Introduction

1. THE SECRETARY OF STATE welcomed NHS Commissioning Board Authority (NHSCBA) colleagues to the second formal accountability meeting. He explained that the meetings were an important route through which the Secretary

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1 The first accountability meeting, on 21 February, was to discuss the Government’s objectives for the Authority. The Secretary of State’s letter to Professor Grant of 23 April was the outcome of that meeting, as the letter itself made clear, so there were no published minutes.
of State’s ultimate accountability for the National Health Service would be exercised. In this context, and in order to ensure the effective discharge of this duty and his broader stewardship of the NHS, the Department of Health was putting in place a new accountability framework that reflected the new system architecture. This framework would extend to all the Department's arm's-length bodies both individually and collectively.

2. Continuing, he said that the meeting, which would be held on a quarterly basis, formed part of this wider accountability framework for the NHS. In the first instance, the meetings would focus on the NHS Commissioning Board’s responsibilities as a Special Health Authority before then focusing on the Board’s responsibility for leading the new NHS commissioning system once fully established as a Non-Departmental Public Body.

3. Concluding his opening remarks, THE SECRETARY OF STATE said that the meetings represented an important vehicle for fostering a mature, open and ongoing dialogue between the Board and the Department. The minutes of the meetings would all be published, symbolising the Government’s commitment to transparency and the constructive and open working relationship that he wanted the two organisations to adopt in the interests of patients and the delivery of better outcomes for the people of England.
Item 1: NHS Commissioning Board Authority Business Plan and Operating Model

4. Introducing the item, THE SECRETARY OF STATE invited the Chair of the NHS Commissioning Board Authority to provide an update on the Board’s emerging business plan and operating model in light of the letter he had sent on 23rd April 2012 outlining the Government’s strategic objectives for the organisation in the period up to the establishment of the full NHS Commissioning Board. These objectives related to, i) transferring power to local organisations; ii) establishing the commissioning landscape; iii) developing specific commissioning and financial capabilities; and, iv) developing excellent relationships. As part of this, he emphasised the priority he expected the Board to give to patient safety, given the early transfer of functions from the National Patient Safety Agency into the NHS Commissioning Board Authority’s remit.

5. PROFESSOR MALCOLM GRANT (Chair, NHS Commissioning Board Authority), said that the Board’s Business Plan, which focussed specifically on its role as a Special Health Authority, was in development, with publication planned after the Authority’s next Board meeting. The Secretary of State’s letter had been received and although the Business Plan picked up the key themes contained within it this would be looked at further.
6. Continuing, he said that there was great symbolism attached to everything the NHS Commissioning Board Authority did, including ‘nomenclature’. For example, the Leeds office was deliberately being badged as the ‘National Support’ office to avoid it being seen, wrongly, as the headquarters of the NHS. The aim was to create an organisation that genuinely supported local clinical commissioning and which felt palpably different to the past. The behaviours of the Board’s senior leadership would be key to achieving the fundamental shift in mindset that would underpin the success of the reforms and these behaviours would need to trickle down throughout the organisation. Given the scale of the task in building the new organisation, this was likely to take some time to get right.

7. Building on these remarks, SIR DAVID NICHOLSON (Chief Executive, NHS Commissioning Board Authority) emphasised the importance the Board was placing on values and organisational development to create a culture and environment that felt different from the past. He said that the Board was taking steps to embed new ways of working, including meetings of the Board taking place in public, and the involvement of Clinical Commissioning Group leaders in recruitment panels and as mentors for the executive team.

8. Continuing, he said that the smooth transfer of functions from the National Patient Safety Agency was of critical importance to the Board. Locating responsibility for patient safety within the new nursing directorate presented a tremendous
opportunity to strengthen further the focus of the NHS on safety and the connected agenda on delivering dignified and respectful care to patients.

9. Summing up, THE SECRETARY OF STATE thanked the Board for the steps it was taking from the outset to create an organisation that focused on the right values and that exhibited the right behaviours essential to making the new system work in the best interests of patients. He said that he was encouraged that a positive view of the Board was beginning to emerge, as highlighted by attendance at the Clinical Commissioning Conference the previous week where he had heard positive views on how the Board was supporting Clinical Commissioning Groups to develop the commissioning and professional support services they required. Concluding the item, he asked that the Board give further consideration as to how the publication of their forthcoming Business Plan could demonstrate a strong and clear connection with the objectives he had set out for the Board in his letter to the Chair of 23rd April 2012.

Item 2: The Mandate

10. Introducing the item, THE SECRETARY OF STATE explained that the Mandate he would set for the NHS Commissioning Board was enshrined in legislation and represented the principal accountability mechanism between the Government and the Board, once established as a full Non-Departmental
Public Body. The intention was to publish the first Mandate in the autumn of 2012 following a formal period of statutory consultation over the summer. He invited Bill McCarthy to set out the Board’s views on the Mandate.

11. BILL MCCARTHY (Managing Director, NHSCBA) said that the Board felt that three things needed to sit at the heart of the Mandate, namely:

- improving outcomes in the NHS Outcomes Framework;
- promoting the NHS Constitution; and
- delivering value for money.

12. Continuing, he said that the clearer the Mandate was on setting out the broad objectives for the NHS rather than means, then the greater the freedom the NHS Commissioning Board would be able to afford to clinical commissioning groups and health and wellbeing boards to innovate and deliver value for money. The content and nature of the Mandate in this respect would be key to maximising quality improvement through clinical leadership and maximising health gain for local populations through allocative efficiency.

13. Concluding, he said that the attaching of too many conditions or expected processes seriously risked hampering the enthusiasm and creativity of clinical commissioning groups.
14. THE SECRETARY OF STATE invited other comments on the nature of the Mandate. The following points were made in discussion:

a. the Mandate would not be the only mechanism for setting out the requirements on the NHSCB. For example, there would also be a framework agreement between the Department and the Board, as with every other arm’s-length body, setting out standard expectations for all public bodies. Sound financial management was essential, and the details of how the NHSCB would provide financial reports to the Department would be set out in the framework agreement and therefore would not need to be covered in the Mandate too;

b. many of the rights for patients in the NHS Constitution would be underpinned by legal duties on commissioners set out in regulations. The Mandate would not need to duplicate these;

c. as the recent Secretary of State letter to the Chair of the NHS Commissioning Board Authority had made clear, the Government’s ambitions for the Board would include implementing reform successfully, as well as priorities from other government departments;

d. the first Mandate was symbolic, and would set the model for future working. The Government should use the
opportunity to signal real autonomy for both the NHS Commissioning Board and clinical commissioning groups;

e. further consideration should be given to other relevant documentation, and how it could complement the Mandate. For example, the standing rules might be used for longstanding requirements; and

f. it would be important to be able clearly to articulate to the public what the Mandate meant and its content.

15. THE SECRETARY OF STATE welcomed the discussion, and noted the importance of respecting the core legal duties on the NHSCB: in particular, its duty (concurrent with the overarching duty of the SofS) to promote a comprehensive health service. He reiterated his vision of an NHS that achieves health outcomes that are among the best in the world. To achieve this, it would be essential that the NHS Outcomes Framework formed the centrepiece of the Mandate, with levels of ambition that were stretching, yet realistic and affordable and that avoided inappropriately constraining clinical commissioning groups and the NHS Commissioning Board in its direct commissioning role. The standing rules and the framework agreement form an important part of the overall structure. Concluding, he said that it would be vital to maintain the very constructive, yet challenging dialogue between the Department and officials in the NHS Commissioning Board
Authority over the Mandate ahead of the formal consultation later in the year.

Item 3: Establishment: progress, issues, next steps

16. Introducing the item, PROFESSOR GRANT said that work was underway to develop excellent relationships with the Department and to develop the new framework agreement for the establishment of the full NHS Commissioning Board. It was expected that this would reflect the increased autonomy and accountability expected of a Non-Departmental Public Body.

17. Updating on progress with clinical commissioning group establishment, SIR DAVID NICHOLSON said that the whole of the country was now covered. CCGs were deciding which wave to join to go through the authorisation process, and the Board was letting a contract for the 360-degree feedback appraisal, which was an important part of the authorisation process. The next stage for clinical commissioning groups was for them each to appoint an Accountable Officer, Chief Financial Officer and Chair.

18. Summing up, THE SECRETARY OF STATE emphasised the importance of involving local authorities, because he had seen examples where having a strong health and wellbeing board in place had helped clinical commissioning groups to develop.
19. Concluding the meeting, THE SECRETARY OF STATE thanked NHS Commissioning Board Authority colleagues for such a constructive and open discussion. He said he was aware that the Board had been focusing its overall design around ‘four fixed points’: the **NHS Outcomes Framework**, the **NHS Constitution**, the **cash limit** and the Board’s duties to **promote equality and reduce inequality**. He suggested that this was a helpful framework and that these four areas might usefully form standing items at future meetings, alongside other issues to be determined.