

A meeting of the Governing Body 4th April 2013

ENCLOSURE 14 Transfer Scheme

RESPONSIBLE LEAD: Martin Wilkinson, Chief Officer

AUTHOR: Tony Read, Chief Financial Officer

RECOMMENDATIONS:

The Committee is asked to: -

Note that the Chief Officer is satisfied with arrangements for the transfer of assets and liabilities from PCTs to Lewisham CCG under the transfer scheme to be signed by the Secretary of State for Health.

SUMMARY:

The transfer scheme is the method being used for the legal transfer of assets and liabilities from Primary Care Trusts and Strategic Health Authorities to CCGs and other organisations. At the February Governing Body meeting it was agreed to delegate review and sign off of the Lewisham transfer scheme from the perspective of the CCG as a receiver organisation. Whilst the CCG has no legal power to refuse any aspect of the Transfer Scheme it is good practice to understand and agree/correct the Transfer Scheme.

Assets transferred from PCTs include property, staff, equipment, contracts for services, records, and intellectual property. Each of these assets creates potential liabilities for their "owners."

The Chief Financial Officer has overseen the identification, quantification and distribution of all Lewisham PCT's assets and liabilities to be transferred (sent) to other organisations. This work has at the same time recorded all assets and liabilities to be transferred to (received) by Lewisham CCG.

The Lewisham PCT Transfer Scheme has been submitted to the Department of Health, reviewed by the DH lawyers and DH comments responded to; all before 25 March 2013. The

Transfer Scheme for Lewisham was approved as complete (for sending) at the PCT Joint Boards meeting in March 2013.

KEY ISSUES:

Staff – All staff employed by Lewisham CCG that were previously employed by a South East London PCT have been transferred to the Lewisham CCG payroll and their contacts of employment transferred to Lewisham CCG from 1 April 2013. With regard to ex Lewisham PCT employees, from 1 April Lewisham CCG is not responsible for ex Lewisham PCT staff unless they transferred to Lewisham CCG. Employment disputes would be managed by the London legacy management arrangements.

Property – No properties are transferring to Lewisham CCG. The CCG does have recorded interests in some property leases.

Equipment – All equipment assets have been verified. Equipment is mainly computer and office furniture related. We have transferred ownership of such assets with their related service or building. The CCG for example has received the IM&T and office equipment that it uses in Cantilever House and will be responsible for its maintenance and replacement.

Contracts for services – All contracts transferring to Lewisham CCG have been checked with contract managers and are expected in relation to the CCG's functions. Where Lewisham CCG holds a contract that has other interested parties or is an interested party to a contract transferring to another organization (for example acute hospital contracts) these have been recorded appropriately in the Transfer Scheme.

Letters have been sent to Contractors and contract managers notifying the change of organization and providing instructions for invoicing from April 2013.

Risks - Lewisham PCT is a member of the NHS Litigation Authority (NHSLA) schemes. This provides limited cover for claims against expired members within 30 days. Lewisham CCG has joined the NHSLA schemes. Capsticks has advised on the content and wording of the Lewisham Transfer Scheme including the sweeper clauses that cover arrangements for any assets or liabilities that may have been omitted in error and come to light after 1 April 2013. All legal advice has been incorporated.

Learning from the process – The process has created a baseline record of all known material contracts and liabilities of Lewisham CCG as at April 2013. For example there is a complete record of all contracts held by the CCG and also all contracts in which the CCG has an interest. This will be used to create and maintain a register of contracts and expiry/renewal dates.

STAKEHOLDER INVOLVEMENT

South East London PCTs Transfer Scheme Working Group
Lewisham CCG Shadow Governing Body

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