioning architecture will be very different with most of the commissioning budget managed by CCGs – groups of practices which come together over a defined geography to take on responsibility for delivering the best services for their patients and population.

The NHS Commissioning Board (NHS CB) – likely to be established in autumn 2012 – will commission specialised services, primary care, prison healthcare and some services for members of the armed forces. It will have 27 local area teams but will be one single organisation operating to a common model with one Board – so very different from the current model with boards at both SHA and PCT level.

Commissioning of public health services will be undertaken by Public Health England (PHE) and local authorities, although the NHS CB will commission, on behalf of PHE, many of the public health services delivered by the NHS.

### **Involvement of primary care**

The NHS Commissioning Board Authority is working to support the development of a comprehensive system of CCGs by April 2013. Our approach has been to involve primary care organisations – the BMA's General Practitioners Committee (GPC), the Royal College of General Practitioners (RCGP), the National Association of Primary Care (NAPC), the NHS Alliance and the Family Doctor Association (FDA) and emerging CCG leads – to help develop the new clinical commissioning system so it is designed to be truly clinically led.

### **Commissioning development programme**

The commissioning development programme has four key parts:

- Supporting the development of, and authorising, a comprehensive system of CCGs (see separate factsheets on CCG authorisation and CCG development)
- Supporting the development of a comprehensive range of commissioning support services, suitable for hosting by the NHS CB or CCGs (see separate factsheet on commissioning support)

- Developing a new single operating model for the NHS CB's direct commissioning functions which will improve quality and outcomes and value for money. This includes the commissioning of primary care (general practice, dentistry, optical services and community pharmacy), specialised services, prison healthcare, some aspects of military healthcare and public health services commissioned on behalf of PHE (national screening programmes and immunisations and public health services for children from pregnancy to aged five)
- Creating tools, guidance and enablers to help the NHS get the best out of commissioning.

### **CCG configuration**

The Board Authority published the proposed configuration and the planning assumptions for their member practices for 212 proposed CCGs in May 2012.

This means there are now proposed CCGs covering the whole of England and everyone living in England will be covered by a CCG.

This information, along with the publication of the running costs allowances at the same time, enabled proposed CCGs to further develop their organisations ready for authorisation and establishment.

Once the NHS Commissioning Board is established as a statutory body, it will check that legal requirements have been met and approve the final details of geography and names of CCGs through the authorisation process.

Each proposed CCG has determined its own configuration within the framework set out by the Board Authority, which ensures that:

- there is sign up from member practice
- there is appropriate geographical coverage that allows a proposed CCG to take on responsibility for commissioning for a population
- where a proposed CCG straddles upper tier or unitary local authority boundaries, it is for patient interest reasons
- each proposed CCG is a viable organisation in terms of the degree of sharing of roles and functions, or the use of commissioning support that it will need to consider.

National and regional CCG maps – showing the detailed geographic areas – have also been published.

### **CCG governance and establishment**

Emerging CCGs received *Towards Establishment: Creating Responsible and Accountable Clinical Commissioning Groups* in December 2011 and started to use it to set up their organisational governance, both internally and with member practices.

The Board Authority has since published the CCG governing body role outlines, governing body terms of reference templates, a model constitution, an HR guide for CCGs and remuneration guidance. There is also a toolkit for the appointment of lay members to CCGs, and a financial governance tool.

In April, the Board Authority also set up an independent national diagnostic, assessment and development process for everyone who is interested in the key leadership roles in the governing body – Chair, Accountable Officer (AO) and Chief Finance Officer (CFO). It gives prospective candidates the opportunity to access development support ahead of CCGs taking up their formal responsibilities in April 2013.

The process is separate to the selection and appointment process for CCG leadership roles. This is done by CCGs, except in the case of the AO where it is for CCGs to nominate their proposed AO as part of their application for establishment and for the Board Authority to appoint the person.

### **Direct commissioning by the NHS CB**

From April 2013, the NHS CB will be commissioning many of the primary care services previously commissioned by PCTs.

The NHS CB will be responsible for primary care contracts and it will have a duty to commission primary care services in ways that improve quality, reduce inequalities, promote patient involvement, and promote more integrated care. The NHS CB will be a single organisation and will, wherever it is appropriate to do so, take a consistent approach to managing contracts.

CCGs have a huge part to play in driving up the quality of primary medical care but CCGs will not be performance managing primary care contracts.

Following close working with primary care, the NHS CB will soon be publishing a document that provides the detail of the single operating model for primary care commissioning.

The NHS CB is also working with, among others, the Department of Health, PHE, CCGs, the NHS and local government to develop commissioning models for the £2.2 billion of preventive public health services it will commission directly.

The public health services that the NHS CB will commission directly are:

- the national immunisation programmes
- the national screening programmes
- public health services for offenders in custody
- sexual assault referral centres
- public health services for children aged 0-5 years (including health visiting, family nurse partnerships, and much of the healthy child programme)
- child health information systems.

Work is also in hand on developing single operating models for the commissioning of prison health, military health, and specialised services.

### **Commissioning tools, guidance and enablers**

An updated guide to the functions of CCGs has been published to reflect the final content of the Health and Social Care Act 2012.

*The Functions of Clinical Commissioning Groups* sets out:

- The key statutory duties of CCGs – the ‘must dos’
- The key statutory powers – the things that CCGs have the freedom to do, if they wish, to help meet these duties.

The guide is not intended to be a substitute for the Act but to act as a helpful summary to which busy GPs and proposed CCGs can refer when planning for and implementing their responsibilities.

Further commissioning guidance and tools are in development.

For further information and documents on commissioning development, please go to the NHS Commissioning Board Authority's website at [www.commissioningboard.nhs.uk](http://www.commissioningboard.nhs.uk)

For regular updates on commissioning development, sign up for the 'Bulletin for proposed CCGs' at [pathfinderlearningnetwork@nhs.net](mailto:pathfinderlearningnetwork@nhs.net)