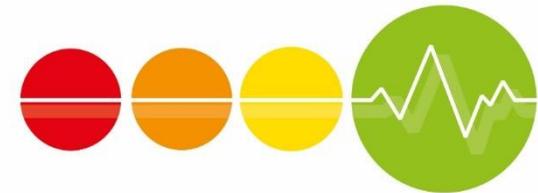


North East Lincolnshire CCG

Final Internal Audit Report Ref: 190706
Date: 9th April 2019

Risk Based Audit of Primary Medical Care Commissioning



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Key Dates and Report Distribution

Debrief meeting	19 th March 2019	Audit team	Ian Wallace, Managing Director Sue Kendall, Group Audit Manager Helen Price, Senior Auditor
Draft report issued	20 th March 2019		
Responses received	5 th April 2019	Client sponsor	Julie Wilson, Assistant Director – Programme Delivery & Primary Care
Final report issued	9 th April 2019	Report distribution	Draft and Final to: Julie Wilson, Assistant Director – Programme Delivery & Primary Care Laura Whitton, Chief Finance Officer

1 Executive Summary

1.1 Introduction

A risk-based audit of primary medical care has been undertaken as part of the 2018-19 internal audit plan.

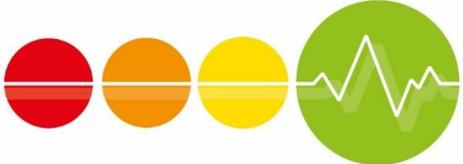
The CCG has taken on delegated functions from NHS England for primary care commissioning from 1 April 2018. As part of this, the CCG now has responsibility for ensuring that general practice in North East Lincolnshire is sustainable and provides high quality, safe care to the local population within the available budgetary envelope.

NHS England have recently issued an internal audit framework for delegated Clinical Commissioning Groups covering Primary Medical Care Commissioning and Contracting. We have therefore designed the scope of our audit to ensure that it aligns with NHS England's assurance requirements as well as the requirements of the CCG.

This area was last audited in 2015-16 under audit reference 160714. An assurance level of significant assurance was given, with four low (grade 3) findings raised.

Overall responsibility for this area lies with Julie Wilson, Assistant Director - Programme Delivery & Primary Care.

1.2 Conclusion

	<p>Governance, risk management and control arrangements provide substantial assurance that the risks identified are managed effectively. Compliance with the control framework was found to be taking place.</p>
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1.3 Scope of the audit

The objective of the audit is to provide assurance around the effectiveness of the arrangements put in place by the CCG to exercise the primary medical care commissioning functions of NHS England as set out in the Delegation Agreement in the following areas set out in the Internal Audit Framework:

a. Commissioning and procurement of primary medical services;

- i. planning the provision of primary medical care services in the area, including carrying out needs assessments and consulting with the public and other relevant agencies as necessary*
- ii. the processes adopted in the procurement of primary medical care services, including decisions to extend existing contracts*
- iii. the involvement of patients / public in those commissioning and procurement decisions*
- iv. the effective commissioning of Directed Enhanced Services and any Local Incentive Schemes (including the design of such schemes)*
- v. commissioning response to urgent GP practice closures or disruption to service provision*

Other elements of the framework will be covered on a cyclical basis in 2019/20 and 2020/21.

Risk coverage

The following risk was agreed in advance of the audit:

Risk	Causes
Primary medical services do not effectively meet patient needs or deliver against the CCG's or NHS England's objectives.	<ul style="list-style-type: none">• The CCG does not have an effective primary medical care strategy to ensure that primary medical services are adequate to meet the CCG's objectives in delivering overall healthcare to the population it serves.• The CCG fails to commission the right primary medical care services in the right way to meet its delegated responsibilities and deliver adequate primary medical healthcare to the population it serves.

Limitations to the scope of the audit

The following limitations were agreed in advance of the audit:

- The audit will not provide assurance in relation to outsourced services that do not sit within the CCG, for example those sitting within Capita. Assurance in respect of these outsourced controls will be via a Service Auditor Report (SAR) issued by the auditors of the respective organisations.

- The audit will not provide any assurance in relation to those elements of the internal audit framework that are not explicitly covered in this audit. Assurance against those areas will be provided on a cyclical basis.
- Testing will be undertaken on a sample basis.

1.4 Corporate significance & risk profile

The CCG has recently moved to fully delegated commissioning from NHS England. It is therefore required to provide annual assurance to NHS England on the functions delegated to it in relation to primary medical care commissioning, and consequently the area is material in the context of the organisation's activities.

The audit provides an independent source of assurance against the management of the identified risks around the following CCG's corporate objectives:

- Component 2: Better Care - How is the CCG faring with its care redesign, performance of constitutional standards, and its outcomes, including in important clinical areas?

The audit, therefore, provides an independent source of assurance against the following risks identified in the Assurance Framework:

- CCG-BAF.2002 Risks in delivery of key annual performance and quality indicators (Health & Social Care) and standards, including constitutional standards.

1.5 The key findings

The key findings from the audit are as follows:

- i.
 - In respect of the *i. planning the provision of primary medical care services in the area, including carrying out need's assessments and consulting with the public and other relevant agencies as necessary*, the CCG are refreshing the Primary Care Strategy. The Assistant Director Programme Delivery & Primary Care is leading on the refresh with input in relation to collation of data to inform the strategy from the CCG's Business Intelligence Team, Finance and Public Health, a lot of which involves email conversations. The Director of Public Health also sits on the Primary Care Commissioning Committee. Engagement on development of the strategy has been undertaken with the CCG's Community Forum; CCG Public 'Way Forward' Event; all 3 local GP Federations (GPs and Managers); Practice Managers; Local Optical Committee ; Local Pharmaceutical Committee; Primary Care Commissioning Committee; Council of Members;

the NEL Integrated Care Partnership Board; the local GP Provider Development Group; the CCG's Care Contracting Committee; all Local Practices; Director of Health and Wellbeing; Local Medical Committee.

- Prioritisation of workload to deliver against plans is undertaken at Team Meetings, one of which is monthly for 90 minutes where detailed prioritisation is discussed, as per the Workplan. Weekly scheduling meetings within the team occur on Mondays usually for around 45 minutes and the team structure in place is current.
- The Assistant Director Programme Delivery & Primary Care advised that from the current Strategy (in its current format – GP Forward View Local Delivery Plan), the team work with colleagues to consider what services they think are needed and identify any gaps in service. Furthermore, the recent 'Our Place Our Future' findings will be used to inform the new Strategy.

ii.

- To demonstrate how the *ii. processes adopted in the procurement of primary medical care services, including decision to extend existing contracts* works, the Primary Care Commissioning Committee (PCCC) is responsible for decision making in respect of extending contracts, as per the current Terms of Reference (ToR), which stipulate that the PCCC will make collective decisions on the review, planning and procurement of primary care services under delegated authority from NHS England. Proposals are taken either to the Primary Care Contracting Committee (PCCC) or the Care Contracting Committee (CCC). Although only the PCCC decides on primary care matters, as the CCC look at everything else.
- Another example of the process adopted includes where the GP Provider Development Group, which is a discussion forum only, engages with providers to seek views when considering commissioning enhanced services for example, and Action Notes are shared at the PCCC.

iii.

- Examples of how the CCG *iii. involved patients and the public in commissioning and procurement* decisions have been provided in respect of the development of the Strategy and a proposal to relocate the Quayside Surgery. The strategy development has been informed by a range of patient surveys (the national GP patient survey; the CCG's 'Keeping the Door Open' survey and the 'Our Place Our Future' and discussion with the local Community Forum. The community forum members have specific lay roles within the CCG and are members of Accord, which is a community membership body for North East Lincolnshire that lets all members have a say in how NHS and adult social care money is spent. The CCG's website has a link to Accord, which links in to how Accord is making a difference, how people can get involved, and how people can sign up to become an Accord member. The CCG website states that there are over 2,500 members. The proposal for a relocation of the Quayside premises involved consultation with the patients registered at the practice.
- The Accord database, managed by the CCG Engagement Team, can be customer profiled as needed, to target a demographic audience to survey. Accord members select subjects or areas they are interested in upon signing up to be a member, which assists the Team in survey participant selection profiling. The Assistant Director Programme Delivery & Primary Care also attends the Community Forum and has also provided a presentation to the local Patient Participation Groups Chairs Group.

iv.

- In respect of the *iv. effective commissioning of Directed Enhanced Services and any Local Incentive Schemes (including the design of such schemes)*, the Assistant Director Programme Delivery & Primary Care advised that although delegation from NHSE was recent most LIS and DES schemes predate this, some to 2013/14, and the local schemes are being reviewed. In relation to DES schemes, NHS England staff still support the CCG with this and communicate with practices on the DES on behalf of the CCG.
- Local Primary Care Schemes are managed by the CCG Primary Care Team. Schemes are approved at the Primary Care Commissioning Committee and are discussed at the GP Provider Development Group, who have clear Terms of Reference. In respect of the cost and spending in relation to Local Schemes, the CCG's allocation for 2017/18 was £4,284,201 and the actual spend was £4,295,106.

v.

- In respect of *v. commissioning response to urgent GP practice closures or disruption to service provision*, in the absence of a formal process for such events, whereby a member of the team would receive information regarding a problem, would speak to the practice concerned to discuss what mitigating actions were in place and then if necessary, communicate internally and externally, the Assistant Director Programme Delivery & Primary Care agreed that a formal, documented process should be in place.
- Business Continuity Plans are in place at all GP Practices to ensure appropriate responses to business disruption. However, in relation to practice closures or significant disruption (e.g. suspension of services by CQC), the CCG has a lessons learned report from a previous example which sets out what is required. However, as with a similar process that the CCG has developed pertinent to Care Homes, a formal documented process could be developed based on the lessons learned report.

Design of the control framework

In respect of the design of the control framework it was agreed at the outset that the CCG has no current process in place detailing how the CCG should respond to urgent GP practice closures or disruption to service provision.

There is also lack of clarity regarding where practical responsibilities lie (in respect of NHS England and the CCG) when a new Direct Enhanced Service comes out.

Compliance with the control framework

In respect of compliance with the control framework, the GP Provider Development Group's Terms of Reference were due a review in August 2018 and are yet to be reviewed, although the Service manager advised that it will be included on the next agenda.

1.6 Recommendation summary

	Priority		
	High	Medium	Low
Compliance with control framework	0	0	1
Design of the control framework	0	1	1
Total	0	1	2

1.7 Acknowledgement

We would like to thank management and staff for their help and cooperation during the course of this audit.

2 Action Plan

Ref	Recommendation	Priority	Accepted (Y/N)	Management Response	Target Implementation Date	Manager Responsible
1.1	Clarity should be sought on where practical responsibilities lie when a new Direct Enhanced Service comes out to ensure that the CCG complies, within its remit.	Low	Y	CCG will liaise with NHS England to agree and document responsibilities across the full range of practical tasks.	1st July 2019	Rachel Singyard, Service Manager
1.2	There should be documented guidance or clear process in place in respect of how the CCG should respond to urgent GP practice closures or disruption to service provision.	Medium	Y	CCG to develop guidance and process to be adopted in the event of urgent GP practice closure or significant disruption.	31st May 2019	Julie Wilson, Assistant Director – Programme Delivery & Primary Care
1.3	The GP Provider Development Group Terms of Reference should be reviewed and updated as applicable in a timely manner.	Low	Y	CCG to review and update GP Provider Development Group minutes at March 2019 meeting.	31st March 2019	Rachel Singyard, Service Manager

Appendix A - Findings

This report has been produced by exception. Therefore, we have included in this section only those areas of weakness in control or failure to apply controls identified from our testing and not the outcome of all testing undertaken. The prioritisation of our recommendations is explained at Appendix B.

Risk 1: Primary medical services do not effectively meet patient needs or deliver against the CCG's or NHS England's objectives.

Missing Control & Implication	Recommendation Ref	Priority
In agreement with the Assistant Director Programme Delivery & Primary Care, we identified that there is some lack of clarity in respect of where NHS England and the CCG's responsibilities lie on practical issues, for example, which organisation does what when a new Direct Enhanced Scheme comes out.	1.1	Low
In respect of the CCG's commissioning response to urgent GP practice closures or disruption to service provision, in the absence of a formal process for such events, it was agreed with the Assistant Director Programme Delivery & Primary Care that a process should be developed.	1.2	Medium

Actual Control	Design Adequate (Y/N)	Test result and implication	Recommendation Ref	Priority
Approval in respect of Local Schemes is undertaken at the Primary Care Commissioning Committee – although are discussed with local providers at the GP Provider Development Group.	Y	As per the GP Provider Development Group's Terms of Reference, which were due a review in August 2018 the Service manager confirmed that the Terms of Reference are on the agenda to be reviewed at the forthcoming meeting in March 2019. Minutes from the 2 May 2018, 12 September and 14 November 2018 meetings confirm that local schemes are discussed, as per the Terms of Reference.	1.3	Low

Appendix B - Findings Prioritisation and Assurance Definitions

Findings Prioritisation	
High	A fundamental weakness in the system that puts the achievement of the systems objectives at risk and / or major and consistent non-compliance with the control framework requiring management action as a matter of urgency.
Medium	A significant weakness within the system that leaves some of the systems objectives at risk and / or some non-compliance with the control framework.
Low	Minor improvement to the system could be made to improve internal control in general and engender good practice but are not vital to the overall system of internal control.

Assurance Definitions	
Substantial	Governance, risk management and control arrangements provide substantial assurance that the risks identified are managed effectively. Compliance with the control framework was found to be taking place.
Good	Governance, risk management and control arrangements provide a good level of assurance that the risks identified are managed effectively. A high level of compliance with the control framework was found to be taking place. Minor remedial action is required
Reasonable	Governance, risk management and control arrangements provide reasonable assurance that the risks identified are managed effectively. Compliance with the control framework was not found to be taking place in a consistent manner. Some moderate remedial action is required.
Limited	Governance, risk management and control arrangements provide limited assurance that the risks identified are managed effectively. Compliance with the control framework was not found to be taking place. Immediate and fundamental remedial action is required.