



City of Westminster

Westminster Health
& Wellbeing Board

Date:

2nd February 2017

Classification:

Public

Title:

Delegated Commissioning – General update

Report of:

Central London CCG

Wards Involved:

All

Policy Context:

Central London CCG is currently commissioning primary care medical services jointly with NHS England. Therefore all decisions have to be jointly agreed with NHS England. NHS England has asked CCGs to take on fully delegated commissioning – in other words, to be responsible for most decisions on local primary care from April 2017.

Financial Summary:

An in-depth financial due diligence is currently underway across all North West London CCGs

**Report Author and
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1. Executive Summary

1.1 This report updates the board on Central London CCG's application, engagement, due diligence and council of members voting process on delegated commissioning of primary care services in Westminster. This includes:

- Current position on delegated commissioning process
- CL CCG's engagement so far with its membership and service users.

2. Key Matters for the Board

2.1 The board is asked to:

- a) note Central London CCG's current position with regards to moving from Joint Commissioning (Level 2) to Delegated Commissioning (Level 3) of primary medical services in Westminster.

- b) note due diligence underway in relation to the identification and management of legal and financial risk which may arise from delegation (see sections 5 and 6)
- c) note the timetable and process for the delegation vote within Central London CCG (see paragraphs 4.6 – 4.8)

3. Background

3.1 From 1 April 2017, CL CCG along with seven North West London CCGs is exploring a move to full responsibility for commissioning General Practice services in response to the needs and circumstances of their registered populations. If members vote in favour of delegation in February 2017, CCGs will adopt a common borough based (and where appropriate shared) model of decision making and delivery that will allow for more locally focussed primary care commissioning with the ability to adopt an NW London approach where it:

- Supports delivery of the NW London's Sustainability and Transformation Plans (STP);
- Allows the CCGs to drive efficiency, best value, and consistency in our locally-driven commissioning approach and processes, and in the outcomes derived across the NW London; and
- Secures the most efficient and effective governance processes for primary care commissioning.

In 2016/17, 114 CCGs (out of 209) have delegated arrangements and approximately one third of CCGs have a joint arrangements. In London out of 32 CCGs, 11 are already delegated. A further 11 have regional approval for delegated commissioning. This is referenced by the map on page 3 of the appendix.

3.2 The policy objectives of delegated commissioning are as follows:

- To strengthen local Primary Care through an ability to channel dedicated resources to local needs.
- To bring the expertise of local CCG member practices to addressing the parts of the health service they know best – General Practice.
- To respond more fully to the views and opinions of local patients – whose use of Primary Care makes up 90% of NHS contacts.
- To target increases in primary care allocations, as part of the 'GP Forward View' Plans, informed by local knowledge of our local communities and their needs.

- To enable GPs and other clinical commissioners to take a whole-systems view of local patients' journeys along a care pathway, and give them the resources to effect real change.
- To play a full role in delivering local sustainability and transformation objectives by managing the spectrum of primary, community and hospital budgets.
- To work alongside Local Authority, NHS England and third sector stakeholders to achieve patients' expectations of fully integrated care, between organisations and across boundaries.

3.3 CL CCG along with seven other NW London CCGs submitted an application to NHS England on 05 December, with agreed caveats that include withdrawing the application if each CCG's membership votes against delegated commissioning.

4. Options / Considerations

4.1 In undertaking full delegation of commissioning functions, NHS England will retain liability for the performance of primary medical care commissioning and all statutory requirements of that body in relation to primary care.

4.2 Moving to delegated commissioning arrangements brings both opportunities and risks which our members will be carefully reviewing before they vote on delegation. The presentation attached at [Appendix A](#) provides more information on the delegation process, key benefits and key risks.

4.3 The CCG's process to identify and manage any legal and financial risk associated with delegated commissioning is explained in more detail in sections 5 and 6.

Engagement

4.4 A wide range of engagement with GPs and wider professionals, patients and wider stakeholders has taken place across CL CCG, beginning on 28 September 2016 and continuing through to mid-February. The CCG is committed to ensuring that all discussions around delegated commissioning are open, balanced and informed.

4.5 Our engagement has included:

- Regular communications to members and to CCG staff
- Regular updates at membership forums, including the Practice Nurses, GP and locality meetings
- CCG visits to practices to discuss delegated commissioning in the context of practice sustainability and planning – with a focus on estates issues An Open

Forum with our membership to discuss the opportunities and risks around delegated commissioning with key partners (NHS England, London-Wide LMC and our GP Federation).

- Forums in which GP members have been able to hear directly from clinical commissioners and GPs from other areas that have already moved to full delegation
- An open discussion with the CCG's User Panel to discuss what affect this decision would have on patients within Central London.

Governance from here – and the voting process

4.6 The CLCCG membership vote will open at the council of members meeting on 31st January 2017. The process for undertaking this vote is explicitly laid out within the CCG's constitution.

4.7 The vote can be undertaken within the Council of Members meeting, by a show of hands, as long as the meeting is quorate. However, any member may request a polled vote either before or during this meeting. It is likely that a polled vote will be requested. In this case, the CCG will open the vote on the 31st January 2017 and the vote would close on 14th February 2017. The vote would be undertaken online.

4.8 The CCG will be in a position to make a formal announcement on 28 February 2017 regarding the decision taken by our membership.

5. Legal Implications

5.1 The CCG is undertaking legal due diligence to ensure that all potential liabilities are fully understood and managed. This due diligence includes the following areas:

- Obtain a legacy list for the CCG from NHS England outlining any contractual issues and legal risks;
- Practice level information is in place outlining contractual status – ensuring signatures, performance indicators, partnership changes etc., are up to date;
- Ensure that the CCG is aware of any breach notices and what actions are in place to ensure resolution;
- Ensure that the CCG is aware of all Care Quality Commission (CQC) issues, including practice status, agreed action plans, outstanding visits and legal position of those practices currently under special measures; and

- Ensure that a plan is in place for engaging constituent member practices with the delegated process – ensuring the ballot aligns with national and local constitutional requirements.
- 5.2 To ensure sufficient protection for the CCG from liability, it is expected that a Memorandum of Understanding will be agreed between NHS England and the CCG before delegated commissioning commences which includes:
- Clauses to indemnify the CCG against legacy related issues; and
 - Confirmation that NHS England remains both accountable and responsible for counter-fraud (or an explanation if the CCG is to be held responsible for local delivery, as to how this will be resourced and managed between the CCGs' Audit Committee and NHS England's own Audit Committee).

6. Financial Implications

- 6.1 Full delegation of Primary Care commissioning provides CCGs with greater flexibility over the management of the Primary Care budget previously managed by NHS England. However this flexibility comes with increased responsibility and associated risk.
- 6.2 Central London CCG's primary care budget is £29m, which is ten per cent of the overall CCG annual budget.
- 6.3 On the basis of a successful application, from 01 April 2017 CL CCG would:
- Be given full delegated authority for allocated Primary Care budget by NHS England
 - Assume financial risks associated with commissioning and managing Primary Care services within allocated budget
 - Assume responsibility for monitoring and incentivising performance of General Practice.
- 6.4 NWL London CCGs have procured RSM to undertake financial due diligence on their behalf to ensure that the financial impacts of delegation, both positive and negative, are fully understood and managed by CCGs. The RSM work will include:
- Assessment of budgetary information from NHS England (last 3 years and any forecast work for 17/18) – RSM have already requested detailed information for all NW London practices;

- Detailed practice 'issues' information – NHS England hold logs of any outstanding issues, problems, correspondence with practices and have agreed to share this with RSM;
- Information regarding properties and Primary Care estate issues; and
- GP practice survey - if required, building upon the work already carried out in terms of LMC surveys and property surveys.

**If you have any queries about this Report or wish to inspect any of the
Background Papers please contact:**

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APPENDICES:

1. Appendix 1: Presentation on the delegation process including the benefits and risks of delegation

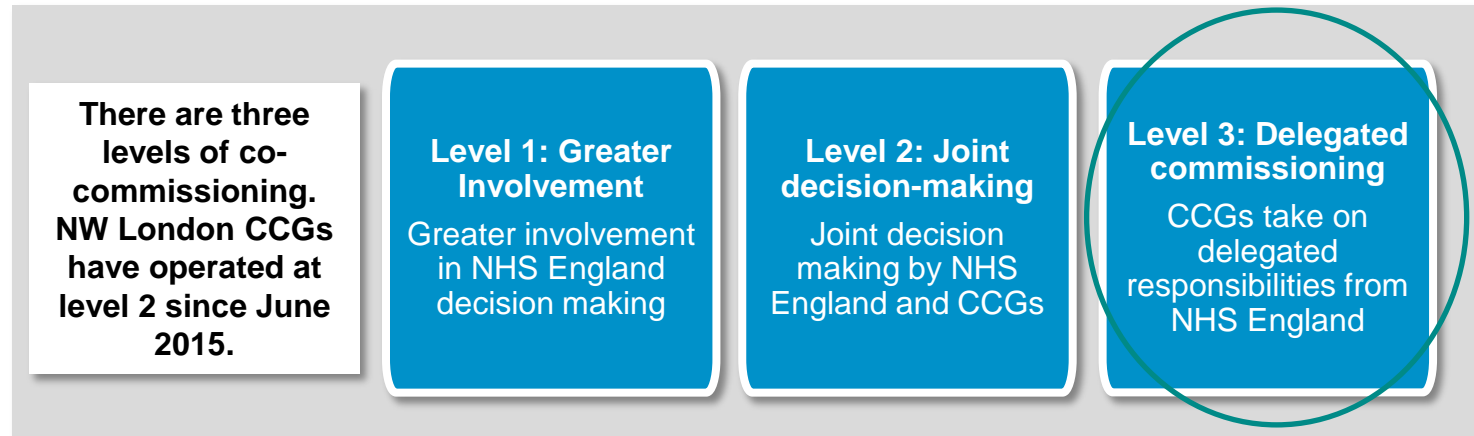
Primary Care Commissioning

Delegation

11 January 2017

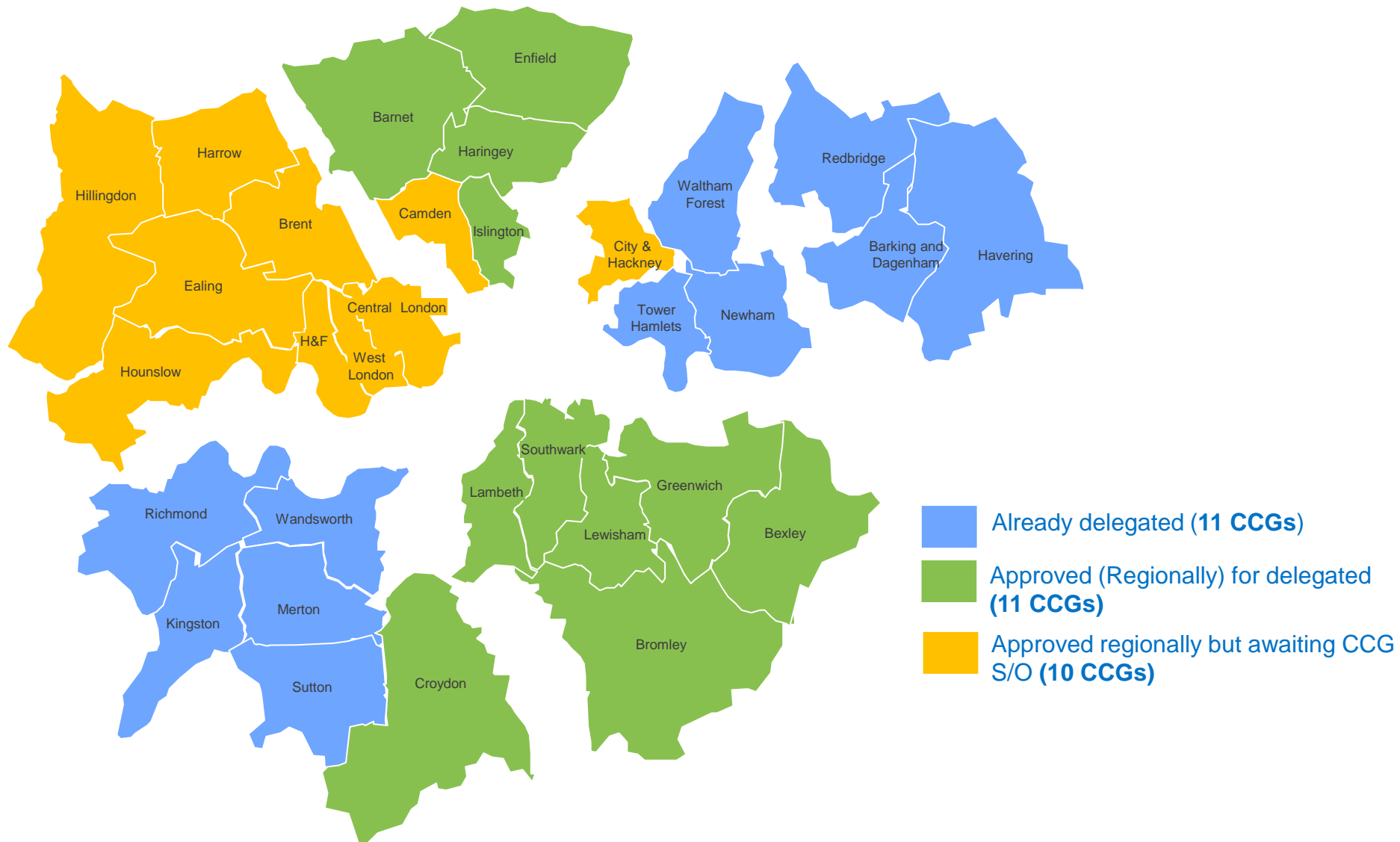
Where we are now

- CCGs across North West London need to determine whether to move to delegated commissioning
- **The CCG** Governing Body needs to hear **from all Member Practices** before taking a final decision
- NWL CCGs were asked to submit a completed application checklist on the 5th December with the membership vote pending. All voting must be completed and evidence provided by the end of February (28th)



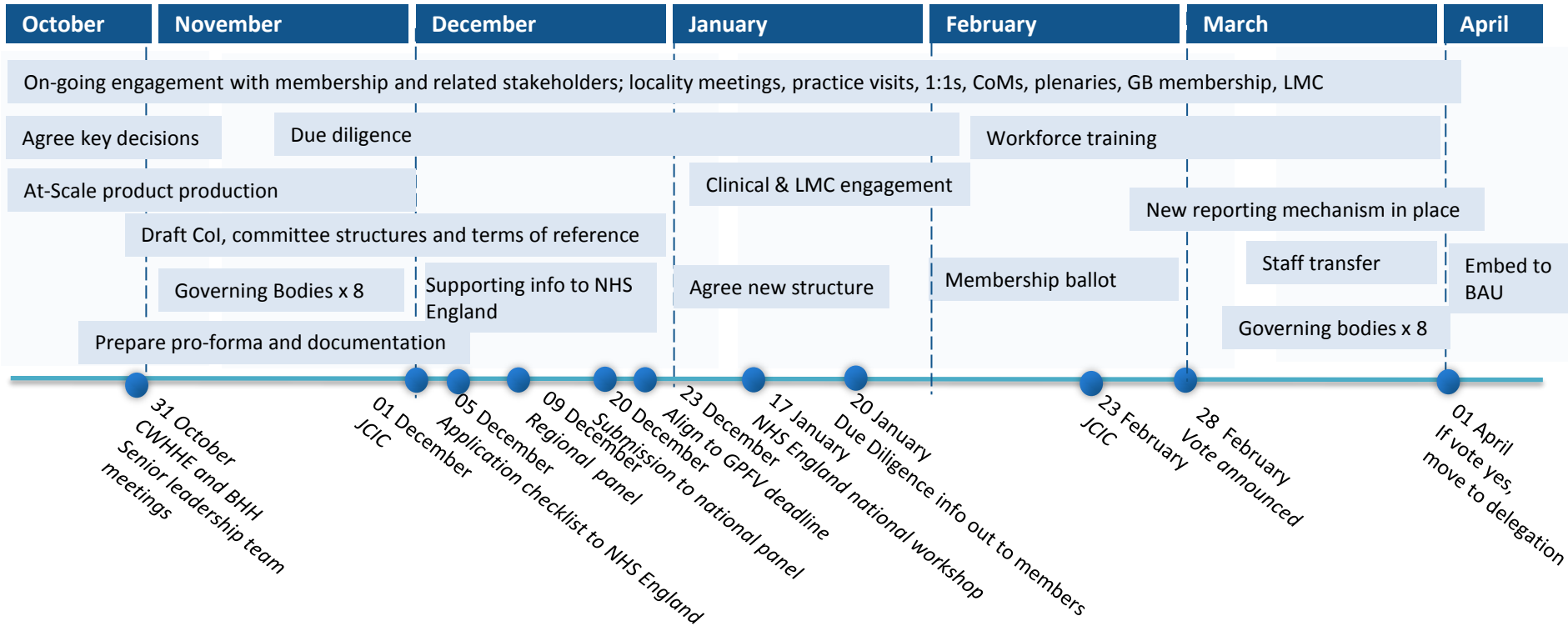
- Nationally, 63 CCGs opted for delegation in April 2015 and a further 52 did so in April 2016. **More than half of all CCGs now hold delegated responsibility and an estimated target of 91% of all CCGs will be fully delegated by April 2017.**

Expected delegation in 17/18 (as at December)

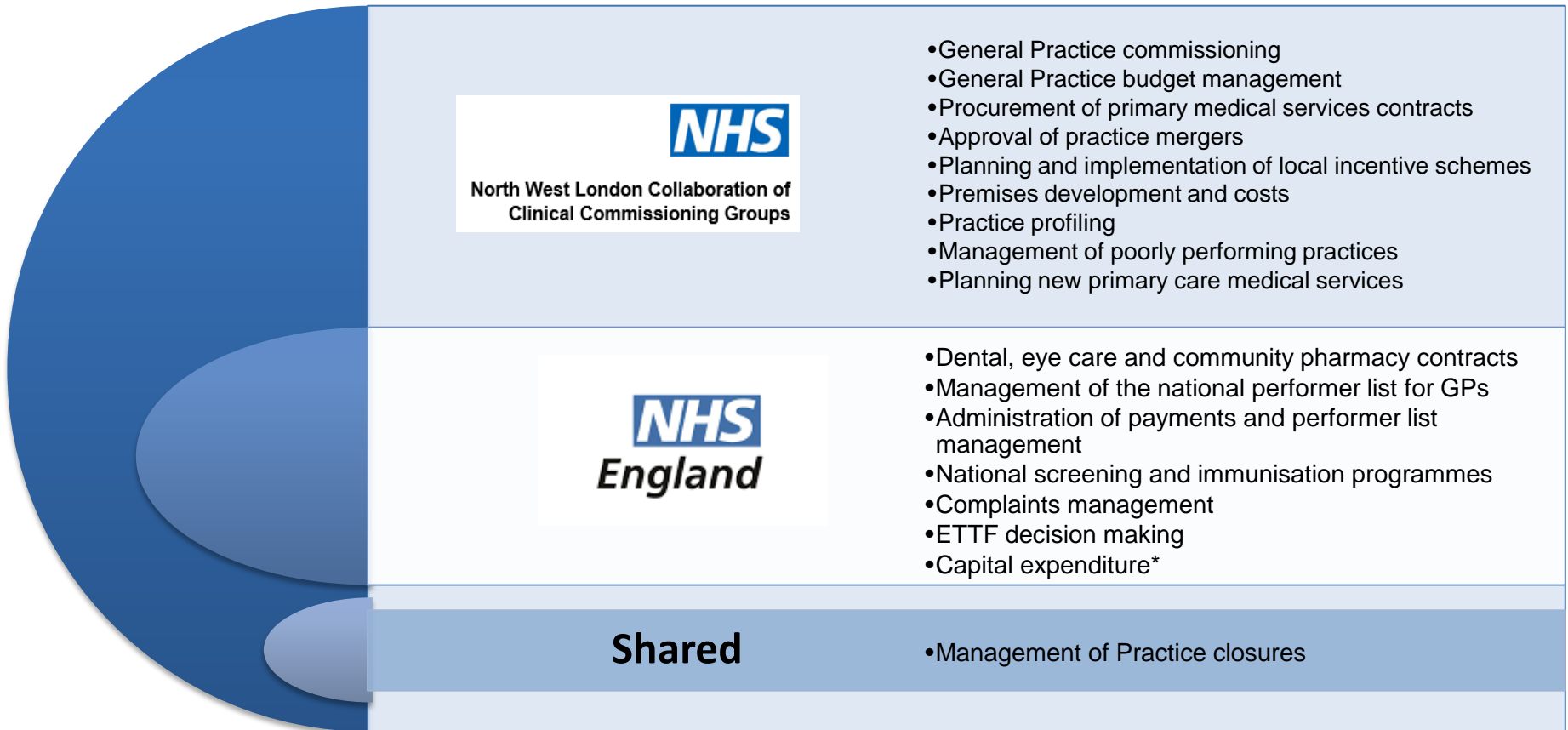


It is important to note that NWL, C&H and Camden do not expect to have completed membership voting/ sign off until **February 2017**

NW London Timeline Overview



Functions of Delegated Commissioning



*Capital expenditure will not be delegated to CCGs due to the capital approvals process

Benefits of Delegated Commissioning



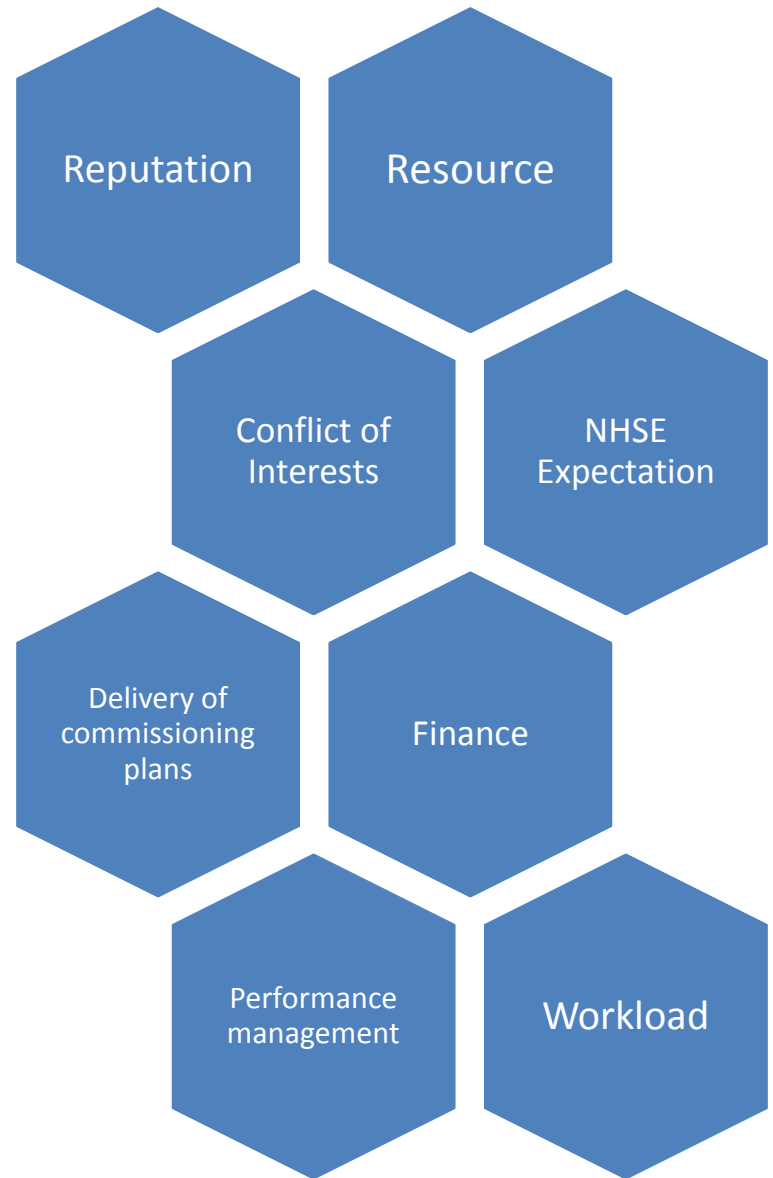
What difference would this make to patients?

Positive patient impact

- Local decisions closer to patients' needs
- More local power and patient voice in the services that are commissioned in your area
- CCGs will create a 'primary care commissioning committee' to make all local decisions about patient care. These meetings will take place in public.
- Opportunity for CCGs to meaningfully engage with the local public about the totality of expectations for general practice
- Tailored services to meet the local needs of the patient population



Challenges of Delegated Commissioning



Financial Due Diligence

Legacy Issues: With regard to historic issues and for CCGs taking full delegation from 1st April 2017, NHS England will remain liable for any pre-31 March 2017 liabilities. As far as possible potential issues will be captured on NHSE's legacy list and provision will be made for these 'old-year' liabilities.

Agreement:


We are seeking agreement with NHS England, as part of our delegation agreement, that NHS England will do all it can to identify risks/disputes/ liabilities as at 31 March 2017 and make full provision in the 2016/17 annual accounts for such issues.

NHS England (London) and the CCGs will agree that if other unforeseen issues arise, both parties will use best endeavours to jointly mitigate the liability and the NHSE London region will use all the flexibility it has to fund the pre-March 2017 elements. (Where CCGs themselves take decisions that incur a new financial commitment prior to 1 April 2017, CCGs will be expected to have identified the resources required).

NW London Primary Care financials: allocations 2016/17 – 2020/21

The figures provided are based on the published Primary Medical Care allocations
source: NHS England



Key  Increases in Primary Care medical allocations

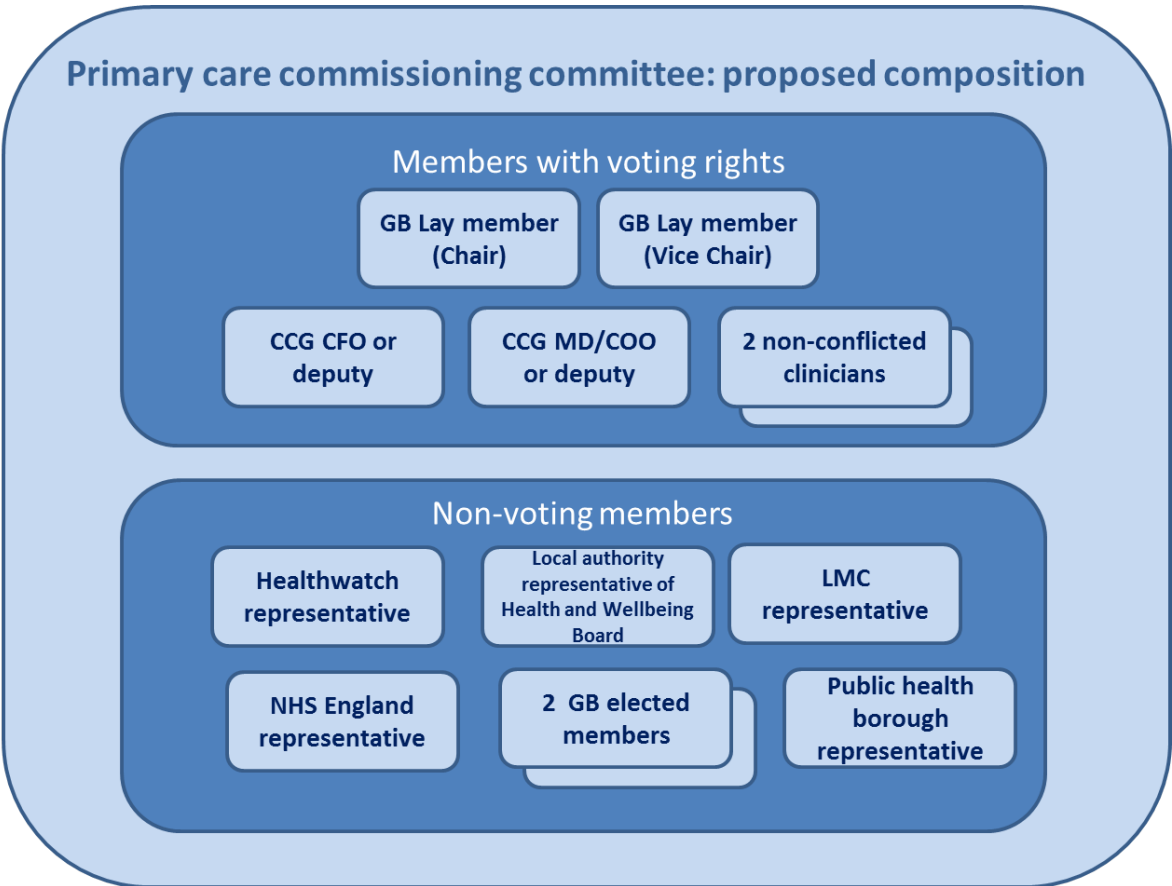
Conflicts of interest (Col) management

Key principle:

A key principle is that our updated COI arrangements will **seek to ensure the optimal balance between achieving a strong clinical voice, whilst at the same time robustly protecting both CCGs and individual decision-makers from exposure to any real or perceived conflicts of interest.**

Proposed Primary Care Commissioning Committee

Subject to Governing Body approval



Workforce

We need to ensure that we have a Primary Care workforce that is equitably resourced; a workforce that is efficient at its core, but also retains the local knowledge and engagement required to provide a high-quality service.

NHS England are undergoing an OD review within their Primary Care teams. This means that staff currently working to support Primary Care commissioning for NW London will be assigned to our STP footprint. NHS England, working with EY, are re-baselining the provision, but we estimate that we have 16 staff assigned to Primary Care commissioning in NW London, in addition to our local CCG teams.

We are also working to ensure our local CCG workforce is adequately resourced; this offers us a great opportunity to share skills and learning across CCGs, building on our Virtual Primary Care team.

We have established a workforce task and finish group, which is responsible for overseeing the planning, analysis and implementation of the Primary Care OD review to ensure there are equitable resources to commission Primary Care across North West London, if the membership agrees to move to delegated Primary Care commissioning from 01 April 2017.

The task and finish are working with the London-wide Primary Care OD group to ensure alignment with pan-London strategy and delivery. The task and finish group is focusing on the following areas:

Phase 1

- A review of staff capacity and training and to ensure it is fit for purpose to commission Primary Care services
- Submit a report of staffing options to the Delegation Executive Board

Phase 2

- Implement the chosen option

Phase 3

- Embed the staff changes and issue resolution of workforce after 01 April 2017, if members chose to delegate