ENCLOSURE: M

Agenda Item: 119/16

NHS Bexley Clinical Commissioning Group

Governing Body meeting (held in public)

DATE: 29 September 2016

Title	**Primary Care (General Practice) Co-Commissioning**
This paper is for **Discussion**	
Recommended action for the Governing Body	That the Governing Body 1) **NOTES** the background, meaning, wider context, the potential advantages, disadvantages and considerations in moving to fully delegated (level 3) commissioning; 2) **NOTES** the requirement to submit an application for co-commissioning in the first week of December and the plan to discuss level 3 co-commissioning and engage with members and other stakeholders on whether the CCG should move to level 3 from 1st April 2017.
Potential areas for Conflicts of interest	All GPs are conflicted as primary care contract holders.
Executive summary	The CCG currently has level 2 joint commissioning arrangements following previous communication and engagement with the Governing Body and PCAG members. CCGs have been asked to submit a further expression of interest by the first week of December 2016. Co-commissioning is one of a series of changes set out in the *NHS Five Year Forward View* and articulates the need to address 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 a key driver by enabling commissioning budgets and plans to be aligned or formally delegated depending on the level of co-commissioning and therefore provides greater opportunity to deliver population wide commissioning beyond the services currently commissioned by the CCG. The CCG discussed co-commissioning with its membership at the engagement event in September and at the Primary Care Advisory Group (PCAG) following, to ascertain the level of support for level 3 delegated

	commissioning arrangements in addition to understanding some of the complexities and practicalities, including conflicts of interest. Further engagement will take place during October and November. The CCG has been working closely with the other south east London CCGs to discuss the practical tasks and decisions required to support assurances required from each CCG by NHS England. There are a number of considerations that Governing Body members will want to consider when deciding on whether to undertake level 3 commissioning and these are discussed in the paper. However, the south east London view is that level 3 commissioning affords CCGs more opportunities in terms of budget management and possibilities in respect of the potential to leverage additional transformation funding into south east London, and potentially Bexley; and the potential that less will be available to level 1 and 2 co-commissioners. Resources will be defined through the Organisational Development review currently being conducted at London level. The potential advantages and disadvantages of the move to level 3 are also outlined in the paper. Governance arrangements will need to be put in place should level 3 commissioning be undertaken and further details will be brought to the Governing Body in November with a formal proposal regarding level 3.		
How does this paper support the CCGs objectives?	**Patients:**	The NHS five year forward view 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 a key driver of this.	
	People:	N/A	
	Pounds:	N/A	
	Process:	N/A	
What are the Organisational implications	Key risks	That sufficient resources are not provided to ensure robust management of responsibilities following delegation. That additional funding is not forthcoming to progress the transforming primary care agenda.	
	Equality	N/A	
	Financial	That sufficient resources are not provided to ensure robust management of responsibilities following delegation. That additional funding is not forthcoming to progress the transforming primary care agenda.	
	Data	N/A	
	Legal issues	N/A	

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	NHS constitution	N/A	
Engagement	Practices and PCAG members were engaged on the pros and cons of level 2 and 3 co-commissioning during September. Engagement will continue through October and November with members and other stakeholders.		
Audit trail	N/A		
Comms plan	None		
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Date	12th September 2016		

Primary Care (General Practice) Co-commissioning

Introduction

The CCG currently has level 2 joint commissioning arrangements following previous communication and engagement with the Governing Body and Primary Care Advisor Group members.

CCGs have been asked to submit a further expression of interest by the first week in December 2016.

Co-commissioning is one of a series of changes set out in the *NHS Five Year Forward View* and articulates the need to address 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 a key driver by enabling commissioning budgets and plans to be aligned or formally delegated depending on the level of co-commissioning and therefore provides greater opportunity to deliver population wide commissioning beyond the services currently commissioned by the CCG.

The CCG discussed co-commissioning with its membership at the engagement event in September and at the Primary Care Advisory Group (PCAG) following, to ascertain the level of support for level 3 delegated commissioning arrangements in addition to understanding some of the complexities and practicalities, including conflicts of interest. Further engagement will take place during October and November with members and other stakeholders.

The CCG has been working closely with the other south east London CCGs to discuss the practical tasks and decisions required to support assurances required from each CCG by NHS England.

Level 3 delegated commissioning

Level 3 delegated Commissioning Functions for Primary Care (General practice) offers CCGs the opportunity to assume full responsibility for commissioning general practice services, whilst NHS England (NHSE) will legally retain liability for the performance of primary medical care commissioning.

To that end NHSE will require robust assurance that their functions will be effectively carried out. 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
- The ability to establish new GP practices in an area
- Approving practice mergers and
- Making decisions on ‘discretionary’ payments (e.g. returner/retainer schemes).

Co-commissioning is a key enabler in developing seamless, integrated out-of-hospital services based around the diverse needs of local populations. The intended benefits of co-commissioning are:

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

The recommended governance model at level 3 is that CCGs establish a Primary Care Commissioning Committee (PCCC), chaired by a lay member and with a lay and executive majority. Healthwatch, the LMC and a local authority representative from the local HWB could be invited to join the committee as non-voting attendees. This would replace the existing Primary Care Joint Committee (committee in common) across all six SEL CCGs. Guidance on governance requirements and models is yet to be confirmed and is expected in coming months.

The following responsibilities would remain with NHS England:

- Holding the medical performers' list
- Performers' appraisal and revalidation
- Pay and rations
- Complaints
- Commissioning of dental, community pharmacy and eye health services

NHS England would remain accountable for outcomes and therefore would continue its assurance role of CCGs to ensure responsibilities are being adequately discharged and well managed to yield the intended outcomes.

Considerations in moving to level 3

There are a number of considerations that GP and Governing Body members will want to consider when deciding on whether to undertake level 3 commissioning as follows:

	Consideration	**Description**	**Mitigating Action/s / Benefits**
1.	Conflict of Interest (COI)	Real or perceived conflict of interests of GPs in specific decisions with regard to primary care commissioning	Revised Conflicts of Interest Policy. Strengthened governance arrangements; separation and transparency in decision making. Lay and executive members in the majority on proposed Primary Care Commissioning committee.

			CCG also has a conflicts of interest policy and panels can be convened as appropriate.
2.	Financial	Clarity around final Primary Care Allocations and identification of any associated financial risk CCG as the primary contract holder Impact on CCG running costs – no additional resources allocated in 2015/16 for CCGs Capability and capacity of primary care commissioning/contracting	Open book approach to funding and budget setting (including all primary care allocations/budgets) and an appropriate 'Due Diligence' assessment on existing committed expenditure and budget provision. The flexibilities afforded to commissioners of primary care (at all 'Levels') within the STP process and related policy change. The CCG's Chief Financial Officer is a member of the Primary Care finance group and significant information has been provided by NHS England in this respect. In 2016/17 Bexley CCG has a balanced financial position in respect of these budgets (other areas in south east London have a shortfall). The cost of GMS equalisation falls outside of these budgets. Clarity on whether there will be any additional running cost allowances following full delegation. Assurance from NHS England on access to resources, capacity and capability to successfully act under full delegation. This will largely be determined by the outcomes and implementation of London's Organisational Development review). However, staffing levels are expected to be the same as currently with more control at south east London and CCG level.

			The potential to leverage additional transformation funding into south east London, and potentially Bexley; and the potential that less will be available to level 1 and 2 co-commissioners.
3.	Resources	Clarity around resources to effectively manage responsibilities under level 3 commissioning.	Assurance from NHS England on access to resources, capacity and capability to successfully act under full delegation. This will largely be determined by the outcomes and implementation of London's Organisational Development review). However, staffing levels are expected to be the same as currently with more control at south east London and CCG level.
4.	CCG Reputation	CCG Reputation and relationship with its members	Robust engagement and ongoing communication to enable early identification of any issues in moving to level 3 in 2017/18. Appropriately resourced infrastructure to ensure delegated commissioning is effectively and efficiently managed in 2017/18. Robust governance arrangements.
5.	Governance	Effective committee arrangements	Robust governance arrangements will be required to address conflict resolution - Lay and executive members in the majority on proposed Primary Care Commissioning committee (Proposed terms of reference at Appendix 1). CCG also has a conflicts of interest policy and panels can be convened as appropriate. The reduction of the number of primary care meetings necessary

			by the removal of the Primary Care Joint Committee – all business being conducted at the Primary Care Commissioning Committee (see Governance section).

Advantages and Disadvantages of level 3 delegation

The table below shows the potential advantages and disadvantages of level 3 co-commissioning.

Potential Advantages	**Potential Disadvantages**
Empowers and enables CCGs to improve primary care services for the benefit (and with the input) of patients and local communities	Workload for the CCG may increase. For example, the CCG will need to provide assurance that it is discharging NHS England's statutory functions effectively. This could be onerous in terms of monitoring and intervention. It will be important to ensure that there are adequate resources (funding and staff), although this is currently an unknown factor and links to the organisational review currently being undertaken by Ernst & Young on current primary care resources
Enables clinically led, optimal local solutions to local needs	The range and frequency of real and perceived conflicts of interest will increase, and governance rules about GPs making decisions where conflict of interest applies will need to be carefully adhered to. However, strengthened and transparent processes for decision-making are being considered and will be finalised during the transition process to mitigate this risk as far as possible.
Enables commissioning and service design across the whole patient pathway	There is a risk of inconsistency of approach amongst CCGs in matters where national consistency is desirable, e.g. 8-8 primary care access, 7 days a week. The CCG would need to continue to work with NHS England on national priorities and with other CCGs to learn from best practice and experience elsewhere
Allows greater control over local decisions affecting primary care informed by local knowledge of services, practices and challenges	

Enables CCGs to shift investment from acute to primary and community services	
Enables the ongoing development of seamless integrated out-of-hospital services	
Offers an opportunity to design local incentive schemes as an alternative to QOF or DESs	
Offers an opportunity to drive outcomes based commissioning in primary care by aligning outcome measures and incentives used in primary care	
Offers more control locally to contract monitor and manage the new PMS contracts and GMS equalisation services	
Mitigates the risk around the status quo whereby NHS England 'local' teams cover a large geographical patch, manage all independent contractors (GP practices, dental, optometry, pharmacy) and face considerable staffing and financial challenges	
Adheres to national policy, trends and commentary which favours full delegation to CCGs	

Engagement

The CCG has undertaken, and will continue to undertake, engagement and discussion with member practices on the pros and cons of level 2 and level 3 co-commissioning. This engagement will continue with members, and other stakeholders, throughout October and November. A high level engagement plan is shown below:

Members	
15/9	Presentation and discussion at GP engagement event (quarterly events for all Bexley GPs and PMs)
15/9	Report and discussion at Primary Care Advisory Group meeting (formal meeting of membership with one rep form each practice)
Throughout September	Discussion at the three locality meetings (Frognal – 15th; North Bexley – 22nd, Clocktower – 22nd)
8/12	Update and presentation as necessary at quarterly GP engagement event
Monthly	Discuss and update at locality meetings as required at their monthly meetings

LMC	
10/8	Agenda item on co-commissioning
14/9	Agenda item on CCG movement to level 3 co-commissioning
Monthly	Look to discuss with LMC as required at its monthly meetings

Patients	
28/9	Update item at Bexley Patient Council meeting (the CCG's key public/patient engagement forum with 25 representatives from across Bexley groups and organisations, incl. PPG reps and Healthwatch)
17/11	Agenda item at Bexley Patient Council meeting

HWB		
17/11	Next meeting to discuss with HWB. Agenda still to be prepared, but can be included	

The CCG has a number of embedded communication channels that we will use to communicate messages to stakeholders, including a fortnightly bulletin to staff and practices; a two-monthly newsletter to stakeholders and forums for patient engagement. In addition it has its website, intranet and secure practice extranet. These will all be used as necessary to engage with stakeholders.

Constitution

Proposals for level 3 delegated commissioning arrangements will require an amendment to the CCG's constitution. Other minor individual CCG constitutional amendments may also be required in relation to these commissioning arrangements. As a membership organisation, the CCG must consult with members on any proposed constitutional changes and this was also undertaken during September.

Conclusion and Recommendations

CCGs are requested to submit an expression of interest for level 3 delegated commissioning by the first week in December, should they wish to take this next step in co-commissioning. Engagement and discussion has taken place with practices and Primary Care Advisory Group members and this engagement will continue with members and other stakeholders during October and November.

The Governing Body is asked to:

NOTE the background, meaning, wider context, the potential advantages, disadvantages and considerations in moving to fully delegated (level 3) commissioning;

NOTE the requirement to submit an application for co-commissioning in the first week of December and the plan to discuss level 3 co-commissioning and engage with members and

other stakeholders on whether the CCG should move to level 3 from 1st April 2017.