



Date: May 2019

To: Fran Beck, Executive Lead: Commissioning

CC: Corrinne Ralph, Head of Primary Care
Alison Smith, Executive Lead: Governance & Engagement
Christine Morris, Executive Lead: Quality, Nursing & Safety
Jon Cooke, Chief Finance Officer

Internal Audit Engagement Letter – Primary Care – Contract Oversight and Management Function

1. Introduction

As part of the agreed programme of Internal Audit work for 2019/20, we are scheduled to undertake a review of Primary Care – Contract Oversight and Management Function.

The review is scheduled to be undertaken in Q4 and the audit team will consist of the following members:

Lead: Sarah Swan
Manager: Sean Kincaid
Team: James Elsby

2. Scope and coverage

Background information

In May 2014, NHS England invited CCGs to come forward with expressions of interest to take on an increased role in the commissioning of GP services. In April 2015, Telford & Wrekin CCG adopted delegated commissioning status.

The CCG has a Primary Care Commissioning Committee to make decisions on the review, planning and procurement of primary care services in Telford & Wrekin.

The Committee meets monthly and is supported by a Terms of Reference detailing the membership and required representation at meetings.

While NHS England's CCG Improvement and Assessment Framework reports CCG performance in key areas, including primary care, it does not provide specific assurance on the management of delegated primary medical care commissioning arrangements.



In August a paper Primary Medical Care Commissioning and Contracting: Internal Audit Framework for delegated Clinical Commissioning Groups was published by NHS England to help strengthen this gap. This included the 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.

The Delegation Agreement entered into between NHS England and CCGs sets out the terms and conditions on how delegated primary medical care functions are to be exercised. The scope of the audit framework is designed around this by mirroring these functions through the natural commissioning cycle:

- Commissioning and procurement of services
- Contract Oversight and Management Functions
- Primary Care Finance
- Governance (common to each of the above areas)

Commissioning and procurement of services was reviewed in 2018/19 under the Framework and Significant Assurance was provided, which under the framework translated to Full Assurance.

The assurance grading's in the framework were 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' did not imply that there are no risks to the stated control objectives.

The same review will be undertaken at Shropshire CCG.

Overall scope and objectives

Through a process of control evaluation and testing, Internal Audit will examine the extent to which the key control objective recorded below has been met:

Key Control Objective	Risks
Contract Oversight and Management Functions	Potential risks have been identified as a lack of: <ul style="list-style-type: none">• Services are not patient focused• Services do not provide value for money• Patient care is not optimised.• Fraud is not identified and prevented

The review will included testing 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:-

- GP Practice opening times and the appropriateness of sub contracted arrangements.
- Managing patient lists and registration issues (for example, list closures, targeted list maintenance, out of area registration, special allocation schemes).
- Identification of practices selected for contract review to assure quality, safety and performance, and the quality of the subsequent review and implementation of outcomes.
- 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). and
- Overall management of practice mergers and closures.



The scope of the review is designed to reflect that the internal audit framework for PMC is comprehensive and detailed and as such it is to be delivered as a 3-4 year programme of work to ensure this scope is subject to annual audit in a managed way and within existing internal audit budgets.

The CCG Primary Care Commissioning Committee will receive the report in addition to the Audit Committee. The outcome from this review will also need to be reported in the CCG's annual report and governance statement.

Opinions required from the framework are detailed in Appendix 1.

Information requirements / key contacts

Information requirements

Information on any mergers or closures of practices

Sample of GP Practice Information

Information on opening times and work to extend these

Evidence of systematic Contractual Management and liaison with GP and outcomes in relation to poor performing practices. .

Reporting in relation to the above to Committee

Papers and agenda for all PCC Committee YTD. (if not available on CCG website)

[N.B. this list is not intended to be exhaustive – other information will be required as part of this review]

Key contacts

Corrinne Ralph, Head of Primary Care

Fran Beck, Executive Lead: Commissioning

Christine Morris, Executive Lead: Quality, Nursing & Safety

Jon Cooke, Chief Finance Officer

Peter Eastaugh – Lay Chair

Yours sincerely,

Sarah Swan

Assistant Director



Appendix 1: Categories of Primary Medical Care Commissioning Assurance

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

The assurance grading's 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.