

Governance Report

Governing Body meeting

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4 December 2015

Author(s)	Margaret Saunders, Head of Governance and Planning
Sponsor	Tim Furness, Director of Delivery
Is your report for Noting and Approval	
This report is for approval.	
Audit Requirement	
<p>CCG Objective: 5. Organisational development to ensure the CCG can achieve its aims and objectives and meet national requirements.</p> <p>Principal Risk 5.3 Inadequate adherence to principles of good governance and legal framework leading to breach of regulations and consequent reputational or financial damage.</p>	
<u>Equality impact assessment</u>	
<i>Have you carried out an Equality Impact Assessment?</i> No	
<i>If not, why not?</i> Not Applicable	
<u>PPE Activity</u>	
<i>How does your paper support involving patients, carers and the public?</i> Maintains the accountability and transparency of the CCG.	
Recommendations	
<p>The Governing Body is asked to:</p> <ul style="list-style-type: none"> • Agree the recruitment of a fourth Lay Member who is a qualified accountant or has an equivalent financial qualification, subject to confirmation from member practices, for an amendment to be made to paragraph 6.6.2 of the Constitution thereby allowing the composition of the Governing Body to include four Lay Members • Approve the proposal to hold Governing Body meetings in public bi-monthly with effect from 1 January 2016. 	

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3 December 2015

1. Executive Summary

This report seeks approval from the Governing Body on two areas of governance:

- The proposed appointment of an additional Lay Member
- The proposal to hold Governing Body meetings in public bi-monthly with effect from 1 January 2016.

2. Proposed Appointment of an Additional Lay Member

In accordance with the Constitution the current composition of the Governing Body includes three Lay Members; John Boyington, Governance, Amanda Forrest, Patient and Public Engagement and Mark Gamsu, Patient and Public Engagement. The Lay Member for Governance includes the role of Chair of the Audit and Integrated Governance Committee, Chair of the Remuneration Committee and Vice Chair of the Governing Body. Lay Members are an important catalyst to ensure the CCG undertakes high quality engagement through scrutiny of its process and outcomes.

In the intervening period since the above appointments, a number of developments have occurred which have impacted upon the workload and skill mix of the Lay membership of the Governing Body. This includes:

- the establishment of a co-commissioning committee for primary care required to support the CCG application for securing delegated responsibility for primary care work from NHS England.
- the requirement within the following 12 months for the CCG to appoint its own auditors and ensure financial expertise is available from within the Lay membership.
- the recommendation from NHS England that CCG audit committees are, where possible, chaired by an individual with a financial qualification or has such a person in the membership.

In view of the above, the CCG Lay Member/CCG Vice-Chair formally wrote to the CCG Chair and Accountable Officer in October requesting the Governing Body consider appointing a further Lay Member, who is a qualified accountant or has an equivalent financial qualification, to support the existing and anticipated increased financially focused workload.

Appointing a fourth Lay Member would have the following advantages:

- Increase capacity to support the CCG duty of public accountability in terms of both system-facing scrutiny and community-facing leadership
- Enhance the existing Lay Member skill mix to provide additional financial expertise
- Meet the recommendations made by NHS England.

An additional Lay Member could, however, affect the clinical/non-clinical balance of the Governing Body, potentially increasing the risk of the Governing Body being inquorate due to a lack of a clinical majority. Members are reminded of the Constitution, paragraph 3.6.2

“No business shall be transacted at a meeting unless at least one-third of the whole number of voting members is present”; and

paragraph 6.6.2 which sets out the voting members of the Governing Body. In addition, clinical Governing Body members present will be in the majority

In the event of the non-clinical Governing Body members being in the majority and an agenda item requiring a vote, volunteers would be sought to relinquish their voting rights to maintain the clinical majority following the precedent set at the Governing Body meeting of 16 July 2015.

The Governing Body is asked to:

- Agree the recruitment of a fourth Lay Member who is a qualified accountant or has an equivalent financial qualification, subject to confirmation from member practices, for an amendment to be made to paragraph 6.6.2 of the Constitution thereby allowing the composition of the Governing Body to include four Lay Members

3. Frequency of Governing Body Meetings

In order to meet the statutory requirement, the CCG Constitution paragraph 4.5 c, requires the Governing Body to hold its meetings in public, except where the CCG considers that it would not be in the public interest in relation to all or part of a meeting. In addition, paragraph 4.5.2 requires Governing Body meetings to be held in public to ensure accountability.

Since the CCG inception in April 2013, its Governing Body has met in public on a monthly basis. This has ensured all the statutory requirements were fulfilled and has supported accountability and transparency. Following senior management discussion it is now being proposed that the Governing Body meets in public bi-monthly with effect from 1 January 2016.

The rationale for this proposal is to enable the CCG to dedicate more time to development of strategy, which will often include discussion of issues that cannot yet be discussed in public, and to more clearly separate the Governing Body’s strategic and assurance roles.

It is proposed that Governing Body alternates between meetings held in public and private strategy development meetings. Meetings in public to run from 2.00 pm to 5.00 pm with the possibility of private business taking place after 5.00 pm. Strategy development sessions will run from 2.00 pm - 6.00 pm.

Governing Body is asked to note that we have, to date, used Organisational Development (OD) sessions for this purpose and that, as a result of this proposed change, we would expect to have fewer OD sessions and for them to be more focussed on “pure” OD.

5. Recommendation

The Governing is asked to:

- Agree the recruitment of a fourth Lay Member who is a qualified accountant or has an equivalent financial qualification, subject to confirmation from member practices, for an amendment to be made to paragraph 6.6.2 of the Constitution thereby allowing the composition of the Governing Body to include four Lay Members.
- Approve the proposal to hold Governing Body meetings in public bi-monthly with effect from 1 January 2016 (as set out in section 3).

Paper prepared by Margaret Saunders, Head of Governance and Planning

On behalf of Tim Furness, Director of Delivery

November 2015