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### NW London Collaborative Working – Governance Products

Attached are:

- NWL CCGs' Memorandum of Understanding;
- Terms of Reference for the:
  - o Joint Committee and its accompanying work plan and Equality Impact Assessment;
  - o Joint Finance Committee;
  - o Joint Quality and Performance Committee;
  - o the CCG's Audit Committee; and
  - o the CCG's Remuneration Committee; and
- an amended Constitution.

A summary of each is taken in turn below.

**Memorandum of Understanding:** the overarching framework for our collaboration and includes statements of intent and good will between our CCGs. Although it is not a legally-binding document, it does set down our obligations to each other and as well as establish the spirit in which we work together. It is intended to replace the current NWL Collaboration Agreement.

**NWL Joint Committee:** this is where the GBs will, collectively and in public, take decisions on certain NW London-wide issues, including our approach to Acute and Mental Health commissioning. The journey to the current draft started with the Governing Bodies' discussions last summer and their agreement to its parameters in January 2018. Since then, the Committee has been operating in shadow form to test and develop the terms of reference in light of the learning through experience.

Whilst these terms of reference are the result of the careful and meticulous work of many members and staff, they should be viewed as a formal starting point; should Governing Bodies approve them, the ToR, and the operation of the collaborative working generally, will be reviewed again in June 2019.

Finally, on this, an Equality Impact Assessment has been undertaken to ensure that any impacts of the establishment of the Committee are identified and mitigated adequately.

### **Other terms of reference**

These Committees, on behalf of Governing Bodies, will seek assurances, scrutinise proposals and, in some defined instances, take decisions on matters that have a

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system-wide impact or, indeed, when it just makes sense to do things once instead of eight times.

Readers should note that the ToR for the Quality and Performance Committee are at an earlier stage of development and consultation with stakeholders. The current state of play is attached for information and the Governing Body's agreement to test the committee in 'shadow' form is sought.

The proposed amendments to the existing Audit and Remuneration Committees' ToR are simply to harmonise basic elements and streamline how they meet in common across NW London. There are no fundamental changes proposed to these committees' membership or duties.

Additional work is being undertaken to look at how the NW London CCGs' conflicts of interest management is undertaken at a committee level and we plan to make recommendations to the Governing Body early in 2019. In the meantime, the current mechanisms in place – the CWHHE Investment Committee and Brent, Harrow and Hillingdon's Procurement Panels - will meet in common as necessary under their existing Terms of Reference until firm recommendations for change can be made.

## **CCG's constitution**

Taking the eight individual constitutions and harmonising the core provisions to support our way of working has been a truly collaborative effort. Based closely on the NHS England model CCG constitution, we have preserved the unarguably local provisions (membership arrangements, voting thresholds etc).

Nothing fundamental has changed – all eight constitutions already had provisions for joint working, it is just that each had, in places, slightly different ways of expressing these arrangements. Such differences can introduce risks and certainly reduce clarity, so we have harmonised to ensure things are more clear and consistent.

Having been reviewed by our and LMC's legal advisers, and should the proposed revisions be endorsed by the Governing Body, we will put the matter to a CCG's Members' vote agreement in the next few weeks. Should agreement from Members be forthcoming, the final stage in the process is to seek NHS England's formal approval in November.

A synopsis of each document referred to above is below.

## **1. NWL Collaboration of CCGs' Memorandum of Understanding**

**Purpose:** to establish the overarching framework within which the CCGs work together

**Main objectives:** establishing:

- principles and objectives of collaborative working;
- core roles and responsibilities;
- how the Joint committee fits in to this; and

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- how disagreements are dealt with.

**Recommendation to Governing Body:** approve, noting that such approval from all eight Governing Bodies will formally establish the Committee and end its current operation in 'shadow' form.

## **2. Joint Committee Terms of Reference, work plan and EQIA**

**Purpose:** establishes the forum in which the CCGs can reach consensus on cross-cutting / common issues and, where appropriate, take decisions on behalf of the GBs if unanimity is achieved. This will be a joint committee of all eight Governing Bodies. Each CCG has at least one elected or lay GB member in the quorum.

Main objectives:

- reducing unwarranted variation in the range and quality of commissioned services;
- joining up the approach to commissioning acute and mental health services;
- creating a single approach to the monitoring and delivery of the STP; and
- collective management of financial risks across the NW London CCGs.

**Recommendation to Governing Body:** approve.

## **3. NW London Finance Committee Terms of Reference**

**Purpose:** creates a forum where CCGs can consider cross-cutting / common financial matters collectively, and, when each GB delegates specific authority and the Committee members are unanimous, takes decisions on behalf of the GBs.

This will be a joint committee of all eight Governing Bodies. Each CCG has at least one elected or lay GB member in the quorum.

Main objectives:

- monitoring the delivery of the NW London financial plans and control total;
- holding CCGs to account;
- establishing NW London positions on common / cross-cutting financial issues;
- providing financial assurance to the Joint Committee to support its considerations / decision-making; and
- taking robust decisions in the best interests of residents on matters delegated to it from Governing Bodies.

**Recommendation to Governing Body:** approve.

## **4. NW London Quality & Performance Committee Terms of Reference**

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**Purpose:** creates a forum where CCGs can consider cross-cutting / common quality, safety and performance matters collectively, and make recommendations or, where appropriate, approve NW London responses to issues, policies etc.

This will become a joint committee of all eight Governing Bodies. Each CCG has at least one elected or lay GB member in the quorum.

**Main objectives:** Providing collective oversight of quality and performance in relation to NHS constitutional standards, STP delivery, achievement of applicable regulators' requirements (eg NHS Improvement and Assessment Framework), acute and mental health providers. The Committee will develop the CCGs' responses to national reports and guidance and consider the CCGs' production of their own statutory reports prior to presentation at Governing Bodies.

**Recommendation to Governing Body:** more work is required with the CCGs' local committees responsible for Quality and Performance issues to ensure there is a safe transition of responsibilities and robust assurances are in place. The recommended approach to doing this is to operate the Committee in a shadow form (ie with no formal responsibilities transferring to it from the local committees but testing the ToR, establishing the required assurance mechanisms and developing the transition plan with the local Committees.

Once complete, final ToRs will go to the Governing Body for approval before the Joint Quality Committee 'goes live' and any formal responsibilities are transferred to it.

## 5. CCG Remuneration Committee Terms of Reference

**Purpose:** by law, each CCG must have its own Committee to consider the remuneration policies of the CCGs and their application. Each CCG's Committee's duties are the same and will generally meet in common (i.e. all eight Committees meet at the same time, to discuss the same agenda and papers).

**Main objectives:** assuring the Governing Body that the remuneration arrangements and policies are appropriate and applied correctly. On behalf of each Governing Body, the Committee also considers business cases for exit payments (etc) and changes to relevant policies.

These ToR have been tweaked to make it simpler for the eight CCGs' Remuneration Committees to meet in common and to better enable the maintenance of a quorum. The fundamental duties have not been changed.

**Recommendation to Governing Body:** approve.

## 6. Audit Committee Terms of Reference

**Purpose:** by law, each CCG must have its own Committee to provide independent scrutiny of the CCG's arrangements for risk management, corporate (but not clinical) governance and internal control. As above, each Committee has the same duties and will (mostly) meet in common with the other seven.

**Main objectives:**

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on behalf of the Governing Body:

- testing the veracity of the CCG's risk management and internal control frameworks and systems;
- ensuring an adequate and effective provision is in place for internal and external audit and counter-fraud;
- approving the Annual Report and Accounts; and
- approving changes to relevant policies, including those relating to the statutory requirements regarding the management of conflicts of interest issues.

These ToR have been tweaked to make it simpler for the eight CCG's Audit Committees to meet in common and to better enable the maintenance of a quorum. The fundamental duties have not been changed.

**Recommendation to Governing Body:** approve.

## **7. Constitutions**

**Purpose:** Establishing a harmonised legal underpinning through which the authorities required to support joint working flow. Based on the NHS England model CCG constitution, building on the existing collaboration provisions in the Constitutions and not altering local arrangements, such as those relating to membership.

**Main objective:**

- harmonising the supporting provisions across NW London;
- reducing the risk of successful legal challenge arising from technical inconsistencies; and
- making the constitutions simpler and clearer for the reader.