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**Internal Audit Report  
For  
NHS North Yorkshire  
Clinical Commissioning Group**

**Primary Medical Care Commissioning & Contracting:  
Commissioning and Procurement of Services**

**Report Reference 2021/04**



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**Report Version: Management Agreed Draft**  
**Report Date: 28 September 2021**



### Objective

The objective of the review was to provide assurance on the management of delegated primary medical care commissioning arrangements with regards to Commissioning and Procurement of Primary Medical Services, and the associated governance arrangements.

### Overall Opinion

Internal Audit is required by NHS England / Improvement (NHSE/I) to assign their prescribed categories for assurance of primary medical services commissioning, in line with the Primary Medical Care Commissioning and Contracting: Internal Audit Framework for delegated Clinical Commissioning Groups (CCGs) (Appendix 1). This differs from the standard Audit Yorkshire audit opinion levels.

<b>Substantial</b>	<p>The review established that there is a sound system of internal control in place for delegated primary care commissioning and procurement, with effective arrangements in place for the commissioning and procurement of primary medical services in the planning and review of provision, commissioning decisions, procurement processes, and patient and public involvement. The CCG has formally adopted the NHSE/I Primary Medical Care Policy and Guidance Manual (PMC PGM).</p> <p>Since 2020/21 the response to the COVID-19 pandemic has been a main focus of the CCG and Primary Care, together with the move towards working under an Integrated Care System (ICS) in the Health and Care Bill 2021/22. Both of these factors have impacted on the opportunities and focus for Primary Care commissioning and procurement. Testing found that adequate controls and processes are in place however evidence of commissioning and procurement decisions made in practice in the sample period was limited due to these circumstances.</p> <p>There was adequate governance in regard to primary care commissioning and procurement of services by the Primary Care Commissioning Committee (PCCC).</p> <p>Testing identified areas for improvement in controls relating to the:</p> <ul style="list-style-type: none"><li>• Circulation and action of changes and updates in the recent refresh of the PMC PGM.</li><li>• Approval of the Harrogate and Rural District Locality contract variation to extend the Extended Access Alternative Provider Medical Services (APMS) contract term, to reflect changes in contracting arrangements from April 2022 relevant to Primary Care Networks (PCNs).</li></ul>
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## Assurance on Key Control Objectives

Control Objective	Review Highlights (✓ Positive Assurance, ! Action Required)	Assurance Level	Recommendations (Priority)		
			Major	Moderate	Minor
<b>Primary Care Commissioning &amp; Procurement of Services</b>					
There are effective arrangements in place for the planning of 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.	<ul style="list-style-type: none"> <li>✓ The PMC PGM is the primary policy document used by the CCG in the commissioning and procurement of primary medical care services and was refreshed by NHSE/I in February 2021. Review of the NHSE/I Delegated Commissioning Primary Care Update to the PCCC on 25/3/21 reported the refresh and a link to the updated document.</li> <li>✓ Staff with a responsibility for Primary Care are aware of the PMC PGM published on the NHSE/I website. Processes undertaken for the planning of services, needs assessments and public and patient engagements are in line with those outlined in the PMC PGM.</li> <li>✓ The CCG adopted the NHSE/I Standard operating procedure for General practice to support primary care teams in managing contact with, and presentations of, patients who suspect they may have COVID-19.</li> <li>✓ Primary Care commissioning strategy was outlined in the Primary Care Strategic Overview reported to the PCCC on 26/11/20. The presentation included the CCG strategic objectives for working together for healthier lives in North Yorkshire. Primary Care is a system recovery and transformation workstream from which there are key aims for 2022/23, and the presentation incorporated the Humber Coast and Vale Operating Principles for Primary Care and NHSE/I system priorities.</li> <li>✓ Planning of the provision of Primary Care services was demonstrated in the Primary Care Planning 2021/22 report to the PCCC on 27/5/21. Headline priorities across the North Yorkshire and York Strategic Partnership are in place together with national planning requirements, local priorities and key objectives for the coming year.</li> <li>✓ The North Yorkshire Joint Strategic Needs Assessment 2020- North Yorkshire CCG profile was reported to the PCCC on 26/11/20. The profile provided an overview of population health needs in NY CCG, and identified the major themes which affect health and presented latest available data.</li> <li>✓ Roles and responsibilities for Primary Care Co-Commissioning activities are clearly defined. The signed delegation agreement between NHSE/I and the</li> </ul>	<b>Full</b>	<b>0</b>	<b>0</b>	<b>1</b>



# Section 1: Executive Summary

Control Objective	Review Highlights (✓ Positive Assurance, ! Action Required)	Assurance Level	Recommendations (Priority)		
			Major	Moderate	Minor
	<p>CCG dated 1/4/20 sets out the arrangements that apply in relation to the exercise of the delegated functions, including decisions in relation to the commissioning and procurement of Primary Medical Services Contracts.</p> <ul style="list-style-type: none"> <li>✓ The Terms of Reference for the PCCC confirm the role of the CCG to plan, including needs assessments, primary medical care services in the North Yorkshire area.</li> <li>✓ The Head of Primary Care Transformation advised that there have been no completed commissioning or changes to General Practice primary care services from April 2020 to July 2021 which required the planning of service provision with needs assessments and patient and public engagement. There has been no procurement of APMS contracts from the creation of the CCG in April 2020 for which a needs assessment was required to be undertaken. This was confirmed in a review of PCCC agendas and papers.</li> <li>✓ The delivery of primary care services commissioned has changed in the response to COVID-19, through creation of red sites or zones and the use of digitally enabled platforms. In addition, there have been updates and temporary changes to the GP contracting arrangements including deprioritisation and resumption of activities. The PCCC has had adequate oversight through CCG Primary Care Reports and the NHSE/I Delegated Commissioning Primary Care Update received on a quarterly basis.</li> <li>✓ The PCCC receives a quarterly report of significant risks scored at 15 or above that have been allocated to the Committee for assurance. The Significant Risk Review report to the PCCC on 26/11/20 asked the Committee to note the management and mitigating actions for two significant risks (Risk ID SI-001 and SI-002). The ongoing management and mitigating actions for these risks were monitored in subsequent reports to the PCCC on 27/5/21 and 22/7/21.</li> </ul> <p>! The refresh of the PMC PGM has not been reviewed by the CCG to identify and action the minor changes and updates made. Best practice was seen at other CCGs where a paper was reported to the PCCC to provide assurance that current practices reflect the updated guidance, which maintains the audit trail for all changes to the Policy.</p>				



# Section 1: Executive Summary

Control Objective	Review Highlights (✓ Positive Assurance, ! Action Required)	Assurance Level	Recommendations (Priority)		
			Major	Moderate	Minor
Adequate processes are adopted in the procurement of primary medical care services, including decisions to extend existing contracts.	<ul style="list-style-type: none"> <li>✓ The CCG Procurement Policy dated December 2020 includes a section relevant to Primary Care contracts and confirms compliance with the PMC PGM with regard to procurement and award of primary care contracts. The Policy was confirmed to reference the requirement to follow the NHS Procurement, Patient Choice and Competition Regulations 2013, and Public Contracts Regulations 2015 for all relevant contracts.</li> <li>✓ Procurement regulations apply to the procurement of APMS contracts, in line with other externally procured services. Local Enhanced Services are developed by Commissioners to offer to local practices to supplement services already offered in the core practice contract.</li> <li>✓ The Terms of Reference for the PCCC confirm the role of the committee to make collective decisions on the review, planning and procurement of primary care services in the North Yorkshire area, under delegated authority from NHSE/I.</li> <li>✓ The arrangements for procurement of agreed services follow the CCG Scheme of Reservation and Delegation, and Standing Financial Instructions. The Scheme of Reservation and Delegation in the published CCG Governance Handbook confirms that the PCCC has delegated authority to approve contracts and contract variations in relation to Primary Care. The Head of Primary Care Transformation advised that where a decision has contracting or financial implications, the paper is taken to the FPCC in the first instance, following which a recommendation is made to the PCCC to approve.</li> <li>✓ Review of the PCCC papers and minutes confirmed that there have been no procurement award or contract extension decisions made by the Committee from April 2020 to July 2021.</li> <li>✓ Relevant commissioning and procurement updates are reported to the PCCC through the quarterly Primary Care Report. Review of the Delegated Commissioning Primary Care Update July 2021 reported to the meeting of the PCCC held on 22/7/21 asked the PCCC to confirm they are in agreement for NHSE/I to proceed with a direct award of the clinical waste contract with the incumbent provider. The re-procurement programme of clinical waste services is being centrally led for the Humber, Coast and Vale by NHSE/I with the direct award being an interim measure before the procurement exercise begins from August 2022.</li> </ul>	<b>Substantial</b>	<b>0</b>	<b>1</b>	<b>0</b>



## Section 1: Executive Summary

Control Objective	Review Highlights (✓ Positive Assurance, ! Action Required)	Assurance Level	Recommendations (Priority)		
			Major	Moderate	Minor
	<ul style="list-style-type: none"> <li>✓ Evidence was provided of the recent joint procurement with the Vale of York CCG of the Community Eye Care Service (CECS), which diverts inappropriate urgent referrals to community optometrists via clinical triage prior to onward referral to secondary care. The procurement was managed by NECS. The Procurement Evaluation Strategy presented to the Finance, Performance, Contracting and Commissioning Committee on 20/5/21 for approval referenced the alignment with the NHS (Procurement, Patient Choice and Competition) (No.2) Regulations 2013 and outlined the procurement methodology, evaluation strategy and service specification.</li> <li>✓ Five APMS contracts are in place relevant to Extended Access services. The Primary Care Report to the PCCC on 25/3/21 and 22/7/21 provided an update on the delayed transfer of funding for Extended Access into the PCN Directed Enhanced Services (DES) contract from April 2022. There is a requirement for the CCG to continue to commission the service in the interim period and the PCCC was asked to note that all providers had provisionally agreed to extend their current contracts for a further 12 months.</li> <li>✓ The Assistant Director of Contracting and Procurement confirmed that there were no procurement decisions required to be made by the CCG due to the national direction from NHSE/I to extend existing arrangements with providers. The CCG updated its contracts via variation for Scarborough and Ryedale, and Hambleton, Richmondshire and Whitby locality services and they have been signed off by the Chief Finance Officer.</li> </ul> <p>! At the time of the audit, the sign off of the Extended Access contract variation to extend the term for the Harrogate and Rural District locality services was outstanding.</p>				
There is evidence of patient and public involvement in commissioning and procurement decisions.	<ul style="list-style-type: none"> <li>✓ Patient and public involvement is a key component of commissioning decisions made by the CCG. The process followed by the CCG is in line with the PMC PGM which confirms that Commissioners should ensure that there is public involvement where a decision leads to an impact on the provision of primary care services.</li> <li>✓ The CCG Lay Member for Patient and Public Engagement is a member of the PCCC.</li> <li>✓ There has been no completed commissioning or procurement of new primary</li> </ul>	Full	0	0	0



## Section 1: Executive Summary

Control Objective	Review Highlights (✓ Positive Assurance, ! Action Required)	Assurance Level	Recommendations (Priority)		
			Major	Moderate	Minor
	<p>care services from April 2020 to July 2021 which required patient and public engagement.</p> <ul style="list-style-type: none"> <li>✓ Patient and public engagement undertaken for the most recent Practice branch closures (Central Healthcare Scarborough- Prospect Road branch and Church Avenue Harrogate- Hampsthwaite branch) was reviewed in the scope of the 2020/21 previous year's audit and assurance provided on this process.</li> <li>✓ The CCG Annual Report 2020/21 included a section at 6.4.1 regarding Primary Care engagement undertaken and how this activity has been adapted throughout the pandemic.</li> <li>✓ The level of consultation required to be undertaken is determined on a case by case basis, and includes the Local Medical Committee (LMC) and affected patients. A LMC representative attends the meetings of the PCCC in an advisory role.</li> </ul>				
<p>There are processes to commission Directed Enhanced Services and any Local Incentive Schemes (including the design of such schemes).</p>	<ul style="list-style-type: none"> <li>✓ DES are national services and the CCG has a local process to ensure coverage across practices. The CCG therefore does not commission DES but provides an administrative role. DES are offered through the Calculating Quality Reporting Service (CQRS) to GP Practices.</li> <li>✓ DES are not specifically reported through the PCCC as a decision is not required, however review of PCCC papers found evidence of updates provided through the CCG Primary Care Report and the NHSE/I Delegated Commissioning Primary Care Update report. The NHSE/I Delegated Commissioning Primary Care Update report to the PCCC on 28/5/20 confirmed the publishing of the Network Contract DES PCN specification for 2020/21.</li> <li>✓ The Network Contract DES was implemented through PCNs prior to the creation of NY CCG from April 2020.</li> <li>✓ The Enhanced Service Specification for the COVID-19 vaccination programme 2020/21 was commissioned by NHSE/I from December 2020. Outcomes from this programme were reported through the PCCC for information but no decision making was required. The CCG Primary Care Report to the PCCC on 25/3/21 confirmed the commissioning by NHSE/I of the Enhanced Service for delivery of the COVID-19 vaccination programme from 8/12/20 to 31/8/21. An update was provided in the CCG Primary Care Report to the PCCC on 22/7/21 regarding the extension of the enhanced service contract to 31/10/21.</li> <li>✓ Local Enhanced Schemes (LES) are reviewed on an annual basis which</li> </ul>	<b>Full</b>	<b>0</b>	<b>0</b>	<b>0</b>





## Section 1: Executive Summary

Control Objective	Review Highlights (✓ Positive Assurance, ! Action Required)	Assurance Level	Recommendations (Priority)		
			Major	Moderate	Minor
	includes the funding allocated. The Service Improvement Manager (Primary Care) provided evidence of a clinically led comparison review during 2020/21 of the LES in place and what services they provided. A report to the CCG Directors in June 2021 concluded that the review of every specification and the overarching programme is complex and the next steps in the project were the identification of clear priorities within the scope of the work and the defining of a range of future commissioning options.				
There are processes to commission a response to urgent GP practice closures or disruption to service provision.	<ul style="list-style-type: none"> <li>✓ The PMC PGM outlines the processes to follow should a response be required to be commissioned to urgent GP practice closures, or disruption to service provision.</li> <li>✓ The NHSE delegation agreement confirms a delegated function to make decisions in relation to the closure of GP Practices. The PCCC Terms of Reference state that the 'Committee will function as a corporate decision-taking body for the management of the delegated functions and the exercise of the delegated powers'.</li> <li>✓ There have been no urgent permanent Practice closures or disruption to service provision from April 2020 to July 2021 which required a response to be commissioned. Temporary practice closures during the pandemic were limited to branches only and therefore were not required to be reported to the PCCC for decision making purposes.</li> <li>✓ Business continuity of Primary Care service provision has been managed through the NHSE/ Operational Pressures Escalation Levels (OPEL) Framework, where Practices report significant issues affecting their ability to deliver their services on a daily basis.</li> <li>✓ An escalation process was in place through the framework. The CCG was notified should a GP Practice be classed as level 3, where there becomes a need to reprioritise services. Review of the Practice OPEL report daily data from 4 January to 19 July 2021 found that there were only 9 instances where level 3 was reported for a Practice, for reasons including reduced staffing and increased demand, which were quickly resolved. Evidence was provided to demonstrate the response from the CCG to OPEL level 3 escalation for two Practices through diversion of patients calling 111.</li> <li>✓ The CCG Primary Care Report to the PCCC on 25/3/21 included an update on Daily OPEL reporting in Primary Care and Covid-19 assessment sites, both</li> </ul>	<b>Full</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Section 1: Executive Summary

Control Objective	Review Highlights (✓ Positive Assurance, ! Action Required)	Assurance Level	Recommendations (Priority)		
			Major	Moderate	Minor
	commissioned by the CCG using NHSE/I resilience funding and additional Covid allocations.				
<b>Governance</b>					
There is effective operation and oversight of the Primary Care Commissioning Committee (or alternative committee with responsibility for the delegated function) in regard to Primary Care Commissioning and Procurement of Services (but not in relation to the management of Conflicts of Interest).	<ul style="list-style-type: none"> <li>✓ There are appropriate governance arrangements in place providing for the effective operation of the PCCC in regard to Primary Care commissioning and procurement of services.</li> <li>✓ The PCCC Terms of Reference state that the role of the Committee is to carry out the functions relating to the commissioning of primary medical services under section 83 of the NHS Act, including contracts, newly designed enhanced services, design of local incentive schemes, decision making on establishment of new practices, and approving practice mergers. The Terms of Reference were approved by the Committee on 27/5/21 in line with the process of annual review.</li> <li>✓ The Committee meets every 2 months and is accountable to the CCG Governing Body and NHSE/I. Key messages from each Committee meeting are presented to the Governing Body.</li> <li>✓ The format of the CCG PCCC Terms of Reference was tested to the NHSE Delegated commissioning model draft Terms of Reference dated October 2015 and found to be consistent, with minor amendment as appropriate to reflect local arrangements.</li> <li>✓ Review of the agendas, papers and minutes from the three most recent public meetings of the PCCC held in March 2021, May 2021 and July 2021, found that the operation of the PCCC was in line with the scope of its Terms of Reference.</li> <li>✓ A PCCC forward plan is maintained which includes a heading for commissioning and strategy and agenda items in line with its Terms of Reference.</li> <li>✓ The PCCC Annual Report 2020/21 was reported to the Committee for approval on 25/3/21. The report included the annual effectiveness review, which was received by the Governing Body on 25/2/21 to provide assurance that the Committee has carried out its duties in accordance with its Terms of Reference for 2020/21.</li> </ul>	<b>Full</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Overall</b>		<b>Substantial</b>	<b>0</b>	<b>1</b>	<b>1</b>



### Background Information

NHS England became responsible for the direct commissioning of primary medical care services on 1 April 2013. Since then, following changes set out in the NHS Five Year Forward View, primary care co-commissioning has seen CCGs invited to take on greater responsibility for general Practice commissioning, including full responsibility under delegated commissioning arrangements. Where NHS England delegates its functions to CCGs, it still retains overall responsibility and liability for these and is responsible for obtaining assurances that its functions are being discharged effectively.

In agreement with the NHS England Audit and Risk Assurance Committee, NHS England requires an internal audit of delegated CCGs primary medical care commissioning arrangements. The purpose of this being to provide information to CCGs that they are discharging NHS England’s statutory primary medical care functions effectively, and in turn use this information to provide aggregate assurance to NHS England and facilitate NHS England’s engagement with CCGs to support improvement.

To support this, in August 2018 NHS England published the Primary Medical Care Commissioning and Contracting: Internal Audit Framework for delegated Clinical Commissioning Groups. The document provides a framework for delegated CCGs to undertake an internal audit of their primary medical care commissioning.

The scope of the work covers:

- a) Commissioning and Procurement of Services
- b) Contract Oversight and Management Functions
- c) Primary Care Finance
- d) Governance (common to each of the areas a-c above)

The audit framework is being delivered as a 3 year programme of work to ensure this scope is subject to annual audit in a managed way and within existing internal audit budgets. As Governance is common to each area, this is covered in relation to the area of scope under review each year. Based on the priorities discussed with the CCG the following programme was agreed:

Audit Year	Module
2019/20	C: Primary Care Finance (Assurance level Substantial)
2020/21	B: Contract Oversight and Management Functions (Assurance level Substantial)
2021/22	A: Commissioning and Procurement of Primary Medical Services (Assurance level Substantial as described in this report)



(Module D relates to governance and is considered alongside each module above).

The key components which NHS England has defined as being in scope under each of the headings are detailed in Appendix One. Excluded from scope is the management of conflicts of interests which is subject to its own internal audit framework.

### Key Risks

The key risk associated with this area is that the CCG does not discharge NHSE's statutory primary medical care functions effectively.

### Objectives & Scope

The objective of the audit was to provide assurance on the management of delegated primary medical care commissioning arrangements with regards to Commissioning and Procurement of Primary Medical Services, and the associated governance arrangements

In order to meet this objective, the audit focused on the following key control objectives:

#### Primary Care Commissioning and Procurement of Primary Medical Services

- There are effective arrangements in place for the planning of 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.
- Adequate processes are adopted in the procurement of primary medical care services, including decisions to extend existing contracts.
- There is evidence of patient and public involvement in commissioning and procurement decisions.
- There are processes to commission Directed Enhanced Services and any Local Incentive Schemes (including the design of such schemes).
- There are processes to commission a response to urgent GP practice closures or disruption to service provision.

#### Governance

- There is effective operation and oversight of the Primary Care Commissioning Committee (or alternative committee with responsibility for the delegated function) in regard to Primary Care Commissioning and Procurement of Services (but not in relation to the management of Conflicts of Interest).



### Methodology

Audit fieldwork ascertained, through discussions with key staff, examination of relevant documentation and testing where appropriate, whether:

- Relevant policies, procedures and guidance have been authorised, and communicated to relevant personnel.
- Local processes established by the CCG are aligned to NHS England policies and guidance e.g. Primary Medical Care Policy and Guidance Manual.
- Roles and responsibilities for activities have been clearly defined.
- Processes are in place to confirm compliance with policies and procedures.
- Documentation is retained, including records of decisions. There is evidence to show decisions were exercised in accordance with NHS England's statutory duties.

Sample testing period: April 2020 to July 2021.

### Limitations

The report is based on the review work undertaken and is not necessarily a complete statement of all weaknesses that exist or potential improvements. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, no complete guarantee or warranty can be given with regard to the advice and information contained. Our work does not provide absolute assurance that material errors, loss or fraud do not exist.

Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management and work performed by us should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify all circumstances of fraud or irregularity. Effective and timely implementation of our recommendations by management is important for the maintenance of a reliable internal control system.

Where information resulting from audit work is made public or is provided to a third party by the client or by Audit Yorkshire then this must be done on the understanding that any third party will rely on the information at its own risk. Audit Yorkshire will not owe a duty of care or assume any responsibility towards anyone other than the client in relation to the information supplied. Equally, no third party may assert any rights or bring any claims against Audit Yorkshire in connection with the information. Where information is provided to a named third party, the third party will keep the information confidential.



### Public Sector Internal Audit Standards

Audit work undertaken by Audit Yorkshire conforms with the International Standards for the Professional Practice of Internal Auditing.

### Report Circulation

Draft	Final	Recipient Name	Recipient Title
✓	✓	Wendy Balmain	Director of Strategy & Integration
✓	✓	Jane Hawkard	Chief Finance Officer
✓	✓	Julie Warren	Director of Corporate Services, Governance & Performance
✓	✓	Lisa Pope	Deputy Director of Primary Care and Integration
✓	✓	Andrew Dangerfield	Head of Primary Care Transformation
✓	✓	Sasha Sencier	Board Secretary and Senior Governance Manager
✓	✓	Steve Jordan	Assistant Director of Contracting and Procurement
✓		Management agreed draft report to	Primary Care Commissioning Committee
	✓	Alec Cowell	Deputy Director of Financial Services & Reporting
	✓	Amanda Bloor	Accountable Officer

### Acknowledgement

The auditor is grateful for the assistance received from management and staff during the course of this review. The following members of the Audit Yorkshire team were involved in the production of this report:

Head of Internal Audit:	Helen Kemp-Taylor
Deputy Head of Internal Audit:	Kim Betts
Senior Auditor:	Laura Daffern

Date: 28 September 2021



Finding	Risk	Recommendation	Priority	Management Response	Responsible Officer	Target Date
<b>Primary Care Commissioning and Procurement of Services</b>						
<p><b>Refresh of the Primary Medical Care Policy and Guidance Manual</b></p> <p>The PMC PGM was refreshed by NHSE/I in February 2021 and included the following main changes relevant to future commissioning and procurement:</p> <p><u>Part A: Excellent commissioning and partnership working-</u> A link to a suite of e-learning modules developed with Health Education England to complement the PGM in key areas identified with commissioners as requiring further support.</p> <p><u>Part B: General contract management-</u> The chapter on NHS England Procurement Support Contract has been amended to signpost to the APMS Purchasing System, which supports a more streamlined approach to procuring GP services.</p> <p>The refresh of the PMC PGM has not yet been reviewed by the CCG to identify and action the minor changes and updates made.</p>	<p>CCG practices undertaken not fully up to date with current guidance.</p>	<p>1. The changes and updates in the refresh of the PMC PGM should be circulated and actioned within the CCG as appropriate.</p>	<p>Minor</p>	<p>Recommendation agreed. The changes and updates in the refresh of the PMC PGM will be circulated and actioned where appropriate.</p>	<p>Andrew Dangerfield  Head of Primary Care Transformation</p>	<p>30 November 2021</p>



Finding	Risk	Recommendation	Priority	Management Response	Responsible Officer	Target Date
<p><b>Approval to extend APMS contract terms</b></p> <p>The contract terms of the five APMS contracts in place for Primary Care Extended Access expire before the contracting responsibility transfers from the CCG to the PCN DES from April 2022.</p> <p>There is a requirement for the CCG to continue to commission the service in the interim period and all providers agreed to extend their current contracts for a further 12 months. The CCG updated its contracts via variation for Scarborough and Ryedale, and Hambleton, Richmondshire and Whitby locality services and they have been signed off by the Chief Finance Officer.</p> <p>At the time of the audit, the sign off of the Extended Access contract variation to extend the term for the Harrogate and Rural District locality services was outstanding.</p>	Outdated contractual arrangements for services commissioned.	2. The Extended Access APMS contract variation for the Harrogate and Rural District locality services should be formally approved by the Chief Finance Officer.	Moderate	Recommendation agreed.	Steve Jordan  Assistant Director of Contracting and Procurement	30 November 2021





### Audit Opinion

#### Categories of Primary Medical Care Commissioning Assurance

NHSE requires delegated CCGs internal audit assign one of four categories to their assurance of primary medical services commissioning:

Assurance level	Evaluation and testing conclusion
Full	<ul style="list-style-type: none"> <li>The controls in place adequately address the risks to the successful achievement of objectives; and,</li> <li>The controls tested are operating effectively.</li> </ul>
Substantial	<ul style="list-style-type: none"> <li>The controls in place do not adequately address one or more risks to the successful achievement of objectives; and / or,</li> <li>One or more controls tested are not operating effectively, resulting in unnecessary exposure to risk.</li> </ul>
Limited	<ul style="list-style-type: none"> <li>The controls in place do not adequately address multiple significant risks to the successful achievement of objectives; and / or,</li> <li>A number of controls tested are not operating effectively, resulting in exposure to a high level of risk.</li> </ul>
No assurance	<ul style="list-style-type: none"> <li>The controls in place do not adequately address several significant risks leaving the system open to significant error or abuse; and / or,</li> <li>The controls tested are wholly ineffective, resulting in an unacceptably high level of risk to the successful achievement of objectives.</li> </ul>

The assurance gradings provided here are not comparable with the International Standard on Assurance Engagements (ISAE 3000) issued by the International Audit and Assurance Standards Board and as such the grading of 'Full Assurance' does not imply that there are no risks to the stated control objectives.



### Priorities assigned to individual recommendations

Individual recommendations are graded in accordance with the severity of the risk involved to the Trust. Audit Yorkshire has a standard definition for each level of recommendation priority. This is represented in the table below:

Grading	Definition	Guidance on Consistency
<b>Major (High)</b>	Recommendations which seek to address those findings which could present a significant risk to the organisation with respect to organisation objectives, legal obligations, significant financial loss, reputation/publicity, regulatory/statutory requirements or service/business interruption.	These are recommendations which aim to address issues which if not addressed could cause significant damage or loss to the organisation. The expectation is that these recommendations would need to be taken as a matter of urgency. These recommendations should have a high corporate profile – with a clear implementation tracking process in place, overseen by the Board or a Board level committee.
<b>Moderate (Medium)</b>	Recommendations which seek to address those findings which could present a risk to the effectiveness, efficiency or proper functioning of the system but do not present a significant risk in terms of corporate risk.	These are recommendations which if not addressed could cause problems with the safe or effective operation of the system being reviewed. The recommendations should have appropriate profile within the division or business area in which the system being considered sits and some profile at Board /Audit Committee level also. These recommendations should be carefully tracked to ensure that action reduces the risks found
<b>Minor (Low)</b>	Recommendations which relate to issues which should be addressed for completeness or for improvement purposes rather than to mitigate significant risks to the organisation. (This includes routine/housekeeping issues)	All other recommendations fall into this category. This includes recommendations which further improve an already robust system and housekeeping type issues.



The following is in the scope of the primary medical services 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

**b. Contract Oversight and Management Functions. Generally these will be those relating to the accessibility and quality of GP services, including but not limited to ensuring relevant national and locally applied contract terms in relation to;**

- i. GP Practice opening times and the appropriateness of sub contracted arrangements
- ii. Managing patient lists and registration issues (for example, list closures, targeted list maintenance, out of area registration, special allocation schemes)
- 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
- 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)
- v. Overall management of Practice: (1) mergers (2) closures



### **c. Primary Care Finance**

- i. Overall management and the reporting of delegated funds – processes for forecasting, monitoring and reporting
- ii. Review of financial controls and processes for approving payments to Practices
- iii. Review of compliance with coding guidance on a sample basis
- iv. Processes to approve and decisions regarding 'discretionary' payments (e.g. Section 96 funding arrangements, Local Incentive Schemes)
- v. Implementation of the Premises Costs Directions

### **d. Governance**

- i. Operation and oversight of the Primary Care Commissioning Committee (or alternative committee with responsibility for the delegated function) in regard to the points a-c above (but not in relation to the management of Conflicts of Interest).

