Working with you to make Sheffield HEALTHIER

NHS Sheffield Clinical Commissioning Group

Co-Commissioning of Primary Care Services 2016/17

Governing Body meeting

C

1 October 2015

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Is your report for Approval / Consideration / Noting

Approval

Are there any Resource Implications (including Financial, Staffing etc)?

Potential staffing implications which will be considered as part of the ongoing planning process

Audit Requirement

CCG Objectives

Which of the CCG's objectives does this paper support?
The proposed approach potentially supports all of the CCG's objectives

Equality impact assessment

Have you carried out an Equality Impact Assessment and is it attached? No

If not, why not? Not appropriate as there is no anticipated change to service

PPE Activity

How does your paper support involving patients, carers and the public?
Assuming co-commissioning responsibility for primary care services will enable the CCG to engage with patients more holistically

Recommendations

The Governing Body is asked to:

- Note the requirements of each level of co-commissioning;
- Discuss the content of this paper, particularly how co-commissioning can support the CCG's wider strategic direction; and
- Subject to the majority of member practices giving their support, to approve the proposed approach of applying for Level 3 co-commissioning (delegated authority) from NHS England with effect from 1 April 2016.

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1. Introduction

This paper provides Governing Body with a background to the co-commissioning of Primary Care approach, advises on the co-commissioning options available to the CCG, outlines key opportunities and challenges of each option and seeks Governing Body's approval to apply for co-commissioning Level 3 (delegated commissioning arrangements) with effect from 1 April 2016.

2. Background

Co-commissioning of primary medical services (general practice services) was introduced in April 2015. Giving CCGs greater say over NHS England's primary care commissioning responsibilities is part of the wider strategy to support the development of "place-based" commissioning and join up care pathways.

On 1 April 2015, 63 CCGs in England assumed delegated responsibility for the commissioning of general practice services and 86 CCGs took forward joint commissioning arrangements with NHS England. Sheffield CCG took the view that for 2015/16 it would assume Level 1 co-commissioning responsibility i.e. that of greater involvement in NHS England's decision making. An internal group was then established within the CCG to further explore the implications of the co-commissioning options available to the CCG with a view to recommending to Governing Body a relevant option for 2016/17. The views of this group are contained within this paper.

3. Aims of Co-Commissioning

Co-commissioning is one of a series of changes set out in the "*NHS Five Year Forward View"* as it sets out the need to break down traditional barriers in how care is provided. It calls for out-of-hospital care to become a much larger part of what the NHS does, and for services to be better integrated around the patient. Co-commissioning is considered to be a key driver of this by enabling greater collaboration between commissioners across local health economies and wider geographical and organisational footprints.

4. Co-commissioning within the Sheffield Context

In simplistic terms, co-commissioning is an organisational exercise. It can be simply about who administers the GP contract. However, it creates an opportunity to look at what general practice needs to do. There is a danger that co-commissioning will be seen as simply a transactional exercise, where we ensure that we have all the correct systems in place. However, this would be to miss the point. With a truly engaged general practice the logical step would be to seek co-commissioning Level 3.

Such engagement needs to help practices and GPs in particular develop an appreciation of the opportunities and challenges of the direction of travel for Health and Social care, and the expectations being placed upon primary care at a macro and micro level. This understanding will start with a bottom up approach to the development of the local Primary Care Strategy for Sheffield. However, it will be crucial for this approach to continue as we move forward with general practice in the implementation and delivery of our key strategic priorities – Active Support and Recovery, responsive integrated provision and provider development, tackling health inequalities to name a few. Our preferred co-commissioning model should support this approach and enable the development of mature relationships with our member practices at an individual and collective basis. Level 3 co-commissioning as detailed below offers the strongest option for this to take place.

5. Possible Co-Commissioning Models

For 2016/17 three standard models for the co-commissioning of primary care continue to be offered to CCGs by NHSE. These are:

The scope of primary care co-commissioning remains general practice services only (Pharmacy is currently under consideration).

NHS England will provide support to all CCGs to take forward the co-commissioning arrangement of their choice (except in cases where the CCG's assurance process has raised significant concerns in respect of current capacity and capability to enter into a delegated commissioning arrangement).

Currently, co-commissioning continues to exclude all functions relating to individual GP performance management.

Model 1 – Greater Involvement in Primary Care Decision-Making

Under this model CCGs collaborate more closely with their area teams to ensure the strategic alignment across of decisions across the local health economy. With no formal accountability for decision making CCG conflicts of interest are not increased. This option requires a minimal increase in workload of CCG staff as the general practice contracting functions remain with NHS England staff to implement. However, this option means that practices have to maintain day to day relationships with both the CCG and NHS England, an approach which has led to extreme frustration being expressed by many of our member practices. It also requires NHS England and CCG staff to maintain strong lines of communication in order to keep each other abreast of developments relating in some cases to the same individual practice.

If the CCG were to remain at Level 1 it is felt that it would not reflect the true ambition of the CCG to engage more proactively with member practices and would not demonstrate progress by the CCG with regard to current co-commissioning policy direction.

Model 2 – Joint Commissioning Arrangements

This model enables one or more CCGs to assume responsibility for jointly commissioning primary medical services with their area team via a joint committee arrangement. It is designed to give CCGs and NHS England area teams an opportunity to more effectively plan and improve the provision of out-of-hospital services and would enable pooling of funding for investment in primary care.

The functions covered in this option include:

- GMS,PMS and APMS contracts (including the design of PMS and APMS contracts, monitoring of contracts, taking contractual action such as issuing breech/remedial notices and removing a contract);
- Newly designed enhanced services;
- Design of local incentives schemes as an alternative to Quality and Outcomes Framework (QOF);
- The ability to establish new GP practices in an area;
- Approving practice mergers; and
- Making decision on 'discretionary' payments (eg returner/retainer schemes).

In joint commissioning arrangements, individual CCGs and NHSE always remain accountable for meeting their own statutory duties with regards to primary care commissioning. However, the way in which decisions get taken at a joint committee ensures that each organisation understands the rationale for the decisions being taken by the respective statutory body.

It is for both parties to agree the full membership of their joint committees, however the current guidance states that in the interests of transparency and the mitigation of conflicts of interest a local Healthwatch representative and a local authority representative of the Health and Wellbeing Board (H&WBB) will have the right to join the joint committee as non-voting attendees.

CCGs are not required to formally submit an application nationally for joint commissioning arrangements and should instead discuss the requirements with their local NHS England team in the region. CCGs can apply to implement new joint commissioning arrangements with NHS England at any time during the year with implementation taking effect at the start of an agreed quarter.

Under this option, practices would still be required to maintain the relationships with two separate organisations, however it is likely that the lines of communication between both organisations would be improved due to the joint committee approach. Whilst applying for this option demonstrates progress from the CCG's current co-commissioning status (and could signal the intent to move to Level 3 in time), it is felt that this option may not offer sufficient opportunity to enable the CCG to move forward with its strategic intent to engage more fully with practices in a way which enables discussion and action relating to the total commissioning agenda. It should be noted, however, that this option is likely to require increased input from teams across the CCG.

Model 3 – Delegated Commissioning Functions

This model offers CCGs the opportunity to assume full responsibility for commissioning general practice core services, whilst NHS England will legally retain liability for the performance of primary medical care commissioning. To that end NHS England will require robust assurance that their functions will be effectively carried out. Similar to model 2 above the functions to be included are:

- GMS,PMS and APMS contracts (including the design of PMS and APMS contracts, monitoring of contracts, taking contractual action such as issuing breech/remedial notices and removing a contract);
- Newly designed enhanced services;
- Design of local incentives schemes as an alternative to QOF (see below);
- The ability to establish new GP practices in an area;
- Approving practice mergers;
- Making decision on 'discretionary' payments (eg returner/retainer schemes); and
- Key quality imperatives

The CCG will also be required to carry out the following activities in relation to its delegated primary care commissioning functions:

- To plan, including needs assessment, primary medical care services in the local area and to undertake reviews of primary medical care services;
- To co-ordinate a common approach to the commissioning of primary care services generally;
- To manage the budget for commissioning of primary medical care services.

In terms of providing ongoing assurance the CCG will be required to provide a report to NHS England on a quarterly basis to demonstrate compliance against five key areas:

- Outcomes;
- Governance and the management of potential conflicts of interest
- Procurement;
- Expiry of contracts;
- Availability of services.

Sign-off of this self-certification will be required from the Audit Committee Chair and Accountable Officer.

This model can only take effect from the start of each financial year, with formal applications having to be submitted to NHS England by 6 November 2015. Draft applications are required by the local team by 9 October 2015 to allow a reasonable

period to make any necessary jointly agreed changes to the application for final submission to the local NHSE office no later than 3 November.

Whilst this model has the most significant workload implications for CCG staff, it undoubtedly offers the best opportunity for the CCG and practices to work together, engage in full commissioning discussions and provides a significant opportunity to understand more fully respective aspirations and constraints. The executive team have started exploring how the capacity and workload challenges presented by this option can be best addressed. However, this can only be finalised once discussions with NHS England colleagues are concluded regarding the ongoing support to be provided by the current local team resource.

With regard to governance of this model CCGs are required to establish a primary care committee, independent of the Governing Body. The committee must be chaired by a lay member and have a lay and executive majority. As with Model 2 above Healthwatch and a local authority representative from the local HWB will have the right to join the committee as non-voting attendees. The governance developed around this model will need to be particularly mindful of potential conflicts of interest. A separate paper is being presented to Governing Body at its October meeting seeking approval to establish a Primary Care Committee as soon as possible.

6. Governance Issues

Revisions to the NHS Sheffield CCG Constitution

In preparation pending a decision by Governing Body, the Constitution has been amended to reflect delegated commissioning arrangements and support the recommendation of an application to NHS England for Level 3 - delegated commissioning. The revisions include the necessary amendments to the CCGs constitution, together with inclusion of the Terms of Reference for the establishment of a Primary Care Commissioning Committee which is based on the Model for amendments to Clinical Commissioning Groups' constitutions as set out in '*Next Steps towards primary care co-commissioning'.* The changes have been reviewed by the CCGs legal representatives and include amendments recommended by them. If a decision is taken other than application of Level 3, the proposed changes will need to be modified to reflect this decision. As required by the CCG's Constitution, all member practice representatives will be invited to vote on the above proposals following approval by Governing Body.

Conflicts of Interest

Conflicts of Interest are governed by the CCG Constitution, Appendix I, Conflicts of Interest Protocol and apply to the Primary Care Commissioning Committee (see separate Governing Body paper).

Budgetary and Financial Considerations

A detailed assessment of the financial issues and potential risks to assuming Level 3 co-commissioning responsibility has been undertaken by finance colleagues. The key conclusions they have reached so far is that, based on the financial information received to date there appears to be no *significant* financial risk within the primary care allocation to be transferred, although there are three areas remaining where further information is required. The work with NHS England to understand these potential risks and address any other key financial issues continues.

7. Membership Engagement

Considerable membership engagement with regard to this issue has already been undertaken and more is planned:

- Co-commissioning has been a standing item on the agenda for LMC/CCG monthly meeting. On the basis of the information available the LMC is supportive of the CCG pursuing level 3 status, subject to the wider membership agreeing to this approach;

- The Citywide Locality Group has considered and discussed Co-commissioning over a number of months and as a result locality managers have started to facilitate ongoing discussions at the locality meetings to seek member practice views Early signs are that level 3 would be supported by the majority of our member practices;

- Locality managers and Governing Body Locality GPs have agreed to continue to facilitate discussions and queries from practices on an ongoing basis. This will be supported by executive team colleagues where necessary;

- All practices have received for their consideration a briefing note detailing the proposed approach within Sheffield, our aspiration for an improved relationship with them and how co-commissioning will support this, along with a copy of the BMA Guidance on Co-commissioning;

- A Survey Monkey has been issued to all practice asking them to indicate whether they support the proposed approach to level 3 co-commissioning;

- The propose changes to the constitution to establish a Primary Care Committee will require the agreement and sign up of the majority of member practices. The purpose of this committee and our proposed intentions to seek co-commissioning level 3 will be further explained to practices as part of that process;

- This issue, along with our plans for wider practice engagement, will be presented and discussed at the CCG Members Meeting on 20 October.

8. Recommendations

The Governing Body is asked to:

- Note the requirements of each level of co-commissioning;
- Discuss the content of this paper, particularly how co-commissioning can support the CCG's wider strategic direction; and
- Subject to the majority of member practices giving their support, to approve the proposed approach of applying for Level 3 co-commissioning (delegated authority) from NHS England with effect from 1 April 2016.

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September 2015