

Meeting Title: Governing Body	 Scarborough and Ryedale Clinical Commissioning Group
Meeting Date: 23rd January 2019	
Report's Sponsoring Governing Body Member: Philip Hewitson	Report Author: Head of Corporate Services



1. Title of Paper: Change of HR circumstances

2. Strategic Objectives supported by this paper:

To create a viable & sustainable organisation, whilst facilitating the development of a different, more innovative culture.	<input checked="" type="checkbox"/>
To commission high quality services which will improve the health & wellbeing of the people in Scarborough & Ryedale.	<input type="checkbox"/>
To build strong effective relationships with all stakeholders and deliver through effectively engaging with our partners.	<input type="checkbox"/>
To support people within the local community by enabling a system of choice & integrated care.	<input type="checkbox"/>
To deliver against all national & local priorities including QIPP and work within our financial resources.	<input checked="" type="checkbox"/>



Executive Summary:

Following the withdrawal of the Leeds/Bradford group of CCGs and Humberside CCGs from procuring the HR function from eMBED, the four North Yorkshire CCGs were informed in December 2018 by KEIR that from the 31st March 2019 the cost would rise considerably (three fold) to the remaining four North Yorkshire and York CCGs for HR, Equality and Inclusion and Procurement. Not all CCGs take all three elements.

This prompted a discussion around what are the options by Chief Finance Officers for all four CCGs.

There were three options - namely;

1. In house the HR, E&I and Procurement function were applicable.
2. Outsource the HR function to a CSU on direct award for 12 months whilst procurement was enacted for a CSU to enable.
3. Outsource the HR function for 12 months whilst arranging an in- house solution.

The first option having regards to all elements and costs and advice from a HR consultant was the unanimous decision. A letter of intended termination on the 31st March 2019 and to in house HR was sent to KEIR at the end of December 2018 on the behalf of all four North Yorkshire and York CCGs.

An interim Programme Board was convened with once senior manager from each of the four CCGs and chaired by Joanne Crewe, Executive Nurse and Governance lead for Harrogate

and Rural District CCG. The other members are Jim Hayburn, Interim Chief Finance Officer for Hambleton, Richmondshire and Whitby CCG, Michelle Carrington, Director of Quality for Vale of York CCG and Richard Mellor, Chief Finance Officer, together with myself for Scarborough and Ryedale CCG.

The interim board meet weekly on the telephone to develop the Programme Board. An external consultant programme lead is being sought to commence a review of options and requirements. Each member of the interim board has an active element to progress. It was agreed that the HR services should be hosted by Harrogate and Rural District Council CCG, and this would enable some of the eMBED HR staff to TUPE across to the CCGs.

In relation to HR, the functions can be broken down into:-

- The actual HR support
- HR functionality- ESR
- NHS for Jobs placing of adverts and monitoring progress
- DBS checks
- Occupational Health
- Payroll

The first four functions eMBED carry out themselves; the last two were outsourced to other organisations, namely Occupational Health to York Foundation Trust and Payroll to Victoria Payroll Services (Sheffield Foundation Hospital Trust). It has since emerged that KEIR did not sign a contract with either of the two suppliers and therefore the contracts cannot be novated to the CCGs.

I was tasked with contacting and negotiating with Victoria Payroll Services (VPS) on the behalf of the CCGs, this has been done and a significant reduction in the costs of payroll for all the four CCGS has been obtained. In addition VPS have offered to carry out all the HR Transactional functions such as ESR; for all the CCGs. This similar to what they have offered Humberside. They do not wish to tender for the NHS for Jobs or DBS checking elements, we await a written document outlining all the costs.

VPS have offered to support the e-expenses element which is due to go live on the 1st February 2019.

VPS have stated that they will not leave the CCGs without a payroll service in April and possibly May to ensure staff are paid on time.

The admin team in Scarborough and Ryedale CCG have been trained and are willing to undertake the NHS for Jobs function, certainly in the interim and have capacity to do so.

I have spoken to Scarborough Council on the behalf of the group and they have the facility and are willing to undertaken the DBS checking for the CCGs, these two potential solutions have been passed to Vale of York CCGs who are leading on this element.

Contact has been made with York Foundation Trust to explore them continuing to carry out the occupational health element and at what cost.

The formal HR Programme Board has been arranged and its first meeing is next week in Harrogate, it is hoped that a Programme Lead will be in place by then.

This report is briefing on what has happened and why so far and for information only. Further developments will be communicated to the Governing Body as soon as issues are resolved and agreed.

3. Risks relating to proposals in this paper:

- The CCG will not have a full range of HR functions from the 1st April 2019

4. Summary of any finance / resource implications:

- The full cost implications are not known at this moment but will be a considerable saving on what eMBED wanted to continue providing the service.

5. Any statutory / regulatory / legal / NHS Constitution implications:

Nil

6. Equality Impact Assessment Completed? (Yes/No/Not Relevant):

Not relevant

7. Quality Impact Assessment Completed? (Yes/No/Not Relevant):

Not relevant

8. Any related work with stakeholders or communications plan:

Not at this moment

9. Recommendations / Action Required

The Governing Body is asked to accept this briefing and a full report will be submitted once everything is agreed and in place.

10. Assurance

For further information please contact:

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