



Our ref: Contract Transfer

27th May 2022

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BY EMAIL ONLY

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Dear Colleagues,

RE: Notice of NHS Halton CCG - intent to transfer contract to Cheshire and Merseyside Integrated Care Board

We are writing to you following the Health and Care Bill receiving Royal Assent on 28 April 2022 to become the Health and Care Act 2022. The new Act will change the landscape of current commissioning arrangements and the intent is that NHS Clinical Commissioning Groups will cease to exist in statutory form from 30th June 2022. In addition, from 1st July 2022, there will be a formalisation of the Integrated Care Systems into a new statutory body, which will be an Integrated Care Board (ICB).

Therefore, we wish to outline to you, the plans for the establishment of the Cheshire and Merseyside ICB which will assume the responsibility of NHS Halton CCG. As such, we are writing to all our providers of healthcare services to notify them of the planned changes and to confirm our intentions regarding the services delivered under our existing joint working agreements, contracts or grants.

All NHS Clinical Commissioning Group (CCG) functions and duties will transfer to an ICB when they are established, along with all CCG assets and liabilities, including their commissioning responsibilities and contractual agreements.

Collectively, CCGs across Cheshire and Merseyside have established a consistent approach that will be adopted in respect of all existing healthcare agreements, in preparation for the establishment of a single body that will become responsible for commissioning services for the population of Cheshire and Merseyside.

The Integrated Care Board and contracting with providers

The ICB NHS body will be a statutory organisation responsible for specific functions that enable it to deliver against four core purposes:

- to improve outcomes in population health and healthcare
- tackle inequalities in outcomes, experience, and access
- enhance productivity and value for money
- help the NHS support broader social and economic development

One of the functions for which the ICB will be responsible, is arranging for the provision of health services in line with the allocated resources across the ICS, through a range of activities that include putting in place contracts and agreements with providers to secure delivery of its plan to meet the needs of the population within their area. These may be contracts and agreements with individual providers or lead providers within a place-based partnership or provider collaboratives and will reflect the resource allocations, priorities and specifications developed across the whole system and at place level.

Contracts will be awarded by the ICB with all payments also made by the ICB as the legal entity and are expected to be strategic, long-term and based on outcomes, with providers responsible for designing services and interventions to meet agreed system objectives.

Financial framework and funding flows

NHS England and NHS Improvement will make financial allocations to each ICB NHS body for the performance of its functions. Funding will continue to be linked to population need and allocations will be based on longstanding principles of supporting equal opportunity of access for equal needs and contributing to the reduction of health inequalities.

Decisions about spending will be devolved to ICB NHS bodies and will include budgets for: acute, community and mental health services (currently CCG commissioned), primary medical care (general practice) services (currently delegated to CCGs). The ICB NHS body will agree how the allocation will be distributed to perform its internal functions and how funding will flow from the ICB NHS body to providers largely through contracts for services/outcomes, which may be managed by place-based partnerships or provider collaboratives.

Continuity of Service Provision

As it has now been confirmed that the ICB will be established on 1st July 2022 and the CCG will cease to exist from 30th June 2022 your contract will automatically 'Transfer' to the Cheshire and Merseyside ICB as the new statutory commissioning body. As this change is brought about due to the implementation of the new Act, the handover of assets, including contractual agreements will be undertaken via a 'Transfer Scheme' rather than the more traditional 'Novation' process. This means that there is no new documentation to sign and your existing contractual agreements will continue with the ICB.

Next Steps

You will be contacted in due course separately, with a letter from the NHS Halton CCG finance team regarding future billing arrangements, new invoice address details and to confirm any change in process. If you do not receive this letter in the coming weeks, please contact us via warringtonccg.performance@nhs.net.

Please note you may receive similar letters from other local CCGs as we are all required to advise our providers of the proposed changes.

We would also wish to highlight that in future, as contracts come to their natural expiry, we may wish to review historic contractual terms and conditions and where these are not on NHS standard formats, consider moving these over to the standard published contract versions.

Finally, may we take the opportunity to thank you for the commitment that Halton Borough Council has continued to show day to day in response to the evolving pressures and challenges that have impacted every part of healthcare during and following the COVID pandemic.

Your support in maintaining high quality services for the population of Halton area during the transfer period and beyond, and the flexibility you have demonstrated in the face of the most challenging period the NHS has ever experienced, is very much appreciated.

We thank you in advance for your patience and co-operation as we undertake this process.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'David Cooper', written in a cursive style.

David Cooper
Chief Finance Officer
NHS Halton Clinical Commissioning Group
NHS Warrington Clinical Commissioning Group