Derby City Council

Health and Wellbeing Board
15th January 2015

ITEM 5

Report of the Chief Officer,
Southern Derbyshire CCG

The Commissioning of Primary Care Provision

SUMMARY

Currently NHS England has the responsibility for commissioning the majority of primary care provision (including general practice, dentistry, community pharmacy and optometry). CCGs have now been asked to express an interest in taking full or partial responsibility (co-commissioning) for the commissioning of general practice provision.

Southern Derbyshire CCG is currently consulting with member practices to express an interest in taking full delegated responsibility for this NHS function.

RECOMMENDATION

The Health and Wellbeing Board is asked to support the CCG's proposal to ask for full delegated responsibility for the commissioning of primary medical care services. This will be subject to further discussion with the CCG's member practices

REASONS FOR RECOMMENDATION

The CCG believes the benefits for patients and general practice include:

- Improved access to primary care and wider out-of –hospitals services , with more services available closer to home;
- High quality out-of-hospitals care
- Improved health outcomes, equity of access, reduced inequalities; and
- A better patient experience through more joined up services.

SUPPORTING INFORMATION

Co-commissioning is one of a series of changes set out in the 'NHS Five Year Forward View' issued by Simon Stevens (Chief Executive Officer of NHS England). This document signals the intention to progressively shift influence to CCGs. NHS England believes that co-commissioning could have the following potential range of benefits for the public and patients:

- Improved access to primary care and wider out-of –hospitals services , with more services available closer to home;
- High quality out-of-hospitals care
- Improved health outcomes, equity of access, reduced inequalities; and
- A better patient experience through more joined up services.

The Royal College of GPs and NHS Clinical Commissioners (a collective voice for CCGs) have produced a guide to assist CCGs when deciding how to respond to the 'next steps' document. They state that 'CCGs becoming more involved in commissioning general practice provides an opportunity for offering much better care for patients and populations. CCGs have the responsibility for the majority of healthcare commissioned services, yet to date have been unable to fully join up their commissioning plans and utilise a broader range of commissioning 'levers'. They also highlight the fact that currently NHS England can only invest from within the budget it allocates for primary care or, in theory, from its other directly commissioned services e.g. specialised service (which are significantly overspent).

We believe that having a direct role in commissioning general practices services will provide greater opportunities to deliver the Southern Derbyshire CCG strategic direction through, for example, the ability to design local incentives as an alternative to the Quality and Outcomes Framework or to vary contracts for primary care provision. It will also simplify contractual relationships for practices, and issue which has been the source of much confusion and frustration for them since the separation of commissioning responsibilities. NHS Area Teams have functioned with a small staff group over a very wide area so their ability to develop individual practice relationships and have a comprehensive local knowledge, has been constrained. This could be redressed under CCG commissioning of these services.

Scope

The scope includes general practice services only. It excludes all functions relating to individual GP performance management and NHS England will retain responsibility for the administration of payments and list management. Furthermore the terms of GMS contracts – and any nationally determined elements of PMS and APMS contracts – will continue to be set out in the respective regulations and direction and cannot be varied by CCGs or joint committees. In 2015/16 the options will not include dental, eye health or community pharmacy, but NHS England are considering inclusion from 2016/17.

Options

As identified above there are three options.

Greater involvement in primary care decision-making	Joint commissioning arrangements	Delegated commissioning arrangements

Greater involvement is simply working more closely with the area team and does not require any new governance arrangements required or transfer of resources. There would be no impact on conflicts of interest. The level does not facilitate any of the changes that would support delivery of the national or CCG vision.

Joint commissioning enables one or more CCG to assume responsibility for jointly commissioning primary medical services with the area team, either through a joint committee or 'committees in common'. New governance is required in the form of the new committee. Framework arrangements are available each organisation would remain statutorily responsible for their own statutory duties. This arrangement relies on strong local relationships and effective approaches to collaborative working. Pooled fund arrangements could be entered into with the area team; a CCGs contribution must relate to its own functions and so could not be for core primary medical services.

Delegated commissioning through a standardised model of delegation is the third level. CCGs would assume full responsibility for commissioning general practice services. NHS England will assure itself that its statutory functions are being discharged effectively. The following functions would be included:

- GMS PMS and APMS contracts

- Newly designed enhanced services
- Design of local incentive schemes as an alternative to the Quality and Outcomes Framework (QOF).
- The ability to establish new GP practices in an area
- Approving practice mergers, and
- Make decisions on 'discretionary' payments (eg returner /retainer schemes)

A model governance framework has been developed by NHSE which includes the establishment of a primary care commissioning committee which must be chaired by a lay member and have a lay and executive majority. A national framework for conflicts of interest management is being developed by NHSE and will be published this month.

Submission Requirements

Submission is required by 9th January if requesting delegated commissioning or 30th January if requesting joint commissioning (there is no submission for the option of 'greater involvement'). Proposals are in the form of a short proforma which will be reviewed by regional teams with final sign off by NHS England for delegated commissioning. The guidance indicates that unless a CCG is in a 'special measures' state they will be supported to implement their preferred arrangement. New commissioning arrangements are to be implemented by April 2015.

Constitutional changes are required within the same timeframe as the submission. There are a number of other changes to the constitution that the CCG proposes and these have recently been proposed to member practices for agreement.

OTHER OPTIONS CONSIDERED

Of the available options it is considered that the first level of greater involvement would in fact be a retrograde step from the current position. This is because the larger footprint of the area team, its reduced staffing and the likelihood of the majority, if not all, of other CCGs proceeding to delegated responsibilities would mean that there is a very depleted primary care commissioning function to become more involved with. This is also the same concern with the option of joint commissioning. In addition whilst joint arrangements would give some greater opportunities it is felt that the constraints would prevent the CCG maximising the full opportunities of co-commissioning. The recommendation is therefore that the CCG requests delegated commissioning arrangements. It is considered that this provides the greatest opportunity for the CCG to redesign services across all providers and enact the move to greater integration of services out of hospital, which is believed to support prevention, early intervention and a more holistic approach to people's needs. Ultimately this results in better care and outcomes, both for individuals, and on a population basis.

The fact that this is included as a key enabler in the 'NHS Five Year Forward View' indicates that this is clearly the 'direction of travel' from the centre and we believe it would benefit our patients to embrace this approach and maximise the opportunities it presents, whilst carefully mitigating the risks.

This report has been approved by the following officers:

Legal officer **Financial officer** **Human Resources officer** **Estates/Property officer**	

Service Director(s) **Other(s)**	

For more information contact:	Maxine.Rowley@southernderbyshireccg.nhs.uk
Background papers:	None
List of appendices:	Appendix 1 – Implications

Appendix 1

IMPLICATIONS

1.1 Financial and Value for Money

Financial information on the spend on primary medical care services has been received by the CCG and is being analysed by the finance team. Early indications are that in the current year the area team spend was approximately £64m on practices in our CCG area. The CCG will fully assess the budgetary implications once information on allocations is received.

1.2 Legal

A key development that has expedited the need to update our constitution has been due to recent changes in legislation, which came into force in October 2014. These changes will enable us to strengthen collaborative commissioning arrangements with other CCGs, NHS England and other partners such as Local Authorities to jointly commission improvements, and to drive the integration of services around the needs of individuals. In addition these amendments will also enable the CCG to have governance processes in place to co-commission primary care services from April 2015

1.3 Personnel

Membership involvement – the CCG intends to involve our member practices fully and confirm that they have seen and agreed to the arrangements, and this is expected within the submission process. However, this is challenging in a large CCG in the timescales available. Communications have gone to all practices very recently outlining the recommendation for delegated commissioning, the timeline and next steps, with an opportunity to raise any objections to the proposed way forward. Opportunities for discussion at locality meetings have been taken and verbal feedback can be given at the Governing Body meeting as these are in the days preceding the meeting. At the next full membership event (February) there will be a focus on discussion around the opportunities, and how we can maximise those, and also potential risks and concerns that will need mitigating.

1.4 IT – N/A

1.5 Equalities Impact

The proposed change of commissioning arrangements will have no direct impact on equality and diversity though do give opportunity for services in the future to be commissioned with greater local influence. Those flexibilities could be used to improve services for disadvantaged groups.

1.6 Health and Safety – N/A

1.7 Environmental Sustainability – N/A

1.8 Property and Asset Management – N/A

1.9 Risk Management

Workload – the support available from the NHSE existing resources may not be enough to fulfil the full demands of commissioning activity and day to day management. Demands will be made on almost all directorates within the CCG against a reducing resource available for 'running costs'. However, NHSE have committed to monitor running cost allowances and resources to ensure that co-commissioning arrangements are sustainable.

Financial- the financial implications are not yet known as full details have not been received but there is a general risk that future investment into primary medical services could put pressure on other CCG commissioned responsibilities. However, NHS England have committed to stabilise core funding for general practice nationally over the next two years.

Relationship - although the performance management role will be targeted at quality improvement it could still risk the membership 'ethos' and strain the relationship between practices and the Governing Body / employed clinicians plus staff of the CCG. The timescale for submission may mean meaningful consultation with members and stakeholders is compromised. Ongoing communications and opportunities for active involvement in the specific changes will be crucial, as will local clinical leadership.

Reputational – there is a risk that conflict of interest issues will undermine confidence in the CCGs ability to act impartially and in patients' and the public's best interests. Transparency and evidence of the tight governance surrounding decision making will be very important. The CCG can utilise the structures in place such as the Patient Participation Groups linked to GP practices and our Health Panel to ensure openness and engagement