NHS
Northumberland
Clinical Commissioning Group

Northumberland Primary Care Commissioning Committee

This meeting will be held at 10.00am on Wednesday 8 August 2018
Committee Room 1, County Hall, Morpeth

AGENDA

Item	Time	Topic	Enc.	Presenter
1	1000	Welcome and questions on agenda items from the public		J Guy
2		Apologies for absence		J Guy
3		3.1 Declarations of conflicts of interest (agenda items) 3.2 Quoracy*		J Guy
4	1005	4.1 Minutes from the previous meeting and Matters Arising 4.2 Action Log	✓ ✓	J Guy J Guy
5	1010	Operational 5.1 Finance Update	 ✓	 I Cameron
6	1020	Strategic 6.1 Primary Care Workplan - presentation 6.2 Primary Medical Care Commissioning and Contracting: Internal Audit Framework for delegated Clinical Commissioning Groups	 ✓	 P Phelps S Young
7	1050	Any other business		J Guy
8	1055	Date and time of next meeting: Wednesday 10 October - 10.00am Location TBC		

* 3 members, including at least the Chair or the Lay Governor and at least the CCG Chief Operating Officer or the Chief Finance Officer.

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Minutes of the Public Meeting of NHS Northumberland Primary Care Commissioning Committee
13 June 2018, Morpeth Town Hall, Morpeth

Members Present:

Janet Guy	Lay Chair, Northumberland CCG
Siobhan Brown	Chief Operating Officer, Northumberland CCG
Ian Cameron	Chief Finance Officer, Northumberland CCG
Dr Richard Glennie	Chair, Local Medical Committee

In attendance:

Pamela Leveny	Head of Commissioning, Northumberland CCG
Scott Dickinson	Northumberland County Council
Wendy Stephens	NHS England
Derry Nugent	Healthwatch Northumberland
Di Drysdale	Business Support Team, Northumberland CCG (Minutes)

NPCCC/18/23 Agenda item 1 Welcome and questions on agenda items from the public

Janet Guy welcomed all members. There were three members of the public present.

Two members of the public asked to raise questions about the proposed closure of Riversdale Practice, Wylam. The members of the public present were from the Wylam GP Services Users' Group and stated that there was a Healthwatch Northumberland survey carried out by the parish council following reaction to the proposed closure of Riversdale. They do not think that concerns over public transport are being heard.

The Wylam GP Services Users' Group felt that following the report, and previous meetings, the practice had not engaged with the Primary Care Commissioning Committee (PCCC) and had given responses to the Healthwatch Northumberland survey saying patients were happy, which is not the case. Janet said the PCCC had only received the practice application and so could not comment on the Healthwatch Northumberland survey. Normal procedure was that the report would go to NHS England (NHSE) then to PCCC. Until then comments would be speculation and the PCCC was not prepared to comment. She apologised if this was not what the group wanted to hear but said she could not engage in speculation. The Wylam GP Services Users' Group representatives agreed and thanked Janet.

NPCCC/18/24 Agenda item 2 Apologies for absence

Apologies were received for David Thompson, Jane Lothian, Karen Bowers and Stephen Young.

NPCCC/18/25 Agenda item 3.1 Declarations of conflicts of interest

There were no conflicts of interest declared.

NPCCC/18/26 Agenda item 3.2 Quoracy

The meeting was quorate.

NPCCC/18/27 Agenda item 4.1 Minutes of the previous meeting and matters arising

The minutes were accepted as a true and accurate record.

NPCCC/18/28 Agenda item 4.2 Action Log

Action NPCCC/17/79/01: Pamela Leveny to undertake a review of Northumberland branch surgery sustainability. Scott Dickinson asked if a recruitment process or other incentives could be used to manage GP shortages in rural locations. Pamela Leveny stated that this action was still ongoing and planned to commence in July 2018.

NPCCC/18/29 Agenda item 5.1 Finance Update

Ian Cameron outlined the CCG's primary care services interim financial position for the period ending 31 May 2018. Ian stated that the accounts are now closed for 2017/18.

The Month 2 report shows breakeven, but the figures are still in draft. This forecast is that the CCG are at breakeven at this point in time.

NHS Northumberland Clinical Commissioning Group's (CCG) delegated primary care allocation for 2018/19 is £44,534k. This has increased representing 1.75% growth. National changes to the GP contract in 2018-19 have caused additional pressures of 3.07% to the CCG. The net global sum payment has increased from £81.15 to £83.64. Based upon the weighted lists size data issued on 1 January 2018 this totals c. £897k. Indemnity fees have increased from £0.516 to £1.017 per patient (7% growth), which represents an additional pressure of around £163k. The total budget set for indemnity is £330k which will need to be top sliced by NHSE and therefore will not be available to the CCG. There are some risks which may affect the CCG in 2018/19 i.e. sickness, maternity, etc. Ian stated it may be necessary to use CCG's main allocation to cover associated costs.

The CCG will need to consider the risk in these areas. Janet Guy confirmed that the risk register should contain the details.

Siobhan Brown said that as the CCG is in special measures there is a level of financial risk and that integrated commissioning should be considered. The CCG will continue to raise this issue and with NHS England in the regular finance meetings.

NPCCC/18/30 Agenda item 5.2 Contract Baseline Report

Wendy Stephens summarised the report, there are 42 practices in the Northumberland area, 19 are GMS contracts, 1 practice has reverted to a GMS contract from a PMS contract. There have been no recent mergers, 12 practices have branch sites. There are currently 17 dispensing practices.

Janet Guy asked the following question on behalf of Karen Bower, Lay Member, Corporate Finance and Patient and Public Involvement: 'Will single handed practices be taken into account in the contract baseline report in the future, and does the CCG has a view about the future of single handed practices? Pamela Leveny said there was only one single handed practice in Wooler, Northumberland

NPCCC/18/31 Agenda Item 7 Any other business

No any other business.

NPCCC/18/31 Agenda item 8 Date and time of next meeting

8 August 2018 – 10.00am, Morpeth Town Hall.

NHS Northumberland Clinical Commissioning Group

Primary Care Commissioning Committee - REGISTER OF ACTIONS

Log owner: PCCC Chair

DATE: August 2018		**Primary Care Commissioning Committee**				
Number	**Date Identified**	**Target Completion Date**	**Description and Comments**	**Owner**	**Status**	**Comment**
NPCCC/17/79/01	20/12/2017	21/02/2018	Pamela Leveny to undertake a review of Northumberland branch surgery sustainability.	Pamela Leveny	Ongoing	Part of the work plan - work commencing in July 2018.

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Meeting title	Northumberland Primary Care Commissioning Committee	
Date	8 August 2018	
Agenda item	5.1	
Report title	Finance Update Month 4	
Report author	Chief Finance Officer	
Sponsor	Chief Finance Officer	
Private or Public agenda	Public	
NHS classification	Official	
Purpose (tick one only)	Information only	✓
	Development/Discussion	✓
	Decision/Action	
Links to Corporate Objectives	Ensure that the CCG makes best use of all available resources	✓
	Ensure the delivery of safe, high quality services that deliver the best outcomes	
	Create joined up pathways within and across organisations to deliver seamless care	
	Deliver clinically led health services that are focused on individual and wider population needs and based on evidence.	
Northumberland CCG/external meetings this paper has been discussed at:	N/A	
QIPP	N/A	
Risks	Strategic Risk 946 – Financial Balance Operational Risk 1983 - Primary Care delegated allocation	
Resource implications	N/A	
Consultation/engagement	N/A	

Quality and Equality impact assessment	Completed
Research	N/A
Legal implications	CCG statutory financial duties
Impact on carers	N/A
Sustainability implications	N/A

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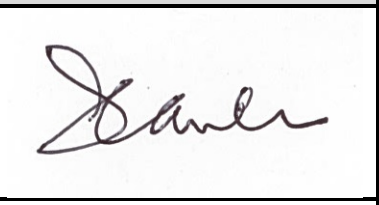
QUALITY and EQUALITY IMPACT ASSESSMENT						
1. Project Name	Finance Update – Month 4					
2. Project Lead	**Director Lead**	**Project Lead**				**Clinical Lead**
	Chief Finance Officer	Chief Finance Officer				Clinical Director
3. Project Overview & Objective	Primary Care finance update.					
4. Quality Impact Assessment	**Impact Details**	**Pos/ Neg**	**C**	**L**	**Scores**	**Mitigation / Control**
Patient Safety	N/A					
Clinical Effectiveness	N/A					
Patient Experience	N/A					
Others including reputation, information governance and etc.	N/A					
5.Equality Impact Assessment	**Impact Details**	**Pos/ Neg**	**C**	**L**	**Scores**	**Mitigation / Control**
What is the impact on people who have one of the protected characteristics as defined in the Equality Act 2010?	N/A					
What is the impact on health inequalities in terms of access to services and outcomes achieved for the population of Northumberland? (which is in line with the legal duties defined in the National Health Service Act 2006 as amended by the Health and Social Care Act 2012), for example health inequalities due to differences in socioeconomic circumstances?	N/A					
6. Research *Reference to relevant local and national research as appropriate.*	N/A					
7**. Metrics** *Sensitive to the impacts or risks on quality and equality and can be used*	**Impact Descriptors**	**Baseline Metrics**				**Target**
	N/A					

for ongoing monitoring.			
8. Completed By	**Signature**	**Printed Name**	**Date**
Chief Finance Officer		Ian Cameron	31/07/2018
Additional Relevant Information:			
8. Clinical Lead Approval by	**Signature**	**Printed Name**	**Date**
Additional Relevant Information:			
9. Reviewed By	**Signature**	**Printed Name**	**Date**
Comments			

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Northumberland Primary Care Commissioning Committee
8 August 2018
Agenda Item: 5.1
Primary Care Finance Update – Month 4
Sponsor: Chief Finance Officer

Members of the Northumberland Primary Care Commissioning Committee are asked to:

1. Consider the financial summary for the period ended 31 July 2018.

Purpose

This report outlines NHS Northumberland Clinical Commissioning Group's (CCG) primary care services financial position for the period ending 31 July 2018.

Background

The table below sets out the year to date position and the forecast outturn position as at 31 July 2018. This currently shows a forecast outturn position of breakeven.

The Primary Care Commissioning Committee (PCCC) should note these figures are still draft for the reporting month as at time of publishing this report the financial ledger was still open.

FMR Heading	Annual Budget 2018-19	YTD Budget	YTD Actual	YTD Variance	EOY Forecast	EOY Variance
General Practice - GMS	8,647,987	2,886,729	2,909,671	22,942	8,729,014	81,027
General Practice - PMS	22,044,248	7,348,022	7,360,994	12,972	22,082,981	38,733
QOF	4,983,831	1,661,172	1,735,971	74,799	5,221,500	237,669
Enhanced Services	1,999,049	666,151	526,660	-139,491	1,720,020	-279,029
Premises Cost Reimbursement	4,323,184	1,440,858	1,473,952	33,094	4,325,434	2,250
Dispensing/Prescribing Drs	1,650,796	550,179	546,047	-4,132	1,566,227	-84,569
Other GP Services	909,773	303,152	303,164	12	911,527	1,754
CCG Prescribing	-190,868	-63,595	-61,458	2,137	-188,704	2,164
Grand Total	**44,368,000**	**14,792,668**	**14,795,001**	**2,333**	**44,368,000**	**0**

Issues and Actions

Quality and Outcomes Framework (QOF) is showing a pressure of £238k based upon current aspiration payments. Currently, this is being offset by prior year and current year underspends on Enhanced Services of £279k and Dispensing/Prescribing of £85k to deliver an overall

breakeven position. General Practice – GMS and PMS have both seen pressures materialise in month due to the full year effect of list size increases.

Premises Cost Reimbursement, Other GP Services and CCG Prescribing are all currently forecasting breakeven.

Further pressures are likely due to the increase in uplifts for GP contracts and the patient dispersal from Collingwood practice. However, information is limited currently to enable this to be quantified accurately.

Risks remain relating to locum reimbursement for sickness and maternity.

Other CCG funded Primary Care

Along with the Delegated budgets the CCG has a number of other areas in which it makes payments into primary care funded from the CCGs main allocation.

Out of Hours: The CCG has a contract with Northern Doctors Urgent Care (NDUC/Vocare) for the provision of GP access out of hours.

Local Enhanced Services: The CCG has a number of local enhanced service schemes available for GP practices to sign up to, these include;

- Practice Engagement scheme (PES)
- Practice Variation - GVIS
- Practice Activity Scheme (PAS)
- Practice Medicines Management (PMM)
- Dementia Diagnosis
- Flu Immunisation
- Proactive management of High risk & end of life patients
- Diabetes prevention programme
- Deep Vein Thrombosis treatment and prophylaxis service (DVT)
- Prostate Specific Antigen blood monitoring service (PSA)
- Immune Modifying Drugs blood monitoring service (IMD) (formally DMARDs (disease-modifying anti-rheumatic drugs)

GPIT: The North of England Commissioning Support Unit (NECS) manage IT budgets in general practice on behalf of the CCG, and use the funding it to maintain the GPIT infrastructure in accordance with the core requirements set nationally. Non recurrent GP Wi-Fi Funding is also included within this section.

GP Forward View: The CCG now has in its baseline the GP Forward View funding for GP Extended Access (£6 per head). The CCG is also current given non recurrent funded for Online consultation software and GP clerical training.

Appendix 1: Northumberland CCG Draft Month 4 - Primary Care Overview

Northumberland CCG DRAFT Month 4 - Primary Care Overview

NHS Northumberland Clinical Commissioning Group

FMR Heading	Detail	Annual Budget 2018-19	YTD Budget	YTD Actual	YTD Variance	EOY Forecast	EOY Variance	Description of budget area
General Practice - GMS	Correction Factor	60,624	20,200	20,208	8	60,624	0	
	Global Sum	8,587,363	2,866,529	2,881,515	14,986	8,644,544	57,181	
	Transition Fund	0	0	7,949	7,949	23,847	23,847	Payment to practices, both GMS and PMS, for core essential services based upon weighted practice list size. This weighting takes account of local population needs.
	Total	8,647,987	2,886,729	2,909,671	22,942	8,729,014	81,027	
General Practice - PMS	PMS Contract	21,979,884	7,326,595	7,347,488	20,893	22,042,465	62,581	
	Transition Fund	64,364	21,427	13,506	-7,921	40,517	-23,847	
	Total	22,044,248	7,348,022	7,360,994	12,972	22,082,981	38,733	
QOF	QOF - Achievment	1,364,026	454,625	473,773	19,148	1,434,903	70,877	Quality and Outcomes Framework (QOF) is a annual reward and incentive scheme for practices based upon achievement against set indicators.
	QOF - Aspiration	3,619,805	1,206,547	1,262,199	55,652	3,786,596	166,791	
	Total	4,983,831	1,661,172	1,735,971	74,799	5,221,500	237,669	
Enhanced Services	DES - Extended Hours	582,116	193,979	139,853	-54,126	466,974	-115,142	
	DES - Learning Disabilities	172,316	57,400	69,159	11,759	172,316	0	Additional services provided by practices to assist with local and national population need or priorities. Practices have to sign up to deliver these services.
	DES - Minor Surgery	614,178	204,674	107,502	-97,172	450,290	-163,888	
	Northumberland Premium	630,439	210,098	210,146	48	630,439	0	
	Total	1,999,049	666,151	526,660	-139,491	1,720,020	-279,029	
Premises Cost Reimbursement	Rates	386,736	128,846	149,489	20,643	392,961	6,225	
	Rent	3,869,210	1,289,657	1,299,398	9,741	3,864,149	-5,061	Reimbursements made to practices in respect of the their premises costs.
	Water Rates	67,238	22,355	25,065	2,710	68,324	1,086	
	Total	4,323,184	1,440,858	1,473,952	33,094	4,325,434	2,250	
Dispensing/Prescribing Drs	Dispensing	1,338,053	445,994	388,120	-57,874	1,280,156	-57,897	
	LES - Dispensing Quality Sch	87,215	29,045	24,070	-4,975	82,213	-5,002	Costs of GP prescribing reimbursed on a cost per script basis.
	Prescribing	225,528	75,140	133,857	58,717	203,859	-21,669	
	Total	1,650,796	550,179	546,047	-4,132	1,566,227	-84,569	
Other GP Services	CQC Fees	206,597	68,812	68,568	-244	207,738	1,141	Reimbursement to practices for their Care Quality Commission annual charges.
	GP Retainer	62,000	20,665	20,871	206	62,613	613	Support scheme for GPs and practices who may be considering leaving the profession.
	Locum Maternity	210,564	70,188	70,188	0	210,564	0	Reimbursement to practices for the costs of locum cover for both maternity and sickness. This is in line with national guidance.
	Seniority	430,612	143,487	143,537	50	430,612	0	The seniority payment that is awarded to an individual GP is dependent on their years of reckonable service in the NHS.
	Suspended GP	0	0	0	0	0	0	Cumbria and the North East wide risk share agreement to contribute to the costs of suspended GPs.
	Total	909,773	303,152	303,164	12	911,527	1,754	
CCG Prescribing	Prescribing	-190,868	-63,595	-61,458	2,137	-188,704	2,164	Patient charges recovered against prescribing costs.
	Total	-190,868	-63,595	-61,458	2,137	-188,704	2,164	
Grand Total		**44,368,000**	**14,792,668**	**14,795,001**	**2,333**	**44,368,000**	**0**	

Other CCG funded services								
Out of Hours		2,364,523	936,472	936,472	0	2,364,523	0	Main out of hours contract with Northern Doctors, and expected QIPP impact of Re-Procurement later in the financial year.
Enhanced Services		2,175,452	725,152	725,152	0	2,175,452	0	Local Enhanced services, including; Practice Engagement Scheme (PES), Practive Variation GVIS, Practice Activity Scheme (PAS), Practice medicnes Management (PMM), Dementia Diagnosis, Flu Immunisation, Proactive management of high risk and end of life patients, Diabeties prevention programme. Smaller schemes through Claim IT; DVT, Prostrate and IMD. Also includes Pharmacy first and shape end payments and optical contract.
GPIT		853,000	284,332	284,332	0	853,000	0	GPIT contract with North of England Commissioning Support Unit. Also includes GP Wifi non recurrent allocation.
Practice transformation funding		483,579	80,596	80,596	0	483,579	0	Mobilisation funding for GP Extended Access, SEED Funding
GP Forward View Allocations								
GPFV Access funding (REC)		1,928,483	642,665	642,665	0	1,928,483	0	£6 per head GP access funding.
GP Clerical training (NR)		55,110	18,369	18,369	0	55,110	0	GP admin and receptionist training delivered through Productive Primary Care, Yet to reciee allocaitons
GP Online Consultation (NR)		107,895	35,964	35,964	0	107,895	0	Online Consultation software
Total CCG Primary care		**52,336,042**	**17,516,218**	**17,518,551**	**2,333**	**52,336,042**	**0**	

* NOTE: The figures in the above table are still in draft. This is due to at the time of issuing this report the Month 4 position is not finalised, as the financial ledger is still open so can still change.

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Meeting title	Northumberland Primary Care Commissioning Committee	
Date	8 August 2018	
Agenda item	6.2	
Report title	Primary Medical Care Commissioning and Contracting – Internal Audit Framework for delegated CCGs	
Report author	Strategic Head of Corporate Affairs	
Sponsor	Strategic Head of Corporate Affairs	
Private or Public agenda	Public	
NHS classification	Official	
Purpose (tick one only)	Information only	✓
	Development/Discussion	
	Decision/Action	
Links to Corporate Objectives	Ensure that the CCG makes best use of all available resources	✓
	Ensure the delivery of safe, high quality services that deliver the best outcomes	
	Create joined up pathways within and across organisations to deliver seamless care	
	Deliver clinically led health services that are focused on individual and wider population needs and based on evidence.	✓
Northumberland CCG/external meetings this paper has been discussed at:	July 2018 Audit Committee	
QIPP	NA	
Risks	Strategic Risk 1504 Primary Care Delegated Commissioning	
Resource implications	Additional funding required (Approx £3K) for delivery of IA plan for 2018/19	
Consultation/engagement	NA	

Quality and Equality impact assessment	Completed
Research	NA
Legal implications	NA
Impact on carers	NA
Sustainability implications	NA

Northumberland Clinical Commissioning Group

QUALITY and EQUALITY IMPACT ASSESSMENT						
1. Project Name	Primary Medical Care Commissioning and Contracting – Internal Audit Framework for delegated CCGs					
2. Project Lead	**Director Lead**	**Project Lead**			**Clinical Lead**	
	Chief Operating Officer	Strategic Head of Corporate Affairs			Clinical Director of Primary Care	
3. Project Overview & Objective	See Project Name					
4. Quality Impact Assessment	**Impact Details**	**Pos/ Neg**	**C**	**L**	**Scores**	**Mitigation / Control**
Patient Safety	NA					
Clinical Effectiveness	NA					
Patient Experience	NA					
Others including reputation, information governance and etc.	NA					
5.Equality Impact Assessment	**Impact Details**	**Pos/ Neg**	**C**	**L**	**Scores**	**Mitigation / Control**
What is the impact on people who have one of the protected characteristics as defined in the Equality Act 2010?	NA					
What is the impact on health inequalities in terms of access to services and outcomes achieved for the population of Northumberland? (which is in line with the legal duties defined in the National Health Service Act 2006 as amended by the Health and Social Care Act 2012), for example health inequalities due to differences in socioeconomic circumstances?	NA					
6. Research *Reference to relevant local and national research as appropriate.*	NA					
7**. Metrics** *Sensitive to the impacts or risks on quality and*	**Impact Descriptors**	**Baseline Metrics**			**Target**	
	NA					

equality and can be used for ongoing monitoring.			
8. Completed By	**Signature**	**Printed Name**	**Date**
Strategic Head of Corporate Affairs		S Young	30.07.2018
Additional Relevant Information:			
8. Clinical Lead Approval by	**Signature**	**Printed Name**	**Date**
Additional Relevant Information:			
9. Reviewed By	**Signature**	**Printed Name**	**Date**
Comments			

Northumberland
Clinical Commissioning Group

Northumberland Primary Care Commissioning Committee
8 August 2018
Agenda Item: 6.2
Primary Medical Care Commissioning and Contracting
Sponsor: Strategic Head of Corporate Affairs

Members of the Northumberland Primary Care Commissioning Committee are asked to:

1. **Consider NHS England's Internal Audit Framework for delegated Clinical Commissioning Groups.**
2. **Acknowledge the start of Internal Audit's Primary Medical Care Commissioning and Contracting work in 2018/19.**

Purpose

This report outlines NHS England's (NHSE) Internal Audit (IA) Framework for delegated Clinical Commissioning Groups (CCG) and seeks acknowledgement that the work will start in 2018/19.

Background

NHS Northumberland Clinical Commissioning Group (CCG) has been a delegated commissioner of primary medical care services since 1 April 2016. NHSE still retains overall responsibility for obtaining assurances that its functions in this respect are being discharged effectively. Since 2016, this responsibility has primarily been discharged through regular reporting to the regional team; this process will now be replaced with the following:

- Self-assessment of compliance through the Annual Primary Care Activity Report
- CCG report on outcomes achieved (this replaces the regular reporting to the regional team and now will form part of the Annual Governance Statement)
- Internal Audit

The Internal Audit framework was discussed at the CCG's July 2018 Audit Committee as the committee is responsible for approving the annual IA plan. It was agreed that the programme would be augmented by a Primary Medical Care Commissioning and Contracting IA from 2018/19 onwards.

Recommendation

The PCCC is asked to consider NHSE's IA Framework for delegated CCG's and acknowledge that work will start in this respect in 2018/19.

Appendix 1: Primary Medical Care Commissioning and Contracting.

Appendix 1

Primary Medical Care Commissioning and Contracting:

Internal Audit Framework for delegated Clinical Commissioning Groups

Primary Medical Care Commissioning and Contracting: Internal Audit Framework for delegated Clinical Commissioning Groups

Version number: 1.0

First published: xx July 2018

Prepared by: Primary Care Commissioning, Operations and Information Directorate

Classification: (OFFICIAL)

Promoting equality and addressing health inequalities are at the heart of NHS England's values. Throughout the development of the policies and processes cited in this document, we have:

- Given due regard to the need to eliminate discrimination, harassment and victimisation, to advance equality of opportunity, and to foster good relations between people who share a relevant protected characteristic (as cited under the Equality Act 2010) and those who do not share it; and,

- Given regard to the need to reduce inequalities between patients in access to, and outcomes from healthcare services and to ensure services are provided in an integrated way where this might reduce health inequalities.

This information can be made available in alternative formats, such as easy read or large print, and may be available in alternative languages, upon request. Please contact 0300 311 22 33 or email england.contactus@nhs.net stating that this document is owned by Primary Care Commissioning, Operations and Information Directorate.

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Contents

Introduction

1. This document provides the framework for delegated Clinical Commissioning Groups (CCGs) undertaking internal audit of their primary medical care commissioning arrangements from 2018/19.

Background

2. NHS England became responsible for the direct commissioning of primary medical care services on 1 April 2013. Since then, following changes set out in the NHS Five Year Forward View, primary care co-commissioning has seen CCGs invited to take on greater responsibility for general practice commissioning, including full responsibility under delegated commissioning arrangements.

3. In 2017/18, 84 per cent of CCGs had delegated commissioning arrangements (82 per cent - £6,247.6 million – of the primary medical care budget, with the remainder being spent directly by NHS England local teams). In 2018/19 this has increased to 96 per cent with 178 CCGs now fully delegated.

4. Where NHS England delegates its functions to CCGs, it still retains overall responsibility and liability for these and is responsible for obtaining assurances that its functions are being discharged effectively.

Context

5. While NHS England's CCG Improvement and Assessment Framework reports CCG performance in key areas, including primary care, it does not provide specific assurance on the management of delegated primary medical care commissioning arrangements.

6. In agreement with the NHS England Audit and Risk Assurance Committee, we will be requiring the following from 2018/19:

    a. **Reported self-assessment of compliance with published primary medical care policies from each lead commissioner** (NHS England local team or delegated CCG). This is being managed through the annual Primary Care Activity Report collection[1].

    b. **Report published by each delegated CCG covering the outcomes achieved** through their delegated responsibilities and the way in which

[1] The collection seeks to identify any known exceptions of non-compliance against key primary medical care policies. Feedback, in addition to supporting oversight and assurance, will support ongoing central review of primary medical care policies and the design of support for local commissioners. With a new Primary Medical Care Policy and Guidance Manual published (November 2017) local commissioners are also asked to confirm their operating procedures have been updated accordingly to reflect these.

Further details on the collection are available here:https://www.england.nhs.uk/publication/2017-18-primary-care-commissioning-activity-report/

A copy of the new Primary Medical Care Policy and Guidance Manual is available here: https://www.england.nhs.uk/publication/primary-medical-care-policy-and-guidance-manual-pgm/

assurances have been gained locally, particularly where innovative approaches are taken. This is to be accommodated through amendment of the CCG annual governance statement template[2].

c. **Internal audit of delegated CCGs primary medical care commissioning arrangements.** The purpose of this being to provide information to CCGs that they are discharging NHS England's statutory primary medical care functions effectively, and in turn use this information to provide aggregate assurance to NHS England and facilitate NHS England's engagement with CCGs to support improvement.

7. This document focuses solely on the internal audit requirement and provides the framework to support NHS England and CCGs in this regard. The scope of this audit framework has been discussed and developed with key stakeholders including the CCG audit chair network.

Internal Audit of Primary Medical Care Commissioning and Contracting

8. The Delegation Agreement entered into between NHS England and CCGs sets out the terms and conditions on how delegated primary medical care functions are to be exercised. The scope of this audit framework is designed around this by mirroring these functions through the natural commissioning cycle:

- Commissioning and procurement of services
- Contract Oversight and Management Functions
- Primary Care Finance
- Governance (common to each of the above areas)

9. The audit framework is to be delivered as a 3-4 year programme of work to ensure this scope is subject to annual audit in a managed way and within existing internal audit budgets.

10. It is recognised that CCGs annual audit plans for 2018/19 may have been settled on in advance of notification for including delegated primary medical care and the subsequent publication of this framework. Where no provision has been made for a primary medical services audit in 2018/19 delegated CCGs should review their plans to accommodate this.

11. Where 2018/19 plans cannot be changed (for example, to proceed would mean displacing planned audit areas identified as greater risk or funding for additional audit days cannot be prioritised) delegated CCGs should ensure this audit is included in their 2019/20 audit plans at the very latest. To implement the framework CCGs will need to plan and undertake a series of internal audits to ensure all areas in scope of this framework are audited by March 2021.If commencing with audit plans from 2019/20, this audit framework must be completed by March 2022.

[2] Further details expected to be published July 2018.

12. Follow-up audits for areas of no assurance will need to be planned for in addition.

13. Delegated CCGs who conducted an audit of their primary medical care commissioning arrangements in 2017/18 may count this towards their implementation of this framework providing the audit and its objectives are clearly in scope of this framework and the outcome is [retrospectively] reported in line with this framework. Earlier audits will be able to be used to ensure audits under this framework are effectively targeted.

14. This framework will provide a comprehensive baseline for assurance of delegated CCGs primary medical care commissioning and provide the basis for moving to a more risk-based approach in future years.

15. The outcome of each annual audit will be reported to the CCG Audit Committee. The CCG Primary Care Commissioning Committee (or alternative committee with responsibility for the delegated function) should have a lead role in discussing and agreeing the report. The outcome will be reported in the CCG's annual report and governance statement. The subsequent report and management actions will also need to be discussed with NHS England local team[3] as appropriate (see 'Reporting' section).

16. CCGs should tailor their approach to take account of the findings from any previous or related audit work, and make use of local assessment of risk to determine appropriate focus within the scope of work detailed.

17. Where a CCGs staffing model for delegated commissioning relies on NHS England assignment (where NHS England staff remain in their current roles and locations and provide services to the CCG under service level agreement) CCGs will need to discuss and agree the scope their audit with NHS England.

18. For further information or any queries on the audit, please contact: england.primarycareops@nhs.net

[3] This framework does not seek to pre-empt the outcome of new operating model which will emerge under the 7 new regional geographies following next steps on NHS England and NHS Improvement closer working. References to NHS England local teams are a reference to the current model which support function of primary care commissioning (DCO, Heads of Primary Care, Primary Care Teams etc).

Audit Framework

Objective of the audit framework

19. The overall objective of this audit framework is to evaluate the effectiveness of the arrangements put in place by CCGs to exercise the primary medical care commissioning functions of NHS England as set out in the Delegation Agreement.

Scope of the primary medical services audit framework

20. This section sets out the key components in **scope** of the primary medical services audit framework and provides *guidance* under each component on the areas to be covered.

21. Given the breadth of areas under scope, delegated CCGs will need to ensure the focus and objectives of each annual audit is proportionate to- and targeted by- their local assessment of risks (risk registers, past audits etc.). There is no requirement to follow the scope in the order that is presented here.

22. Excluded from scope is the management of conflicts of interests which is subject to its own internal audit framework, including governance through the Primary Care Commissioning Committee.

23. The following is in scope of the primary medical services audit framework:

    a. **Commissioning and procurement of primary medical services;**

        i. *planning the provision of primary medical care services in the area, including carrying out needs assessments and consulting with the public and other relevant agencies as necessary*
        ii. *the processes adopted in the procurement of primary medical care services, including decisions to extend existing contracts*
        iii. *the involvement of patients / public in those commissioning and procurement decisions*
        iv. *the effective commissioning of Directed Enhanced Services and any Local Incentive Schemes (including the design of such schemes)*
        v. *commissioning response to urgent GP practice closures or disruption to service provision*

    b. **Contract Oversight and Management Functions.** Generally these will be those relating to the accessibility and quality of GP services, including but not limited to ensuring relevant national and locally applied contract terms in relation to;

        i. *GP Practice opening times and the appropriateness of sub contracted arrangements*

ii. *Managing patient lists and registration issues (for example, list closures, targeted list maintenance, out of area registration, special allocation schemes)*
iii. *Identification of practices selected for contract review to assure quality, safety and performance, and the quality of the subsequent review and implementation of outcomes*
iv. *Decisions in relation to the management of poorly performing GP practices and including, without limitation, contractual management decisions and liaison with the CQC where the CQC has reported non-compliance with standards (but excluding any decisions in relation to the performers list)*
v. *Overall management of practice: (1) mergers (2) closures*

c. Primary Care Finance

i. *Overall management and the reporting of delegated funds – processes for forecasting, monitoring and reporting*
ii. *Review of financial controls and processes for approving payments to practices*
iii. *Review of compliance with coding guidance on a sample basis*
iv. *Processes to approve and decisions regarding 'discretionary' payments (e.g. Section 96 funding arrangements, Local Incentive Schemes)*
v. *Implementation of the Premises Costs Directions*

d. Governance

i. *Operation and oversight of the Primary Care Commissioning Committee (or alternative committee with responsibility for the delegated function) in regard to the points a-c above (but not in relation to the management of Conflicts of Interest)*

24. As a general guide, delegated CCGs annual audit will want to consider whether:

a. Relevant policies, procedures and guidance have been authorised, and communicated to relevant personnel.

b. Local processes established by the CCG are aligned to NHS England policies and guidance e.g. Primary Medical Care Policy and Guidance Manual.

c. Roles and responsibilities for activities have been clearly defined.

d. Processes are in place to confirm compliance with policies and procedures.

e. Documentation is retained, including records of decisions. There is evidence to show decisions were exercised in accordance with NHS England's statutory duties, for example:

i. Equality and Health Inequalities duties
    1. Equality Act 2010
    2. NHS Act 2006, as amended in Health and Social Care Act 2012 – duty to address health inequalities in relation to access, and outcomes.

ii. Other non-equality and health inequalities related duties
    1. The "Regard Duties"
    2. The "View To Duties"
    3. The "Promote Duties"
    4. The "Involvement Duty"
    5. Duty to act fairly & reasonably
    6. Duty to "obtain appropriate advice"
    7. Duty to exercise functions effectively
    8. Duty not to prefer one type of provider

Guidance for NHS Commissioners on Equality and Health Inequalities Duties

https://www.england.nhs.uk/about/gov/equality-hub/legal-duties/

EDS2 is a generic system designed for both NHS commissioners and NHS providers to improve on their equality performance as an organisation.

https://www.england.nhs.uk/about/equality/equality-hub/eds/

Further details on how these apply (and therefore evidence to be illustrated) are set out in the Primary Medical Services Policy and Guidance Manual available here:

https://www.england.nhs.uk/publication/primary-medical-care-policy-and-guidance-manual-pgm/

f. With specific relation to decisions impacting GP practices registered population (e.g. mergers / closures / relocations) the CCG undertakes all necessary involvement and consultation, and keeps clear records thereof. The consultation undertaken is appropriate and proportionate in the circumstances of each case and should include consulting with the Local Medical Committee and affected patients. Consultation with patients / the public follows statutory guidance available here:

https://www.england.nhs.uk/publication/patient-and-public-participation-in-commissioning-health-and-care-statutory-guidance-for-ccgs-and-nhs-england/

g. The CCG has considered its obligations in relation to procurement (e.g. The NHS (Procurement, Patient Choice and Competition) Regulations 2013, Public Contracts Regulations 2015) where appropriate.

25. Whilst planning and performing the primary medical services audit, auditors should consider coverage of any previous internal audit work undertaken and any additional areas of risk to be included (e.g. workforce/operating model with NHS England and/or other CCGs);

Audit Approach

26. The CCG should ensure that their internal audit work is performed according to UK Public Sector Internal Audit Standards (PSIAS).

Reporting

27. A report should be produced detailing the observations identified from the annual audit, the recommendations required to ensure the appropriate delivery of the delegated functions and the agreed management actions (including responsible owners and timeframes for implementation).

28. For each annual audit, auditors for delegated CCGs should assign an overall assurance rating of either Full, Substantial, Limited or No assurance. Appendix A provides further guidance on definitions to ensure there is national consistency in reporting assurance ratings. It is recognised CCGs will have their own assurance ratings and definitions and may want to continue to use these to support local management. Where this is the case CCGs' internal auditors should nevertheless also include recommendations on conversion of the local rating to the overall ratings to be reported to NHS England (Full, Substantial, Limited or No assurance).

29. The assurance rating of all primary medical services annual audits will be included in the CCG's annual report and governance statement and discussed at a Governing Body meeting in public.

30. All audits reporting "No-assurance" or "Limited-assurance" must be shared and discussed with the NHS England local team to review how NHS England can support improvement. Again, recognising the different operating (workforce) models that may apply in the delivery of delegated commissioning by CCGs, the NHS England local teams may need to make a clear distinction in how it manages this review to support improvement (i.e. where the regional local team is engaged directly in delivery of the delegated function and where this oversight/ assurance and support for improvement takes place).

31. NHS England will also collate assurance ratings from delegated CCGs and report these annually to its relevant committees to ensure there is national oversight on assurance of its delegated functions.

32. To ensure the timely reporting to NHS England as above delegated CCGs should complete the reporting template at Appendix B and return to

primarycareops@england.nhs.uk within 1 month of the date of a final report for each annual audit.

33. As part of this reporting process NHS England will also ensure learning from annual audit reports is maximised. NHS England will produce (on at least an annual basis) a report to showcase best practice and highlight the common themes and risks being encountered within scope of the audit framework which jeopardise effective commissioning of primary medical services. Delegated CCGs will want to use this information to inform their future audit plans and support management action to improve.

Audit approach for 2019/20 onwards

34. For future internal primary medical services audits, CCGs should tailor their audit approach subject to the severity and volume of the observations identified as a result of their first internal audit. The CCG will want to consider if significant issues were identified (e.g. “no” or “limited” assurance rating) make allowance for any future re-audit whilst also progressing outstanding areas in scope.

35. The CCG’s Internal Audit function should consider the following when developing the scope of future Internal Audit work:

- Specific risk areas
- Management concerns
- Particular issues identified, including consideration of known issues at other CCGs
- Known control failures
- Actions/ issues from previous audits.

36. **NHS England will seek to review these arrangements after the first year of operation.** Recognising the phased approach to implementation across 18/19 and 19/20 this review will likely extend in to 19/20 as and until sufficient internal audit activity and reporting has taken place. Any proposals for change will again be subject to discussions with key stakeholders including the audit chairs network.

Summary

37. Delegated CCGs will:

a. Plan and implement an audit programme to cover the scope of delegated primary medical care commissioning as detailed in this framework

b. Start this programme in 18/19 unless, following review of audit plans, those plans cannot be changed (in which case they will need to start with 19/20 audit plans).

c. In addition to its own management response ensure the outcome of each audit is reported in line with this framework.

38. NHS England will:

a. Review and discuss with delegated CCGs individual reports submitted in line with this framework to identify what support and assistance it can provide to help with improvement (local teams)

b. Collate and report assurance levels of delegated CCGs to its oversight and commissioning committees (central team)

c. Collate and report learning and sharing from audit to regional local teams and delegated CCGs on at least an annual basis (central team)

d. Keep this framework under review ideally after the first 12 months of operation to ensure the approach develops appropriately (central team with stakeholder input)

39. For any queries or assistance please contact the Primary Care Commissioning central team at: primarycareops@england.nhs.uk

Appendix A

Categories of Primary Medical Care Commissioning Assurance

NHS England requires delegated CCGs internal audit assign one of four categories to their assurance of primary medical services commissioning

Assurance level	Evaluation and testing conclusion
Full	• The controls in place adequately address the risks to the successful achievement of objectives; and, • The controls tested are operating effectively.
Substantial	• The controls in place do not adequately address one or more risks to the successful achievement of objectives; and / or, • One or more controls tested are not operating effectively, resulting in unnecessary exposure to risk.
Limited	• The controls in place do not adequately address multiple significant risks to the successful achievement of objectives; and / or, • A number of controls tested are not operating effectively, resulting in exposure to a high level of risk.
No assurance	• The controls in place do not adequately address several significant risks leaving the system open to significant error or abuse; and / or, • The controls tested are wholly ineffective, resulting in an unacceptably high level of risk to the successful achievement of objectives.

The assurance grading's provided here are not comparable with the International Standard on Assurance Engagements (ISAE 3000) issued by the International Audit and Assurance Standards Board and as such the grading of 'Full Assurance' does not imply that there are no risks to the stated control objectives.

Appendix B

NHS England Report Template

Please use spreadsheet template published alongside this document.

Below is for illustration purposes.

1 Audit Summary Page

Please completed and send to:		england.primarycareops@nhs.net		
CCG Name	**Primary Medical Services Internal Audit Outcome**			**Learning and Sharing**
	1. Month reported	**2. Scope of report**	**3. Assurance level**	
CCG Anytown A	Apr-18	Commissioning and procurement of services	Full	Click here to enter details
CCG Anytown B	Jan-19	Contract oversight and management functions	Substantial	Click here to enter details
CCG Anytown C	Mar-20	Primary Care Finance	Limited	Click here to enter details
CCG Anytown D	Mar-21	Governance (if separate)	No assurance	Click here to enter details
[Pick from list]	[Pick from list]	[Pick from list]	[Pick from list]	Click here to enter details

2 Learning and Sharing Page

Learning and Sharing	
If limited or no assurance has been reported:	
To assist other CCGs target their planned audits to areas of identified risk nationally, please describe below what specific aspects of the delegated function you have found to be operating ineffectively. <Maximum 250 word limit applies >	
EXAMPLE: Our overall assessment of no assurance in respect of Contract Oversight and Management concerns the local design and operating effectiveness of the processes for performance management of GP practices. A number of controls tested are not operating effectively, resulting in exposure to a high level of risk. This assessment has been provided on the following basis: • The roles and responsibilities for monitoring and managing GP performance, have not been clearly defined, as a result there is no monitoring of the performance of GP practices; • The approach to identifying GP practices that are underperforming and require a practice review across the area is not consistent with published national policy. • Regular practice reviews are not performed when a practice has been identified as requiring a review to identify and address the root-cause of the underperformance. As a result there is a lack of action plans being established with practices to assist underperforming practices. • There is no regular monitoring of KPIs in both APMS and PMS contracts. • There is no onward reporting of GP performance, breaches and terminations to the Primary Care Commissioning Committee or validation of information submitted via Primary Care Activity Report to the NHS England national team. • There is no consistent approach to documenting and issuing termination notices. • There is an inconsistent approach to feeding information from the GP performance monitoring back into our commissioning processes.	
If full or substantial assurance has been reported:	
Are you happy to share your audit report so the NHS England central team can review this for for the purposes of extracting and sharing (anonymised) best practice?	If yes, please be sure to attach a copy of the report with your return
Are you happy to be contacted by other CCGs seeking support on the area in scope?	*If yes, please enter email contact here*
Return to front page	