NHS Commissioning Board
A special health authority

**NHSCBA/31/05/12/4**

**NHS COMMISSIONING BOARD AUTHORITY**

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| **Title:** Emerging clinical commissioning group configuration: names, geography and constituent members |
| **Clearance:** Dame Barbara Hakin, National Director of Commissioning Development |
| **Purpose of Paper:**<br><br>To agree the configuration of emerging clinical commissioning groups (CCGs) across England to go forward to authorisation, and identify the indicative allowance for the running costs of CCGs in 2013/14. |
| **Key Issues and Recommendations:**<br><br>The paper outlines that there are likely to be 212 emerging CCGs coming forward for authorisation, which cover the whole of England. It sets out the proposed order in which emerging CCGs should submit their applications for authorisation.<br><br>The paper also sets out the basis for determining the allowance for running costs for CCGs in 2013/14, and provides an indicative allowance for each CCG. |
| **Actions Required by Board Members:**<br><br>The Board is asked to:<br><br>1. note the work to date on configuration and names of emerging CCGs;<br>2. note the indicative running costs allowance for individual CCGs, based on the current information;<br>3. agree this configuration as the basis of authorisation;<br>4. approve the timing of the CCG applicants for the four authorisation waves. |

**NHS Commissioning Board Authority**
**31 May 2012**
**Emerging clinical commissioning group configuration: names, geography and constituent members**

## Introduction

One of the NHS Commissioning Board Authority's (NHS CBA) key strategic objectives is to establish the new commissioning architecture.

To deliver this, the NHS CBA has been working with SHA clusters to support emerging clinical commissioning groups (CCGs) in agreeing their proposed configuration. This paper sets out the proposals from emerging CCGs across the country, and provides an indicative allowance for running costs for CCGs in 2013/14 so that emerging CCGs can make appropriate preparations, ready for April 2013.

## Legal context

According to the Health and Social Care Act 2012, the NHS Commissioning Board (NHS CB) "must exercise its functions…so as to ensure that…the areas specified in the constitutions of clinical commissioning groups —

(a) together cover the whole of England, and
(b) do not coincide or overlap."

An order of the Secretary of State for Health will provide for these requirements to be met by 1 April 2013.

Regulations to be made under the Act will also introduce requirements for the names of CCGs.

It is important that the NHS CBA begins preparations now so that, once the NHS CB is established as a statutory body, the Board can ensure these legal requirements are met. It will be for the NHS CB to approve the final details of geography and names of CCGs, but the NHS CBA will begin to make planning assumptions to allow work to progress.

In February 2012, the NHS CBA formally adopted Developing Clinical Commissioning Groups: Towards Authorisation. This set out the legal requirements which the NHS CB would have to consider in respect of the geography and names of CCGs, namely that:

- CCGs have a name that uses the NHS brand and demonstrates a clear link to their locality;
- the geographical area is appropriate;

- each of the members is, or will be, a primary medical services provider on the date that the CCG would be established.

**Progress to date**

As outlined in Developing Clinical Commissioning Groups: Towards Authorisation, the first phase in preparing for establishment and authorisation was to invite emerging CCGs to undertake a risk assessment of their proposed configuration against four areas for consideration. These were:

- sign up from member practices;
- appropriate geographical coverage that allows emerging CCGs to take on responsibility for commissioning for a population;
- where emerging CCGs straddle upper tier or unitary local authority boundaries, to ensure this is for patient interest reasons; and finally
- a risk assessment of the impact of an emerging CCG's proposed configuration on its organisational viability and the degree of sharing of role and functions or use of commissioning support that the emerging CCG would need to consider.

This has been an ongoing process, led by the emerging CCGs over the past few months. Each SHA cluster was then asked to collate the proposed configuration of emerging CCGs by the end of April. This is to ensure that the period between April 2012 and March 2013 can be focused on the development of emerging CCGs, ready for authorisation and establishment.

**Emerging CCGs and constituent practices**

The NHS CB, when established, will have a duty to ensure that by 1 April 2013 every GP practice in England is a member of a CCG and that the geographical areas covered by CCGs cover the whole country.

This combination of practice coverage and geographic coverage is essential for ensuring that everyone living in England is covered by a CCG. For patients registered with a GP practice, the responsible commissioner will be the CCG of which that practice is a member. For unregistered patients, the responsible commissioner will be the CCG in whose area they live. CCGs' geographic areas will also be essential in defining their responsibilities for emergency and urgent care and for membership of health and wellbeing boards.

SHA clusters have now confirmed that there are emerging CCGs covering the whole of England. SHA clusters have also submitted detailed geographic areas for each emerging CCG, down to lower super output area (LSOA)[1] level. A full list

[1] *A super output area (SOA) is a geographical area designed for the collection and publication of small area statistics. SOAs give an improved basis for comparison throughout the country because the units are more similar in size of population than, for example, electoral wards.*

of proposed emerging CCGs across England is provided in Annex 1. A map showing the proposed geographical boundaries of emerging CCGs is provided in Annex 2. A full list of proposed known constituent member practices within each of these emerging CCGs is available on the NHS CBA's website.

There are 212 proposed CCGs, ranging in size from NHS Corby CCG (68,000 registered population) to NHS North, East, West Devon CCG (901,000 registered population). The most common population size is between 150,000 and 300,000. Of the 212, 86 match the local authority boundary; four match the boundaries of more than one local authority taken together; and a further 95 CCGs sit wholly within a local authority. There are 27 CCGs which cross local authority boundaries: around half of these proposals cross local authority boundaries at the margins and about half cross boundaries in a more substantial way. The view of the emerging CCGs is that this makes for a more sensible configuration, and discussions are underway between those CCGs and the relevant local authorities.

Names of emerging CCGs

To ensure that there is clarity and transparency for the public, there are certain areas which should be considered when naming an emerging CCG. The regulations are not yet finalised; however, the NHS CBA has tried to be as helpful as possible to emerging CCGs to enable them to come to their own appropriate name. The expectation is that the requirement for CCG names is likely to be made of three constituent parts only:

a. the term 'NHS';
b. a geographical reference;
c. the term 'clinical commissioning group' or the acronym CCG following a and b.

The NHS CBA is asked to note the attached list of emerging CCGs and the names which will go forward for authorisation (subject to ratification by the CCG) as set out in Annex 1. There is one emerging CCG for which the name is currently under discussion. In this case, we have indicated that it is still to be finalised, and identified which part of the country the practice comes from.

**Running costs of CCGs**

The Operating Framework for the NHS in England 2012-13 set out that, from 2013/14, the running costs allowance for CCGs is expected to be up to £25 per head of population per annum. This will be calculated using the best estimate of the number of patients for whom a CCG is responsible, without any weighting for age, need or market forces.

The principles underpinning the approach to setting allowances are:

- fairness (to provide a fair basis for the running costs for CCGs, based on the likely population for which they will be responsible);
- accuracy (to be based on the most accurate information available); and
- simplicity (a system which can be understood and taken forward year on year).

As such, the approach will be based on GP registered list populations for practices within the CCG, moderated at local authority level to match ONS population projections. This ensures that the aggregate population figures match the Office for National Statistics' (ONS) estimate of the England population. This will help take account of the unregistered population.

Based on the current submissions from SHA clusters about the configuration of emerging CCGs, we have calculated an indicative running costs allowance for each CCG (included as part of Annex 1).

**CCG authorisation waves**

We have announced 35 CCGs in wave 1 for authorisation. The stakeholder survey for these CCGs is underway. Submissions are due from wave 1 applicants on 1 July 2012, with moderation and decision-making by the NHS Commissioning Board in October 2012.

Proposed applicants for waves 2, 3 and 4 are included at Annex 3, together with the previously announced list for wave 1.

**Actions required by the NHS Commissioning Board Authority**

The Board is asked to:

1. note the work to date on configuration and names of emerging CCGs;
2. note the indicative running costs allowance for individual CCGs, based on the current information;
3. agree this configuration as the basis of authorisation;
4. approve the timing of the CCG applicants for the four authorisation waves.