

AGENDA ITEM NO: 7.0.

Meeting Title/Date:	Governing Body - 21 November 2017		
Report Title:	Delegated Commissioning of Primary Medical Services		
Paper Prepared By:	Kevin Parkinson	Date of Paper:	8 November 2017
Executive Sponsor:	Kevin Parkinson	Responsible Manager:	Kevin Parkinson
Committees where Paper Previously Presented:	None		
Background Paper(s):			
Summary of Report:	The attached two reports have been submitted to the Membership Council who have been asked to accept the CCG Executive Committee's recommendation that the CCG take on Delegated Commissioning of Primary Medical Services with effect from 1 April 2018.		
Recommendation(s):	The Governing Body are asked to receive the attached reports.		
			Please Select Y/N
Identified Risks:	Covered in the paper.		Y
Impact Assessment: (Including Health, Equality, Diversity and Human Rights)			N
Strategic Objective(s) Supported by this Paper:			Please Select (X)
To Improve the health of our population and reduce inequalities in health			X
To reduce premature deaths from a range of long term conditions			X
To develop care closer to home			X
To commission safe, sustainable and high quality Hospital Health Care			
To commission safe, sustainable and high quality Mental Health Care			
To improve capacity and capability of primary care services to respond to the changing health needs of our population			X
Please Contact:	Kevin Parkinson Chief Finance Officer		

AGENDA ITEM NO: 8.0.

Meeting Title/Date:	Membership Council - 16 November 2017		
Report Title:	Delegated Commissioning of Primary Medical Services		
Paper Prepared By:	Kevin Parkinson	Date of Paper:	6 November 2017
Executive Sponsor:	Kevin Parkinson	Responsible Manager:	Kevin Parkinson
Committees where Paper Previously Presented:	None		
Background Paper(s):			
Summary of Report:	The report describes Delegated Commissioning of Primary Medical Services and outlines why the CCG Executive Committee have recommended that the CCG take on this responsibility.		
Recommendation(s):	To support the recommendation from the CCG Executive Committee to take on Delegated Commissioning of Primary Medical Services with effect from 1 April 2018.		
			Please Select Y/N
Identified Risks:	Covered in the paper.		Y
Impact Assessment: (Including Health, Equality, Diversity and Human Rights)			N
Strategic Objective(s) Supported by this Paper:			Please Select (X)
	To Improve the health of our population and reduce inequalities in health		X
	To reduce premature deaths from a range of long term conditions		X
	To develop care closer to home		X
	To commission safe, sustainable and high quality Hospital Health Care		
	To commission safe, sustainable and high quality Mental Health Care		
	To improve capacity and capability of primary care services to respond to the changing health needs of our population		X
Please Contact:	Kevin Parkinson Chief Finance Officer		

DELEGATED COMMISSIONING OF PRIMARY MEDICAL SERVICES

1.0. INTRODUCTION

- 1.1. For a number of years NHS England have been encouraging CCG's to take Delegated Commissioning of Primary Medical Services.
- 1.2. The options that have previously been available to CCG's have been:-
 - Level 1 - No delegation.
 - Level 2 - Joint Commissioning with NHS England.
 - Level 3 - Delegated Commissioning.
- 1.3. Prior to boundary change Lancashire North CCG had opted for Level 2 and Cumbria CCG had opted for Level 1.
- 1.4. Since boundary change Morecambe Bay CCG has continued with Level 2 (and North Cumbria CCG have opted for Level 3).

2.0. NHS ENGLAND REQUEST

- 2.1. The CCG has been invited to inform NHS England whether it wishes to apply to increase its level of delegation for the commissioning of Primary Care to Level 3, full delegation. NHS England has indicated that if the CCG does not take on these responsibilities, another CCG will be asked to commission General Practice services on our behalf.
- 2.2. The CCG Executive Committee have considered this matter and recommends that the CCG becomes a Level 3 Commissioner, taking full delegated responsibility from NHS England.
- 2.3. This briefing paper sets out the reasons behind this decision.

3.0. WHY MOVE TO LEVEL 3 NOW?

- 3.1. There are a number of reasons why now feels the right time to increase the level of responsibility for commissioning Primary Care, not least to prevent another CCG being responsible for commissioning our local services.
 - Local commissioning of General Practice will support the continued implementation of our Better Care Together Strategy. This places General Practice as the fundamental building block to our new Care Model requiring increased integration between practices and other providers as part of ICCs. Local commissioning will also enable the CCG to continue to

work with practices to implement the General Practice Forward View, to support the development of Primary Care, improve resilience and reduce risk.

- Within our work with the Federations and directly with practices the CCG is already involved in much of the work that Level 3 Commissioners undertake. We have the local knowledge and relationship with practices and can respond quickly.
- NHS England will retain their Primary Care Team to support Level 3 CCGs, helping to give management capacity to support the work.
- Other CCGs have found the governance arrangements that are required to operate Level 3 have helped to manage conflicts of interest.
- Local commissioning of General Practice would help make faster progress to integrating services across primary and community services and would be welcomed by our partners.

4.0. LEVEL 3 CCG DELEGATED RESPONSIBILITIES

4.1. Under Level 3 the role of the CCG will be to exercise the Delegated Functions which include:-

- Decisions in relation to the commissioning, procurement and management of Primary Medical Services contracts, including but not limited to:-
 - ❖ Enhanced Services.
 - ❖ Local Incentive Schemes including the design of such schemes.
 - ❖ Establishment of new GP practices and closure of GP practices.
- Performance management of GP practices, including liaison with the CQC.
- Management of the Delegated Funds.

NHS England retains the residual liability for the performance of Primary Medical Care Commissioning as well as exercising the Reserved Functions including:-

- Management of the performers list.
- Revalidation and appraisal process.
- Complaints management.
- Capital expenditure functions.

4.2. What are the Benefits?

- Budget slippage will be retained for the CCG to invest locally.

- Opportunity for GPs to influence the development and investment in General Practice.
- Local knowledge and relationships:-
 - ❖ Support collaborative solutions to problems.
 - ❖ Enable more timely resolution of queries.
- CCG roles and structures provide easier contact points and on-going support for practices.
- Ability to design local schemes to replace QOF and DESs where jointly agreed as beneficial.
- CCGs will have more power to drive forward the Five Year Forward View agenda.

4.3. What are the Risks?

- Insufficient capacity/expertise in the CCG to deliver:-
 - ❖ The CCG has an established Primary Care Team, and will maintain NHS England support, and there is a clear agreement of responsibilities with NHS England.
- CCG commissioning, holding and managing GP contracts including performance management could damage or worsen relationships or lead to conflicts of interest. This will be mitigated by the following:-
 - ❖ New guidelines on managing conflicts of interest will help manage this issue.
 - ❖ NHS England will continue to manage and investigate individual performers concerns (ie GPs). NHS England will also be involved in significant contractual issues as the contract remains with them. Performance investigations would be undertaken by NHS England. NHS England would discuss concerns with the CCG in the first instance and undertake a general assessment for consideration by the CCG. If a formal investigation were to be undertaken NHS England would then provide an outcome report to the CCG who will determine if contract sanctions are to be implemented.
- Increased risk of conflicts of interest as the CCG is procuring services from members and their own practices. In addition to the three bullets above, commissioning services will be assured by the Primary Care Commissioning Committee which is a committee of the Governing Body, is held in public and is chaired by a Lay Member.

4.4. How will the CCG ensure that any potential underspend in the Primary Care budget is ring fenced/protected to spend in Primary Care? Where would any

underspend on the Primary Care budget go? How will practice budgets be protected.

- The GP budget that is delegated is effectively seen as a funding 'floor' - ie CCGs must only spend the funds on GP services and cannot divert to other pressures/services.
- Level3 CCGs retain the full delegated allocation - NHS England do not claw back any underspend.
- Practice contracts will still be with NHS England and the regulations which underpin the PMS/GMS contracts and the contracts themselves are negotiated nationally, therefore there is no risk to these due to Level 3.

4.5. Who would be able to make decisions on Estates? Would the process be any simpler than it is now?

- The process will continue to be split between the CCG and NHS England. The CCG will need to support requests for funding.

5.0. RECOMMENDATION

5.1. To support the recommendation from the CCG Executive Committee to take on Delegated Commissioning of Primary Medical Services with effect from 1 April 2018.

**K PARKINSON
CHIEF FINANCE OFFICER**

6 NOVEMBER 2017



AGENDA ITEM NO: 9.2.

Meeting Title/Date:	Membership Council - 16 November 2017		
Report Title:	Proposed Changes to Constitution - Delegated Commissioning of Primary Medical Services		
Paper Prepared By:	Kevin Parkinson	Date of Paper:	2 November 2017
Executive Sponsor:	Kevin Parkinson	Responsible Manager:	Kevin Parkinson
Committees where Paper Previously Presented:	None		
Background Paper(s):			
Summary of Report:	In order to be approved to take on Delegated Commissioning (Level 3) for Primary Medical Services MBCCG needs to provide an amended Constitution to NHS England.		
Recommendation(s):	The Membership Council are recommended to agree to propose to NHS England changes to the Constitution to be effective from 1 April 2018.		
			Please Select Y/N
Identified Risks:			N
Impact Assessment: (Including Health, Equality, Diversity and Human Rights)			N
Strategic Objective(s) Supported by this Paper:			Please Select (X)
To Improve the health of our population and reduce inequalities in health			
To reduce premature deaths from a range of long term conditions			
To develop care closer to home			
To commission safe, sustainable and high quality Hospital Health Care			
To commission safe, sustainable and high quality Mental Health Care			
To improve capacity and capability of primary care services to respond to the changing health needs of our population			X
Please Contact:	Kevin Parkinson Chief Finance Officer		

**PROPOSED CHANGES TO CONSTITUTION
DELEGATED COMMISSIONING OF PRIMARY MEDICAL SERVICES**

1.5. INTRODUCTION

- 1.6. Having made the decision to move to Delegated Commissioning of Primary Medical Services the CCG needs to provide an amended Constitution to NHS England.
- 1.7. Decisions to change the Constitution are a matter reserved for the Membership Council.

2.4. PROPOSED CHANGES TO CONSTITUTION

- 2.5. The proposed changes to the Constitution are as follows (referring to previous pages/numbering):-

Page Number	Section	Amendment
27	6.7.4.	Delete "Joint" from title of the Committee
98	Appendix F	Delete "Joint" from title of the Committee
117	Annex 4	Terms of Reference of the Joint Primary Care Committee to be replaced by new Terms of Reference for Primary Care Committee (attached)

3.2. RECOMMENDATION

- 3.3. The Membership Council are recommended to agree to propose to NHS England changes to the Constitution to be effective from 1 April 2018.

**K PARKINSON
CHIEF FINANCE OFFICER**

2 NOVEMBER 2017