HEALTH AND WELLBEING BOARD		AGENDA ITEM No. 4(a)
26 MARCH 2015		PUBLIC REPORT
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PRIMARY CARE CO-COMMISSIONING

R E C O M M E N D A T I O N S	
FROM : C&PCCG Governing Body	**Deadline date : n/a**
For the Board to note that the C&PCCG will Join Commission Primary Care Services with NHS England East from 1st April 2015. During 2015/16 we will undertake due diligence and consult with member practices (and engage with other stakeholders) regarding Option 3, full delegated responsibility for primary care commissioning.	

1. ORIGIN OF REPORT

1.1 This report is submitted to Health & Wellbeing Board following a request from Catherine Mitchell, Local Chief Officer, Borderline & Peterborough LCG's to update HWB members on the decision taken by C&PCCG on the future of Primary Care Co-Commissioning.

2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of this report is to update members on the Primary Care Co-Commissioning and specifically the decision made by C&PCCG Governing Body on 13 January 2015.

2.2 In summary, the rationale for this approach is that effective commissioning of primary care is vital in order to deliver better whole system / integrated pathway services, and current arrangements are not working as well as we would wish. From a CCG perspective there is scope to be more proactive, and a need for better, clearer joint working approaches with NHS England East (formerly the Area Team) (NHSE).

2.3 Discussions with Strategic Clinical Management Executive Team, Governing Body and Member practices to date had indicated a willingness to take up the joint commissioning option for primary care, provided there are adequate safeguards in place regarding conflicts of interest.

Letter from Dr P Watson, NHS England, Midlands & East confirming approval, attached at Appendix A.

3. BACKGROUND

The CCG submitted an expression of interest in joint commissioning of primary care services to NHS England in June 2014.

In November 2014, NHS England issued further guidance *"Next steps towards Primary Care Co-commissioning"* as a means of providing CCGs with greater clarity and transparency around the commissioning options. The purpose of this additional guidance was to allow CCGs to reflect on their initial submission, and to select from 3 more clearly defined options for commissioning primary care.

Co-commissioning model	Pro-forma	Submission date
1. Greater involvement in primary care commissioning decision making	There is no pro-forma to complete.	**Not applicable.**
2. Joint commissioning	CCGs and area teams are asked to complete a pro-forma for joint arrangements .The pro-forma focuses upon the proposed governance arrangements for joint committees.	**30 January 2015**
3. Delegated commissioning	CCGs and area teams are asked to complete a pro-forma for delegated arrangements. This pro-forma focuses upon the CCG's approach to conflicts of interest management.	**12 noon on 9 January 2015**

A suite of pro-forma's and model wording for amendments to CCG Constitutions and Terms of Reference have been provided to CCGs to ensure robust governance arrangements are in place to support their chosen co-commissioning option.

3.1 Co-Commissioning

a) Options and Scope

There are three options on offer. The first is essentially a 'Do Nothing' option, although it should be noted that due to the decrease in the number of Area Teams and reductions in their budgets, the extent to which NHS England will be able to actively commission local primary care will be more limited.

The second is 'Joint Commissioning' which gives the CCG a formal role in decision-making with NHS England via a Joint Committee, although it does not involve the CCG taking on the actual functions. The scope of joint commissioning with NHS England could include involvement in decisions on the following areas:

- Newly designed enhanced services ("Local Enhanced Services (LES)" and "Directed Enhanced Services (DES)");
- Design of local incentive schemes as an alternative to the Quality and Outcomes Framework (QOF);
- General Medical Services (GMS), Personal Medical Services (PMS) and Alternative Provider Medical Services (APMS) contracts (including the design of PMS and APMS contracts, monitoring of contracts, taking contractual action such as issuing branch/remedial notices, and removing a contract);
- The ability to establish new GP practices in an area;
- Approving practice mergers; and
- Making decisions on 'discretionary' payments (e.g., returner/retainer schemes).

Joint commissioning arrangements will exclude individual GP performance management (medical performers' list for GPs, appraisal and revalidation), administration of payments and list management. This is the recommended option for the reasons set out in the main paper, taking into account the balance of opportunities and risks which are summarised in the NHS Clinical Commissioners / RCGP paper. http://www.nhscc.org/wp-content/uploads/2014/12/FINAL-NHSCC_RCGP-Risks-and-opportunities-for-CCGs-in-primary-care-commissioning-1.121.pdf

The third option is fully delegated responsibility for primary care commissioning. The CCG would in effect undertake most primary care commissioning on behalf of NHS England. There are opportunities and risks associated with this option which will need more time and work to consider.

b) Joint Commissioning Governance Arrangements

Each member of the joint committee is an equal member of the committee. CCG members are accountable to their Governing Body and to their membership. Both NHS England and the CCGs are also accountable to the Public and Parliament in respect of the exercise of their statutory functions. Both Parties must have appropriate reporting and accounting processes in place under these arrangements.

In joint commissioning arrangements, individual CCGs and NHS England always remain accountable for meeting their own statutory duties, for instance in relation to quality, financial resources, equality, health inequalities and public participation.

This means that in this arrangement, NHS England retains accountability for the discharge of its statutory duties in relation to primary care commissioning. CCGs and NHS England must ensure that any governance arrangement they put in place does not compromise their respective ability to fulfil their duties, and ensures they are able to meaningfully engage patients and the public in decision making. Arrangements should also comply with the conflicts of interest guidance also provided.

The effectiveness of joint arrangements is reliant upon the development of strong local relationships and effective approaches to collaborative working. NHS England and CCGs need to ensure that any governance arrangements put in place enable them to collaborate effectively.

c) Membership of joint committees

The Committee membership and its roles and responsibilities are up to the CCG to determine but GPs must not be in the majority.

Secondary care clinicians and nurse members may also sit on the Committee and we may include members who are not currently on our governing body, such as CCG Lay members without statutory responsibilities, if applicable.

In the interests of transparency and the mitigation of conflicts of interest, a local HealthWatch representative and a local authority representative from the local Health and Wellbeing Board will have the right to join the joint committee as non-voting attendees. HealthWatch and Health and Wellbeing Boards are under no obligation to nominate a representative, but there would be significant mutual benefits from their involvement. For example, it would support alignment in decision making across the local health and social care system.

CCGs will want to ensure that membership (including any non-voting attendees) enables appropriate contribution from the range of stakeholders with whom they are required to work. CCGs and area teams are encouraged to consult the Transforming Participation in Health and Care guidance when considering the membership of their committees. It will be important to retain clinical leadership of commissioning in a joint committee arrangement to ensure the unique benefits of clinical commissioning are retained

d) Pooled funds for joint commissioning

CCGs and NHSEE may wish to consider implementing a pooled fund arrangement under joint commissioning arrangements as per section 13V of Chapter A1 of the NHS Act 2006 (as amended by the Health and Social Care Act 2012). Establishing a pooled fund will require close working between CCG and area team finance colleagues to ensure that the arrangement establishes clear financial controls and risk management systems and has clear accountability arrangements in place.

Any proposal to create a pooled fund will need further work locally, and would be brought back to a future meeting of the Governing Body.

e) Managing Conflict of Interest

The revised conflicts of interest guidance provided by NHS England applies across all CCG commissioning. We will need to review this guidance and revise our arrangements as appropriate

f) Further Work: Delegated Commissioning Option

As members will know, NHS England is re-structuring itself into larger units, and at the same time making running cost savings which will reduce staff numbers. Their ability to provide significant resource for development of primary care in Cambridgeshire and Peterborough is likely to become more limited, with the focus more likely to be on basic performance management of the core GMS / PMS contract.

In addition, the national position has shifted insofar as the Delegated Commissioning option would now come with some staff resource from NHS England, albeit limited. The guidance document *"Next steps towards primary care co-commissioning"* emphasises the need for CCGs and Area teams to work to agree the best use of resource at a local level.

The reasons for ensuring there is effective commissioning of primary care have already been set out. There is a view that the CCG has the greatest motivation, local knowledge and leadership to transform primary care, and that control over decisions will enable wider service strategies to be delivered.

There is also a counter argument that taking on delegated commissioning of primary care creates a conflict of interest and changes the nature of the CCG as an organisation.

Whilst there are ways in which the conflict of interest could be mitigated, it is clear that such a move would represent a significant change on which member practices would need to be consulted. If the CCG were to take on delegated responsibilities it would need to assure itself on the service and financial risks / liabilities through a process of due diligence before making any final decision to proceed.

It is therefore recommended that further work is carried out to discuss the pro's and cons of full delegated commissioning of primary care with Member practices, and to undertake a due diligence process. It is not feasible to do this work before the 9th January 2015 deadline, so it is likely to take place over the next 3-6 months.

4. ANTICIPATED OUTCOMES

The CCG Governing Body approved the submission of a formal application for joint co-commissioning (Option 2) be submitted to take on a proactive role in strategic co-commissioning from April 2015.

Through CCG clinical leadership and local knowledge, closer involvement in the development of primary care will support better decision-making on areas such as :

- How to improve access to Primary Care and wider out of hospital services,
- How to improve quality in primary care and out of hospital care
- How to improve health outcomes, equity of access, and reduce inequalities
- How to improve patient experience through more joined up services

Plus, proposed that further work is carried out internally and with stakeholders to agree the Terms of Reference for a Joint Commissioning Committee with NHS England East.

It is also recommended that further discussions take place with Member practices during 2015 on whether or not to take on full delegated commissioning from April 2016. This would represent a significant change for the CCG, and would be subject to 'due diligence' processes on the funding implications and resources required, as well as careful consideration of the processes required to make decisions.

5. REASONS FOR RECOMMENDATIONS

To improve commissioning of Primary Care Services in conjunction with NHS England East.

6. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

http://www.nhscc.org/wp-content/uploads/2014/12/FINAL-NHSCC_RCGP-Risks-and-opportunities-for-CCGs-in-primary-care-commissioning-1.121.pdf

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