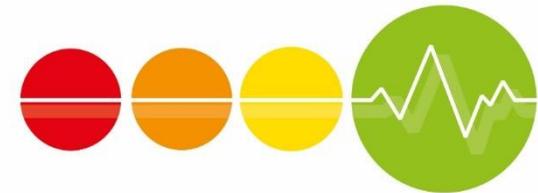


North East Lincolnshire CCG

Internal Audit Report Ref: 20/08
Date: 6 December 2019

Compliance Audit of Primary Medical Care Commissioning



Contents

1	Executive Summary	4
1.1	Introduction.....	4
1.2	Conclusion.....	4
1.3	Scope of the audit.....	4
1.4	Corporate significance & risk profile.....	5
1.5	The key findings	6
1.6	Recommendation summary	8
1.7	Acknowledgement	8
2	Action Plan.....	9
	Appendix A - Findings	10
	Appendix B - Findings Prioritisation and Assurance Definitions	13

The matters raised in this report are only those which came to our attention during our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required. Whilst every care has been taken to ensure that the information in this report is as accurate as possible, based on the information provided and documentation reviewed, no complete guarantee or warranty can be given with regards to the advice and information contained herein. Our work does not provide absolute assurance that material errors, loss or fraud do not exist. This report is prepared solely for the use of the Board and senior management of North East Lincolnshire CCG. Details may be made available to specified external agencies such as external auditors, but otherwise this report should not be quoted or referred to in whole or in part without prior consent. No responsibility to any third party is accepted as the report has not been prepared and is not intended for any other purpose.

Freedom of Information Notice

In the event that, pursuant to a request which North East Lincolnshire CCG has received under the Freedom of Information Act 2000, it is required to disclose any information contained in this report, it will notify AuditOne promptly and consult with AuditOne prior to disclosing such report. North East Lincolnshire CCG agrees to consider any representations which AuditOne may make in connection with such disclosure and North East Lincolnshire CCG shall apply any relevant exemptions which may exist under the Act to such report where it concurs that they are appropriate. If, following consultation with AuditOne, North East Lincolnshire CCG discloses this report or any part thereof, it shall ensure that any disclaimer which Audit One has included or may subsequently wish to include in the information is reproduced in full in any copies disclosed.

AuditOne is hosted by Northumberland, Tyne and Wear NHS Foundation Trust.

Our work was completed in accordance with Public Sector Internal Audit Standards.

Key Dates and Report Distribution

Debrief meeting	27 November 2019	Audit team	Carl Best, Director of Internal Audit Sue Kendall, Group Audit Manager Helen Price, Senior Auditor
Draft report issued	28 November 2019		
Responses received	5 December 2019	Client sponsor	Julie Wilson, Assistant Director – Programme Delivery & Primary Care
Final report issued	6 December 2019	Report distribution	Julie Wilson, Assistant Director – Programme Delivery & Primary Care Laura Whitton, Chief Finance Officer Final only: Nikki Cooper, Local Counter Fraud Specialist (AuditOne)

1 Executive Summary

1.1 Introduction

A compliance audit of primary medical care has been undertaken as part of the 2019-20 Internal Audit Plan and was approved at the CCG's Integrated Governance & Audit Committee under Appendix A of the plan (Core Assurance: Governance, Risk and Performance).

The CCG took 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 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 2018-19 (audit report reference 190706). Substantial assurance was provided with three recommendations agreed - two low grade and one medium.

1.2 Conclusion

	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.
--	---

1.3 Scope of the audit

The objective of this 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. As stipulated in the Internal Audit Framework: Primary Medical Care Commissioning and Contracting, the following areas will be assessed - in accordance with the Primary Medical Care Policy and Guidance Manual.

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 or within NHS England. Assurance in respect of any controls outsourced to Capita will be via a Service Auditor Report (SAR) issued by the auditors of that organisation.
- 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 in future years, on a cyclical basis.

1.4 Corporate significance & risk profile

The CCG is required to provide annual assurance to NHS England on the functions delegated to it in relation to primary medical care commissioning. 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:

Compliance with the control framework

i.

- In respect of the *i. GP Practice opening times and the appropriateness of subcontracted arrangements.*, all GP Practices submit an annual GP Practice self-declaration (e-DEC) to NHSE, which includes compliance in respect of providing services in core hours. The 2018/19 eDEC was opened for submissions over a six- week period from Wednesday 24 October to Wednesday 5 December 2018. Where a declaration is not received, NHSE follow this up, and a summary of e-Dec returns is reported to the CCG annually to provide assurance. **However, there is no evidence that the summary was presented to the Primary Care Commissioning Committee (PCCC) and we have made a recommendation to this effect.**
- NHS England hold the local APMS, PMS and GMS Contracts for all current GP providers, which specify what services must be provided in core hours and of the five contracts tested, all included a requirement to provide services in core hours.

ii.

- In respect of *ii. Managing patient lists and registration issues (for example, list closures, targeted list maintenance, out of area registration, special allocation schemes)*, at the beginning of August 2018, NHS Digital, NHS England and Public Health England made CCGs aware of discrepancies between the data held by the National Health Application and Infrastructure Services (NHAIS) and the Personal Demographics Service (PDS). PCSE were investigating these differences and NHS England worked alongside Primary Care Support England (PCSE) and the CCG to contact GP practices to analyse and reconcile these discrepancies. **There are no assurances provided by PCSE or requested by the CCG in respect of PCSE service provisions relating to targeted list maintenance, out of area registration and special allocation schemes (SAS), which should be reported to the CCG and PCCC. We have made a recommendation to this effect.**
- A list size data discrepancy exercise was undertaken by North East Lincolnshire GP practices at the request of Primary Care Support England (PCSE) - the contract of which is delivered by Capita on behalf of NHS England - in June 2019. Current issues were being investigated regarding the two demographic databases used by the NHS. PCSE wrote to practices asking for their support with addressing issues in the local area.

iii.

- Examples of how the CCG manages the *iii. Identification of practices selected for contract review to assure quality, safety and performance, and the quality of the subsequent review and implementation of outcomes*, the process is described in detail in the Primary Care Commissioning Policy on Monitoring and Evaluation Policy. This includes routine quality assurance monitoring visits, quality surveillance and formal contract action. The report states that a *'two-year cycle of routine practice visits will take place alongside any other identified monitoring*

required. Prior to any practice visit, a Pre-practice visit questionnaire will be sent to the GP practice and requested that it is completed and returned before the visit takes place.'

- The PCCC was kept informed of any actions taken to resolve issues identified by NHSE or the CCG's contract reviews and at the PCCC meeting held on 24 July 2019, practice development issues in respect of a practice were explained and a decision to support in principle the new development and associated revenue increase was minuted. This practice was reviewed by the CCG.

iv.

- In respect of *iv. Decisions in relation to the management of poorly performing GP practices and including, without limitation, contractual management decisions and liaison with the CQC where the CQC has reported non-compliance with standards (but excluding any decisions in relation to the performers list)*, the performance of GP practices is monitored by the Primary Care Quality & Performance Sub-group, who meet bi-monthly and where poor performance is identified, the committee escalates any concerns or issues to the Primary Care Commissioning Committee.
- A Quality Improvement Action Plan in respect of a practice was being monitored by the Group, as minuted at item 13 of the 20 August 2019 minutes, with discussions around possible remedial action. The issues were confirmed as being escalated to the Primary Care Commissioning Committee meeting held on 24 September 2019.
- GP practices are also subject to external monitoring by the CQC. Practices rated as being inadequate are subject to a documented process for improvement, which can also involve the practice being served with a notice of contract breach. These actions are reported through the PCCC, and examination of the Primary Care Quality Update provided to the PCCC on 24 September 2019 included a report on three CQC inspections undertaken during June and July 2019.
- At one of the practices who took up the offer of support pre-CQC, concerns were identified, and an initial action plan was put in place ahead of the CQC inspection. The outcome for the CQC inspection was an overall 'Inadequate' rating and the practice has been placed in special measures. The report provided to the PCCC sets out more detail regarding this rating, and the support the CCG was putting in place to ensure patients receive safe and effective services.

v.

- In respect of *v. Overall management of practice: (1) mergers) (2) closures*, the CCG report includes details of any proposed mergers or closures, including branch closures and is presented to the PCCC, with sufficient information to enable the PCCC to make a decision, however, at the meeting held on 26 March 2019, updates regarding a proposed merger were provided although no actual decision was required at this meeting. No other closures or merges were taken to the committee.

1.6 Recommendation summary

	Priority		
	High	Medium	Low
Compliance with control framework	0	1	1
Total	0	1	1

1.7 Acknowledgement

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

2 Action Plan

Ref	Recommendation	Priority	Accepted (Y/N)	Management Response	Target Implementation Date	Manager Responsible
1.1	An annual summary of GP practice eDEC submissions received by NHS England should be provided to the Primary Care Commissioning Committee	Low	Y	The eDEC data will be reviewed by the CCG on an annual basis when all submissions have been submitted and the data is available. Following this review NHS England will submit a paper to the PCCC highlighting any issues or concerns and the resolution to these. A copy will also be sent to the CCG's Primary Care Quality and Performance Group.	31 March 2020	Rachel Barrowcliff, Service Manager
1.2	The CCG should formally review on an annual basis any outsourced assurances that it receives from Capita, NHS Digital and NHS England around list management and Special Allocation Scheme (SAS) to ensure that such assurance is sufficient. Where gaps in assurance are identified, the CCG should liaise with outsourced providers to address these. In addition, the CCG should ensure that any reports that have been received are presented to the relevant CCG Committees.	Medium	Y	The CCG will liaise with NHS England to source an assurance report on the management of list size processes by Capita. The CCG will also request that any reports on the outcomes of list size cleansing be made available to the CCG. In both these instances the reports would be provided to the PCCC for review and action if necessary. The CCG will share the Capita SAR reports with PCCC for information on an annual basis.	31 March 2020	Julie Wilson, Assistant Director – Programme Delivery & Primary Care

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: GP Practice opening times and the appropriateness of subcontracted arrangements.

Actual Control	Design Adequate (Y/N)	Test result and implication	Recommendation Ref	Priority
All GP Practices submit an annual GP Practice self-declaration (e-DEC) to NHSE, which includes compliance in respect of providing services in core hours, and where a declaration is not received, NHSE follow this up, and a summary of e-Dec returns is reported to the CCG annually to provide assurance. The 2018/19 eDEC was opened for submissions over a six-week period: from Wednesday 24 October to Wednesday 5 December 2018. All GP practices were required to submit their eDEC electronically through the primary care website.	Y	<p>The joint tasks and functions schedule in respect of the management and roll out, analysis and follow up of annual E-Decs states that 'NHSE will lead and report on performance to the CCG committee annually'.</p> <p>Evidence has been provided by the Primary Care Business Manager at NHS England that e-Dec submissions are requested, received and omissions investigated, however, NHS England are not involved in the process from end to end and although they liaise with the CCG, there is no evidence to confirm that the Primary Care Commissioning Committee receive annual assurances in respect of e-Dec submissions (or lack of).</p>	1.1	Low

Risk 2: Managing patient lists and registration issues (for example, list closures, targeted list maintenance, out of area registration, special allocation schemes).

Actual Control	Design Adequate (Y/N)	Test result and implication	Recommendation Ref	Priority
<p>Reporting arrangements and assurances in respect of list closures, targeted list maintenance, out of area registration and special allocation schemes) are provided to the PCCC who meet on a six-weekly basis.</p>	<p>Y</p>	<p>A list size data discrepancy exercise was undertaken by North East Lincolnshire GP practices at the request of Primary Care Support England (PCSE) / NHS England in June 2019.</p> <p>Current issues were being investigated regarding the two demographic databases used by the NHS. PCSE wrote to practices asking for their support with addressing issues in the local area.</p> <p>At the beginning of August 2018, NHS Digital, NHS England and Public Health England made CCGs aware of discrepancies between the data held by the National Health Application and Infrastructure Services (NHAIS) and the Personal Demographics Service (PDS). PCSE were investigating these differences and an important part of this process relied on GP practices checking a small number of individual patient records.</p> <p>The accuracy of registration lists is important which is why NHS England are working alongside Primary Care Support England</p>	<p>1.2</p>	<p>Medium</p>

Actual Control	Design Adequate (Y/N)	Test result and implication	Recommendation Ref	Priority
		<p>(PCSE) to contact GP practices to analyse and reconcile these discrepancies. This will ensure correct registration and deduction processes have been followed.</p> <p>From the work undertaken to date many of these differences relate to duplicate records and data quality issues. However, some of these errors could impact on patient care, such as missing invitations to NHS services or errors in their Summary Care Record. It is important for patients' ongoing care that these errors are resolved.</p> <p>There are no assurances provided by PCSE or requested by the CCG in respect of PCSE service provisions relating to targeted list maintenance, out of area registration and special allocation schemes (SAS), which should be reported to the CCG and PCCC.</p>		

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.