BENCHMARKING REPORT

Adding Value through Assurance

PRIMARY MEDICAL CARE SERVICES

Introduction

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 including fully delegated commissioning arrangements. 96% of the 178 CCGs had full delegated responsibility for the primary care budget in 2018/19.

Although NHS England (NHSE) has delegated functions to CCGs, it retains overall accountability and is, therefore, responsible for obtaining assurances that its functions are being discharged effectively. To facilitate the provision of these assurances, NHSE has developed a mandatory Internal Audit Framework, designed to provide independent assurance to NHSE that delegated functions are being appropriately discharged. The Internal Audit Framework requires the independent completion of assessments across four domains, on a cyclical basis, and to be completed by March 2022:

While NHSE's 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.

NHSE expects that the mandated Internal Audit 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. The Framework requires that the outcome of each annual internal audit is reported to CCG Audit Committees using the opinion levels documented within the Framework.

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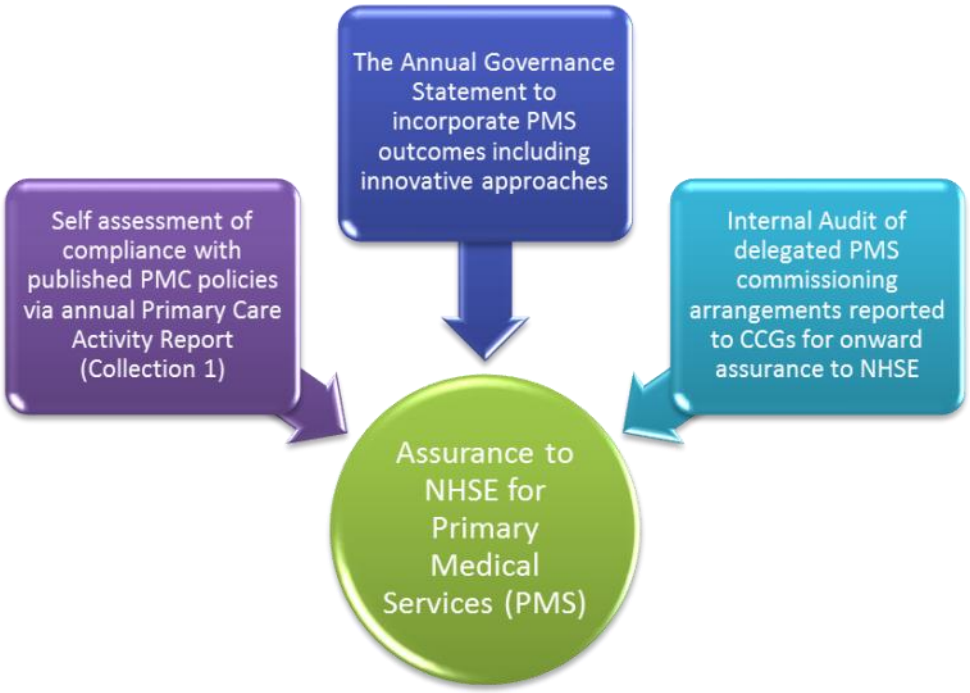
PRIMARY MEDICAL CARE SERVICES

The diagram below summarises what NHSE requires of CCGs with effect from 2018/19:



In 2018/19 we undertook a review of governance arrangements under the Internal Audit Framework at eight of our eighteen CCG clients (44%). **Sections 1 to 3** report on key themes identified from these reviews.

We also reviewed primary care finance arrangements at six CCGs; these six CCGs have common arrangements in place and many of the finance functions are undertaken on behalf of the CCGs by NHS England staff. Our key findings/observations are set out in **Section 4**.

In addition, we carried out a benchmarking exercise on various aspects relating to primary care. The results are included at **Section 5**.

At **Section 6** we have suggested areas for further consideration for CCGs relating to commissioning and procurement and contract oversight and management functions.

1. Delegation Agreement is consistent with PCCC workplans & agendas

Key Messages

It was not always clear that all aspects of the Delegation Agreement are being considered by Primary Care Commissioning Committees.

Self-Assessment Prompts

Does the Primary Care Commissioning Committee have a workplan, or standing agenda items, which align to the responsibilities delegated to the CCG within the Delegation Agreement with NHSE?

If not, how can Committee members be assured that all functions delegated (and not reserved to NHSE) have been fulfilled by the PCCC?

The Delegation Agreement between NHSE and CCGs sets out the terms and conditions on how delegated primary medical care functions will be exercised. Generally all Primary Care Commissioning Committee (PCCC) Terms of Reference include the following as described in the Delegation Agreement:

- GMS, PMS and APMS Contracts including the design of PMS and APMS contracts, monitoring of contracts, taking control action such as issuing breach/remedial notices and removing a contracts
- Newly designed enhanced services ("Local Enhanced Services" and "Direct Enhanced Services")
- Design of local incentive schemes as an alternative to Quality Outcomes Framework (QOF)
- Decision making on whether to establish new GP Practices in an area
- Approving practice mergers
- Making decisions on 'discretionary payment (e.g returner/retainer schemes)
- To plan including needs assessments of primary medical care services in CCG area
- To undertake reviews of primary medical care services in CCG area

In seven out of eight CCGs, the PCCC does not have a formal workplan.

From a review of standing agenda items, for six out of eight CCGs we could not confirm that the following delegated functions were included in Committee business:

⇒ Planning of Primary Medical Services including Needs Assessment
⇒ Managing patient list sizes and registration issues
⇒ Review of Enhanced Services
⇒ Discretionary Payments
⇒ Premises Costs Directions.

2. Reporting to the Governing Body & NHSE

Key Messages

Terms of Reference did not reflect current reporting to the GB and NHSE and did not specify if minutes from public and confidential PCCC meetings will be reported to NHSE.

Self Assessment Prompts

If the Committee is not currently producing an annual report would this be useful as a source of assurance for the GB and NHSE?

Do the PCCC Terms of Reference accurately reflect current reporting arrangements?

Do the PCCC Terms of Reference refer to all sub-groups and reflect their reporting to the PCCC ?

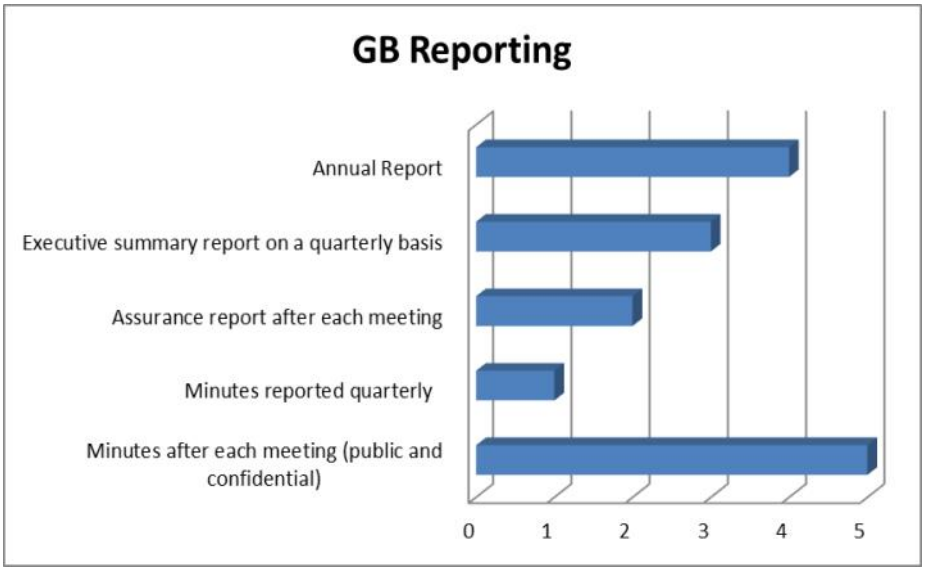
Do the GB and NHSE also need to receive minutes from sub-groups of the PCCC? Is this clear in PCCC Terms of Reference?

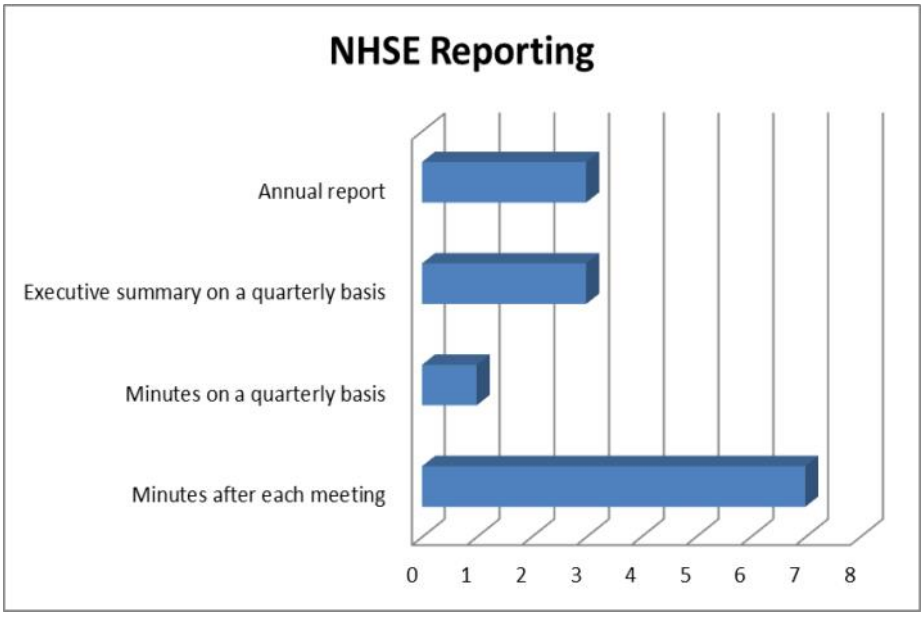
Where decisions are delegated to a sub-group is the PCCC notified of these on a timely basis?

It is expected that the PCCC will have Terms of Reference which record reporting arrangements from the Committee to the Governing Body and NHSE. All eight PCCC Terms of Reference we reviewed incorporated reporting arrangements, however, these did not always reflect the actual reporting arrangements in place.

From our review of PCCC Terms of Reference we identified a number of common themes regarding what is reported to the Governing Body and NHSE and we have summarised these in the graphs below:

Terms of Reference specify that NHSE can attend PCCC meetings. Attendance at meetings allows NHSE the opportunity to understand, first hand, the business being conducted at PCCC meetings.





3. Decisions made reflect Statutory Duties

Key Messages

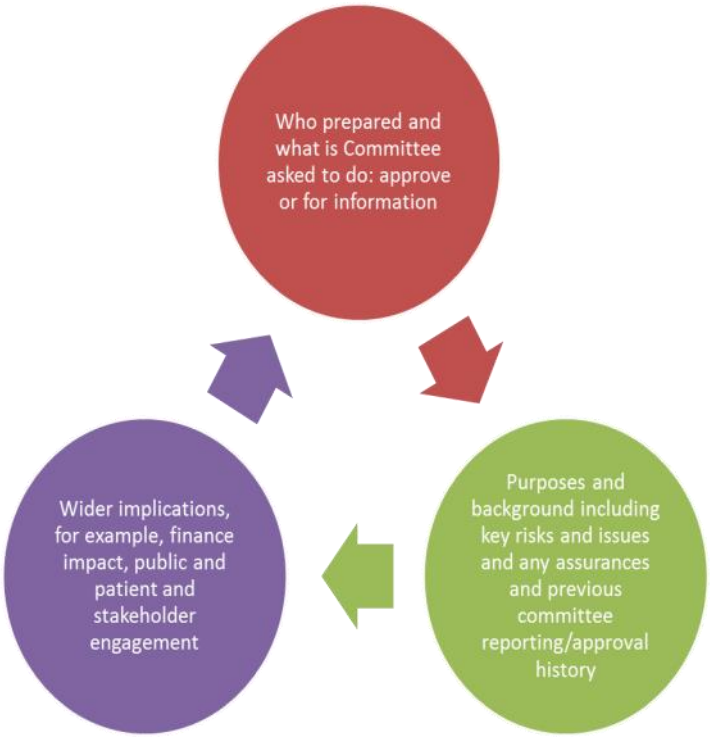
CCGs have delegated responsibility to make decisions in accordance with their Delegation Agreements but it is not always clear that all statutory duties have been considered and compliance can be demonstrated.

Self-Assessment Prompts

Is the CCG satisfied that cover sheets or papers reported to the PCCC record evidence that all statutory duties have been considered and, if not, whether there could be any possible challenge that decisions have been made which do not include assessment of all statutory duties?

Delegation Agreements record functions delegated to a CCG and those that are reserved to NHSE. For all decisions made, there needs to be documentation retained, including records of decisions made, that provides evidence that statutory duties have been considered and fulfilled (as per paragraph 24 of the Internal Audit Framework).

Each of the eight CCGs has adopted its own approach for reporting to the PCCC but, generally, a cover sheet is used to accompany papers being reported. The key information included in cover sheets is summarised in the diagram below:



There was no record on cover sheets that the following statutory duties which must be considered have been assessed prior to decisions being made:

⇒ Equality and health inequalities duties
⇒ Regard duties
⇒ View to duties
⇒ Promote duties
⇒ Involvement duty
⇒ Duty to Act fairly & reasonably
⇒ Duty to obtain appropriate advice
⇒ Duty to exercise functions effectively
⇒ Duty not to prefer one type of provider & consider procurement regulations
⇒ Consider obligations in relation to procurement.

4. Primary Care Finance

Key Messages

MOUs and supporting operational handbooks are not up to date and not reflective of current working arrangements with NHS England.

Self-Assessment Prompts

Where finance functions are undertaken by NHS England staff is there an up to date MOU and associated operational handbook in place that reflect current working arrangements?

Is there a formal sign off process between the CCG and NHS England in respect of monthly financial information?

We undertook a review of Primary Care Finance at six CCGs (33%) in 2018/19. These six CCGs all have common arrangements in place and many of the finance functions are undertaken on behalf of the CCGs by NHS England staff.

In reviewing Primary Care Finance, we considered the following (in accordance with paragraph 23c of the Internal Audit Framework):

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

The key findings from our work were as follows:

⇒ The Memorandum of Understanding (MOU) entered into with NHS England when the CCGs first took on full delegation, and associated handbooks setting out operational arrangements, were out of date and did not necessarily reflect current working arrangements with NHSE.

⇒ Not all Primary Care Commissioning Committees received information and reports during the year on delegated budgets for primary medical care services. Whilst there was reporting to the Governing Bodies within monthly finance reports this was at a summary level.

⇒ Monthly financial information provided to the CCGs by NHS England was reviewed by the CCGs but there was no formal sign off process to confirm CCG acceptance of the information.

5. Key themes from Benchmarking Data

Self-Assessment Prompts

Is there a current and up to date CCG Primary Care Strategy? If not are their plans to update it and ensure it is approved by the Governing Body and make it accessible on the CCG website?

Has the CCG recently reviewed the staff establishment within its Primary Care Team to confirm that there is appropriate resource to support practices and to undertake quality monitoring and contract oversight in light of delegated commissioning for primary medical care services?

Has this assessment been reported to the PCCC as a source of assurance?

For CCGs where functions are undertaken by NHSE, is there a current MOU in place and is this monitored by the CCG?

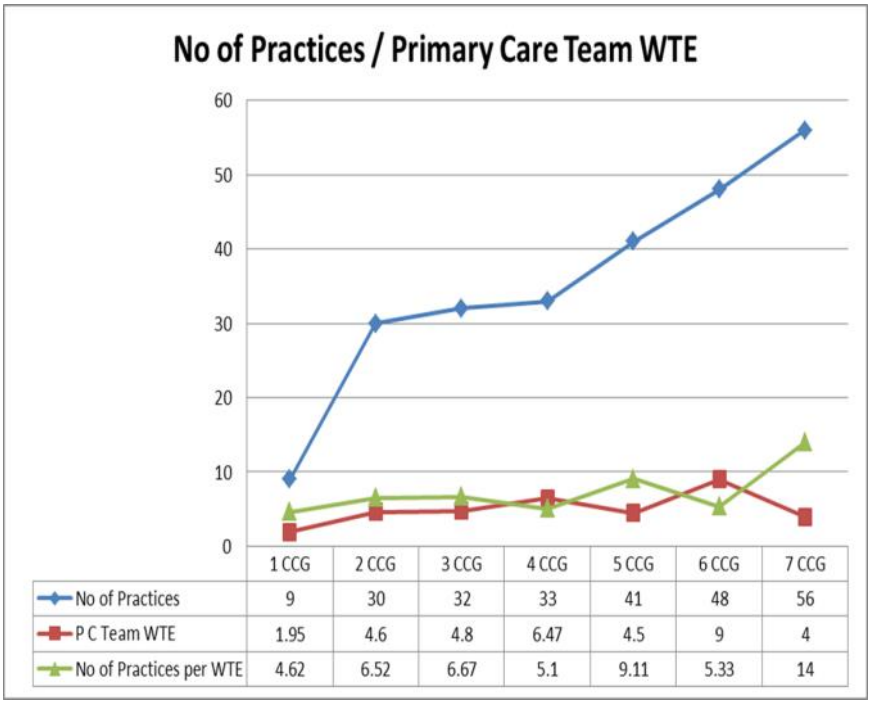
We asked CCGs to provide data to us for benchmarking purposes to identify any potential themes for further consideration by CCGs. We received information from seven CCGs.

Primary Care Strategy

All seven CCGs had either a CCG specific strategy in place or a strategy developed on a region wide basis. Some CCGs were in the process of updating their primary care strategies or were drafting a Primary Care and Out of Hospitals Strategy.

Primary Care Team

All seven CCGs have an in house Primary Care Team which supports practices and also has responsibility to undertake practice visits including contract monitoring. We compared the number of whole time equivalent (WTE) staff in the Primary Care Team to number of practices.



	1 CCG	2 CCG	3 CCG	4 CCG	5 CCG	6 CCG	7 CCG
No of Practices	9	30	32	33	41	48	56
P C Team WTE	1.95	4.6	4.8	6.47	4.5	9	4
No of Practices per WTE	4.62	6.52	6.67	5.1	9.11	5.33	14

The CCGs with over thirty practices have in excess of four WTE within the Primary Care Team.

We have not investigated the reasons for the differences in size of Primary Care Teams but are aware that varying responsibilities are assigned to Teams which may explain some of those outliers above.

5. Key themes from Benchmarking Data (Contd)

Self-Assessment Prompts

Where practices are at risk or there are caretaker arrangements in place, has the CCG developed contingency arrangements to ensure patients are in receipt of primary care services?

Does the CCG keep a record of practices at risk and is this regularly updated?

Has the PCCC considered whether the CCG has a role to investigate complaints on any decisions made by the CCG, for example, practice mergers and closures and also practice opening times and OOH service procured?

Is there any information available on the CCG website to provide guidance to patients on how to make complaints?

Practices at risk and those practices under caretaker arrangements

One of the seven CCGs providing data had two practices under caretaker arrangements. One CCG had a practice at risk because it was in special measures. Another CCG had a practice at risk due to registration issues with the CQC. An area of good practice identified at one CCG is a log of practices at risk being maintained which appears to be updated regularly.

An area of good practice had been developed across South Yorkshire and Bassetlaw. All five CCGs had adopted an Emergency Procurement Framework in 2018 for Emergency Contractors of primary medical care services using a standard APMS contract for a twelve month period prior to full procurement taking place. Five providers were on this Framework. The Framework had been approved by each CCG's PCCC and there was a representative from each CCG on the selection panel when contractors were selected.

Complaints

Only four of the seven CCGs had a list of complaints received relating to primary care. All CCGs considered that investigation of complaints is not within the CCG's remit and they would signpost patients to NHSE if complaints were received.

6. Areas for further consideration

Self-Assessment Prompts

Does the CCG utilise the NHSE Primary Medical Care Policy and Guidance Manual? If not is the CCG's policy aligned to the PGM?

Do all relevant staff know about the PGM or equivalent?

Do workplans or standing agenda items for the PCCC reflect all expected areas of Contract Oversight and Management Functions?

Has the CCG developed a standard operating procedure (SOP) or Quality Framework which records when visits will take place, by whom and escalation arrangements to PCCC, NHSE, Governing Body and CQC?

Has any quality framework or SOP been approved by the PCCC or Quality Committee?

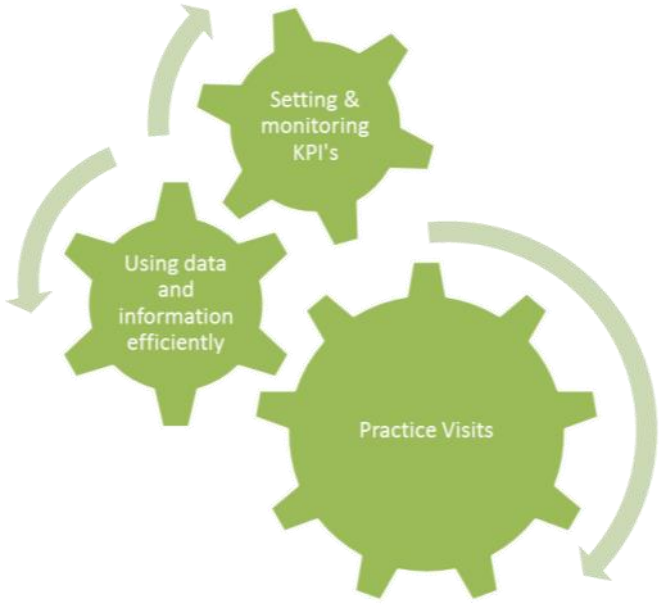
Where the PCCC and Quality Committee both have a role in monitoring primary care quality, are role boundaries for each Committee clearly defined?

NHSE issued the Primary Medical Care Policy and Guidance Manual (PGM) in November 2017 (Publications Gateway Reference 07337). This Manual runs to 379 pages and is to be adhered to by all NHS Commissioners.

During 2018/19 we carried out a number of Primary Care Quality Monitoring reviews across our CCG client base. We have identified a number of areas for further development from this work, as follows:

⇒ CCGs were utilising the NHSE PGM but in some cases this had not been reported to the PCCC.

⇒ Within the PGM quality assurance is derived from the following:



QUALITY ASSURANCE

Part B Section 2 of the PGM refers to managing contracts and the three elements above but CCGs may need to articulate this within Standard Operating Procedures or in a quality framework to manage general practice performance.

⇒ Primary Care Quality Monitoring takes place at the Primary Care Commissioning Committee or at the Quality Committee but it is not always clear that the Governing Body receives appropriate assurance that this has occurred and information on any key themes identified.

6. Areas for further consideration (Contd)

Self-Assessment Prompts

Does the PCCC receive assurance that there is appropriate planning of primary medical care services, that a needs assessment has taken place and the public / stakeholders have been consulted?

Has the CCG developed processes for procuring medical services including decisions to extend contracts?

Is there a record of all Primary Care contracts? Is responsibility to maintain this delegated to appropriate staff and is responsibility recorded in job descriptions?

Is there evidence that all contracts and contract variations have been signed off by the CCG and practices?

Has information on the design of Directly Enhanced Services and Local Incentive Schemes been reported to the PCCC and has the PCCC ratified the scheme?

In order to provide support to CCGs and add value we have identified some areas that CCGs might want to explore further.

The Internal Audit Framework refers to commissioning and procurement of services at paragraph 23, specifically the planning of primary medical care services including carrying out needs assessment and consulting with the public/stakeholders. We have referred earlier in Section 1 of this benchmarking report to a potential lack of clarity that needs assessments have been considered by the PCCC and also at Section 3 that there is sufficient documentation that the duty to involve has been recorded on cover sheets and in papers reported to the PCCC when decisions are made.

We completed one review of contract management for primary care during 2018/19. We identified a number of areas of effective practice as well as areas CCGs might like to consider further; we recognise, however, that these are based on the results of only one review.

We identified that responsibility for maintaining a Contract Database had been delegated to the Primary Care Team and responsibility was included within relevant job descriptions. In addition to GMS, PMS and APMS contracts, Local Incentive Schemes (LIS) were also recorded on the Database. For all contracts a signed copy of the contract and contract variations was held by the CCG.

There was evidence that the PCCC had received appropriate reports on the development of the LIS and how performance would be assessed prior to payments being made to practices.

Regarding LIS, where practices made self declarations many of these could be independently verified by CCG staff and other approaches to support payments were being considered for future years to reduce payments being made on the basis of practice self certification.

6. Areas for further consideration (Contd)

Self-Assessment Prompts

Have practices and the CCG signed off any Local Incentive Schemes (LIS)?

What do practices need to submit during the year to receive the LIS and if this includes self certifications, is it possible to independently verify these?

Is it the PCCC which reviews achievement of LIS or a sub-group, and if the latter are proposals presented to the PCCC for approval?

Does the CCG have appropriate arrangements in place for urgent GP closures or disruption to services? Are these contingency arrangements regularly tested and updated if necessary?

A Scrutiny Panel had been established as a formal sub-group of the PCCC and recommendations from the Panel were presented to the PCCC for approval.

In addition to commissioning services and the planning for these services, the CCG is also responsible for ensuring there are appropriate arrangements in place for urgent GP closures.

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