NHS
Vale of York
Clinical Commissioning Group

# PRIMARY CARE COMMISSIONING COMMITTEE

## 26 July 2018, 2.00pm to 4.00pm

## Snow Room (GO35), West Offices, Station Rise, York YO1 6GA

## AGENDA

*Prior to the commencement of the meeting a period of up to 10 minutes, starting at 2pm, will be set aside for questions or comments from members of the public who have registered in advance their wish to participate in respect of the business of the meeting.*

| | | | | |
|---|---|---|---|---|
| 1.<br>2.10pm | Verbal | Welcome and Introductions | | |
| 2. | Verbal | Apologies | | |
| 3. | Verbal | Declaration of Members' Interests in the Business of the Meeting | To Note | All |
| 4.<br>2.15pm | Pages<br>3 to 12 | Minutes of the meeting held on 22 May 2018 | To Approve | Keith Ramsay - Chair |
| 5.<br>2.20pm | Verbal | Matters Arising<br>• HSCN Migration<br>• Public access wifi | | All |
| 6.<br>2.30pm | Pages<br>13 to 17 | Primary Care Commissioning Financial Report | To Receive | Michael Ash-McMahon – Acting Chief Finance Officer |
| 7.<br>2.45pm | Verbal | Primary Care Assurance Report and General Practice Visits and Engagement Update | To Note | Dr Kevin Smith – Executive Director of Primary Care and Population Health |
| 8.<br>2.55pm | Verbal | 2018/19 PMS Premium and £3/head Transformation Funding: Update | To Note | Dr Kevin Smith - Executive Director of Primary Care and Population Health |
| 9.<br>3.00pm | Verbal | Care Quality Commission Inspection Report: Unity Health | To Note | Dr Kevin Smith - Executive Director of Primary Care and Population Health |

| | | | | |
|---|---|---|---|---|
| 10.<br>3.10pm | Verbal | Local Enhanced Services 2018/19: Update | To Note | Heather Marsh – Head of Locality Programmes, NHS England (Yorkshire and the Humber) |
| 11.<br>3.15pm | Pages 19 to 33 | Primary Care Estates Capital Bid<br>*Stephanie Porter, Deputy Director – Estates and Capital Programmes, attending* | To Approve | Michael Ash-McMahon – Acting Chief Finance Officer |
| 12.<br>3.40pm | Pages 35 to 96 | NHS England Primary Care Update including Rent Reimbursement | To Receive<br><br>To Approve | Heather Marsh – Head of Locality Programmes, NHS England (Yorkshire and the Humber) |
| 13.<br>3.50pm | Pages 97 to 106 | North Yorkshire and York Screening and Improvement Plan | To Receive | Dr Kevin Smith - Executive Director of Primary Care and Population Health |
| 14.<br>3.55pm | Verbal | Key Messages to the Governing Body | To Agree | All |
| 15. | Verbal | Next meeting:<br>1.30pm, 11 October 2018 at West Offices | To Note | All |

**EXCLUSION OF PRESS AND PUBLIC**

In accordance with Paragraph 8 of Schedule 2 of the Health and Social Care Act 2012 it is considered that it would not be in the public interest to permit press and public to attend this part of the meeting due to the nature of the business to be transacted. This item will not be heard in public as the content of the discussion will contain commercially sensitive information which if disclosed may prejudice the commercial sustainability of a body

A glossary of commonly used primary care terms is available at:

http://www.valeofyorkccg.nhs.uk/data/uploads/about-us/pccc/primary-care-acronyms.pdf

Item 4

**Minutes of the Primary Care Commissioning Committee held on 22 May 2018 at West Offices, York**

**Present**

| | |
|---|---|
| Keith Ramsay (KR) - Chair | Lay Member and Chair of the Quality and Patient Experience Committee and Remuneration Committee in addition to the Primary Care Commissioning Committee |
| Michael Ash-McMahon (MA-M) | Acting Chief Finance Officer |
| David Booker (DB) | Lay Member and Chair of the Finance and Performance Committee |
| Michelle Carrington (MC) | Executive Director of Quality and Nursing/Chief Nurse |
| David Iley (DI) | Primary Care Assistant Contracts Manager, NHS England (Yorkshire and the Humber) |
| Phil Mettam (PM) | Accountable Officer |
| Dr Kevin Smith (KS) | Executive Director of Director of Primary Care and Population Health |

**In attendance (Non Voting)**

| | |
|---|---|
| Kathleen Briers (KB) | Healthwatch York Representative |
| Abigail Combes (AC) | Head of Legal and Governance |
| Dr Paula Evans (PE) | North Locality GP Representative |
| Shaun Macey (SM) | Head of Transformation and Delivery |
| Michèle Saidman (MS) | Executive Assistant |
| Sharon Stoltz (SS) | Director of Public Health, City of York Council |

**Apologies**

| | |
|---|---|
| Dr Aaron Brown (AB) | Local Medical Committee Liaison Officer, Selby and York |
| Heather Marsh (HM) | Head of Locality Programmes, NHS England (Yorkshire and the Humber) |

*Unless stated otherwise the above are from NHS Vale of York CCG*

Two members of the public were in attendance.

There were no questions from members of the public.

## Agenda

### 1. Welcome and Introductions

KR welcomed everyone to the meeting. He particularly welcomed PE to her first meeting as North Locality representative, DI on behalf of HM, and MA-M who was attending his first meeting as Interim Chief Finance Officer.

KR highlighted agenda item 6, which would form part of a report to the July Governing Body of all committee terms of reference, and noted with regard to item 11 the expectation that discussions between Healthwatch and the CCG would continue after the meeting.

## 2. Apologies

As noted above.

## 3. Declarations of Interest in Relation to the Business of the Meeting

There we no declarations of interest in the business of the meeting. All declarations were as per the Register of Interests.

## 4. Minutes of the meeting held on 27 March 2018

The minutes of the meeting held on 27 March were agreed.

**The Committee**

Approved the minutes of the meeting held on 27 March 2018.

## 5. Matters Arising

SM confirmed that the matter arising, which related to commissioning of Local Enhanced Services and scheduled for the July meeting, would be across all three localities.

**The Committee**

Noted the update.

## 6. Primary Care Commissioning Committee Terms of Reference

AC referred to the Committee Terms of Reference advising that they had been reviewed in the context of the re-set Governing Body and the CCG's ambition of being released from legal Directions and special measures. Account had also been taken of the Deloitte's Conflict of Interests review in terms of membership. AC additionally explained the proposal for quality issues relating to primary care to be managed through the Quality and Patient Experience Committee with reporting to the Primary Care Commissioning Committee if appropriate. This would mean that all aspects of quality from the patient experience perspective would be focused in the same forum with a consistent approach for reporting of primary and secondary care quality matters.

In response to PE enquiring about involvement of primary and secondary care clinicians, KS and MC referred to the fact that the Care Quality Commission was the body which scrutinised primary care and that there was a gap in triangulation of information with the current arrangements of primary care quality not being reported at the Quality and Patient Experience Committee. The proposed change would provide assurance that quality was being reviewed through an appropriate structure

and with potential exception or summary reporting to the Primary Care Commissioning Committee. Additionally triangulation of the agendas of these two committees was provided through the fact that KR was chair of both and therefore provided assurance in this regard.

KR referred to the 'in attendance' membership of the Primary Care Commissioning Committee highlighting the need to recruit a Practice Manager and Health and Wellbeing Board representative.

SS additionally highlighted that from a Local Authority perspective issues relating to Public Health commissioned services were considered on a case by case basis and suggested potential for this to be included in the remit of the Quality and Patient Experience Committee, which had to date received a number of specific reports. KR requested that a proposal be developed for consideration at a future meeting noting that, as principal commissioner, the CCG received patient feedback from many sources.

**The Committee**

1. Approved the revised terms of reference.
2. Requested that a proposal be developed for Public Health commissioned services to be incorporated in the remit of the Quality and Patient Experience Committee.

## 7. Primary Care Commissioning Financial Report

MA-M presented the report which detailed the financial outturn of the CCG's primary care commissioning areas for 2017/18 and provided an update on the draft primary care delegated budgets for 2018/19 which had been revised in line with national guidance.

MA-M reported that the 2017/18 year-end position for delegated commissioning budgets was £41.9m against the £42.0m budget and noted that the variance should read as an underspend of £134k, not an overspend as per the report. Most of the movements in year had been forecast and previously reported. MA-M noted the receipt of £230k additional non recurrent allocation in Month 11 included in 'Other GP Services' which recognised previously reported one-off overspends during the year.

MA-M advised that the iteration of the draft financial plan for delegated commissioning for 2018/19 previously presented had been revised to take account of draft GP contract changes and may still be subject to change pending the finalisation of this and any associated guidance from NHS England. He explained that the revised draft plan currently described expenditure of £43.8m against the 2018/19 £43.9m delegated commissioning allocation, which represented an increase of £1.2m (2.8%) from the 2017/18 allocation. There was a 0.5%, c£0.25m, contingency against which there was no expenditure.

MA-M noted inclusion of the updated information relating to 'Other Primary Care', the areas that were not delegated, and the associated variances in terms of the draft

plans of 8 March and 30 April 2018. He highlighted the continuing improved position for prescribing noting this in the context of the issue of No Cheaper Stock Obtainable issue and commended Practices for their support in this regard.

MA-M provided clarification on a number of aspects relating to premises in the delegated commissioning areas confirming the intention to progress efforts to access estates transformation funding. He also explained that Primary Care IT as per the information under 'Other Primary Care' areas comprised both support to primary care and also the migration to the new HSCN from the N3 Network noting that the CCG had received two additional allocations in 2017/18 for these and the associated expenditure had been accrued up to these amounts. MA-M reported that 11 sites had completed the migration and that work was ongoing in terms of the public access to wifi in Practice waiting rooms with the scheduled completion date of the end of May 2018.

In response to PE seeking clarification about the reduced allocations for Quality and Outcomes Framework and Enhanced Services in the plan, MA-M explained the methodology and offered assurance that payment would be made based on the actual levels of achievement. KS added the CCG appeared to have over budgeted in 2017/18 emphasising that the reduction was in budget, not in spend.

PM referred to the ambition of discussions being in the context of the CCG's philosophy of benefitting patients and adding value to the patient experience. He requested that KS work with the Head of Communications and Media Relations to consider how this could be progressed so that the focus was on the patient, in a similar way to the work relating to the CCG's 2018/19 Commissioning Intentions. In this regard KS highlighted the focus on primary care and mental health services and noted the work ongoing to reduce bureaucracy and enhance engagement with primary care. He also noted, however, that although there had been progress there was still a need to build trust with Practices in terms of sharing information particularly with regard to lessons to be learned to address areas of variation.

KB highlighted that from a patient perspective translation of financial information to examples of service improvement would be welcome.

In conclusion KR highlighted the need to be realistic in expectations noting there were areas, such as waiting times, which were outwith the CCG's control but noted the Commissioning Intentions as a means of progressing.

**The Committee:**

Received the Primary Care Commissioning Financial Report.

## 8. General Practice Visits and Engagement Update

KS reported that CCG staff were working with Practices in a number of ways, including through the localities. This was resulting in "soft" intelligence that would not be gathered in other ways. A group had been established in response to identification of the need for a systematic approach to engage with Practices in ways that ensured equity. KS noted that General Practice visits was a statutory term but

highlighted that the visits should be in a format that was proportional and not onerous for Practices. The “soft” intelligence and dashboard approaches should also be utilised for purposes of quality.

KS referred to the NHS England risk profile noting that, while this could be utilised, the information held by Practices in this regard would be variable. In terms of reporting to the Committee there should be an approach which encompassed all aspects of information except that which would be reported to the Quality and Patient Experience Committee as discussed above. KS also noted opportunities for improved engagement with Practices as a result of the locality model and highlighted that the CCG was aware of specific times of the year when Practices had priorities such as the annual recording of Quality and Outcomes Framework requirements in February and March.

SS agreed that the “soft” intelligence was crucial noting potential for the need for assurance in the event of identification of issues that may impact on the whole system, for example relating to children, social care and adult services.

PM referred to the fact that all 26 Practices in the CCG were rated as ‘Good’ by the Care Quality Commission. He noted in the context of improving patient care, experience and outcomes through resourcing services in the community that the Committee would require assurance but there would also be the challenge as commissioners to support General Practice as providers at scale to progress opportunities for improvements in integrated care. Discussion would take place at the Governing Body about further developing primary care in this regard.

DB referred to opportunities described in the Primary Care Assurance Report at the following agenda item for such as anticoagulation to reduce atrial fibrillation. KS detailed the requirements to initially work with Practices according to their individual circumstances where a specific issue arose and to offer support according to their priorities. Engagement was more effective when it was in response to an identified issue and was part of a whole pathway approach.

Discussion included a number of aspects of the Primary Care Assurance Report. MC noted the need for further work to understand the individual issues of Practices to ensure availability of robust services. PE referred to the fact that the finances underpinned such as staffing for Practices and highlighted that Practices were now more open to constructive challenge.

KS emphasised that the Primary Care Assurance Report did not relate to the core funding noting that the CCG would continue as far as possible to pass money on to Practices and developments with a primary care focus would be progressed. MA-M reiterated that passing money on to primary care was a priority for the CCG citing examples from the £3 per head funding and noting the locality influence in this regard.

**The Committee:**

Noted the update.

## 9. Primary Care Assurance Report

KR noted the discussion at the previous item but sought clarification as to how the information was being used and, from a commissioner perspective, what improvements were being made.

KS responded that the information contributed to benchmarking Practices. He explained that the Quality and Outcomes Framework indicators were a particular way of Practices recording information that gave access to financial benefit but did not measure the quality of care provided. Additionally, the stroke data referred to in the previous discussion was not actual data but an estimate for a population of the size of the CCG. The term variation related to both recording by and prevalence in Practices but did not explain the associated reasons.

Discussion ensued in the context of sharing information with Practices to gain an understanding about areas of variation. This would also provide opportunities for triangulation and assurance, for example with regard to patients having access to such as NHS health checks and lifestyle services. A holistic understanding of Practice populations and available services would enable appropriate support to be provided.

**The Committee:**

Received the Primary Care Assurance update report.

## 10. Approved Plans from Central and North Localities for 2018/19 PMS Premium and £3 Per Head Transformation Funding

KS referred to the report which provided background information relating to the 2018/19 PMS Premium and £3 per head transformation funding and summarised Central and North Localities plans approved at a private meeting of the Committee due to commercial sensitivity. He noted that a bid from the South Locality was expected and welcomed the progress in working as localities for the benefit of the respective populations. KS highlighted the need for all bids to be considered in terms of sustainability and added that a similar approach of collaborative working between Practices and other providers was anticipated in relation to the requirement for CCGs to commission extended access to GP services at evenings and weekends from October 2018.

SM described the four projects developed by the Central Locality: Supporting complex older patients in their home (including Care Homes), Improving quality of services to patients with mental health conditions, Development of a Learning Disability Support Team (as part of Complex Care and Vulnerable Adults Programme of Care) and Complex older patients at risk of hospital admission due to falls. SM noted that he was working closely with the Practices and would provide regular updates on progress.

SM explained that the North Locality, which had fewer Practices and a smaller population, planned to further develop and expand the North Integrated Care Team working with system partners to co-ordinate care for frail and vulnerable patients.

In response to members seeking clarification about resources, with particular reference to recruitment and beyond 2019 when this funding would cease, KS emphasised that this was not additional funding but from within the CCG's allocation. Practices would need to demonstrate value for money and impact of transformation for the CCG to consider continuing the funding. MA-M added that the CCG's aim was to support Practices to deliver schemes and make resources available recurrently.

Discussion included recognition that previously the CCG had required confirmation of the return on investment upfront whereas the current approach was to enable resources to be utilised by the system. There was recognition of the complexity of demonstrating specific benefits but also the need to ensure appropriate governance arrangements.

**The Committee:**

1. Received and welcomed the update on the approved plans from Central and North Localities for 2018/19 PMS Premium and £3/head Transformation Funding.
2. Noted that a bid from the South Locality was expected.

## 11. Patient Enquiry via Healthwatch regarding Unity Health Closure of Sites

In introducing this item KR noted that Unity Health was a private business but he had requested a report in view of significant concerns raised about their decision making process to close two sites. He added that the member of the public who had raised this with Healthwatch still had concerns that the issue had not been fully addressed.

SM referred to the report which aimed to provide assurance of the process followed by Unity Health that led to Kimberlow Hill Surgery replacing the Univerity of York campus and Hull Road sites. He explained that the Practice had first approached the CCG in October 2015 with plans for a new build based on availability of a plot of land for a potential new surgery and the fact that the University did not intend to renew the lease for the campus surgery. Additionally, an extensive premises review in 2013 had highlighted that Unity Health only had 26% of the recommended floor space and was therefore a priority for development as the Practice which was most under the required physical capacity for their population within the CCG. SM also noted the context of the transition to delegated commissioning at the time but reiterated that Unity Health was an independent business.

SM highlighted that the concern expressed by the member of the public related to Unity Health's consultation with patients and referred to the report which described this process. He noted that questions raised at the time had included queries around the site being developed specifically for the student population, and the increased distance for some patients between the Hull Road Surgery and Kimberlow Hill Surgery.

SM explained that from the CCG's perspective the Practice was replacing one surgery that would be closing and another surgery with compliance issues with a new build that was equidistant between the two sites. He also noted that the Practice had committed to working with the Local Authority to look at opportunities around local transport routes, with the intention of routing buses to stop outside the new premises. The site closures were considered to not adversely affect patient services and the CCG had been assured that appropriate public consultation had been undertaken by the Practice at the outset.

KB referred to concerns that Healthwatch had reported to SM, including regarding patient mobility issues and the fact that there was a main road to cross. She recognised benefits in the new surgery but requested that a more robust consultation and clear impact assessment take place in future to provide assurance to residents who may not support a development.

Discussion included the role of Healthwatch and Patient Participation Groups to raise concerns, the fact that consultation requirements were not in terms of a percentage of Practice patient population but were required to be proportional to provide assurance to commissioners, and the context of Practices as independent businesses. SM confirmed that he would liaise with Healthwatch to manage the expectations of any future consultations.

SS reported that she had been at the York Health and Adult Social Care Policy and Scrutiny Committee when Unity Health had presented their report which had included as an annex information on the Hull Road Surgery public consultation event on 15 April 2016. She noted that a number of questions had been raised and reiterated the fact that the Practice had been asked to work with City of York Council's transport team to address the issue of access for vulnerable patients. SS agreed to follow this up and update the Committee by email.

**The Committee:**

1. Received the report on the patient enquiry via Healthwatch regarding Unity Health's closure of sites.
2. Noted that SS would circulate an update regarding liaison between Unity Health and the City of York Council's transport team on concerns relating to the transfer of services from the Hull Road Surgery to Kimberlow Hill Surgery, York.

## 12. NHS England Primary Care Update

DI presented the report which provided an update on standard items relating to the delegated commissioning agenda. These comprised contractual issues in respect of the outcome of the General Medical Services 2018/19 contract negotiations, Third Next Appointment, the annual Dispensing Services Quality Scheme, East Parade Medical Practice in York, assurance of General Practice and NHS England Directed Enhanced Services. Information was also presented on the General Practice Forward View, clarification on the GP Retention Scheme presented at the March meeting of the Committee, and publication of the 2018/2021 North Yorkshire Pharmaceutical Needs Assessment and York Pharmaceutical Needs Assessment.

In relation to the Estates and Technology Transformation Fund DI advised that a report would be presented at the next meeting regarding deliverability of programmes and, subject to the Committee's support, the funding would be released.

**The Committee:**

Received the updates from NHS England on items relating to the delegated commissioning agenda.

## 13. Key Messages to the Governing Body

- The Committee approved revised terms of reference.
- The Committee received the updated draft 2018/19 financial plan for delegated commissioning.
- The Committee welcomed the plans from the Central and North Localities for the 2018/19 PMS premium and £3 per head transformation funding.
- The Committee noted the ongoing public concern about Unity Health's consultation prior to opening the new surgery at Kimberlow Hill, York.

**The Committee:**

Agreed the above would be highlighted by the Committee Chairman to the Governing Body.

## 14. Next meeting

2pm, 26 July 2018 at West Offices

**Exclusion of Press and Public**

In accordance with Paragraph 8 of Schedule 2 of the Health and Social Care Act 2012 it was considered that it would not be in the public interest to permit press and public to attend this part of the meeting due to the nature of the business to be transacted as it contained commercially sensitive information which, if disclosed, may prejudice the commercial sustainability of a body.

**NHS VALE OF YORK CLINICAL COMMISSIONING GROUP PRIMARY CARE COMMISSIONING COMMITTEE**

**SCHEDULE OF MATTERS ARISING FROM THE MEETING HELD ON 22 MAY 2018 AND CARRIED FORWARD FROM PREVIOUS MEETINGS**

| Reference | Meeting Date | Item | Description | Responsible Officer | Action Completed/ Due to be Completed by (as applicable) |
|---|---|---|---|---|---|
| PCCC29 | 27 March 2018 | Local Enhanced Services 2018/19 | • Recommendations for future commissioning to be presented at the July meeting | KS/SM | 26 July 2018 |
| PCCC30 | 22 May 2018 | Primary Care Committee Terms of Reference | • Proposal to be developed for Public Health commissioned services to be incorporated in the remit of the Quality and Patient Experience Committee | SS | |
| PCCC31 | 22 May 2018 | Patient Enquiry via Healthwatch regarding Unity Health Closure of Sites | • Update regarding liaison between Unity Health and the City of York Council's transport team on concerns relating to the transfer of services from the Hull Road Surgery to Kimberlow Hill Surgery to be circulated by email | SS | |

**Item Number: 6**

**Name of Presenter: Michael Ash-McMahon**

**Meeting of the Primary Care Commissioning Committee**

**Date of meeting: 26 July 2018**

NHS
Vale of York
Clinical Commissioning Group

**Primary Care Commissioning Financial Report**

**Purpose of Report**
**For Information**

**Reason for Report**

To update the Committee on the financial performance of Primary Care Commissioning as at the end of June 2018. This paper also provides an update on the remaining 2017/18 PMS premium monies.

**Strategic Priority Links**

- ☒Strengthening Primary Care
- ☐Reducing Demand on System
- ☐Fully Integrated OOH Care
- ☐Sustainable acute hospital/ single acute contract
- ☐Transformed MH/LD/ Complex Care
- ☐System transformations
- ☒Financial Sustainability

**Local Authority Area**

- ☒CCG Footprint
- ☐City of York Council
- ☐East Riding of Yorkshire Council
- ☐North Yorkshire County Council

**Impacts/ Key Risks**

- ☒Financial
- ☐Legal
- ☐Primary Care
- ☐Equalities

**Covalent Risk Reference and Covalent Description**

**Emerging Risks (not yet on Covalent)**

| **Recommendations** |
| --- |
| The Primary Care Commissioning Committee are asked note the financial position of Primary Care Commissioning as at Month 3 and the remainig balances relating to 2017/18 PMS premium monies. |

| **Responsible Executive Director and Title** | **Report Author and Title** |
| --- | --- |
| Michael Ash-McMahon, Acting Chief Finance Officer | Caroline Goldsmith, Acting Head of Finance (Primary Care and Prescribing) |

# NHS Vale of York Clinical Commissioning Group Primary Care Commissioning Financial Report

## Report produced: July 2018

## Financial Period: April 2018 to June 2018

### Introduction

This report details the year to date financial position as at Month 3 and the forecast outturn position of the CCG's Primary Care Commissioning areas for 2018/19.

It also includes an update on the 2017/18 PMS premium monies.

### Delegated Commissioning Financial Position – Month 3

The table below sets out the year to date and forecast outturn position for 2018/19.

| Area | Month 3 Year To Date Position | | | Forecast Outturn | | |
|---|---|---|---|---|---|---|
| | Budget £000 | Actual £000 | Variance £000 | Budget £000 | Actual £000 | Variance £000 |
| Primary Care - GMS | 5,360 | 5,330 | 30 | 21,439 | 21,439 | 0 |
| Primary Care - PMS | 2,198 | 2,133 | 65 | 8,792 | 8,792 | 0 |
| Primary Care - Enhanced Services | 291 | 299 | (8) | 1,166 | 1,166 | 0 |
| Primary Care - Other GP services | 814 | 713 | 101 | 3,256 | 3,256 | 0 |
| Primary Care - Premises Costs | 1,112 | 1,099 | 12 | 4,447 | 4,447 | 0 |
| Primary Care - QOF | 1,072 | 1,073 | (1) | 4,288 | 4,288 | 0 |
| **Sub Total** | **10,846** | **10,648** | **198** | **43,388** | **43,388** | **0** |

- The forecast outturn has moved from £43,751k to £43,388k in line with budget. This is due to an allocation adjustment in Month 3 which has moved £363k from delegated commissioning to the main CCG budget in respect of funding received for improved access to GP services, online consultations and reception and clerical training.
- There is an under spend year to date for £198k.
- GMS is based upon current list size and MPIG is per actual costs for current contracts.
- The PMS contract in plan had a shortfall of £117k full year due to material list growth during 2017/18 on several of the PMS practices. This correlates to a YTD adverse variance of £29k. This is offset by an under spend on PMS premium investment funding of £78k (for which the year to date expenditure is included within Other Primary Care in the main CCG dashboard) and an under spend on the list size adjustment and Out of Hours deduction of £16k.
- Enhanced Services have been accrued to budget. There is a small over spend due to a large prior year claim made by a practice for learning disabilities and a claim for

extended hours from a practice not budgeted for as they did not provide the service in 2017/18.

- Year to date there is an under spend on Other GP services of £101k. Dispensing doctors makes up £33k of this which is due to the budget being profiled in 12ths; this will be corrected in Month 4. £18k related to PCO admin due to year to date under spends in maternity and seniority payments. A further £55k is the year to date value of the 0.5% contingency which is not accrued but is included in the forecast.

- Premises are based on current expected costs with an assumption on rent revaluations due. Business rates are per the forecast from GL Hearn where claims are yet to be submitted.

- The accrual for QOF achievement is based on 2017/18 points and prevalence at 2018/19 price with a 0.7% demographic growth assumption.

## Other Primary Care *(information only)*

Primary Care within the core CCG budget is included in this paper for information only, to ensure the Committee has awareness of the wider spend in primary care.

| Primary Care | Month 3 Year To Date Position | | | Forecast Outturn | | |
|---|---|---|---|---|---|---|
| | Budget £000 | Actual £000 | Variance £000 | Budget £000 | Actual £000 | Variance £000 |
| Primary Care Prescribing | 11,620 | 11,684 | (64) | 47,272 | 47,339 | (67) |
| Other Prescribing | 415 | 508 | (93) | 1,661 | 1,651 | 10 |
| Local Enhanced Services | 503 | 529 | (25) | 2.013 | 1,972 | 41 |
| Oxygen | 79 | 87 | (8) | 318 | 370 | (53) |
| Primary Care IT | 224 | 233 | (9) | 895 | 850 | 45 |
| Out of Hours | 796 | 845 | (49) | 3,184 | 3,233 | (49) |
| Other Primary Care | 287 | 64 | 223 | 2,757 | 2,624 | 134 |
| **Sub Total** | **13,924** | **13,950** | **(26)** | **58,099** | **58,038** | **62** |

The year to date under spend in Other Primary Care is due to a slippage in the £3 per head expenditure, which has not yet been incurred at the budgeted level, although this has been forecast in full over the remainder of the year. The forecast under spend is due to reduced investment in relation to slippage in QIPP schemes.

## 2017/18 PMS premium monies

In 2017/18, it was agreed that PMS premium monies would be distributed to the localities to fund three areas of expenditure as follows:

1) Costs to support GP attendance at Locality meetings, Unplanned Care Steering Group meetings and Accountable Care System Partnership Board.
2) Funding to support a GP lead in each of the localities who will work across their locality to develop the programme of work and secure engagement with each locality's constituent Practices to develop their sustainability and manage demand.
3) Any remaining funding should be offered through localities to support constituent Practices in the management of demand.

The table below sets out the budgets for each of these areas on a locality basis along with the expenditure incurred.

| | North | South | Central | **Total** |
|---|---|---|---|---|
| | £ | £ | £ | **£** |
| **Budget:** | | | | |
| Part 1: Meetings | 8,415 | 6,375 | 17,213 | **32,003** |
| Part 2: GP sessions | 15,600 | 15,600 | 31,200 | **62,400** |
| Part 3: Practice projects | 19,544 | 32,473 | 76,819 | **128,836** |
| **Total** | **43,559** | **54,448** | **125,231** | **223,238** |
| | | | | |
| **Expenditure:** | | | | |
| Part 1: Meetings – invoiced | 7,097 | 5,645 | 3,995 | **16,737** |
| Part 1: Meetings – accrued | 4,059 | 2,111 | 4,526 | **10,016** |
| Part 2: GP Sessions – invoiced | 4,238 | 0 | 0 | **4,238** |
| Part 3: Practice projects - invoiced | 25,969 | 11,048 | 68,524 | **105,540** |
| **Total** | **40,683** | **18,804** | **77,045** | **136,531** |
| | | | | |
| **Remaining carried forward to 2018/19** | **2,876** | **35,644** | **48,186** | **86,707** |

This position is based upon invoices received as at the end of June 2018 and includes accruals for meetings which the CCG is aware have been held but for which an invoice is yet to be received. There may be meetings held that the CCG is unaware of and there are also a number of invoicing queries that require resolution and as such the carry forward values as shown above are indicative and subject to change.

## Recommendation

The Primary Care Commissioning Committee are asked note the financial position of the Primary Care Commissioning budgets as at Month 3 and the position on the PMS premium monies from 2017/18.

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**Item Number: 11**

**Name of Presenter: Stephanie Porter**

**Meeting of the Primary Care Commissioning Committee**

**Date of meeting: 26 July 2018**

NHS
Vale of York
Clinical Commissioning Group

**Primary Care Estates Capital Bids**

**Purpose of Report**
**For Decision**

**Reason for Report**
This report summarises the primary care/GP schemes seeking support for capital investment. They include both NHS England Estates and Technology bids and other schemes approved which are requesting payments of fees or adjustment to previous approval thresholds.

**Strategic Priority Links**

☒Strengthening Primary Care
☐Reducing Demand on System
☐Fully Integrated OOH Care
☐Sustainable acute hospital/ single acute contract
☐Transformed MH/LD/ Complex Care
☐System transformations
☒Financial Sustainability

**Local Authority Area**

☒CCG Footprint
☐City of York Council
☐East Riding of Yorkshire Council
☐North Yorkshire County Council

**Impacts/ Key Risks**

☒Financial
☐Legal
☒Primary Care
☒Equalities

**Covalent Risk Reference and Covalent Description**

**Emerging Risks (not yet on Covalent)**

**Recommendations**

The report attached includes recommendations for each scheme and the Committee is asked to consider each in turn against the overall primary care growth budget and ‘estates’ allocation against the recommendations.

| **Responsible Executive Director and Title** | **Report Author and Title** |
| --- | --- |
| Michael Ash-McMahon<br>Acting Chief Finance Officer | Stephanie Porter<br>Deputy Director – Estates and Capital Programmes, NHS Hambleton, Richmondshire and Whitby CCG, NHS Vale of York CCG |

# Final Report for the Primary Care Commissioning Committee Prepared by Stephanie Porter – Deputy Director of Estates and Capital programmes

## 26 July 2018

**Introduction**

The CCG have been reviewing and supporting the development of a number of GP led Primary Care estates investment requests in support of clinical and service transformation. This report forms the final review stage on a number of schemes which are now developed in sufficient detail to be considered for approval. The proposals are divided into two groups, those which seek approval for submission for consideration by NHS England (NHSE) for Estates and Technology Transformation Fund (ETTF) capital grants and other proposals where there is a revenue impact on the CCG for schemes which have been supported previously. The aim has been to pull all proposals together so that there can be a fair and accurate assessment of primary care revenue impact as a result of the estates investment.

As with all initial proposals there will be an element of risk around projecting a fixed cost for a scheme which may not be delivered for another 24 or 36 months. Where a scheme has been in development for many months the CCG have instructed the early involvement of the District Valuer (DV) to manage some of that risk but variable costs remain a possibility.

The approval process over the last 24 months has seen a significant number of initial proposals reviewed and reduced to the prioritised schemes presented here for final consideration. The last summary and approval of schemes to progress was undertaken at the PCCC in November 2017 and this forms the authorisation for those schemes now being considered.

The technical group undertaking the detailed assessment are as follows:

- Michael Ash-McMahon, Acting Chief Finance Officer
- Kev Smith, Executive Director of Primary Care and Population Health
- Heather Marsh, Head of Locality Programmes, NHS England (Yorkshire & the Humber)
- Shaun Macey, Head of Transformation & Delivery
- Stephanie Porter, Deputy Director of Estates and Capital programmes

**ETTF bids**

- Easingwold Integrated Care Centre
- Sherburn Group Practice and South Milford Practice single site proposals
- Priory Medical Group Burnholme scheme

- Carlton branch expansion, Beech Tree surgery
- Delayed proposal from Pickering Medical Practice which was not considered at the November 2017 meeting, but was prioritised in earlier rounds

**Non – ETTF bids**

- Unity Medical Practice
- Tollerton Surgery

## ETTF primary care estates investment proposals

**The proposals have gone through the following review process**

- Technical team review on 28 June 2018, any queries with proposals have been reviewed with the practices
- Finance and Performance Committee 3 July 2018
- private session of Governing Body 5 July 2018
- Approval of proposals at Primary Care Committee on 26 July 2018
  *For those ETTF bids approved by PCCC, they will then undergo*
- Formal submission of CCG approved and signed off ETTF bids 31 July 2018 to NHSE for consideration

**Criteria against which schemes have been reviewed and assessed**

All bids have been reviewed against a range of criteria to be shortlisted. As the schemes have reduced in number, and those developed further have become more detailed, these criteria have focussed more on deliverability, the proposal in its strategic context and affordability.

The following is a summary of the assessment criterion highlighting the main assessment themes:

| |
|---|
| 1. The extent to which the proposal meets the CCG's criteria for considering primary care development projects. Proposal offers a solution for an area, not just a practice. |
| 2. The proposal is Affordable, there is a confidence about the viability of the proposal and it delivers value for money |
| 3. Provides good access to the location and to the building |
| 4. Offers a wider range of primary care & community services under one roof, also promoting healthy living |
| 5. Offers extended opening hours & ease of bookings for health care services |
| 6. Proposal has functional suitability of a flexible built environment for later change, development and service expansion as required |
| 7. Promoting Patient Choice alongside joint working, new & improved patient pathways & integrated service delivery |
| 8. Optimises opportunities for developing Human Resources i.e. offers a good |

| |
|---|
| working environment for staff |
| 9. Appropriate IT Infrastructure Capacity |

The full bid documents and appendices have been reviewed by the technical team; a broad summary for each proposal is included in the table below together with an approval recommendation.

| **Estates and Technology Transformation Scheme Bids** |
|---|
| 1. Easingwold Integrated Care Centre – ETTF New Build proposal |
| **Summary Information on the Bid**<br>All previous proposals have structured this bid as a York Teaching (York FT) Hospital Foundation Trust led scheme which would see a phased development onto a single site of GP; Community and renal services, with a final phase including other GP services from surrounding areas and St Monica's Hospital.<br><br>However, 4 weeks ago, with regret, York FT confirmed that they would not be in a position to fund or source funding for the scheme as anticipated. As a result the practice has quickly secured consultancy services to restructure the work to propose a third party developer led scheme to take forward a new build.<br><br>The proposal would still look to include the community services currently delivered from Easingwold Health Centre into the GP development, to create a single site for patients to access primary care. In turn this will allow the disposal of the health centre, supporting efficient use of NHS resources.<br><br>Easingwold and the surrounding area is currently undergoing significant housing development and population growth. Millfield Surgery patient numbers have risen by approximately 300 in the past two years to reach 7,334. The practice property, built in 1992 with a minor extension three years ago, is of a size which is best suited to a practice with a list size of 5,000 patients, this assessment is based on NHS space and planning guidance in HBN 11-01. The proposal will see a new build of 985m$^2$ of General Medical Service's space and an additional community space of 125m$^2$ .This size will address the planned housing and population growth for the next 10-15 years as currently set out in the council's Local Development Plan.<br><br>The total capital scheme is currently anticipated to cost in the region of £2.5m.<br><br>Capital grant requested via NHS England ETTF £950,930<br><br>Fees from ETTF for legals, Project Manager, Stamp Duty Land Tax £70,000<br><br><u>Total ETTF grant request of 40% of eligible costs is £1,020,930</u><br><br><u>Additional costs to be secured via GPIT capital fund is estimated to be £50,000</u> |

Revenue Impact

Current Revenue GP Practice costs for existing GP Surgery of 445m$^2$ per annum:
Current Market Rate £58,400
Business Rates £11,025
Water Rates £1,120
**Total £70,545 (value reimbursed now by the CCG)**

Assuming award of ETTF grant referred to above, the estimated revenue costs for the scheme as proposed of 985m$^2$ are as follows:
New lease rent net of VAT £161,000
VAT £32,200
Total rent £193,200
Assumed Business Rates £40,000
Water Rates £2,500
**Total £ 235,700**

Estimate of additional revenue costs assuming award of grant from ETTF £165,155 for an abatement period of 15 years.

In the event that ETTF grant bid is not successful, estimated revenue costs for the scheme as proposed of 985m$^2$ are as follows:

New lease rent net of VAT £207,500
VAT £41,500
Total rent £249,000
Assumed Business Rates £40,000
Water Rates £2,500
**Total £291,500**

Estimate of additional revenue costs assuming no ETTF grant is £220,955.

**Risks**

- This is a new build scheme, which looks to a 40% capital grant to support affordability. The ETTF governance structure to allow grant monies for new builds remains outstanding. Working with NHSE, their instruction is to continue to work up the ETTF bids on the expectation that the governance will be resolved.
- Work to date on the site, led by York FT has focused on a site which is not designated in the Local Plan for development. There has been extensive liaison with the land owner and Hambleton District Council to highlight the land requirements for all the health parties. The non-designation for residential development keeps the costs down. With an experienced developer planning is seen as a low risk.
- The practice has met with a number of third party developers previously to mitigate any risk around the York FT led scheme being delayed. There will be a risk around the scheme being delayed whilst a new development partner is

appointed.
- If an ETTF grant is not secured, the CCG need to consider how they and the practice will respond to the continued population growth and pressure on local primary care services. One option may well be to support the practice to scope an improvement grant via ETTF to do additional minor improvements to the current practice property.
- These proposals have not been developed with the DV.

**Recommendations by the technical review group**

The case for change is well made and the practice has made every effort to develop their PID in a short timeframe. NHS England is likely to undertake an additional round of queries on the proposals now there has been significant change.

**It is recommended that PCCC approve the PID for submission to NHSE for consideration of an ETTF grant for the new build.**

Alongside that PID submission and as part of the CCG approval to the practice the review group recommended that
- The CCG seeks confirmation from the Practice that they understand the full costs to be borne by them in developing the scheme, such as increased service costs via a developer as they move from owner to tenant.
- That the practice understands that non reimbursable items, such as fees fall outside of the premises costs directions and furniture.
- That the practice confirm that they have fully explored and discounted the option of an improvement grant via ETTF to remain in existing premises.
- All CCG approvals are dependent on the ETTF capital grant at the % values as outlined.
- Approval is based on the finances included in the schedule and that the DV is to be appointed to confirm the proposals as accurate within the constraints of the detail the scheme is at.
- Consider and support additional costs outside of the ETTF bid, in this case an estimated cost for additional GPIT capital funds.
- Acknowledge and support via contracting, the services currently at Easingwold Health Centre being relocated to the GP development, securing a mechanism to ring-fence' estates costs which should move with the services, mitigating void costs to the CCG.

**2. Sherburn and South Milford single site new build proposal**

Significant work has been undertaken to develop these proposals, including an unsuccessful bid to secure CIL (Community Infrastructure Levy) monies from Selby District Council to benefit the affordability position as much of the pressure on existing services comes exclusively from continued support for residential development in the area.

The proposal will see both practices co locate on a new site equidistant of the

current main sites of Sherburn and South Milford. The practices have worked to reduce the schedule of accommodation and improve likely utilisation to arrive at a realistic size for their combined use and achieve an affordable scheme.

The proposal has been developed by Apollo a third party developer, who together with the DV has been working on a scheme which would see the 40% capital grant, abated over the whole of the lease term. This approach increases the revenue on an annual basis slightly, but has the significant advantage of preventing a large revenue hike after the abatement period at year 15. This work has been undertaken in line with national discussions, but it is not a mandated activity to do this at the moment.

This proposal will see 1,500m$^2$ of new build which will yield 25% more clinical space offering greater resilience in serving a combined current list size of 15,700 patients with the capacity to increase the combined list to 20,000 (28% increase over next 10 years).

The financial summary of the proposal – if an ETTF grant is approved is:

ETTF Capital £1,700,000
Less transaction costs £62,000
Less VAT £273,000

Total ETTF grant request £1,365,000

The net capital sum of £1,365,000 would be amortised to generate the abated rental stream; £85,584 pa (37% of Current Market Rent).

The balancing rent £149,935 pa (63% CMR) would be the initial rent and subject to market rent reviews throughout the lease term.

The rental payment of £149,935 would be an additional £1,855 pa to the current existing combined rent reimbursement for both practices (£148,080).

As agreed with the DV, this funding model enables 37% of the market rent (CMR £235,519) to be abated for the entire 25 year lease term supported by a capital grant of £1.7m including VAT and the GP's transaction costs. The DV and the developer have worked extremely hard to make this scheme viable and attractive to the lender market.

The proposals have been informally reviewed by NHS England Project Appraisal Unit and responses to initial comments have been addressed in this updated PID.

**Risks**

- This is a new build scheme, which looks to a 40% capital grant to support affordability. The ETTF governance structure to allow grant monies for new builds remains outstanding. Working with NHSE, their instruction is to

continue to work up the ETTF bids on the expectation that the governance will be resolved.
- The calculations apply the ETTF grant to the total project excluding the pharmacy and then apply the S106 monies. There is a risk that NHSE want the S106 monies deducted first and that reducing the value of the grant and increases the revenue.
- Risk that the capital grant is reduced and impacts the revenue calculations.
- Either practice cannot find a financial solution for the sale of existing practices that covers outstanding borrowing on properties and is not in a position to afford to move into a new development as a tenant.

**Recommendations by the technical review group**

The case for change is well made and the proposal offer excellent value for money in the context of the grant and abated rent over the lease period. The Practices have worked to offer a deliverable scheme and the Review Group supported the scheme progressing.

**It is recommended that PCCC approve the PID for submission to NHSE for consideration of an ETTF grant for the new build.**

Alongside that PID submission and as part of the CCG approval to the practice the review group recommended that

- The CCG seeks confirmation from the Practice that they understood the full costs to be borne by them in developing the scheme, such as increased service costs via a developer as they move from owner to tenant.
- That the practice understood that non reimbursable items, such as fees which fall outside of the premises costs directions and furniture.
- That the practices engage further with the CCG on options for managing any deficit valuation position and that the scheme does not hold unreasonable risk and abortive fees if this issue cannot be resolved and a practice are forced to withdraw from the scheme and that all abortive fees are understood to be borne by the practice.
- All CCG approvals are dependent on the ETTF capital grant at the % values as outlined.
- Consider and support additional costs outside of the ETTF bid, in this case an estimated cost for additional GPIT.

**3. Priory Medical Group - Burnholme new build scheme**

The practice has been working with Shared Agenda, external consultants on preparing a PID to support a new build at Burnholme. This work has been funded by NHS England as part of feasibility monies from the ETTF.

The DV has not yet been involved in assessing the proposals as outlined in the ETTF PID. The intention is to relocate three practice properties from the Priory

Medical Group portfolio in York into a new build site at Burnholme. The proposal also includes sufficient space to accommodate the East Parade practice as and when the GP retires if that is the CCG preferred commissioning approach to that practice list.

The total health build for clinical services is 1,756m$^2$, to service a total GP patient list size of 27,756 including growth over 25 years and to provide capacity for a total of 55,060 community based appointments per year as a minimum.

The total estimated scheme cost is £8.73m of which the GP/Health delivery element is £5.25m.

This proposal has identified a revenue *increase* against current reimbursements of £138,875 per annum. The increase to the space reimbursed to the GPs is £89,358 GP and the increase on the space leased by community services operating out of this new build is £49,517.

In addition the practice highlight a revenue gap relating to IT and furniture of £350k.

The furniture element is £250k which the CCG has no ability to fund under the current rules of capital investment is also a risk to the scheme.

**Risks**

- This is a new build scheme, which looks to a 40% capital grant to support affordability. The ETTF governance structure to allow grant monies for new builds remains outstanding. Working with NHSE, their instruction is to continue to work up the ETTF bids on the expectation that the governance will be resolved.
- The DV has yet to be appointed on this scheme, so there is a risk that the proposals may be challenged.
- This proposal has a revenue increase, and there will be a high degree of risk that the budget cost nature of the proposal may result in significant variance/increase as the scheme develops.
- It is unclear if community services will move into a new build and incur additional rental costs without those costs being underwritten by the CCG in future contracts.
- This proposal has yet to have any review by the Project Appraisal Unit.

**Recommendations by the technical review group**

The practice and the advisers have worked hard to reduce revenue increases to the CCG to a manageable level and the technical group assessed that the GMS increase of £89,358 may be supportable. There remains further work to do at the next stage should the scheme secure an ETTF grant on the additional costs of the community services.

**At this stage the recommendation is that the PID should go forward to NHS**

**England for consideration of a capital grant.**

Alongside that PID submission and as part of the CCG approval to the practice the review group recommended the following:

- That the practice understands the non reimbursable items, such as fees which fall outside of the premises costs directions and furniture are costs which the practice will have to fund.
- All CCG approvals are dependent on the ETTF capital grant at the % values as outlined.
- Consider and support additional costs outside of the ETTF bid, in this case an estimated cost for additional GPIT.
- Early work to secure support to fund the community services costs are develop before design work progresses.

**4. Carlton Branch Site – ETTF Improvement Grant**

Proposal sees the extension and refurbishment of an existing branch practice in Carlton of Beech Tree Surgery. This proposal responds to significant new housing growth.

The proposal has already received planning permission and much of the work has already been tendered so the scheme, if approved could progress, subject to how quickly NHS England responds and be completed in 2018/19.

The scheme has already had an informal review from the Project Appraisal Unit, but has yet to be assessed by the DV.

The total project costs are estimated to be £721,502.

Subject to approval the costs will be divided
ETTF 66% £480,600
GP borrowing £240,902

The CCG will want the DV to confirm the impact of any investment but the practice calculate that using current notional rent as a guide, *excluding* any abatement notional rent once project complete notional rent will increase from approx. £15,130 pa to £27,030 pa. At this value any abatement will be for 10 years.

We anticipate that the abated rent for 10 years will be an increase of £4k annually, but this will need to be agreed by the DV.

Business Rates: To give an estimate, using rates for 2018/19 as a guide these would rise by approx. £1,844 p/a to £3,221

Water Rates: Unknown

**Risks**

- Projected costs are not realised and there is an impact of the revenue increase to the CCG
- That delays in approvals mean the tendered prices do not hold and the scheme has to be re tendered leading to higher capital costs

**Recommendations by the technical review group**

The review group accepted the rationale for the development and understood the pressure on the practice on current and planned h**o**using developments. This scheme needs to have its rental figures and reviewed by the DV as it represents a significant investment over the current site and valuation upon which the reimbursement values are calculated. However, the scheme as presented is supportable and affordable and represents a good return on investment.

**It is recommended that PCCC approve the PID for submission to NHSE for consideration of an ETTF grant for the new build.**

The DV has been appointed and subject to the reimbursement values being within 15% tolerance of the values approved the scheme should not be re appraised. We anticipate having the DV opinion before the PCCC meeting for ratification.

In supporting the PID the CCG are accepting additional costs of the scheme which will need to be funded, such as GPIT.

**Pickering Medical Practice – ETTF Improvement Grant**

The CCG initially supported a wave 2 ETTF bid by the practice and NHSE also supported the proposals, but allocated the bid to cohort 3. This indicated that the scheme was not a priority. However, in discussions, the reason for the cohort 3 status was that the original bid included a request for financial support to purchase the house next door to Pickering Medical Practice – which is not allowable, under the Premises Costs Directions.

Since the original bid, the practice has purchased the neighbouring property and they are now seeking support from the CCG for an improvement grant via ETTF. The practice is landlocked and without purchasing the adjoining house would have not be in a position to expand without a new build option.

In the bid context CCG colleagues should appreciated that the GP property is landlocked with parking to the rear and a main road to the front, the only ability to expand to meet future growth is a relocation and new build or by the practice securing the neighbouring property.

The practice accept that they take the risk of the purchase of the site next door and if they cannot find an affordable solution to bring the site into GMS operation they will continue with the residential status of the site.

The practice are looking to do two minor adaptations in their existing premises,

- To build out into two small landscaped areas to create interview rooms to support patient engagement, pharmacy support and private interview space
- A minor scheme to create two clinical rooms from one large physio room which is oversized
- To punch into the residential accommodation next door and bring the first floor into use

At this early stage the practice have assessed that the increase in reimbursement is in the region of £14k pa.

Whilst the PAU has reviewed the scheme informally and the practice is currently responding to queries, the DV has not been engaged.

**Risks**

- This scheme has not been reviewed by the CCG for some time and there is a risk that the proposals as presented by the practice are not supportable.
- There is a low risk that the alternative use planning permission is not granted.
- There is a risk that the capital costs, currently estimates increase and the revenue estimates increase.
- The proposal for the co-located admin functions for the locality is not a GMS reimbursable item and as such needs to be excluded in the practices calculations of fixed income as a result of the investment. The refurbishment element will be subject

**Recommendations by the technical review group**

The proposals are understood and supported. However, the technical group highlighted that the proposals to expand the practice space to support co-located back office functions for the locality were not a reimbursable item. It would be for NHSE to review and determine if the estates refurbishment work could be supported for this element, but the CCG would not reimburse for this space. The practice would need to determine if the rental reimbursement for this area could be funded via future contracts where the cost of estates would be an integral part of any tender award.

**The recommendation of the technical group is that the PID seeking an Improvement Grant is supportable and this PID should go forward to NHSE for consideration of a capital grant.**

## Non – ETTF primary care estates investment proposals

Unity Medical Practice

The CCG approved the development via a third party developer of a new practice on the University site. This scheme has now opened and the practice has moved into the new premises. The Practice, CCG and the DV are finalising the new reimbursement schedule for the new premises and this paper focuses on the payment of the fees incurred by the practice, now the scheme is complete in line with the Premises Costs Directions.

The practice is in the process of collating final invoices for professional fees, which inclusive of VAT are in the order of £100k. These proposals include:

| | |
|---|---|
| Surveyors Fees of | £28,800 |
| Legal fees of | £30,000 |
| Stamp Duty and Land Tax of | £23,000 |
| Subtotal | £**81,800** |
| Applicable VAT | |

**Recommendation for Approval -** Having approved and supported the scheme, the PCCC are now asked to approve the fees, in line with the Premises Costs Directions. The final figure is thought to be £100k and will be reimbursed upon production of the original supplier invoices by the practice. It is anticipated that the CCG will need to use the 0.5% contingency of £220k to fund this if approved.

Tollerton Surgery

The CCG approved a new build scheme for the practice in November 2017. The developer is now in the process of resolving all the planning conditions. The original approval letter gave a deadline of November 2018 for the scheme to commence. There has been a delay in the programme and its unlikely that construction work will commence until 2019, but the scheme has commenced in terms of detailed design and progression of the lease agreements which support the original timescales for the approval.

The approval also dealt with the issue of the reimbursement of fees on the scheme and looked to cap the reimbursement to £30k and also push the payment of the SDLT onto the developer.

The DV has assessed the market rent as £54,850.

The current rent reimbursement is £17,200.

The developer has agreed to pay the SDLT and has further agreed to support some of the furniture items which were not funded by the CCG to support the practice.

In going out to secure technical and legal services, the quotes coming back to the practice are higher than those originally identified in the approval and the practice are seeking support by the CCG to uplift the original capped figure of £30k to £40k. All reimbursements will still be discharged within the Premises Costs Directions governance structure.

**Recommendation for Approval** Increase costs for non-recurrent fees to a capped figure of £40k.

## Financial summary

The revenue consequences and the associated profile of spend of the above is summarised in the following table:

| | | | | Abated period | |
|---|---|---|---|---|---|
| | **2018/19** | **2019/20** | **2020/21** | **Year 10** | **Year 15** |
| **ETTF bids:** | | | | | |
| 1. Easingwold | | 49,547 | 165,155 | 165,155 | 220,955 |
| 2. Sherburn/South Milford | | 1,855 | 1,855 | 1,855 | 1,855 |
| 3. Burnholme - ETTF element | | 13,404 | 89,358 | 89,358 | 89,358 |
| 3. Burnholme - Non-ETTF element | | 7,428 | 49,517 | 49,517 | 49,517 |
| 4. Carlton | 1,075 | 5,377 | 5,377 | 13,277 | 13,277 |
| 5. Pickering revenue | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 |
| **Non-ETTF bids:** | | | | | |
| Unity | 100,000 | | | | |
| Tollerton | | 77,650 | 37,650 | 37,650 | 37,650 |
| **Additional primary care revenue costs** | **115,075** | **169,260** | **362,912** | **370,812** | **426,612** |
| **GP IT Capital funding requirements:** | | 150,000 | | | |

For information it is worth noting that the allocation increase per annum for premises costs equates to around £90k and the GP IT capital funding per annum is around £300k.

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**Item Number: 12**

**Name of Presenter: Heather Marsh**

**Meeting of the Primary Care Commissioning Committee**

**Date of meeting: 26 July 2018**

NHS
Vale of York
Clinical Commissioning Group

**Primary Care Update**

**Purpose of Report**
**For Information and Approval**

**Reason for Report**

Summary from NHS England North of standard items (including contracts, planning, finance and transformation) that fall under the delegated commissioning agenda.

**Strategic Priority Links**

- ☒Primary Care/ Integrated Care
- ☐Urgent Care
- ☐Effective Organisation
- ☐Mental Health/Vulnerable People
- ☐Planned Care/ Cancer
- ☐Prescribing
- ☐Financial Sustainability

**Local Authority Area**

- ☒CCG Footprint
- ☐City of York Council
- ☐East Riding of Yorkshire Council
- ☐North Yorkshire County Council

**Impacts/ Key Risks**

- ☒Financial
- ☐Legal
- ☒Primary Care
- ☐Equalities

**Covalent Risk Reference and Covalent Description**

**Recommendations**

Note the contents of the report and approve or consider the recommendations included in the rent reimbursement section

| **Responsible Executive Director and Title** | **Report Author and Title** |
|---|---|
| Phil Mettam<br>Accountable Officer | David Iley<br>Primary Care Assistant Contracts Manager<br>NHS England – North |

# Vale of York
# Delegated Commissioning
# NHSE Update
# July 2018

Prepared by David Iley

Primary Care Assistant Contracts Manager

NHS ENGLAND – North (Yorkshire and The Humber)

2

16 July 2018

## 1. Contractual Issues

### 1.1 Assurance of General Practice

Following the collation of the results from the 2017/18 annual electronic GP Practice self-declaration CCGs were notified by NHS England of any Practices who are regularly closed for half a day, an extended period on any day or a significant number of hours across the week. The report received by NHS England regarding VoY CCG Practices indicated the following;

- Terrington Surgery declared that they are routinely closed for at least half a day a week.
- East Parade Medical Practice did not declare they were closed for ½ a day a week but their return suggested that they are routinely closed for a significant number of hours during the week; this has been defined as 45 hours or less per week.
- Tollerton Surgery did not declare they were closed for ½ a day a week but their return suggested that they are routinely closed for a significant number of hours during the week; this has been defined as opening for less than 7.5 hours on any given day.

The CCG asked each Practice to complete a pro forma provided by NHS England in order to gain assurance the needs of patients are being met. Those responses were reviewed by the CCG to determine whether or not the needs of patients were being met.

- Terrington Surgery – The Practice have a sub-contracting arrangement for patients to be seen at Helmsley Medical Practice during the period the Practice indicated they are closed. Access is good at the Practice with patients being able to access appointments on a daily basis.. The Practice engages with their PPG on a quarterly basis where any issues regarding the Practices opening arrangements can be discussed. The Practices have received no complaints from patients in 2017/18 regarding their opening hours. The CCG felt assured the Practice were meeting the needs of its

patients whilst acknowledging this approach supports collaborative working at scale as Terrington Surgery and Helmsley Medical Practice continue to work together to ensure a more resilient primary care service

- East Parade Medical Practice – The CCG are currently working with the Practice in order to be fully assured over their sub-contracting arrangements. The CCG acknowledge that patients are informed of the Practice's opening times and are engaged around service provision through the CCG. Access to appointments is good with patients only having to wait 1 day for routine appointments.

- Tollerton Surgery – The Practice sub-contract provision for one afternoon a week however a GP is always available on site for urgent appointments. Access is good at the Practice. The Practice engages with their PPG where any issues regarding the Practices opening arrangements can be discussed. Patients are informed of the sub-contracting arrangements when registering. The results of the National GP Patient Survey suggest a high satisfaction rate with the Practice who have received no complaints from patients around their opening hours in 2017/18. The CCG felt assured the Practice were meeting the needs of its patients.

## 2. GP Forward View (GPFV)

**2.1** The CCG continues to be actively involved with the NHSE GPFV transformation programme. As previously agreed with the committee we will provide regular updates against all of the elements of the programme on a monthly basis.

The details of the programme are contained in appendix 1.

### 2.2 GP Retainer Scheme

Since the last Committee meeting the CCG have re-approved 2 Retained GP requests as follows

| year on scheme | Start Date | Re-Approval Date | No of Sessions | Practice Name |
|---|---|---|---|---|
| 3 | 1st July 2018 | 1st July 2019 | 4 | My Health Group Strensall |
| 2 | 1st July 2018 | 1st July 2019 | 4 | Scott Road Medical Practice |

## 3. Rent Reimbursements

### 3.1 Routine Reviews

### 3.1.1 Tadcaster Medical Centre, Crab Garth, Tadcaster, LS24 8HD

Following a routine review the District Valuer (DV) determined the Current Market Rental (CMR) value for the above property on 22nd May 2018. The existing valuation is £70,000 per annum; the site has been valued at £73,500 per annum from 22nd May 2018. The property is owned by the Practice.

**The Committee is asked to agree to the increase in notional rent**

### 3.1.2 York Medical Group, York St John University, Lord Mayors Walk, York, YO31 7EX

- The Property is rented and therefore the Practice is reimbursed under Actual Rent.
- The Practice is currently receiving £17,000 per annum.
- The District Valuer reviewed the property effective 1st August 2015 and assessed the Current Market Rental (CMR) value at £16,600.
- The Actual Rent paid by the Practice to the Landlord is £20,538 per annum.
- As this is on tenant Full Repairing and Insuring (FRI) terms it requires an adjustment of +5% to reflect the NHS Directions leading to an adjusted rent value of £21,565.
- The DV determined that as the CMR is below the adjusted rent the CMR value of £16,600 should take precedence.
- The Practice has been over paid

**The Committee is asked to agree the actual rental reimbursement of £16,600 as advised by the DV and agree to the recovery of £1,200**

### 3.1.3 Drs Jones and McPherson, The Surgery, North Back Lane, Stillington, York, YO61 1LL

Following a routine review the District Valuer (DV) determined the Current Market Rental (CMR) value for the above property on 14th April 2017. The existing valuation is £31,150 per annum; the site has been valued at £35,580 per annum from 14th April 2017. The property is owned by the Practice. The Practice did appeal the DVs initial valuation of £31,150 on the basis that the end of an abatement period for notion rent on an extension that was built in 2006.

**The Committee is asked to agree to the increase in notional rent**

### 3.2 Incorrect Payments

The CCG have been undertaking a review of all rent reimbursement payments (both notional and actual) to ensure all payments being made are correct and to understand when any cost pressures could arise such as the end of an abatement period or a lease coming to an end. The review has identified the following cases where an incorrect payment has been made.

#### 3.2.1 York Medical Group, Woodthorpe Surgery, 40 Moorcroft Road, York, YO24 2RQ

The DV last inspected the property in August 2014. (The 2017 review will take place soon; the Practice have only recently returned the CMR form). The DV determined that the property had an abated CMR value of £10,700 per annum which included 1 parking space in the valuation. A second parking space identified at the Practice is a tandem space and shouldn't be eligible for reimbursement. The Practice have been incorrectly reimbursed £11,000 per annum since August 2014 resulting in an overpayment of £900 for the period August 2014 to 2017.

#### 3.2.2 Haxby Group Practice, Gale Farm Surgery, 109-119 Front Street, Acomb, York, YO24 3BU

The DV assessed the CMR value of the property on 30th January 2012 to be £118,100 per annum. 22 parking spaces were included in the valuation

The DV assessed the CMR value of the property on 30th January 2015 to be £117,700 per annum. Due to a regulation change to the Premises Costs Direction in 2013 tandem parking spaces could no longer be eligible for reimbursement which meant the valuation decreased as only 14 spaced were included. The lower notional rent figure wasn't implemented and the Practice continued to receive £118,100.

The Practice have therefore been overpaid £1,200 for the period 30th January 2015 to 30th January 2018. The 2018 review is currently being undertaken by the DV.

#### 3.2.3 The Old School, Bishopthorpe

The Practice have a lease in place with annual rent of £9,010. The Practice are receiving £9,010 actual rent reimbursement. In July 2015 the rent was increased to £9,500 per annum but doesn't appear to have been reviewed by the DV or agreed by NHSE or the CCG. From July 2015 to 31st March 2018 the Practice appear to have been incorrectly paid £9,500 per annum based on invoices submitted by the Practice. From 1st April 2018 this has been corrected and they're now being reimbursed £9,010 as per our records suggest. The Practice have therefore been overpaid £1,347.50

**For the 3 cases above (3.2.1, 3.2.2 and 3.2.3) the Committee is asked to consider whether or not overpayments should be recovered where the error was made by NHS England.**

### 3.3 Priory Medical Group (see appendix 2)

Due to the Practice not returning CMR forms to NHS England when requested, 8 routine rent reviews have been outstanding. These have recently been undertaken by the DV and the CMR value of each property assessed at the time the 3 yearly reviews should have taken place. A summary of these reviews is attached as appendix 2. For each site it shows the current payment and the CMR value for each outstanding review. It also shows the amount of over and under payment against each site and the correct notional rent for this financial year.

- **The Committee is asked to approve the outstanding notional rent payments.**
- **The Committee is asked to note the ongoing notional rent payments from 1st April 2018**
- **The Committee is asked to note the retrospective payment to the Practice of £9,405.45 to offset the historic credits and debits.**

## 4. Other

**NHS England's management of the primary care support services contract with Capita**

The National Audit Office undertook a review to assess whether NHS England managed the Primary Care Support England (PCSE) contract effectively to secure the intended benefits. The report has now been published. (See appendix 3).

| | | | | | | Progress | | | |
|---|---|---|---|---|---|---|---|---|---|
| **GPFV** | **High Impact Action (HIA)** | **Summary** | **Year** | **Funding** | **Deadline** | **North Locality** | **Central Locality** | **South Locality** | **Position July 2018** |
| **Improving Access in General Practice** | 5 Productive Workflows | Plan delivery of extended access as per the requirements in the refreshed Planning Guidance - access to General Practice services in evenings to 8pm, plus some weekend provision to 100 % of the population by October 2018. Reinforce links into locality programmes - and the wider agenda around the development of Urgent Treatment Centres.<br>Planning guidance states procurement required. | 2018/19 | £6.00 per head | Oct-18 | Ongoing discusison around the service model and options for an interim solution to be put in place. Deadline for service commencement brought forward to October 2018. NHS England have advised the service needs to be procured. | | | Procurement period closed - Currently evaluating bids received |
| | 7 Partnership Working | | 2019/20 | £6.00 per head | Mar-19 | All 3 localities - Improving Access Patient Survey went live in Jan 2018 | | | |
| **Reception & Clerical Training** | 1 Active Signposting | Funding for training of reception and clerical staff to undertake enhanced roles in active signposting and management of clinical correspondence.<br>This innovation frees up GP time, releasing about 5 per cent of demand for GP consultations in most Practices. | 2016/17 | | Mar-19 | Have written out to alliance groupings to request feedback on 2016/17 spend - and to ask for plans on a page for 2017/18 funding. Plans have been submitted and approved. The CCG will look to provide the funding on a locality footprint next financial year | | | Still awaiting confirmation of available funding for 18/19, a review of last years to be conducted and baseline assesment of where all practices are at to take a more targeted approach of scheme priorities. |
| | 4 Develop The Team | | 2017/18 | £ 61,000 | | | | | |
| | 6 Personal Productivity | | 2018/19 | £ 61,000 | | | | | |
| **Clinical Pharmacists** | 4 Develop The Team | NHS England is inviting GP practices and other providers of general practice medical services to apply for funding to help recruit, train and develop more clinical pharmacists.<br>Clinical pharmacists work as part of the general practice team to resolve day-to-day medicine issues and consult with and treat patients directly. This includes providing extra help to manage long-term conditions, advice for those on multiple medications and better access to health checks. The role is pivotal to improving the quality of care and ensuring patient safety. | 2017/2018 | £ - | Mar-20 | A number of Practices have withdrawn their interest since the original application was submitted. Communication has been ongoing with NHSE, regarding a recalculated bid (1 SCP, 4 CP) Original Bid (1 SCP, 6 CP). Sign off Enhanced Service document and templates have been completed. Funding to be over 3 years 1st - 60%, 2nd 40%, 3rd 20% funding towards the Clinical Pharmacists. Posterngate Surgery have since withdrawn from the scheme leaving Beech Tree Surgery as not covered.<br>Priory Medical Group have employed 1 x SCP and 1 x CP, York Medical Group 1 x CP, Jorvik 1 x CP. The CCG are exploring options for jointly employing the fourth CP allowing for 0.5 of their time to be coevered under the scheme. Discussions with NHS England around these options are on going | | | Agreement from NHSE to support 0.5 CP in general practice and 0.5 in care home programme for Beech Tree Surgery - finalising paperwork to support this. |
| **ETTF** | 5 Productive Workflows | The Estates and Technology Transformation Fund (ETTF) is a multi-million pound programme to accelerate the development of GP premises and make greater use of technology. The aim is to improve facilities, increase flexibility to accommodate multi-disciplinary teams and develop the right infrastructure to enable better services for patients as well as increasing staff training facilities. | 2017-2019 | £ - | Mar-19 | Sherburn and South Milford - Potential new build, 3PD project revenue neutral. PID to be developed.<br>Beech Tree Surgery, Carlton branch - Improvement Grant - scheme cost approx £350k - PID being developed.<br>Priory Medical Group Burnholme Health & Wellbeing Campus - Potential New Build - £10k feasibility study being undertaken by NHSE to look at local options<br>Easingwold Health and Wellbeing Hub - New Build - Developing options paper for locality in partnership with York Foundation Trust. May not progress through ETTF. CCG would need to identify revenue if to progress. Pickering<br>- Potential Improvement Grant to expand existing premises | | | Paper to be taken to PCCC in July 2018 to consider which of the 5 ETTF premises schemes can be supported by the CCG. |
| **Resillience Funding** | 5 Productive Workflows | Funding to support Practices to develop resilience in the following areas:<br>Support for Practices having difficulties with recruitment<br>Support for support Practice mergers<br>Support for organisational development<br>Support for the costs of a prescribing course for Practice nurses<br>Support for an ANP to undertake a review / implement changes within the Practice that support the longer term plan / resilience of the Practice<br>Organisational Development via a recognised programme following a CQC review that identifies improvements that need to be made | 2016/17 | £ 29,000 | | Slippage to be utilised in addressing 2017/18 unsuccessful bids. Support provided for locality OD work, workforce issues at Priory Medical Practice, additional support at Elvington Medical Practice, Stillington and Terrington | | | NHSE Resilience Programme 18/19 was open for practices to submit applications before 29/6/18 - CCG have supported applications from 14 practices covering a range of support totalling £117,117 these have been submitted to NHSE for consideration. |
| | 10 Develop of QI Expertise | | 2017/18 | £ 49,740 | Mar-18 | Manage delivery of the 5 successful VoY schemes for Selby urgent access, Sherburn/SMilford collaborative working towards potential merger, support for the increase in insurance premium for Tadcaster surgery following the floods, organisational development work at Front Street Surgery to suport the Practice post merger and support for a leadsership course at Pickering Medical Practice.<br>Additional resilience funding has been made available by NHS England. Additional support has since been provided for Terrington Surgery due to premises issues and Elvington Medical Practice to support OD work. Resilience funding has also been used to support the fees for 2 x NAPC diploma in Practice Management courses. | | | |
| **Patient Online** | 2 New Consultation Types | Work on uptake across Practices to meet national contractual targets. Most VoY Practices are achieving the targets, but there are a couple of outliers @ under 10% and 8 practices under 20%. 20% to be achieved by March 2018 | | £ - | | Communication with the practices offering support, to achieve 20% target.<br>Next step is to pull together Working Group to review ongoing uptake and work with Practices to increase uptake | | | Currently 6 practices below 20% expectation, Sarah Kocinski working with practices to see how they can best be supported. |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Time For Care** | 4 Develop The Team<br>5 Productive Workflows | The programme focusses on spreading best practice, implementation support, and building improvement capability for the future. Support training and development opportunities are available for practice managers, reception and clerical staff, GPs and managers throughout the programme. | | £ - | 2020 | Working groups to be formed with NHSE Time For Care Programme and Practices to drive forward two of the GPFV Ten High Impact Actions.<br>The CCG will concentrate on Reception and Back Office training, including signposting, clinical coding and Care Navigation, to attempt to engage with Practices. Primary Care team to work with Practice Managers as to how it could be best utilised | To be taken to Locality meetings for discussion re. 10 HIA and how these can be prioritised and taken forward. |
| **Wi-Fi Public Access** | 9 Support Selfcare | Patient access to Wifi from Practices https://digital.nhs.uk/nhs-wi-fi<br>Funded by us and delivered by NHS Digital, NHS Wi-Fi is a response to patient feedback asking for free Wi-Fi services to be introduced in NHS locations. It provides an efficient, reliable and secure platform that enables GPs to offer and utilise the latest digital health and care services. | 2017/18 | £ 169,000 | Mar-18 | Working with Embed to ensure delivery is both on time and communicated with practices.<br>Clarified number of practces/branches, contact and property details relayed back to Embed.<br>Communication sent to practices. Working towards a March 2018 completion date which has slipped. CCG to work with Embed to understand revised timescales | Due to ongoing nationwide demand on PA Wifi Programme causing issues to all Suppliers.<br>Embed had issues with their supplier who are currently forecasting completion of all installations by mid September 2018. |
| **Online Consultation** | 2 New Consultation Types | Funding from NHSE allocated from 2017/18 to CCG's on a weighted capitation basis, once a plan for delivery by the CCG has been signed off by NHSE.<br>With rapid development of a number of online consultation systems for patients to connect with their general practice. Using a mobile app or online portal, patients can tell the practice about their query or problem, and receive a reply, call back or other kind of appointment. They can also access information about symptoms and treatment, supporting greater use of self care. | 2017/18 | £ 88,962 | Mar-20 | STP wide procurement taking place to commisison an online consultation solution for GP Practices. 10 Practices expressed an interest to deploy the system in 2018. Practices will recieve a minimum 12 month licence which could be extedning depending on the licence cost of the preferred bidder. NHS England have employed a Project Manager to support Practices with deployment which will be on a phased roll out from April onwards. | 10 Practices wishing to go live 18/19, covering population of 230,00 - Priory Medical Group are currently working with new provider to trial blaze the product to ensure maimum use is gained from the system when it goes live. Project Board meeting scheduled for 18/7/18 for further discussion. |
| | 9 Support Selfcare | | 2018/19 | £ 118,616 | | | |
| | 3 Reduce DNA's | | 2019/20 | £ 59,308 | | | |
| **Practice Management** | 4 Develop The Team | Practice Management Development monies to upskill workforce | 2016/17 | £ 7,800 | Mar-20 | Full programme content finalised - running through Oct/Nov 2017. Includes:<br>Leadership Workshops<br>Employment Law Update<br>Internal Appraisal Training<br>Effective Meetings, Strategic Planning, Time Management | Awaiting updates from schemes supported in 17/18 around delivery. |
| | | | 2017/18 | £ 8,846 | | Commission the LMC to deliver a training programme around effective Practice Management and GDPR. | |
| **Edenbridge Workforce Tool** | 5 Productive Workflows<br>10 Develop QI Expertise | Opportunity to become part of an early access programme to Edenbridge Apex - Business Intelligence tool that plugs into the Clinical System to enable Practices to better understand capacity and demand, and extract/report a range of operational/workforce/clinical data.<br>Currently EMIS only - but SystmOne functionality in the pipeline. | 2017/2018 | £ - | Jan-18 | There are 13 EMIS Practices within the Vale of York, 10 have shown interest in this opportunity to utilise the tool to assist with planning, match resources to demand and process alignment.<br>To date the tool has been installed in 9 Practices (Pickering, Pocklington, My Health, Sherburn, Tollerton, Stillington, Dalton Terrace, Milfield, Unity) | NHSE have secured funding to enable the Installation of the Apex Insights workforce tool to each GP Practice and new extended access sites across the HCV STP Patch. A direct contract has been awarded to NEL CCG who will hold the contract of HCV to enable delivery of the tool patch wide. Within the CCG 9 Practices have Apex only and will be offered the Insight element, 17 Practices will be offered Apex insight and the estimation of 3 extended Access Hubs. |
| **GP Retention Scheme** | 4 Develop the Team | The scheme is aimed at doctors who are seriously considering leaving or have left general practice due to personal reasons (caring responsibilities or personal illness), approaching retirement or requiring greater flexibility. The scheme supports both the retained GP (RGP) and the practice employing them by offering financial support in recognition of the fact that this role is different to a 'regular' part-time, salaried GP post, offering greater flexibility and educational support. | | £ - | | There are currently 7 GPs employed by Practices under the GP Retainer Scheme all doing 4 sessions per week. | Currently 5 Retainers employed by practices across the CCG with 2 recently extended approval for a further year until 1/7/19 |

| B82005 NR Valuations at 31/5/2018 | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Site** | **Current Payment £** | **Start Date** | **Reval date** | **Reval £** | **Correct NR at 1/4/2018** | **Difference (£ + / -) pa** | **Adjustment Interval** | **Adjustment period** | **Adjustment years** | **Adjustment value (£ + / -)** |
| Priory MC, Cornland Rd | £127,000 | 01/04/2009 | 01/04/2012 | £140,700 | | £13,700 | 01/04/2012-31/03/2015 | 3y | 3.00 | £41,100.00 |
| | | | 01/04/2015 | £143,000 | | £16,000 | 01/04/2015-31/03/2018 | 3y | 3.00 | £48,000.00 |
| | | | 01/04/2018 | £143,000 | £143,000 | | | | | |
| Water Lane (Rawcliffe) | £46,850 | 07/10/2009 | 07/10/2012 | £47,650 | | £800 | 07/10/2012-06/10/2015 | 3y | 3.00 | £2,400.00 |
| | | | 07/10/2015 | £47,650 | £47,650 | £800 | 07/10/2015-31/03/2018 | 2y 25w | 2.48 | £1,984.62 |
| Millfield Ave (Park View) | £40,000 | 01/04/2014 | 01/04/2014 | £35,400 | | -£4,600 | 01/04/2014-31/03/2017 | 3y | 3.00 | -£13,800.00 |
| | | | 01/04/2017 | £35,400 | £35,400 | -£4,600 | 01/04/2017-31/03/2018 | 1y | 1.00 | -£4,600.00 |
| Tang Hall | £44,500 | 18/09/2013 | 18/09/2013 | £29,200 | | -£15,300 | 18/09/2013-17/09/2016 | 3y | 3.00 | -£45,900.00 |
| | | | 18/09/2016 | £30,200 | £30,200 | -£14,300 | 18/09/2016-31/03/2018 | 1y 28w | 1.54 | -£22,000.00 |
| Heworth Green | £48,500 | 18/09/2013 | 18/09/2016 | £48,500 | £48,500 | £0 | 18/09/2016-31/3/2018 | 1y 28w | 1.54 | £0.00 |
| Fulford Park | £38,875 | 30/01/2014 | 30/01/2017 | £38,875 | £38,875 | £0 | 30/01/2017-31/03/2018 | 1y 9w | 1.17 | £0.00 |
| Lavendar Grove | £44,350 | 01/04/2014 | 01/04/2017 | £46,250 | £46,250 | £1,900 | 01/04/2017-31/03/2018 | 1y | 1.00 | £1,900.00 |
| Victoria Way | £29,300 | 30/04/2014 | 30/04/2017 | £29,650 | £29,650 | £350 | 30/04/2017-31/3/2018 | 11m | 0.92 | £320.83 |
| **Totals:** | **£419,375** | | | | **£419,525** | | | | | **£9,405.45** |

National Audit Office

**Report**
by the Comptroller
and Auditor General

**NHS England**

# NHS England's management of the primary care support services contract with Capita

**HC 632 SESSION 2017–2019 17 MAY 2018**

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National Audit Office

NHS England

# NHS England's management of the primary care support services contract with Capita

Report by the Comptroller and Auditor General

Ordered by the House of Commons
to be printed on 15 May 2018

This report has been prepared under Section 6 of the National Audit Act 1983 for presentation to the House of Commons in accordance with Section 9 of the Act

Sir Amyas Morse KCB
Comptroller and Auditor General
National Audit Office

14 May 2018

HC 632 | £10.00

This report assesses whether NHS England managed the Primary Care Support England (PCSE) contract effectively to secure the intended benefits.



006327 05/18 NAO

# Contents



The National Audit Office study team consisted of:
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This report can be found on the National Audit Office website at www.nao.org.uk

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# Key facts

**£330m**

is the estimated value of NHS England's seven-year contract with Capita for nine primary care support services (approximately £47 million a year)

**35%**

intended reduction in NHS England's costs across all primary care support services from day one of the contract agreed by Capita

**39,000**

primary care practitioners are supported by Capita's primary care support services

| | |
|---|---|
| **5** | of Capita's primary care support services, out of nine, were placed in a formal process under the contract to rectify services by NHS England in September 2016 |
| **£5.3 million** | in contract penalties that were applied by NHS England between January 2016 and April 2017 |
| **£60 million** | in savings that NHS England has made to primary care support services in the first two years of the contract |
| **41 out of 45** | performance indicators that Capita considers it met in February 2018 (where information was available) when factors that Capita considers outside its control were taken into consideration |
| **7** | severe service failures against performance indicators in February 2018 when factors that Capita considers outside its control are not taken into consideration (this is the performance experienced by service users) |

# Summary

**1** Primary care support services provide a range of administrative and back-office functions to around 39,000 primary care practitioners. **Figure 1** sets out the core services provided, including administering payments to GP practices, opticians and pharmacies; administering the pensions of GPs; and administering entry and changes to national performers lists that provide the public with reassurance that GPs, dentists and opticians in the NHS are suitably qualified and have passed other relevant checks. In 2014-15, primary care support services cost £90 million.

**Figure 1**

Core primary care support services provided by Capita Business Services Ltd (Capita)

| Service | Description | Current annual activity levels |
|---|---|---|
| Cervical screening | Delivering prior notification lists of patients eligible for screening to GPs and sending out invitation and recall letters and test results to patients. | Sending out over 9 million invitation letters and 3.4 million test results. |
| GP and pharmacy payments and GP pensions | Administering monthly contracts and reimbursements to practices and pharmacies, and the NHS Pension Scheme for GPs who are members. | Processing around £9 billion of payments to GP practices and pharmacies, and the pension documentation for 37,000 GPs. |
| Medical records | Moving hard-copy patient medical records between practices and into storage. | Moving around 6 million records when patients register with new GP practices. |
| National performers lists | Administering entry and changes to performers lists on behalf of NHS England. The lists provide information on GPs, dentists and opticians practicing in the NHS, including that they are suitably qualified and have passed other relevant checks. | Processing around 8,000 entries and 15,000 change requests. |
| Payments to opticians | Administering monthly payments for eye tests, processing continuing education and training payments and deducting local optical committee levies. | Processing around 20 million eye sight service claims. |
| Supplies and logistics | Providing NHS stationery, pre-printed forms, and needles and syringes for all primary care providers. | Processing and delivering over 240,000 NHS supplies orders. |

Source: NHS England and Capita

**2** In August 2015, NHS England entered into a seven-year, £330 million contract with Capita Business Services Ltd (Capita) to deliver primary care support services. These services are now known as Primary Care Support England (PCSE). NHS England aimed to reduce its costs by 35% from the first year of the contract, to contribute to required savings in its administration costs, and create better quality support services that were more efficient, and easy to use. Capita's bid depended on it delivering a major transformation of services to meet NHS England's objective to reduce its costs, such as introducing an online service for submitting GP payments and ordering medical supplies.

**3** In May 2016, primary care providers began raising concerns with NHS England about failures of the PCSE contract, including delays in transferring medical records and problems with the responsiveness of the customer support centre. In September 2016, NHS England served default notes, placing five of Capita's nine support services in a formal process to rectify services. It also embedded an 'expert management team' from NHS England in Capita. In December 2016, NHS England stated that Capita had failed to deliver key aspects of the service, putting primary care services and patients at risk.

**4** In this report, we assess whether NHS England managed the PCSE contract effectively to secure the intended benefits. It examines:

- how the PCSE contract was set up (Part One);
- performance issues, including action taken by NHS England and Capita to address these issues (Part Two);
- the reasons for the contract failures (Part Three); and
- the current status of the contract (Part Four).

## Key findings

### The PCSE contract

**5 NHS England aimed to reduce its costs by 35% from the first year of the contract and transform and modernise the service.** The government's mandate to NHS England required it to make significant reductions in its administrative running costs. NHS England also wanted to provide a high-quality and standardised service. When NHS England took responsibility for primary care support services in 2013 they were being delivered by 1,650 staff from 47 local offices, managed under separate local arrangements, with no national leadership, no common standards in service specification or operating processes, and with limited data on performance. Services were supported by a 20-year-old IT system that NHS England considered was unsustainable and in urgent need of replacement, and many processes relied on the manual processing of paper-based documents. NHS England considered that it would not be possible to deliver the required savings in-house as it did not have the necessary skills in transforming services through better use of IT (paragraphs 1.4 to 1.6 and 1.9).

6 **NHS England rated Capita's bid best on both cost and quality.** NHS England put the PCSE services out to tender in 2015 with guidance to bidders that a 40% saving would be expected against current running costs. Capita's successful bid was worth £330 million over the seven years of the contract (approximately £47 million a year). Capita expected to make a loss of £64 million in the first two years of the contract, which it planned to recoup in later years. It planned to reduce the cost of operating the service by 69%, from £77 million in 2014-15 to £24 million by 2021-22 (year seven of the contract). Its bid involved reducing the number of staff from 1,390 at the start of the contract to 314 by March 2018. The procurement was supported by commercial experts in the Cabinet Office, and subject to reviews by the Major Projects Authority which considered it a well-run programme. The procurement was approved by the then Department of Health and HM Treasury (paragraphs 1.6, 1.7, 1.8, 1.9 and 1.10).

7 **NHS England did not know enough about the services it inherited to set achievable service specifications and performance standards from the start of the contract.** This was a complex first generation outsourcing. NHS England lacked adequate data on the volume and cost of the services before the contract was awarded, and there were no consistent measures of performance. It told us that it recognised that there was variation in how services were delivered across the country, but that it did not have a detailed understanding of how local processes were different. As a result, it made a number of assumptions about the volume, cost and performance of the services in order to set service specifications and performance standards. To mitigate the risk around the robustness of the activity data, the contract included a clause to ensure that volume data could be reviewed in the first few months and, if necessary, the contract starting volumes could be revised. Capita only requested one 'allowable assumption' that permitted future adjustments related to uncertainty in the number of staff to be transferred (paragraphs 1.12 to 1.14 and 3.1).

8 **NHS England's decision to contract with Capita both to run existing services and also simultaneously to transform those services, was high risk.** Capita was incentivised through the contract to close existing services to minimise its losses but the interaction between running, closing and transforming services was more complex than Capita or NHS England had anticipated. This was a high-risk strategy, particularly for a set of incompletely understood services being outsourced for the first time (paragraphs 1.9, 3.2 to 3.15).

## Performance issues

**9 Performance issues emerged shortly after Capita started closing primary care support offices and making other changes to the service.** In March 2016, Capita introduced a new online portal for primary care providers to use to order supplies. In April 2016, it introduced a new courier arrangement and labelling system for moving medical records, which replaced different local arrangements. These changes were poorly implemented and providers struggled with the new systems. There were also problems caused by shortages of stock in the NHS supply chain. These issues resulted in a significant increase in the number of calls to Capita's customer support centre, which could not cope with the increase. Between December 2015 and November 2016, Capita closed 35 of the 38 support offices it inherited and cut staff numbers from 1,300 to 660 (paragraphs 2.3 and 2.4, and Figure 7).

**10 Failure to deliver key aspects of the service put primary care services and, potentially, patients at risk of serious harm (Figure 2), but no actual harm has been identified.** The service was disrupted by delays in processing new applications and making changes to the performers lists (a record of GPs, dentists and opticians who are considered suitably qualified to practice). As a result, an estimated 1,000 GPs, dentists and opticians were delayed from working with patients and some of these practitioners lost earnings. The failure to update performers lists also potentially compromised patient safety in cases where practitioners should have been removed. In December 2016, one of NHS England's Medical Directors noted that a review of reported harmful incidents had not identified any situations where serious patient harm had resulted from failures in primary care support services. However he also noted that the full effects of these failures were not known at this time and may not be apparent for some time. No further reviews have been carried out and no further incidents of actual harm to patients have been identified (paragraph 2.11 and Figure 8).

**11 NHS England formally intervened in Capita's management of the contract in September 2016.** It told us that by the end of summer 2016, it had become clear that Capita's improvement plans were ineffectual in some key areas and that issues had become more widespread. NHS England served default notices, placing five of Capita's nine services in a formal rectification process: the customer support centre; the medical records service; the patient registration service; the national performers lists service; and payments to opticians. It also embedded an 'expert management team' in Capita, to work alongside operational staff and provide additional oversight and support (paragraph 2.8).

## Figure 2

Impact of service failures on patients, primary care services and providers

**Failures to deliver key aspects of the end-to-end service had a detrimental impact on primary care services and primary care providers, and potentially put patient safety at risk**

| Group | Impact of service failures |
|---|---|
| Patients | The failure to update performers lists may have compromised patient safety in cases where practitioners should have been removed.<br><br>87 women were notified incorrectly they were no longer a part of the cervical screening programme. |
| Primary care services | In 2016, NHS England estimated that delays in processing new applications for the national performers lists resulted in around 1,000 GPs, dentists and opticians being unable to work. So far, over 200 applicants have sought recovery of lost earnings from NHS England.<br><br>NHS stationery and medical supplies not being delivered to primary care practices led to shortages of prescription pads, needles and syringes.<br><br>Backlogs of 500,000 patient registration letters built up.<br><br>62% of GP practices, responding to a 2017 British Medical Association survey, reported that urgent requests for patient records were not actioned within three weeks (out of 748 practices that responded). Some 64% of the practices said that they had received incorrect patient records in the last three months. |
| Primary care practitioners | Delays in processing new applications for the national performers lists resulted in around 1,000 GPs, dentists and opticians being unable to work and a loss of earnings.<br><br>Missed and inaccurate payments to practitioners.<br><br>Primary care providers reported having to spend a lot of time seeking a response to queries from Capita, sending evidence on numerous occasions and still failing to get resolution to their queries. |

Source: National Audit Office analysis of Capita, NHS England and British Medical Association documents

## Reasons for the service failures

**12 Capita underestimated the scale and nature of the task and the impact of closing sites and losing local knowledge.** Capita acknowledges that it took longer than anticipated to make changes to primary care support services. It underestimated the number of staff that would be needed to deliver the services, in part due to inaccurate assumptions about the volume of activity. It originally anticipated that it would only need around 314 staff by March 2018, but its actual headcount was 736. Capita also acknowledges that it made performance issues worse, by continuing to close support offices in summer 2016 even though it was aware the customer service centre was struggling to meet demand. The site closures resulted in the loss of local expertise. Procedures in place to retain local expertise did not work effectively as the staff who were retained did not always understand the systems being used in other regions (paragraphs 3.3, 3.4, and 3.11, and Figure 7).

**13 NHS England's performance measures did not cover all the service areas Capita were required to deliver.** Without comprehensive service indicators, NHS England cannot tell whether the services meet the needs of primary care providers. NHS England did include performance measures in the contract, although these did not cover all the activities that Capita was required to deliver. A review of the contract, carried out by NHS England in March 2016, found that of 78 key activities that Capita was contracted to carry out, some 23 were not captured by performance measures and were therefore 'invisible' to NHS England. It identified that 13 of the 23 activities without performance measures could affect patient safety if not delivered to standard. NHS England are in ongoing discussions around extending performance monitoring (paragraphs 3.8 and 3.13).

**14 NHS England's assessment of the contract risk focused on the likelihood of it failing to achieve its financial savings target and did not adequately assess the risk of Capita failing to provide the service to a good standard.** Gaps in the data meant that NHS England could not challenge whether assumptions in the contract were reasonable. NHS England considered that Capita had access to existing service expertise that they had used to inform and test their transformation plans. It did not bring in staff with senior-level skills in transforming a service, as it expected this expertise to sit within Capita (paragraphs 3.5 and 3.6).

**15 NHS England did not have the contractual mechanisms to intervene in some of Capita's service changes.** Capita expected to make a loss of £64 million in the first two years of the contract. Its bid involved reducing the number of staff by two-thirds by January 2018. Capita therefore had an incentive to close support offices and cut back on staff as quickly as possible, in order to minimise its losses in the first two years of the contract. In May 2016, NHS England wrote to Capita expressing concerns about the closure of support offices, and asked Capita to reconsider its plans to reduce its number of staff. Although Capita's site closure programme required NHS England's engagement throughout the process, the contract did not require NHS England's agreement to close offices, and between May and November 2016, Capita closed a further 20 offices (paragraphs 1.10, 3.10 and 3.11).

**16 Basic principles about the contract are still not agreed, which limits NHS England's ability to hold Capita to account.** NHS England and Capita have still not agreed how to calculate the volume of work carried out in some areas, and how these data should be used to calculate payments owed to Capita for delivering the services. By May 2018, two and a half years into the contract, they have not yet agreed on how to calculate 11 performance measures. There is a contractual mechanism for putting a service in rectification but none for exiting the rectification process. Capita provided NHS England with reports in August and September 2017 setting out why services should be taken out of rectification, but NHS England has not formally responded to three of these service reports. NHS England told us that it was waiting for further evidence from Capita on two services before it could consider if rectification was complete (paragraph 3.15).

## Current position

**17 Capita's self-reported performance against the contract has improved.** In February 2018, Capita reported that it was meeting 41 out of 45 of its performance indicators (where information was available) when factors that Capita considers outside its control were taken into consideration, with one severe failure. NHS England has not accepted Capita's reported performance since May 2017 for 11 measures where there is a difference of view about how it should be calculated. NHS England considers that six out of the nine PCSE services are no longer experiencing significant issues, but are still subject to ongoing improvements. However, NHS England remain concerned about three of the services – the national performers lists, payments to opticians and GP payments and pensions. It recognises that some of the issues with GP payments and pensions and the national performers list pre-date the contract with Capita (paragraphs 4.2 to 4.4).

**18 There are still widespread failures experienced by primary care practitioners.** The service experienced by users (without any adjustments made for factors that Capita considers outside its control) was more unsatisfactory than Capita's reported position. In February 2018, only 32 out of 45 performance indicators were met and there were seven severe service failures. This compares with November 2017, when Capita met 28 out of 43 performance indicators, with ten areas of severe service failure (paragraph 4.3).

**19 NHS England has largely secured the financial savings it expected.** In the first two years of the contract, NHS England made savings of £60 million compared with expected savings of £64 million, as the financial risk of increased costs sits with Capita. To date, NHS England has deducted £5.3 million from payments to Capita as penalties for poor performance. The financial penalties are capped at £480,000 a month and were applied in full between July 2016 and April 2017. NHS England noted in its 2016-17 financial statements that it expected that it may have to pay up to £3 million in compensation to primary care providers. Contract penalties have yet to be applied from May 2017 because NHS England does not accept Capita's reported performance data due to disagreements about the scope of some of the measures. This disagreement only emerged once Capita's self-reported performance no longer triggered maximum service credits (paragraphs 2.12, 4.2, 4.6 and 4.7).

**20 NHS England has not yet secured the transformation that it wanted.** To date, Capita has provided a customer support centre, and a working solution for ordering supplies and transferring medical records. However, the changes were not implemented successfully and Capita's transformation programme was delayed while it dealt with operational issues. It then had to re-plan the remaining aspects of the programme and secure agreement from NHS England and other stakeholders. Capita also held commercial discussions with NHS England on the scope of transformation and service dependencies. The remaining six transformation work streams, including online services for GPs and opticians, are now due to be delivered in 2018. NHS England removed the pharmacy payments work stream from Capita's transformation programme. Capita has now developed standard operating procedures for all nine services. Capita told us that it took longer than expected because of the extent of variation in the way services were provided before the contract and the way different NHS area teams comply with guidance. NHS England owns the intellectual property rights to any software created to deliver the primary care support services (paragraphs 4.8 to 4.11, and Figure 14).

**21 NHS England and Capita have reached a settlement on the first two years of the contract but commercial discussions about the future of the service are ongoing.** Both parties have agreed a full and final settlement of all known commercial issues for the first two years of the contract, to 31 August 2017. NHS England paid Capita an additional £3.2 million. Capita has absorbed significant additional costs in excess of the £64 million losses it anticipated in the first two years, resulting in a £125 million loss over this period, including write-offs and service credits. Since September 2017, there has been no agreement on the full basis of charging. Capita stopped invoicing NHS England for services from September 2017, but resumed invoicing in February 2018 on the agreement that it would not prejudice the commercial discussions (paragraphs 4.12 and 4.13).

## Conclusion on value for money

**22** NHS England's financial objectives for outsourcing primary care support services were ambitious. However, neither NHS England nor Capita fully understood the complexity and variation of the service being outsourced. As a result, both parties misjudged the scale and nature of the risk in outsourcing these services. The service to primary care practitioners, including Capita's delivery of PCSE, has fallen a long way below an acceptable standard. This had an impact on the delivery of primary care services and had the potential to seriously harm patients, although no actual harm to patients has been identified. NHS England was unable to stop Capita's aggressive office closure programme, without cancelling the contract, even though it was having a harmful impact on service delivery.

**23** While some services have now improved, it is deeply unsatisfactory that, two and a half years into the contract, NHS England and Capita have not yet reached the level of partnership working required to make a contract like this work effectively. Although NHS England has saved significant sums of money, value for money is not just about cost reduction. NHS England will need to address the current service failures over the remaining life of the contract if it is to achieve both the savings and service improvements it intended.

## Recommendations

### Recommendations for NHS England

**24** NHS England has secured its financial objective from the service outsourcing. It now needs, with Capita, to secure stable and sustainable service delivery while supporting the transformation of services. Both parties are now much better informed about the service, dependencies and challenges they face. Our recommendations focus on how NHS England and Capita can deliver value for money through the discussions about the future of the contract.

a **Determine whether all current services within the PCSE contract are best delivered through that contract or whether some should be taken in-house by NHS England.** Experience has now highlighted which services can most easily be delivered by Capita and which have more complex dependencies. The current commercial discussions present an opportunity to revisit responsibilities.

b **Agree with Capita performance indicators and targets, and also the data sources and assurance mechanisms which need to underlie these indicators.** Disputes over data and assurance were foreseeable but were not well handled. Agreeing sources, assurance and use in advance should support better partnership working.

c **Prioritise the stabilisation of existing services when rescheduling transformation programmes.** The lack of stability in delivering existing services was in part caused by premature site closures and the push to secure savings from transformation. NHS England should carefully consider the operational readiness of each service before agreeing to the implementation of any further transformation changes.

d **Secure user engagement in advance of service changes.** Primary care providers are a valuable source of practical feedback and can offer insights that will improve service delivery, especially where changes through transformation are significant.

e **Pilot significant transformation changes effectively.** Several changes to services were not initially implemented effectively. NHS England could profitably discuss with Capita when pilots would offer the greatest benefit.

f **Create a joint risk register which would more thoroughly set out dependencies, mitigations, responsibilities and required actions.** NHS England did not adequately assess the risk of service failure and Capita failed to recognise the scale and nature of the task it was taking on. A joint risk register would allow delivery challenges and actions to surface at an earlier stage.

g **Improve its management of the factors which influence the overall performance of PCSE, which are outside Capita's control.** NHS England should collect data on how well NHS England area teams and other third parties are performing in the areas they control and, where possible, hold these bodies to account for their performance.

## Wider recommendations for government

**25** Our recommendations for government aim to ensure lessons are learned more broadly. The government should:

h **Set realistic but challenging expectations by developing an understanding of what is wanted and at what cost before the procurement.** For services that are being contracted for the first time, sufficient time should be allowed to collect data on existing services and determine the service specifications.

i **Risk assess the likelihood of bidders being able to deliver their promises and challenge the targets and assumptions of bidders.** This should include benchmarking bidders on their capability to deliver their promises, such as by examining past performance. There should also be sufficient modelling to understand the contractor's cost drivers and incentives.

j **Agree fundamental principles about how the contract works from the start.** The contract should be clear with well-defined terms to avoid disagreements about the service specifications, performance standards and the basis for payments.

# Part One

## Setting up the Primary Care Support England contract

**1.1** This part of the report sets out what primary care support services are and who is responsible for providing them. It also describes NHS England's Primary Care Support England (PCSE) contract with Capita Business Services Ltd (Capita).

### Primary care support services

**1.2** Primary care support services provide a range of administrative and back-office functions to around 39,000 primary care practitioners. Services include: administering payments to GP practices, opticians and pharmacies; administering the pensions of GPs; administering entry and changes to national performers lists that provide the public with reassurance that GPs, dentists and opticians in the NHS are suitably qualified and have passed other relevant checks; ordering supplies; moving patients' medical records; and processing patient registrations.

**1.3** Before April 2013, primary care support services were commissioned locally by primary care trusts. The primary care trusts kept most services in-house, but about 18% were contracted to other providers. Following the abolition of primary care trusts, all contracts and services transferred to NHS England in April 2013. In 2014-15, the cost of these services was £90 million.

**1.4** When NHS England took responsibility for these services they were being provided by 1,650 staff across 47 local offices. Services were provided according to local demands. There was no national leadership, no common standards in service specification or operating processes, and limited data on performance, including on the volume of services being provided. NHS England considered that this had resulted in variation in the way services were being delivered and offered significant scope for savings. Services were supported by a 20-year-old IT system run across 82 local databases that NHS England considered was not sustainable and in urgent need of replacement. Many processes relied on the manual processing of paper-based documents by staff with knowledge of the local processes.

**1.5** In January 2013, the NHS England Board agreed to reduce the costs of primary care support services by around 40%, in line with its mandate commitment to reduce administrative costs and focus resources on front-line services. NHS England considered a number of options to achieve these savings, including: services continuing as they were; NHS England carrying out the required changes; using a government shared service provider; and outsourcing the services via the Official Journal of the European Union (OJEU).

**1.6** In July 2014, NHS England decided that the best option was to outsource the services to a private sector provider. Its aims were both to transform the services and make savings. It concluded that it would not be possible to deliver the required savings in-house as it did not have the necessary skills in transforming services through better use of IT. It shortlisted three companies, and, in June 2015, it announced that Capita had won the competitive tendering process. Capita's tender scored best on both cost and quality. By July 2015, primary care support services were being delivered by 1,340 staff across 47 offices.

**1.7** The procurement was supported by commercial experts and the Cabinet Office, subject to reviews by the Major Projects Authority and approved by the Department of Health & Social Care and HM Treasury. The final review by the Major Projects Authority noted that this was a well-run programme and that successful delivery appeared probable.

## Contract with Capita

**1.8** In August 2015, NHS England entered into a seven-year, £330 million contract with Capita to deliver primary care support services (**Figure 3**). These services transferred to Capita on 1 September 2015 and are now known as Primary Care Support England (PCSE). On that date, all NHS England's primary care support services staff transferred to PCSE. The contract was based on the Crown Commercial Service's model service contract.

**1.9** NHS England's aim was to reduce its costs by 35% from the first year of the contract and create support services that were more modern, efficient, and easy to use. It also wanted to provide a high-quality and standardised service. Capita's bid depended on it delivering a major transformation of services and closing sites to meet NHS England's objective to reduce costs. Its plans involved:

- moving services from 38 sites across England to three sites (Leeds, Preston and Clacton);
- opening a national customer support centre for all customer queries;
- introducing an online portal to provide access to many PCSE services;
- using one national courier firm to provide a more secure system for delivering supplies and moving GP medical records;
- standardising the way services are delivered nationally; and
- investing in new, modern information technology and updated processes.

## Figure 3

Primary care support services provided by Capita Business Services Ltd

**Capita operates nine services**

| Service | Description | Current annual activity levels |
|---|---|---|
| Cervical screening | Delivering prior notification lists of patients eligible for screening to GPs and sending out invitation and recall letters and test results to patients. | Sending out over 9 million invitation letters and 3.4 million test results. |
| Customer support centre | Single point of contact for all telephone queries for all Primary Care Support England services. Opened in December 2015. | Around 26,000 calls a month on average. |
| GP and pharmacy payments and GP pensions | Administering monthly contracts and reimbursements to practices and pharmacies, and the NHS Pension Scheme for GPs who are members. | Processing around £9 billion of payments to GP practices and pharmacies, and the pension documentation for 37,000 GPs. |
| Market entry | Validating and processing pharmacy market entry applications on behalf of NHS England, including change of ownership applications. | Processing over 2,000 applications. |
| Medical records | Moving hard-copy patient medical records between practices and into storage. | Moving around 6 million records when patients register with new GP practices. |
| National performers lists | Administering entry and changes to performers lists on behalf of NHS England. The lists provide information on GPs, dentists and opticians practicing in the NHS, including that they are suitably qualified and have passed other relevant checks. | Processing around 8,000 entries and 15,000 change requests. |
| Payments to opticians | Administering monthly payments for eye tests, processing continuing education and training payments and deducting local optical committee levies. | Processing around 20 million eye sight service claims. |
| Registrations | Processing patient registrations and de-registrations at GP practices. | Around 6 million registrations and de-registrations. |
| Supplies and logistics | Providing NHS stationery, pre-printed forms, and needles and syringes for all primary care providers. | Processing and delivering over 240,000 NHS supplies orders. |

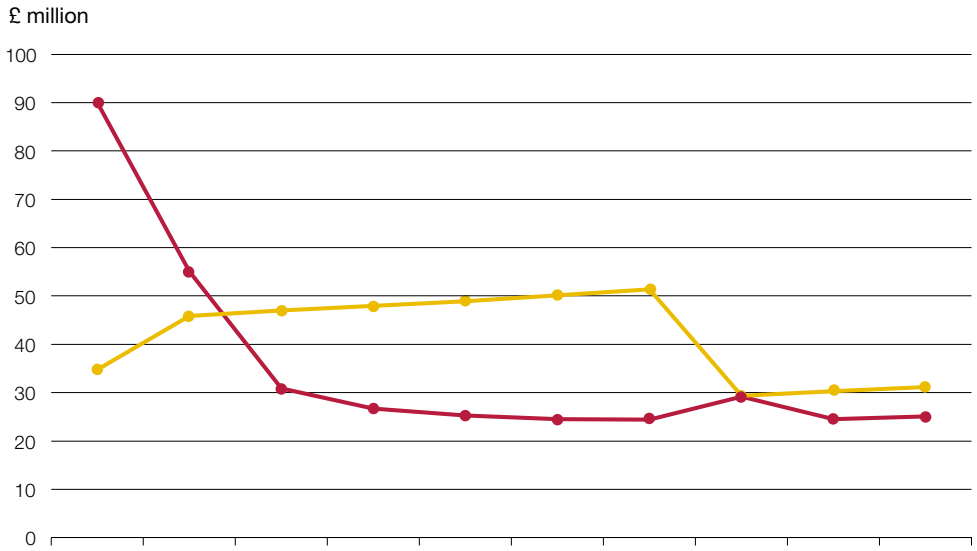
Source: NHS England and Capita

**1.10** To meet NHS England's target to reduce costs, Capita expected to make a loss of £64 million in the first two years of the contract, which it planned to recoup in later years (**Figure 4**). It planned to reduce the operating cost of the outsourced service by 69%, from £77 million in 2014-15 to £24 million by 2021-22 (year seven of the contract). Its bid involved reducing the number of staff from 1,390 at the start of the contract to 314 by January 2018.

## Figure 4

Capita Business Services Ltd's financial model for delivering primary care support services

**Capita expected to make losses of £64 million in the first two years of the contract and reduce the operating cost of the service by 69% by year seven**




| Contract year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| Expected costs | 90 | 55 | 31 | 27 | 25 | 25 | 24 | 29 | 25 | 25 |
| Expected income | 35 | 46 | 47 | 48 | 49 | 50 | 51 | 29 | 30 | 31 |
| Expected in-year profit (loss) | -55 | -9 | 16 | 21 | 24 | 26 | 27 | 0 | 6 | 6 |
| Expected cumulative project (loss) | -55 | -64 | -48 | -27 | -3 | 22 | 49 | 50 | 55 | 61 |

**Notes**

1 The expected costs include one-off transformation costs of £38 million (£20 million in contract year one and £18 million in contract year two).

2 Income minus costs may not equal profit or loss due to rounding.

3 The contract is for seven years with the option to extend it by an additional three years.

Source: National Audit Office analysis of NHS England documents

**1.11** To deliver primary care support services, Capita relies on other organisations to provide some services. For example, it relies on:

- NHS suppliers to have stock available and for the national courier it uses to deliver the stock to the correct place and on time; and
- NHS England to make timely decisions on applications to the national performers lists, and market entry.

NHS England retains overall responsibility for ensuring primary care support services work for the benefit of primary care providers and members of the public.

## Service specifications and performance measures

**1.12** Our previous reports on the use of contracts in government have highlighted that, without an understanding of what it wants and at what cost, the government will not achieve its desired outcomes.[1] NHS England knew little about how primary care support services were being provided before the start of the contract. It lacked adequate data on the volume and performance of these services, as well as the cost of individual services. The primary care support offices that NHS England took over did not have service standards or measures of performance. In addition, there were no consistent nationwide performance standards across the other providers, as services were delivered according to local needs. NHS England told us that it recognised that there was variation in how services were delivered across the country, but that it did not have a detailed understanding of how local processes were different.

**1.13** Because of gaps in its knowledge, NHS England had to make a number of assumptions about the volumes and costs of the services before awarding the contract. For example, it used data on the number of GP practices and the types of contract they held to estimate the number of GP payments that would be needed and the volume of orders for NHS supplies. NHS England told us, that to mitigate the risk around the robustness of the activity data, the contract included a clause to ensure that volume data could be reviewed in the first few months and if necessary the contract starting volumes could be revised. It also told us that it provided all the information and service access that bidders needed to develop their bids and as a result Capita only requested one allowable assumption that allows for future adjustments in cases of uncertainty. This related to the number of staff to be transferred.

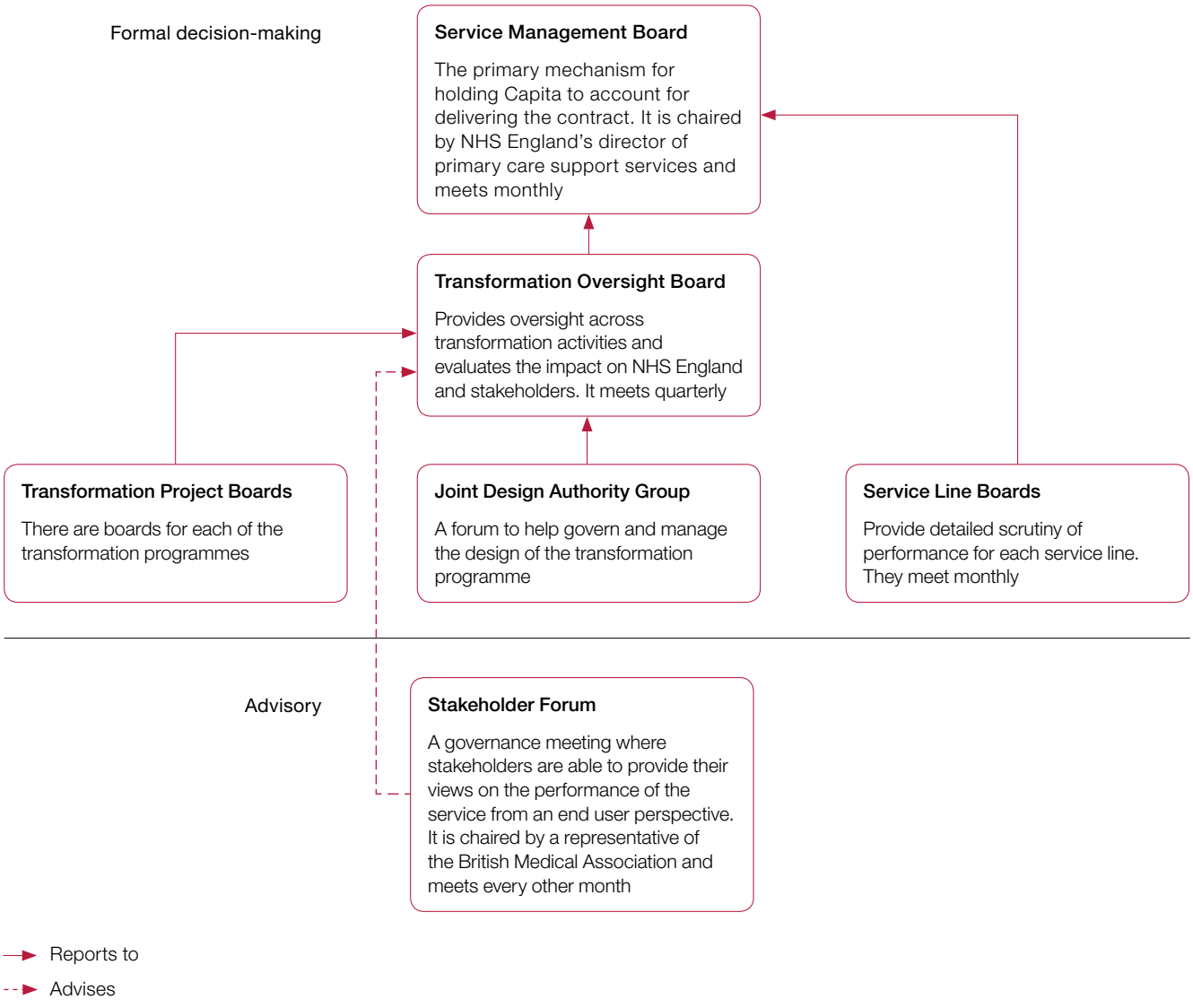
**1.14** NHS England also made assumptions about current performance in order to set service specifications and measures for assessing PCSE's performance. The contract set out 58 performance indicators – 24 key performance indicators and 34 standard service levels. NHS England considers that the key performance indicators are more important, as failure to deliver them would result in greater operational and reputational loss to NHS England. Capita must provide NHS England with a monthly report, setting out how PCSE is performing against the performance measures. **Figure 5** overleaf sets out NHS England's governance arrangements for providing oversight of PCSE's performance.

1 National Audit Office, Commercial and contract management: insights and emerging best practice, November 2016.

## Figure 5

NHS England's oversight and governance arrangements

**There are a number of boards with formal decision-making responsibilities: the Service Management Board, the Transformation Oversight Board, the Joint Design Authority Group and the Service Line Boards**




Source: National Audit Office review of NHS England documents

# Part Two

## Performance issues

**2.1** This part sets out the performance issues with Primary Care Support England (PCSE), and the action that NHS England and Capita Business Services Ltd (Capita) have taken in response to these issues. **Figure 6** on pages 22 and 23 sets out a timeline of events.

### Emerging performance issues

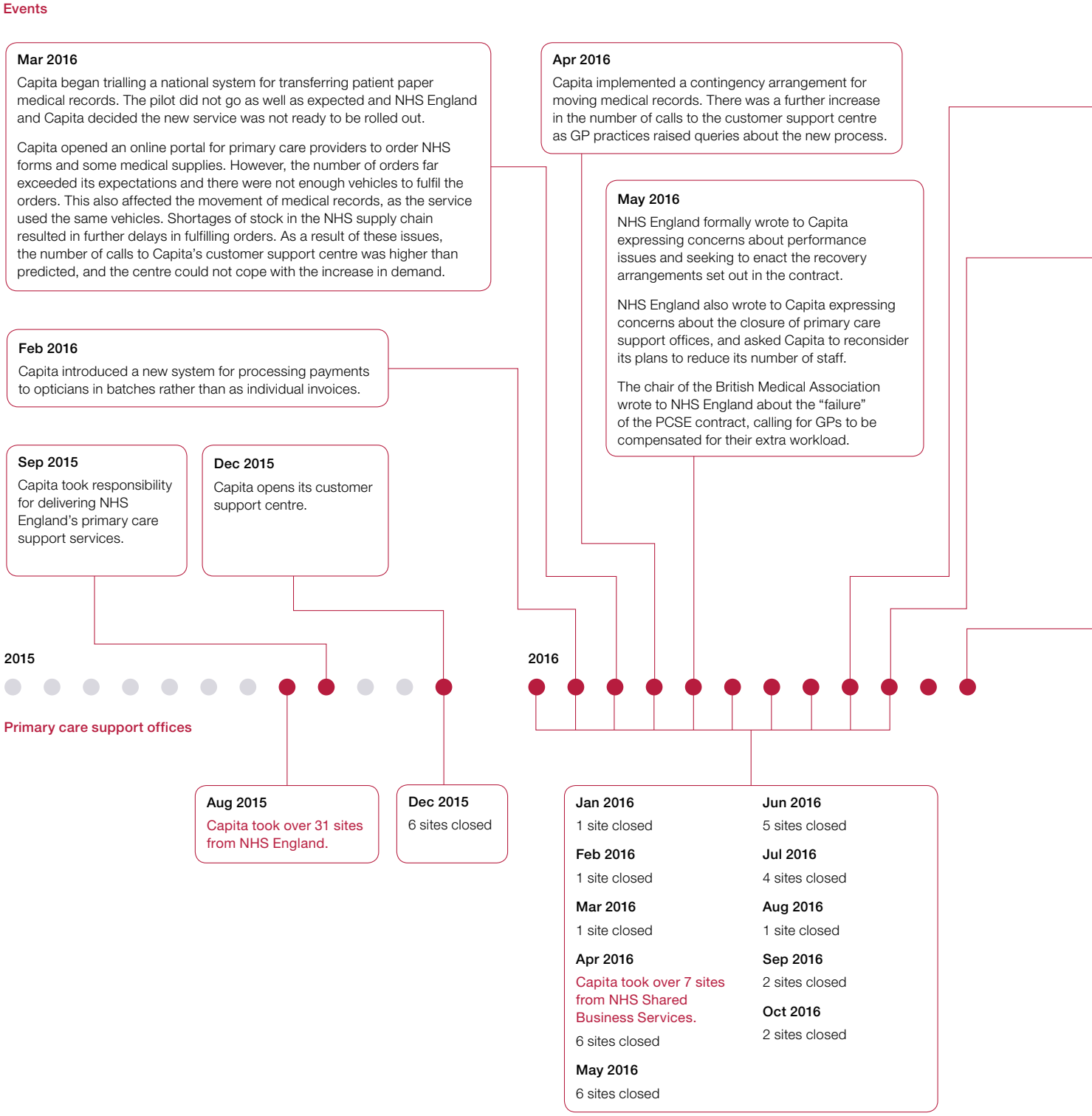
**2.2** Capita's contract with NHS England gave a three-month period to agree final service volumes and performance targets with NHS England. At the end of this period, Capita reported that it had not been able to collect sufficient information to complete this exercise.

**2.3** However, Capita pressed ahead with its plans to transform the business, some of which were approved by NHS England.

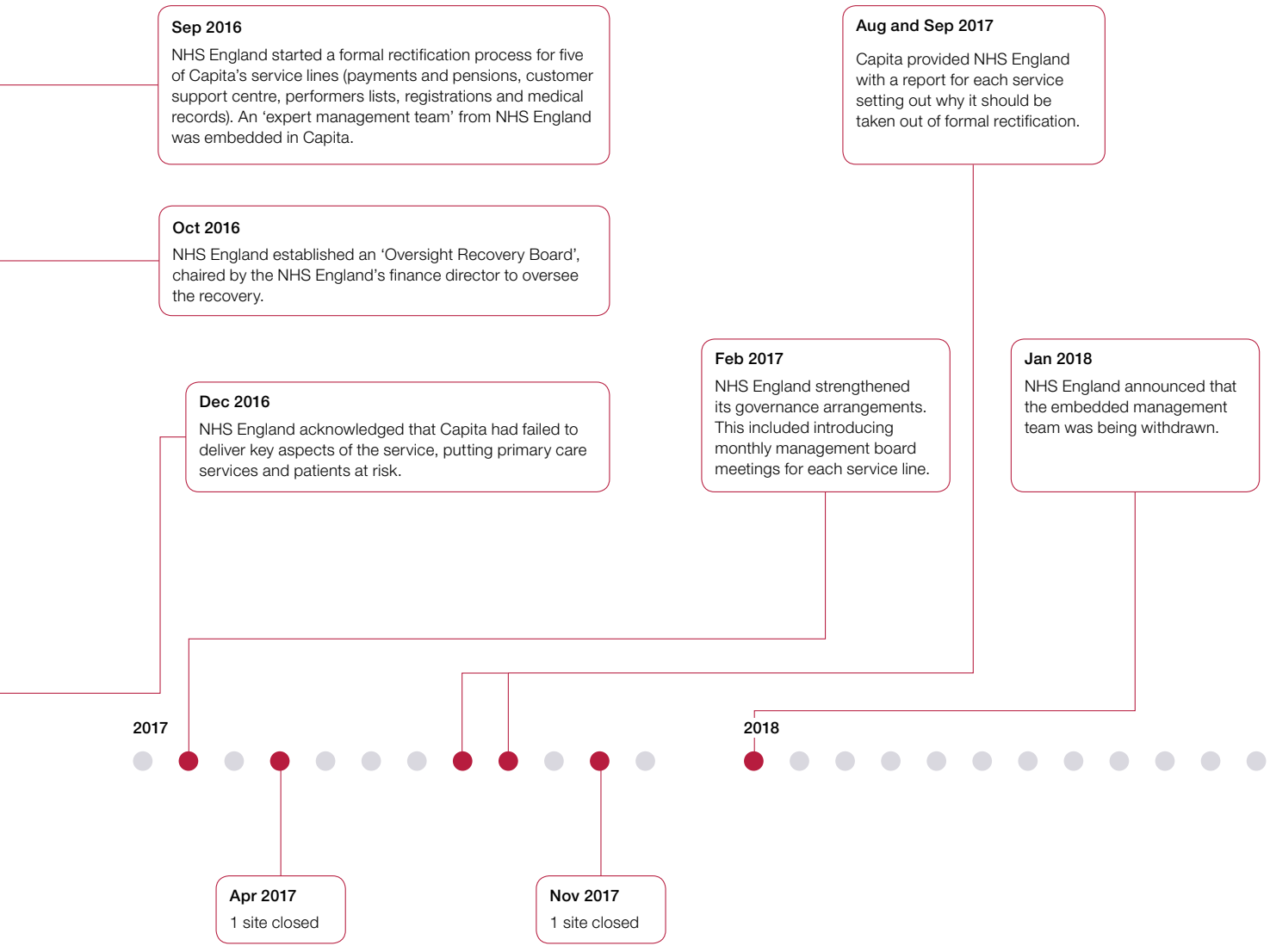
- In December 2015, it opened a customer support centre to take over telephone and written enquiries from its local PCSE offices on a phased programme up to February 2018.
- In February 2016, it introduced a system for processing payments to opticians in batches rather than as individual invoices, to reduce the administrative cost of processing some 20 million claim forms.
- In March 2016, it began trialling a national system for transferring patient paper medical records. The pilot did not go as well as expected and NHS England and Capita decided the new service was not ready to be rolled out.
- In March 2016, it opened an online portal for primary care providers to order NHS forms and some medical supplies. However, the number of orders far exceeded its expectations and there were not enough vehicles to fulfil the orders. This also affected the movement of medical records, as the service used the same vehicles. There was also a shortage of stock in the NHS supply chain which resulted in further delays in fulfilling orders. As a result of these issues, the number of calls to Capita's customer support centre was higher than predicted, and the centre could not cope with the increase in demand.
- In April 2016, Capita implemented a contingency arrangement for moving medical records, following the decision to delay the full roll-out in March. This involved a single courier collecting records from GP practices and taking them all to Capita's Darlington depot for sorting before being distributed. All legacy local couriers ceased to operate at this point. There was a further increase in the number of calls to the customer support centre as GP practices raised queries about the new process.

## Figure 6

Timeline of key events in Capita Business Services Ltd delivery of primary care support services




Source: National Audit Office review of NHS England and Capita documents


Sep 2016
NHS England started a formal rectification process for five of Capita's service lines (payments and pensions, customer support centre, performers lists, registrations and medical records). An 'expert management team' from NHS England was embedded in Capita.
Oct 2016
NHS England established an 'Oversight Recovery Board', chaired by the NHS England's finance director to oversee the recovery.
Dec 2016
NHS England acknowledged that Capita had failed to deliver key aspects of the service, putting primary care services and patients at risk.
Feb 2017
NHS England strengthened its governance arrangements. This included introducing monthly management board meetings for each service line.
Aug and Sep 2017
Capita provided NHS England with a report for each service setting out why it should be taken out of formal rectification.
Jan 2018
NHS England announced that the embedded management team was being withdrawn.
2017
2018
Apr 2017
1 site closed
Nov 2017
1 site closed

**2.4** Between December 2015 and November 2016, Capita closed 35 of the 38 primary care support offices it had inherited.[2] This reduced staff numbers from 1,300 to 660, as their work moved to one of four main sites (**Figure 7**). The process resulted in the loss of local expertise.

**2.5** NHS England told us that it first became concerned about PCSE's performance in spring 2016. NHS England initially believed that the issues being experienced in processing work in the national offices reflected the inevitable teething problems involved in a transformation. Primary care providers became increasingly critical of Capita's performance. They raised concerns through user group meetings, articles in trade magazines, and by writing to NHS England.

## Action taken by NHS England and Capita

**2.6** On 21 April 2016, NHS England asked Capita for a recovery plan to tackle the emerging issues with the customer support centre, the medical records and supplies services, and payments to opticians. Capita provided the first version of a recovery plan on 29 April 2016. In May 2016, NHS England wrote to Capita expressing concerns about the closure of primary care support offices, and asked Capita to reconsider its plans to reduce its number of staff.

**2.7** On 27 May 2016, NHS England wrote to Capita formally expressing concerns about performance issues and seeking to enact the recovery arrangements set out in the contract. Capita initially denied being in breach of its service obligations. It argued that there were no baseline data from before the contract to benchmark its performance against and confirm whether service standards were being met. In its response of 17 June 2016, NHS England stated that the lack of performance data meant that Capita could not yet prove that it was meeting performance standards. It considered that there was enough evidence to place Capita in a formal process to rectify services, given the delays in setting up the customer support centre, the medical records service, and payments to opticians. However, NHS England considered that the improvement plan that Capita had developed would be sufficient to resolve the problems.

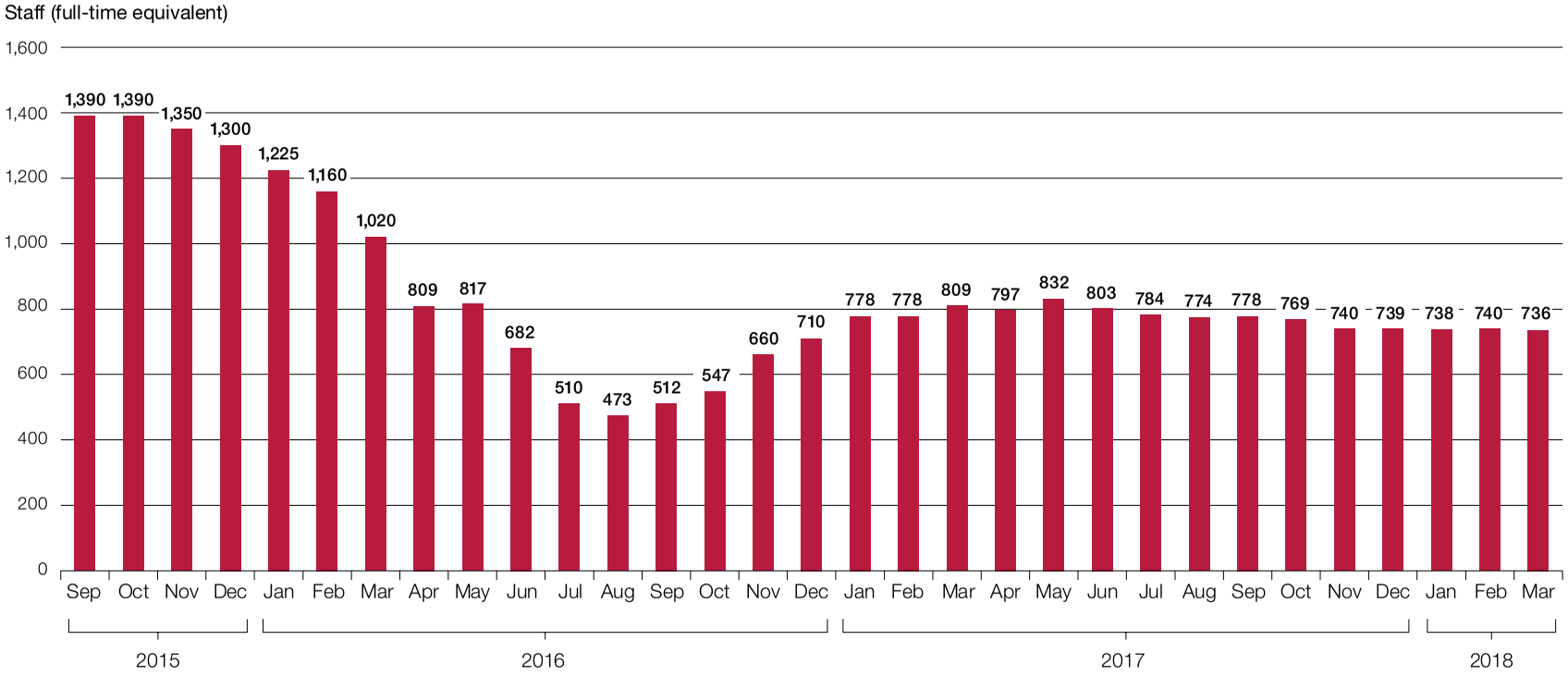
**2.8** NHS England formally intervened in Capita's management of the contract in September 2016. It told us that by the end of summer 2016, it had become clear that Capita's improvement plans were ineffectual in some key areas and that issues had become more widespread. NHS England served default notices, placing five of Capita's nine services in a formal rectification process: the customer support centre; the medical records service; the patient registration service; the national performers lists service; and payments to opticians. It also embedded an 'expert management team' in Capita, to work alongside operational staff and provide additional oversight and support.

2 Capita closed a further two primary care support offices in April 2017 and November 2017. It also opened two new offices in Blackburn and Leeds and continues to operate services from an office that it inherited in Preston. Services are also provided from a fourth office in Clacton, which is owned by ACE Ltd and provides services through a contract with Capita.

## Figure 7

Primary Care Support England staff (full-time equivalents), September 2015 to March 2018

**Capita reduced staff to 473 in August 2016 but then increased staff to 736 in March 2018**




**Note**

1 The staff number in September 2015 includes staff that transferred in to PCSE and Capita's corporate staff.

Source: Capita data

**2.9** After being placed in formal rectification in September 2016, Capita reviewed how it could resolve its service issues. By December 2016, NHS England had agreed to Capita's recovery plans for payments to opticians, the patient registration service and the customer support centre. It agreed plans for the medical records service in January 2017 and for the national performers lists service in April 2017. The plans set out the actions Capita would take to address the specified issues, as well as a number of actions that NHS England would take to improve the end-to-end service.

**2.10** Since September 2016, Capita has made a number of changes to the senior management team responsible for managing PSCE, and has put more resources in place to support the contract. It replaced the managing director for PCSE in October 2016 and again in May 2017. It made other changes to the senior management team in September 2016, January 2017 and May 2017. By May 2017, Capita had 832 PCSE staff, up from about 512 in September 2016. It has also introduced additional vehicles for transporting medical records and supplies.

**2.11** Failure to deliver key aspects of the end-to-end services had a detrimental effect on providers, put primary care services at risk and had the potential to seriously harm patients. **Figure 8** provides historical examples of the service failures and their impact. The examples highlight particular issues at a point in time. In December 2016, one of NHS England's Medical Directors noted that a review of reported harmful incidents had not identified any situations where serious patient harm had resulted from failures in primary care support services. However he also noted that the full effects of these failures were not known at this time and may not be apparent for some time. No further reviews have been carried out and no further incidents of actual harm to patients have been identified.

**2.12** The contract allows NHS England to apply financial deductions if Capita does not meet certain performance standards from January 2016. For example, if Capita processes fewer than 98.25% of GP payments on time, it is deemed a moderate failure and triggers a minimum penalty of £10,800 a month. The maximum penalty that can be applied for service failures was £480,000 a month in the first two years of the contract. From year three, it is set at 20% of payments to Capita, excluding fixed investment changes. **Figure 9** on page 28 shows that, by April 2017, NHS England had deducted £5.3 million from payments, represented 7% of the total payable to that point. The maximum penalty was applied between July 2016 and April 2017. Contract penalties have yet to be applied from May 2017 because NHS England does not accept Capita's reported performance data due to disagreements about the scope of some of the measures.

## Figure 8

Historical examples of primary care support service failures and impact

**There have been service failures across all of the end-to-end primary care support services**

| Service | Service failures | Examples |
|---|---|---|
| Cervical screening | Not meeting required timescales.<br><br>Instances in which some women have received correspondence that they felt gave unclear instructions regarding further treatment. | As at July/August 2016, 1,963 letters had not been sent out on the date required.<br><br>87 women were notified incorrectly that they were no longer part of the cervical screening programme. |
| Customer support centre | In spring 2016, the centre could not cope with the number of calls it was receiving and stopped tracking customer enquiries. Primary care providers reported having to spend a lot of time seeking a response to enquiries, sending evidence on numerous occasions and still failing to get a resolution. | Some 259 new complaints were received in July 2016, of which 103 related to records management. |
| GP and pharmacy payments and GP pensions | Missed and inaccurate payments to GPs and pharmacies. | 64% of GP practices responding to a 2017 survey reported that they had received incorrect patient records in the last three months (out of 748 practices that responded). |
| Market entry | Long delays in the new pharmacies being approved and changes in ownership of existing businesses being processed. | Only 41% of applications were processed within 70 days in November 2017. In one case a pharmacist reported being unable to retire. |
| Medical records | Delays in moving medical records between GP practices and processing individual requests to access records. | 62% of GP practices, responding to a 2017 survey, reported that urgent requests for patient records were not actioned within three weeks (out of 748 practices that responded). |
| National performers lists | Delays in processing new applications and making changes to existing performers, resulting in GPs and dentists being unable to work and losing earnings, and potential risks to patient safety in cases where performers should have been removed. | NHS England estimates that around 1,000 practitioners have been delayed from starting work and have experienced a loss of earnings due to the problems with the performers lists. |
| Payments to opticians | Missed and inaccurate payments resulted in some opticians having to take out loans. | In July/August 2016, 27% of payments to opticians required correction. |
| Registrations | Delays in issuing patient registration letters. | As at July/August 2016, there was a backlog of 500,000 new letters awaiting printing and dispatch. |
| Supplies and logistics | Changes introduced were poorly implemented and primary care providers struggled with the new systems. | Not delivering NHS stationery and medical supplies to primary care practices led to shortages of prescription pads, needles and syringes. |

**Note**

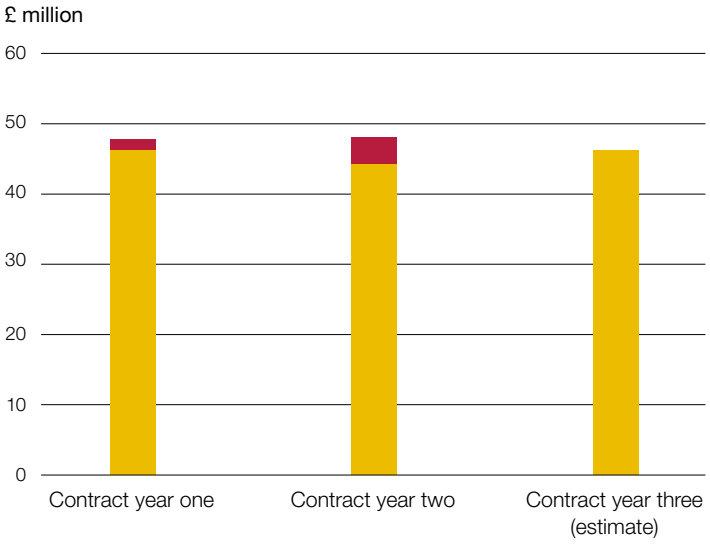
1 Examples highlight particular issues at a point in time.

Source: National Audit Office analysis of NHS England and Capita documents

## Figure 9

Payments made to Capita Business Services Ltd and penalties applied for poor performance

**Penalties deducted represent a small percentage of the contract price**




| | Contract year one | Contract year two | Contract year three (estimate) |
|---|---|---|---|
| Penalties deducted | 1.5 | 3.8 | 0 |
| Actual payments | 45.0 | 40.6 | 46.3 |
| Gross payable to Capita | 46.4 | 44.4 | 46.3 |

**Notes**

1 No contract penalties have yet been applied for the period after April 2017. Negotiations are continuing on the penalties to be applied for the rest of year two and beyond.

2 The figures may not sum due to rounding.

Source: NHS England

**2.13** As well as Capita, a number of other organisations, including NHS England, have contributed to the underperformance of PCSE services. For example:

- For the market entry service, Capita is required to provide NHS England with a file, so that they can make a decision about applications for new pharmacies within 70 days of receipt of the initial application. In November 2017, only 41% of applications were processed on time – either because applicants and referees had not provided key information, or decisions had not yet been received from NHS England.
- The performance of the medical records service has been affected by difficulties retrieving medical records held in NHS England's archives as well as from current GP practices. It was also affected by poor implementation by Capita of the new national courier arrangement for moving records, and difficulties that GP practices experienced complying with a new labelling system.
- The performance of the national performers lists service has been affected by the lack of timely decisions on removals and suspension requests by NHS England's area teams.
- NHS England acknowledges that some of the issues with GP payments and pensions are a result of legacy issues predating the contract with Capita. In particular, there are a number of inaccuracies and missing documents affecting GP pension records, which can affect the accuracy of payments.

# Part Three

## Reason for the service failures

**3.1** This part examines the reasons for the failures to provide Primary Care Support England (PCSE) services to an acceptable standard. It draws on lessons from our previous reports on government's contracted-out services. PCSE was being contracted out for the first time, which adds to the complexity of setting up a contract.

### Market management and sourcing

#### Capita underestimated the scale and nature of the task

**3.2** Our previous reports on the use of contracts in government have shown that suppliers need to undertake sufficient testing before agreeing a contract, to ensure they can deliver the contracted service.[3]

**3.3** Capita Business Services Ltd (Capita) acknowledges that it underestimated the number of staff that it would need to deliver PCSE and the time it would take to implement changes. Capita's bid involved reducing the number of staff from 1,390 at the start of the contract to 314 by March 2018, in order to minimise its losses over the first two years of the contract (**Figure 10**). As at March 2018, it had 736 staff working on PCSE, as the number it originally forecast was insufficient. Capita told us that contributing factors to this underestimation included higher service volumes than predicted and the significant variation in how services were delivered, including by NHS England area teams. It has also taken longer than it anticipated to make changes to the service, because it underestimated the extent of variation in the way local support offices operated and the time it would take primary care providers to adapt to new ways of working.

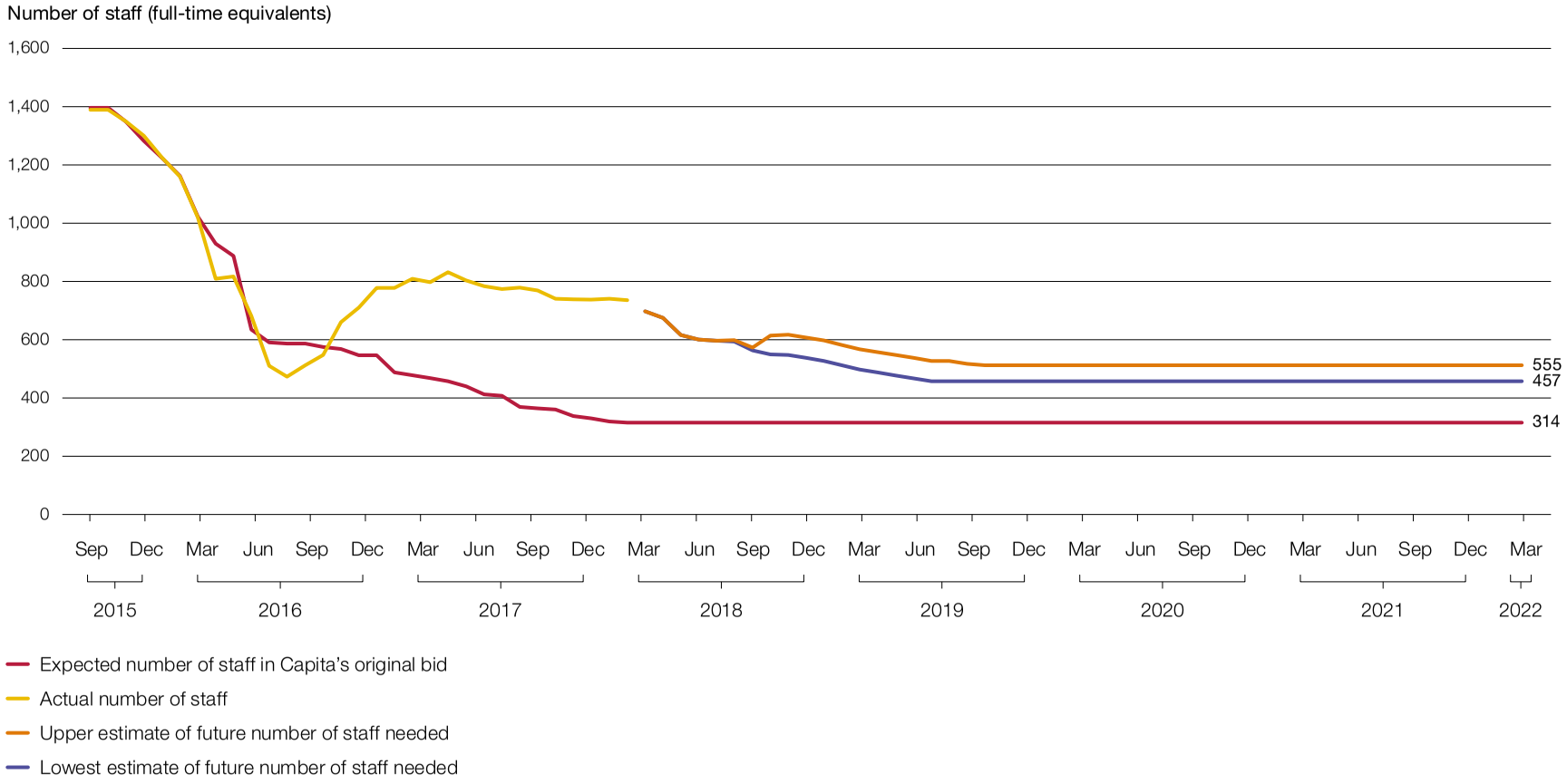
**3.4** Capita underestimated the expertise that would be needed to deliver PCSE and the impact of losing local knowledge through closing its sites. Although Capita had ensured that some experienced staff and managers were available to its national teams, these staff did not always understand the systems being used in other regions. Capita contracted external suppliers to strengthen its expertise in delivering the transformation programme.

3 National Audit Office, *Commercial and contract management: insights and emerging best practice*, November 2016.

## Figure 10

Actual and expected number of Primary Care Support England staff (full-time equivalents), September 2015 to March 2022

**Capita Business Services Ltd expects there to be between 457 and 555 PCSE staff by November 2019, representing 143 to 241 more than they anticipated needing in their original bid**




**Note**

1 Capita's upper and lower estimates of the future number of staff needed are based on a review carried out in September 2017.

Source: National Audit Office analysis of Capita data

### Delivery risks were not adequately identified and managed

**3.5** Our previous reports have highlighted the need to challenge bidders on whether they are capable of delivering a contract, rather than accepting their promises of what they can deliver. NHS England's assessment of the contract risk focused on the risk of it failing to achieve its financial savings target and did not adequately assess the risk of Capita failing to provide the service to a good standard. Capita's plans for transforming and delivering the service were assessed by service experts within NHS England, as well as primary care provider representatives. However, gaps in the data meant that NHS England could not challenge whether the assumptions in the contract were reasonable.

**3.6** NHS England also did little to assess whether Capita had the necessary skills to transform services successfully. Capita had partnered with an existing provider of primary care support services, Anglian Community Enterprise, which Capita was to contract services from. NHS England told us that it therefore considered that Capita had access to existing service expertise that they could use to inform and test their transformation plans. NHS England did not bring in staff with senior-level skills in transforming a service, as it expected this expertise to sit within Capita.

## Contract approach

### Lack of appropriate performance measures

**3.7** Our previous reports have highlighted that without relevant and workable performance measures, business outcomes may fail or perverse incentives may be created. There should be strong evidence which shows that measures are achievable, focus on the outcomes that matter and are clearly defined.

**3.8** NHS England did not set appropriate service specifications and performance measures from the start of the contract.

- NHS England lacked data on the volumes, costs and performance of the services and so had to make assumptions about whether service standards and performance measures could be achieved (paragraphs 1.12 to 1.14).
- Performance measures lack indicators on providing a high-quality service, as NHS England's focus was on efficiency. For example, the performance measure for payments to GPs measured whether Capita is making payments on time but not whether the payments are accurate.
- Performance measures do not always cover the end-to-end performance of PCSE. For example, the contract measures Capita's performance in delivering patient records only from when the records are picked up from GP surgeries. They ignore any delays before this point. NHS England is responsible for the overall performance of PCSE and for making sure that the service works end-to-end for the benefit of primary care practitioners and the public.

### Insufficient mechanisms for intervening in some changes

**3.9** Our previous reports have highlighted the importance of having incentives that encourage the contractor to act in the interest of the government, with appropriate checks and approval mechanisms.

**3.10** The contract provided incentives for Capita to close primary care support offices and cut back on staff as quickly as possible, so that it could minimise its losses in the first two years. However, NHS England wrote to Capita on 6 May 2016, expressing concerns about Capita's plans to significantly reduce its staff numbers at a time when there were significant issues with its performance. It also questioned whether Capita's plans to deliver efficiency savings over a period of a few weeks, to compensate for the reduction in staff, were realistic. Although Capita's site closure programme required NHS England's engagement throughout the process, the contract did not require NHS England's agreement for Capita to close offices or reduce staff.

**3.11** Between May and November 2016, Capita closed a further 20 offices and reduced its headcount from 820 to 660 employees. Both NHS England and Capita recognise that Capita made performance issues worse in spring 2016, by continuing to close support offices, as this resulted in the loss of local expertise.

## Contract management

### Not enough was known about PCSE's performance when Capita started changing the service

**3.12** Our previous work has highlighted the importance of having a mobilisation period from procurement to business as usual. The mobilisation period should allow time to identify good practice, potential contractual changes and problems and risks, and to monitor performance.

**3.13** The mobilisation period did not give NHS England and Capita enough time to assess whether Capita was ready to start transforming the service. As a result, neither NHS England nor Capita knew enough about PCSE's performance when Capita started making changes to the service in March 2016.

- It took longer than expected for Capita to develop consistent information about its performance. The contract allowed a three-month period to assess how performance at the start of the contract differed from expectations set out in the performance measures. Where performance measures were not being met, Capita could propose variations or alternative measures. If agreed, these would be applied for a period of two years (known as the transformation period). However, NHS England told us that it took Capita five months to start providing consistent information about its performance. NHS England considers that the quality of Capita's data has improved but it still has concerns about its quality and reliability.

- There were still gaps in the performance measures used to monitor Capita's performance when it started to make changes to PCSE. NHS England's review of the contract, in March 2016, found that of 78 key activities that Capita was contracted to carry out, some 23 were not captured by performance measures and were therefore 'invisible' to NHS England. It identified that 13 of the 23 activities without performance measures could affect patient safety if not delivered to standard.
- NHS England's performance measures were not flagging issues when stakeholders started raising concerns in April 2016. At this time, Capita was reporting that it was meeting all but 4 of the 49 performance measures set by NHS England. The stakeholders we spoke to consider that there is still a mismatch between Capita's reported performance that takes into account factors that Capita considers to be outside its control, and the issues that they are experiencing on the ground.

## Basic principles about the contract are not yet agreed

**3.14** Our previous work has shown that misunderstandings about the contract and how it works and is priced can create confusion and tension, and at worst can lead to contract or service failures.

**3.15** More than two and a half years into the contract, NHS England and Capita have still not agreed basic principles about the service that Capita is contracted to provide. NHS England told us that service specifications lack detail in some areas which leads to disagreements, as they are open to different interpretations. Areas of misunderstanding include:

- Performance measures. The contract allowed Capita to use less onerous performance measures during the transformation period, from February 2016 to August 2017. However, as the transformation is not yet complete, it is unclear whether Capita should still be using these measures. The measures that were to be applied from August 2017 set a higher standard of performance.
- By May 2018, NHS England and Capita had still not agreed how to calculate 11 performance measures.
- The method of calculating the volumes of services and payments. NHS England does not agree with the approach that Capita has used to calculate the volumes of services. It considers this approach to be inconsistent with the methodology described in the contract. The volumes being reported by Capita are significantly different to the baselines set out in the contract for some services (**Figure 11**).

- Whether Capita has met the criteria for services to be removed from the formal rectification process. Capita considers that services should be taken out of formal rectification, but NHS England thinks there are still issues that need to be resolved. NHS England told us that the contract does not set out the process for removing services from rectification. Capita provided NHS England with a report for each service in August and September 2017, setting out why it should be taken out of formal rectification. However, NHS England has not formally responded to three of these reports. It told us that it was waiting for further evidence from Capita on two services before it could consider if rectification was complete.

## Figure 11

Predicted service volumes and Capita Business Services Ltd's estimate of actual service volumes

**For some services there was a big difference between the range of predicted service volumes and Capita's estimate of volumes in year three**

| Service | NHS England's predicted volume (from bid) | Capita's estimated service volumes (year 3) | Difference from maximum or minimum predicted volume |
|---|---|---|---|
| Payments to GPs | 83,000 – 124,000 | 148,000 | +19% |
| Payments to opticians | 15,605,000 – 19,073,000 | 18,228,000 | Within range |
| Payments to pharmacies | 112,000 – 168,000 | 43,000 | -62% |
| Patient registrations and de-registrations | 6,000,000 – 9,000,000 | 17,785,000 | +98% |
| Medical records moved | 4,960,000 – 7,440,000 | 8,531,000 | +15% |
| Women invited for cervical screenings | 3,566,000 – 5,350,000 | 5,616,000 | +5% |
| Maintenance of performers lists | 6,000 – 9,000 | 16,700 | +86% |
| Number of market entry applications | 2,180 – 3,270 | 1,270 | -42% |
| Primary care providers' supplies orders | 18,800 – 28,200 | 242,000 | +758% |

**Note**

1 NHS England does not accept Capita's estimate of service volumes as NHS England does not agree with the approach that Capita has used to calculate the volumes.

Source: National Audit Office review of NHS England and Capita documents

# Part Four

## The current status of Primary Care Support England

**4.1** This part examines the current performance of Primary Care Support England (PCSE), the costs and benefits that have been secured to date and outstanding issues with the contract.

### Current performance

**4.2** NHS England told us it considers that PCSE's performance has improved. In February 2018, Capita Business Services Ltd (Capita) reported that it was meeting 41 out of 45 of its mitigated performance indicators, where information was available (**Figure 12**), after taking into account factors Capita considered beyond its control. Capita was reporting one severe failure, which was for not notifying opticians that they had submitted an invalid payment claim within 30 calendar days. In November 2017, Capita reported it was meeting 40 out of 43 of its mitigated indicators, with one severe service failure. NHS England has not accepted Capita's reported performance since May 2017 for 11 measures where there is a difference of view about how it should be calculated.

**4.3** The unadjusted underlying performance provides a better indicator of the performance that primary care providers are experiencing on the ground. In February 2018, unadjusted performance was more variable (32 out of 45 indicators being met) with seven severe service failures. In November 2017, only 28 out of 43 unadjusted performance indicators were being met, with 10 areas of severe service failure. Paragraph 2.13 describes how unmitigated performance is influenced not just by Capita, but by other organisations, including NHS England.

## Figure 12

Capita Business Services Ltd's performance against the contract and when adjusted for factors it considers outside its control, February 2018

**In February 2018, Capita was reporting that it was meeting 41 out of 45 of its performance indicators after taking into account factors it considered outside its control**

| Service line | Mitigated performance – number of indicators by outcome | | | | Raw performance – number of indicators by outcome | | | |
|---|---|---|---|---|---|---|---|---|
| | Pass | Marginal or moderate failure | Severe failure | N/A | Pass | Marginal or moderate failure | Severe failure | N/A |
| Cervical screening | 5 | | | | 5 | | | |
| Customer support centre | 3 | 1 | | | 3 | 1 | | |
| GP and pharmacy payments and GP pensions | 6 | | | 2 | 5 | 1 | | 2 |
| Market entry | 5 | 1 | | 1 | 1 | 1 | 4 | 1 |
| Medical records | 5 | | | | 5 | | | |
| National performers lists | 5 | 1 | | | 3 | 1 | 2 | |
| Payments to opticians | 3 | | 1 | | 3 | | 1 | |
| Registrations | 8 | | | | 7 | 1 | | |
| Supplies and logistics | 1 | | | | | 1 | | |
| **Total** | **41** | **3** | **1** | **3** | **32** | **6** | **7** | **3** |

**Note**

1 NHS England has not agreed the factors that Capita considers outside its control.

Source: National Audit Office analysis of Capita data

**4.4** NHS England considers that six out of the nine PCSE services are no longer experiencing significant issues, but are still subject to ongoing improvements (**Figure 13**). However, there remain significant concerns about three of the services.

- **GP payments and pensions**. There are problems with the completeness of GP pension records, including missing documents and inaccurate data, some of which pre-date the contract with Capita.
- **The national performers lists**. Significant issues with the accuracy of the performers lists remain, of which a small proportion pre-date the contract. There have been delays in both adding to and changing the lists that could compromise patient safety.
- **Payments to opticians**. Stakeholders report that the service is inconsistent and unreliable, with some late and inaccurate payments.

NHS England is in the process of agreeing action plans for these service with Capita, excluding GP pensions where it has commissioned consultants to assess the scale of the historic problem.

**4.5** NHS England has reduced the support it provides to PCSE, and changed its oversight arrangements, now that it considers performance has improved. NHS England's Oversight and Recovery Board met for the last time in June 2017, as it considered that the service had moved from crisis into recovery, and therefore the board had fulfilled its role. In January 2018, NHS England announced that it was also withdrawing the embedded management team from Capita. It told us that, while the team added to Capita's capacity to deliver services, its presence made it more difficult for NHS England to hold Capita to account for its performance because some of its staff were performing key functions within Capita. NHS England has now reverted to contractual governance mechanisms for holding Capita to account, through the Service Management Board and Service Lines Boards. NHS England and Capita are in the process of developing a performance dashboard for each service, which covers operational delivery, quality, stakeholders and workforce.

## Figure 13

The performance of Primary Care Support England, April 2018

| Service line | NHS England's assessment of current performance |
|---|---|
| Cervical screening | **Subject to ongoing improvement** – NHS England considers that the core service is being delivered to the required service levels. There are no backlogs and letters to patients generally go out on time. Improvements are needed, particularly with respect to the management of screening incidents and communications with screening laboratories. |
| Customer support centre | **Subject to ongoing improvement** – NHS England considers that there has been significant improvement in the handling of phone calls. All queries are now properly logged. However, further improvements are needed to ensure timely and complete resolution of customer queries and complaints. |
| GP and pharmacy payments and GP pensions | **Performance concerns** – There are problems with the completeness of GP pension records, including missing documents and inaccurate data, some of which pre-date the contract with Capita Business Services Ltd (Capita). |
| Market entry | **Subject to ongoing improvements** – NHS England believes that overall the service is being delivered to standard. However, it has concerns that the end-to-end process is taking too long in some cases, sometimes due to factors which it agrees are outside Capita's control. |
| Medical records | **Subject to ongoing improvement** – NHS England considers that the service has improved over 2017 and it is reasonably satisfied with the service provided. There are no backlogs and urgent requests for medical records are being responded to in expected timescales. Capita has implemented a bar code tracking system and a new patient medical records archive has been established. Over 98% of records are being moved within the 12-working-day target. |
| National performers lists | **Performance concerns** – The service has improved. Processing backlogs have been cleared and urgent removals are now being processed in required timescales, but significant issues with the accuracy of the performers lists remain. There have been delays in both adding to and changing the lists that could compromise patient safety. An online system to manage performers list applications is expected to go live in 2018, with the hope that this will help to better manage new applications. |
| Payments to opticians | **Performance concerns** – Stakeholders report that the service is inconsistent and unreliable. Payments are often late, inaccurate and in some cases not made at all. Service improvements have regressed since the initial rectification actions. |
| Registrations | **Subject to ongoing improvement** – NHS England are reasonably satisfied with the service provided. There are no backlogs. Patient registrations and new patient registration letters are being processed in expected timescales. There are some improvements needed, mainly around the quality of patient data. |
| Supplies and logistics | **Subject to ongoing improvements** – NHS England are reasonably satisfied with the service being provided. There are no shortages of products or backlogs and service level timescales are being met. Some improvements are needed, mainly around the management of stock. The majority of orders are now being placed through the online system. |

**Note**

1 Covers the end-to-end performance of these services, not just Capita's performance.

Source: National Audit Office review of NHS England documents

## Benefits and costs

**4.6** In the first two years of the contract, NHS England achieved savings of £60 million compared to expected savings of £64 million. NHS England has reduced the cost of delivering the service by 30% from £87.8 million in 2014-15 to £62.7 million in 2016-17. In 2016-17, NHS England's costs included £41 million made in payments to Capita. It also spent £22 million on other related costs such as buying NHS forms, records archiving facilities and managing the PCSE contract.

**4.7** In calculating net savings we note that NHS England has incurred extra costs as a result of the performance issues. NHS England's costs include:

- Up to £3 million that it expects to pay providers in compensation or other payments.
- £2 million that it paid to GPs following its decision to pay each GP practice £250 in recognition of the additional workload caused by the issues. NHS England considers that GP practices have been impacted the most by the transformation as they are reliant on the broadest range of services.
- Extra resource spent on supporting the contract. This includes £1.7 million that NHS England spent on the expert management team. Its service management team spent £3.4 million on the day-to-day management of Capita's performance since the contract started. However, NHS England does not collect data on the time that other NHS England staff have spent managing the contract, where this is incidental to their primary role.

We have taken these costs into account in calculating the net savings NHS England has achieved.

**4.8** NHS England has not yet secured all the wider benefits to the service that it wanted to achieve. Capita's transformation programme was scheduled to be completed by August 2017 but following the service issues in spring 2016, Capita slowed and then ceased any significant transformation work to focus on service recovery and then rectification. Capita has now developed standard operating procedures for all nine services. It told us that it took longer than expected due to the variation in the way providers delivered the service before the contract.

**4.9** Capita's transformation programme was delayed while it dealt with operational issues. It then had to re-plan the remaining aspects of the programme and secure agreement from NHS England and other stakeholders. Capita also held commercial discussions with NHS England on the scope of transformation and service dependencies. For example, the new system for moving patient records between GP surgeries was originally planned to be fully operational from June 2016. It had a phased roll-out completed in March 2018, a delay of 21 months. To provide an incentive to keep the transformation programme on track, some £36 million was held by an external lender and could only be accessed by Capita once it had achieved 29 transition and transformation milestones up to March 2017. The contract also set out procedures for resolving disputes including external arbitration. However, Capita was incentivised to transform as quickly as possible to minimise the cost of any delays, which limited the time that was available to test whether plans for transforming the service were achievable.

**4.10** To date, Capita has delivered:

- a customer support centre, underpinned by a customer relationship management system that records previous contact with the customer;
- an online supplies and management portal for ordering NHS supplies and tracking the order; and
- a single courier for moving medical records and a central archive store.

NHS England has approved three more of Capita's transformation plans, submitted in December 2017, with two yet to be approved (**Figure 14** overleaf). NHS England removed the pharmacy payments work stream from Capita's transformation programme.

**4.11** NHS England owns the intellectual property rights to any software created to deliver the primary care support services. However, there are supporting systems, which were not specifically created to deliver these services, such as Capita's telephony software, where NHS England do not own the intellectual property rights. The contract sets out that upon termination of the contract, if requested to by NHS England, Capita must grant or procure the grant to any software on terms no less favourable than those on which such software is usually made commercially available.

## Commercial dialogue

**4.12** NHS England and Capita have reached a full and final settlement of all known commercial issues for the first two years of the contract. This involved an additional payment from NHS England of £3.2 million. The settlement does not cover any losses relating to contract breaches such as delays in adding practitioners to performers lists. Capita has absorbed significant additional costs in excess of the £64 million losses it anticipated in the first two years, resulting in a £125 million loss over this period, including service credits and right-offs.

**4.13** For the period from 1 September 2017, NHS England and Capita are currently in unresolved commercial discussions. The main areas of disagreement are:

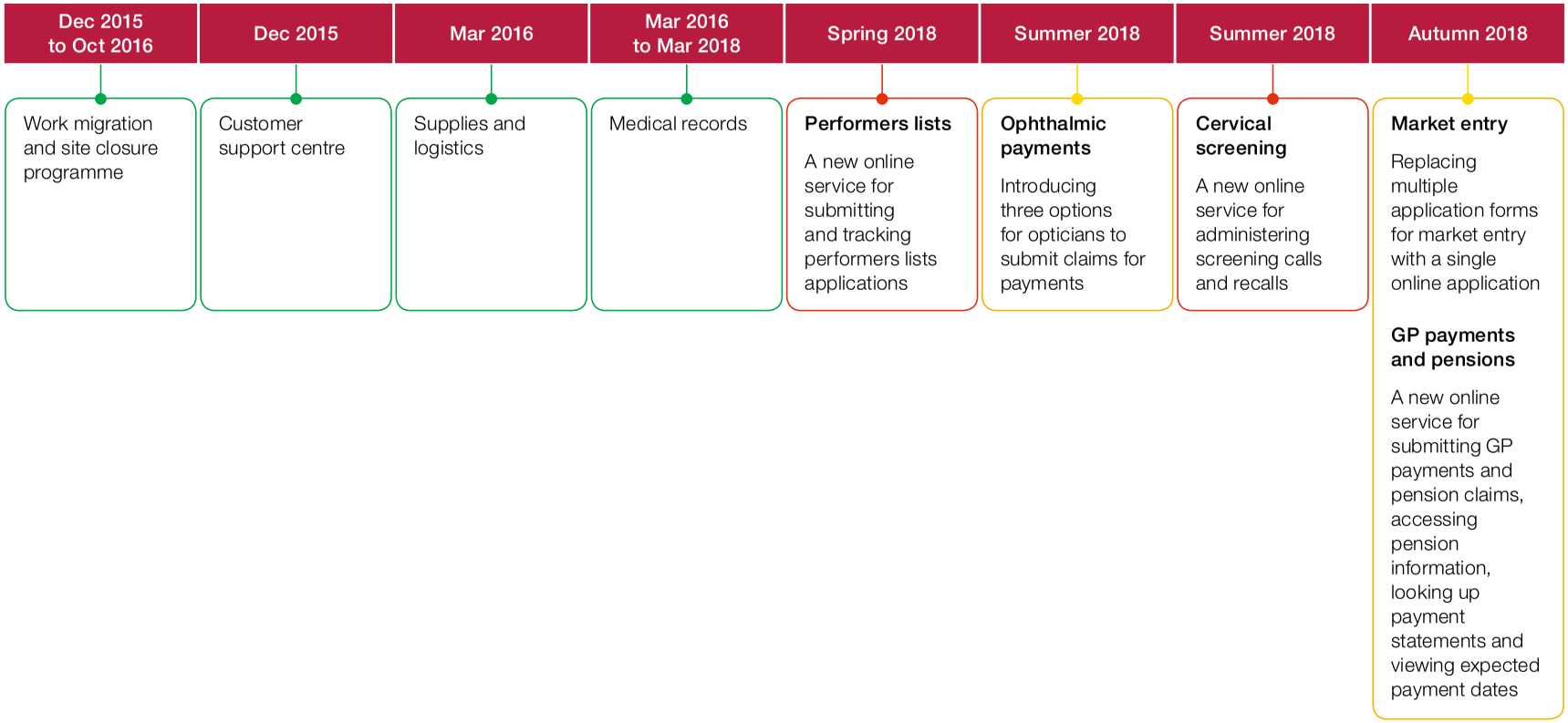
- price bands – NHS England and Capita do not agree on the methodology for calculating the volumes of services (paragraph 3.15);
- uncertainties about which performance measures should apply and the methodology for measuring performance against these measures (paragraph 3.15);
- whether contract changes should be made for services that Capita considers are outside the scope of the original contract; and
- the financial costs of delays in delivering transformation and the dependencies on NHS England and NHS Digital to support transformation.

Because of the absence of an agreed basis for charging, Capita stopped invoicing NHS England for services from September 2017. Capita resumed invoicing in February 2018 on the agreement that it would not prejudice the commercial discussions.

## Figure 14

Capita Business Services Ltd's proposed transformation programme for primary care support services

**Two of Capita's transformation programmes have yet to be agreed by NHS England**




- Completed
- Proposal approved by NHS England
- Proposal yet to be approved by NHS England

**Note**

1 Some transformation is outside of Capita's control. For example, for the registrations service, NHS Digital plans to introduce a new system that simplifies patient registrations and de-registrations at GP practices.

Source: National Audit Office review of Capita documents

# Appendix One

## Our audit approach

**1** This report assesses whether NHS England managed the Primary Care Support England (PCSE) contract effectively to secure the intended benefits. It examines whether NHS England:

- had a clear strategy for contracting primary care support services and understood the risks to achieving its objectives;
- has managed Capita Business Services Ltd's (Capita's) performance effectively against the requirements in the contract; and
- is on track to secure the expected benefits of the contract.

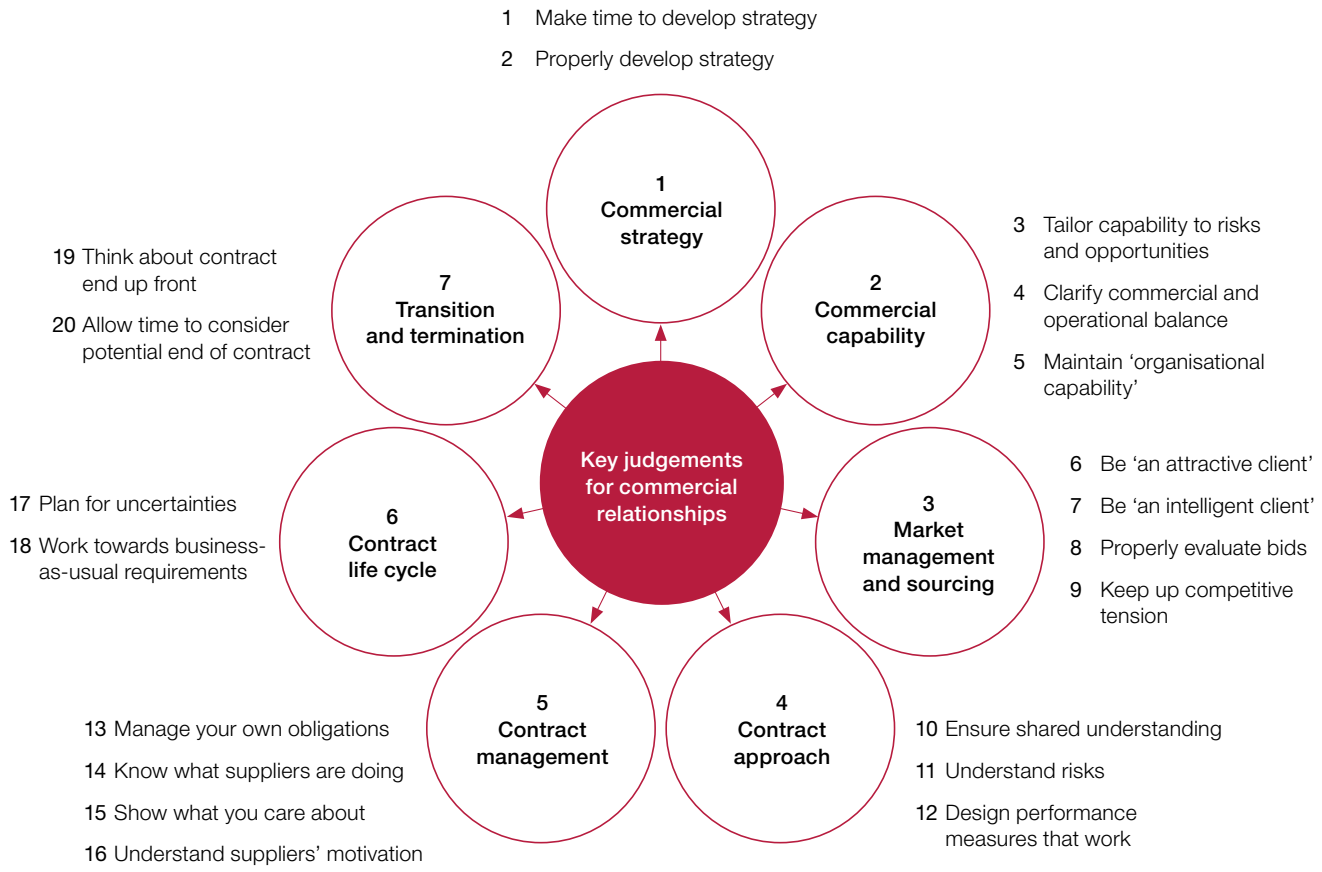
**2** In reviewing these issues, we have applied an analytical framework with evaluative criteria that consider what arrangements would be best to manage the contract to secure the intended benefits. This framework drew heavily on our previous work on the commercial relationship lifecycle, in which we identified 20 issues that government needs to think about when contracting (**Figure 15** overleaf).

**3** Our audit approach is set out in **Figure 16** on page 45. Our evidence base is described in Appendix Two.

## Figure 15

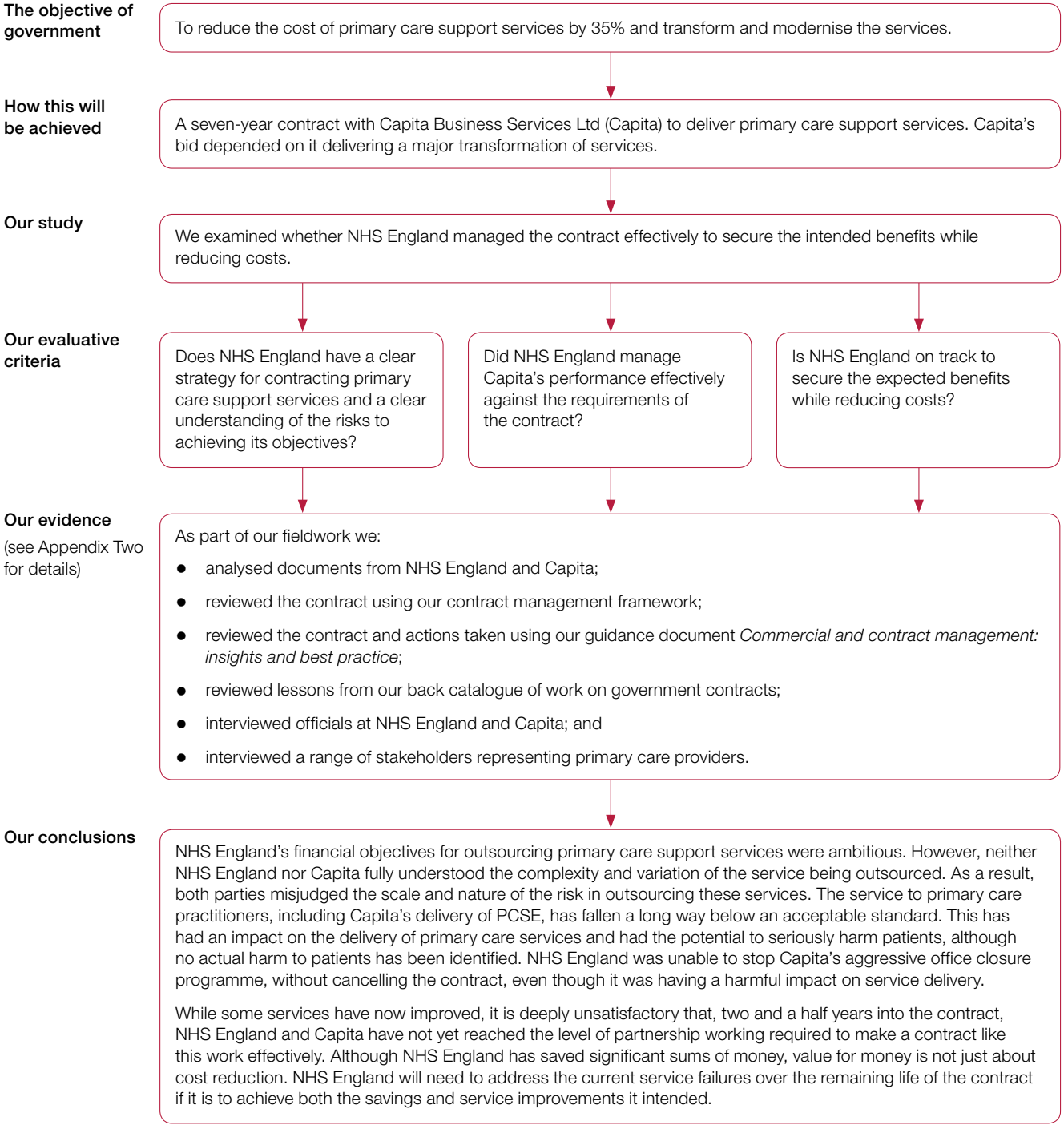
Issues that government needs to think about when contracting

**We have identified 20 issues**




Source: National Audit Office, *Commercial and contract management: insights and emerging best practice*, November 2016

## Figure 16
Our audit approach



# Appendix Two

## Our evidence base

**1** We reached our independent conclusion on whether NHS England managed the Capita Business Services Ltd (Capita) contract effectively to secure the intended benefits to cost and service transformation, from evidence collected between December 2017 and March 2018. Our audit approach is outlined in Appendix One.

**2** **We spoke to a range of staff across NHS England and Capita**. This was to understand:

- why NHS England chose to contract out these services;
- the business objectives of the PCSE contract and the award of the contract to Capita;
- governance, monitoring and oversight arrangements for the contract;
- what information was available on services before, and after, the award of the contract;
- the root causes and extent of service failures;
- the impact of service failures on patients and primary care providers;
- what action was taken by NHS England and Capita to address the issues identified;
- what progress has been made; and
- what is the current position with the contract.

**3** **We requested and reviewed key documentation and data from NHS England and Capita**. Documents requested and reviewed related to the questions set out in the previous paragraph. Documents included:

- business case and tender documents;
- correspondence between NHS England and Capita regarding the PCSE contract and performance issues;
- information on costs and benefits;
- performance reports; and
- minutes of relevant NHS England board meetings and internal audit reports.

4 **We visited Capita's primary care support offices in Blackburn, Leeds and Preston**. This was to better understand each of Capita's nine primary care support services. Topics covered for each service included key processes, aspects of performance that depend on other providers and challenges.

5 **We interviewed a range of stakeholders**. This work was designed to obtain views on the issues being experience by primary care providers and the reasons for these issues. We consulted with the British Dental Association, the British Medical Association, the Local Optical Committee Support Unit, the Optical Confederation, the Pharmaceuticals Negotiating Committee and the Royal College of General Practitioners.

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National Audit Office

£10.00

ISBN 978-1-78604-192-0

Design and Production by NAO External Relations
DP Ref: 006327-001

**Item Number: 13**

**Name of Presenter: Dr Kevin Smith**

| | |
|---|---|
| **Meeting of the Primary Care Commissioning Committee**<br><br>**Date of meeting: 26 July 2018** | NHS<br>Vale of York<br>Clinical Commissioning Group |

**Report Title – North Yorkshire and York Screening and Improvement Plan**

**Purpose of Report**

**To Receive**

**Reason for Report**

The North Yorkshire and York Screening and Immunisation Improvement Plan identifies the priorities for improvements in screening and immunisations across the locality for the next year.

**Strategic Priority Links**

| | |
|---|---|
| ☐Strengthening Primary Care | ☐Transformed MH/LD/ Complex Care |
| ☐Reducing Demand on System | ☐System transformations |
| ☐Fully Integrated OOH Care | ☐Financial Sustainability |
| ☐Sustainable acute hospital/ single acute contract | |

**Local Authority Area**

| | |
|---|---|
| ☒CCG Footprint | ☐East Riding of Yorkshire Council |
| ☒City of York Council | ☐North Yorkshire County Council |

| **Impacts/ Key Risks** | **Covalent Risk Reference and Covalent Description** |
|---|---|
| ☐Financial<br>☐Legal<br>☐Primary Care<br>☐Equalities | |

**Emerging Risks (not yet on Covalent)**

**Recommendations**

Sign off

| Responsible Executive Director and Title | Report Author and Title |
| --- | --- |
| Michelle Carrington<br>Executive Director of Quality and Nursing / Chief Nurse | N/A |

| Version: | 2.2 | Date of last update: | 07/06/2018 | |
|---|---|---|---|---|

# 2018-2019 North Yorkshire & York

Screening and Immunisation Local Improvement Plan

Supported by:

| Organisation | Name | Title | Signature | Date |
|---|---|---|---|---|
| Public Health England – NYaH Screening and Imms Team | Phil Kirby | Screening and Immunisation Lead | | XX/XX/XXXX |
| North Yorkshire County Council | Lincoln Sargeant | Director of Public Health | | |
| City of York Council | Sharon Stoltz | Director of Public Health | | |
| East Riding of Yorkshire Council | Tim Allison | Director of Public Health | | |
| NHS Harrogate and Rural District CCG | Joanne Crewe | Director of Nursing / Exec Nurse | | |
| NHS Hambleton, Richmondshire and Whitby CCG | Gill Collinson | Strategic Lead | | |
| NHS Scarborough and Ryedale CCG | Carrie Wollerton | Executive Nurse | | |
| NHS Vale of York CCG | Michelle Carrington | Chief Nurse | | |

| | 2018-2019 Work streams | Date added | Date for completion | RAG |
|---|---|---|---|---|
| NYY1 | Improve uptake of shingles vaccination in eligible cohort | 05/04/2018 | | ONGOING |
| NYY2 | Improve uptake of seasonal flu 2&3 year olds and at risk individuals age 16-65 | 05/04/2018 | | ONGOING |
| NYY3 | Improve uptake in catch up cohorts of MenACWY immunisation | | | ONGOING |
| NYY4 | Halt the decline in uptake in women at first appointment for cervical screening | | | ONGOING |
| NYY5 | Improve bowel screening in practices below the national target | | | ONGOING |



| RAG - | SLIPPAGE/ABANDONED | ONGOING | COMPLETED |
|---|---|---|---|

| Version: | 2.2 | Date of last update: | 07/06/2018 | |
|---|---|---|---|---|

| **Work Stream:** | | Improve uptake of shingles vaccination in eligible cohorts | | | | | |
|---|---|---|---|---|---|---|---|
| **ID:** | **NYY1** | **Start Date:** | 01/04/2019 | **Completion:** | Ongoing | **Delivery group(s):** | NY+Y Immunisation group |

| **Work stream owners:** | **Indicators/Baseline:** | **Outcome/Target:** |
|---|---|---|
| *Name (Title/Organisation)*<br>WW, SD, PH (PHE SIT), DW (VoY CCG), AD (CoYC), KI (NYC), ML (SRCCG), MM (ERoY C), CH (HaRD CCG), AE (HRW CCG) | Cumulative uptake to Jan 18, published .gov.uk | Improve uptake by 3% in 2018/19 |

| **CCG** | **Routine (70yrs)** | **Catch-up (78yrs)** |
|---|---|---|
| **HRW** | 42.3% | 43.8% |
| **HaRD** | 41.8% | 42.8% |
| **SR** | 41.3% | 38.8% |
| **VoY** | 47.6% | 41.7% |

| **No.** | **Action** | **Owner** | **Comp. date** | **RAG** |
|---|---|---|---|---|
| 1 | Raise primary care awareness about current cohorts who can be vaccinated | SIT / CCG | | |
| 2 | Identify and share good practice from high performing practices | SIT | June 18 | |
| 3 | Develop public comms plan across organisations to link in with regional/national efforts | All | | |
| 4 | Raise awareness of programme within staff groups who have contact with eligible cohort | All | | |
| 5 | | | | |

**Progress:**

| **Risks to delivery:** | **Mitigation:** |
|---|---|
| Cohort has changed regularly since programme inception, confusion amongst public and professionals<br>No obligation for primary care to call-recall patients, opportunistic only<br>Low public awareness of long term consequences of shingles | Drug manufacturer are able to support primary care with resources<br>Cohorts have been simplified slightly in 2018/19<br>Increased procurement of Zostavax nationally<br>National and regional promotion expected, TBC<br>Slight increase in fee paid to GP for shingles vac in 2018, £9.80 to £10.06 |

| **Date of update:** | 07/06/18 | **RAG:** | ONGOING | |
|---|---|---|---|---|



| RAG - | SLIPPAGE/ABANDONED | ONGOING | COMPLETED |
|---|---|---|---|

| Version: | 2.2 | Date of last update: | 07/06/2018 | |
|---|---|---|---|---|

| **Work Stream:** | Improve uptake of seasonal flu 2&3 year olds and at risk individuals age 6m-65 | | | | | | |
|---|---|---|---|---|---|---|---|
| **ID:** | NYY2 | **Start Date:** | 05/04/2018 | **Completion:** | 01/04/2019 | **Delivery group(s):** | NY+Y Flu group, NY+Y Immunisation group, Ambition for health (SRCCG) |

| **Work stream owners:** | **Indicators/Baseline:** | **Outcome/Target:** |
|---|---|---|
| *Name (Title/Organisation)*<br>WW, SD, PH (PHE SIT), DW (VoY CCG), AD (CoYC), KI (NYC), ML (SRCCG), MM (ERoY C), CH (HaRD CCG), AE (HRW CCG) | 2017/18 Season: (Feb 18 ImmForm data) | 3% improvement in all indicators, all practices to meet national targets (48% for age 2-3, 55% 6m-2y AR, 16-65 AR (2018/19)) |

| **CCG** | **Age 2** | **Age 3** | **6m-2y AR** | **16-65 AR** |
|---|---|---|---|---|
| **HRW** | 55.3% | 53.6% | 19.0% | 51.8% |
| **HaRD** | 59.4% | 57.3% | 28.6% | 50.9% |
| **SR** | 48.6% | 50.2% | 15.2% | 55.7% |
| **VoY** | 50.8% | 52.0% | 16.3% | 49.6% |

| **No.** | **Action** | **Owner** | **Comp. date** | **RAG** |
|---|---|---|---|---|
| 1 | Identify top performing practices and bottom performing practices from 2017/18 season, evaluate | WW, SD, PH | May 18 | |
| 2 | Raise awareness in Health Visiting teams about importance and availability of flu vac to support parents | SIT / LA | Sep 18 | |
| 3 | Develop collaborative comms plan for next season, focus on reaching 16-65 AR group | All | Jun 18 | |
| 4 | Meet monthly between August and March to monitor uptake at practice level, identify practices needing intervention/support | All | Aug 2018 | |
| 5 | | | | |

**Progress:**

2. Discussion between LA, SIT and HVs about expectation and understanding of immunisation programmes, awareness raising sessions being considered
3. Model in development in SRCCG through Ambition for Health group to use common comms across health and care sector. Meetings in York between LA and CCG comms to work more collaboratively
4. Agreement in principle to continue flu meetings as per previous season

| **Risks to delivery:** | **Mitigation:** |
|---|---|
| Public faith in flu programme due to strains present in previous season and use of Trivalent Influenza Vaccine(TIV) and Quadrivalent Influenza Vaccine(QIV)<br>Effect of introduction of attenuated TIV (aTIV) this season, and provision for Health and Social Care Worker in previous season.<br>Perception of poor/late coordination from DH, PHE and NHSE<br>Continued pressure of demand within the health system, competing priorities | Increased scrutiny at national and local level of delivery of flu programmes<br>Heightened public awareness after 2017-18 season<br>2-3yr old programme and AR <65 programme has remained largely unchanged since last season |

| **Date of update:** | 07/06/18 | **RAG:** | ONGOING | |
|---|---|---|---|---|



| RAG - | SLIPPAGE/ABANDONED | ONGOING | COMPLETED |
|---|---|---|---|

| Version: | 2.2 | Date of last update: | 07/06/2018 | |
|---|---|---|---|---|

| **Work Stream:** | | Improve uptake in primary care for catch up cohorts of MenACWY immunisation | | | | | |
|---|---|---|---|---|---|---|---|
| **ID:** | **NYY3** | **Start Date:** | 01/04/2019 | **Completion:** | | **Delivery group(s):** | NY+Y Immunisation group, |

| **Work stream owners:** | **Indicators/Baseline:** | | | | **Outcome/Target:** |
|---|---|---|---|---|---|
| *Name (Title/Organisation)* | CCG | DoB 1.9.98- 31.8.99 | DoB 1.9.97 - 31.8.98 | DoB 1.9.96- 31.8.97 | Average national uptake in November 2017 was 38.4, |
| WW, SD, PH (PHE SIT), DW (VoY CCG), AD (CoYC), KI (NYC), ML (SRCCG), MM (ERoY C), CH (HaRD CCG), AE (HRW CCG) | HRW | 51.7 | 51.8 | 49.8 | |
| | HaRD | 44.5 | 42.6 | 46.0 | |
| | SR | 44.1 | 35.1 | 44.9 | |
| | VoY | 53.2 | 49.5 | 51.4 | |
| | Total | 46.2 | 42.5 | 45.4 | |

| **No.** | **Action** | **Owner** | **Comp. date** | **RAG** |
|---|---|---|---|---|
| 1 | Work with Higher Education institutions to promote uptake in catch up cohorts | SIT | | |
| 2 | Work with new employers and apprenticeship schemes to raise awareness | SIT / CCG | | |
| 3 | Encourage practices to identify patients who were not called for vaccination and call them | | | |
| 4 | Identify and share good practice from high performing practices | | | |
| 5 | | | | |

**Progress:**

1. Ongoing work with Health Protection/ SIT team and Higher Education institutions

| **Risks to delivery:** | **Mitigation:** |
|---|---|
| Initial confusion about the programme just being available to freshers caused variability in call and recall for the cohorts.<br>The programme is now school based therefore focus away from Primary Care | Recent communication sent to primary care outlining ongoing responsibility for primary care to provide catch up vaccinations for all eligible cohorts |

| **Date of update:** | 07/06/18 | **RAG:** | ONGOING | |
|---|---|---|---|---|

4

| RAG - | SLIPPAGE/ABANDONED | ONGOING | COMPLETED |
|---|---|---|---|

| Version: | 2.2 | Date of last update: | 07/06/2018 | |
|---|---|---|---|---|

| **Work Stream:** | | Halt the decline in uptake in women of younger age group for cervical screening | | | | | |
|---|---|---|---|---|---|---|---|
| **ID:** | **NYY4** | **Start Date:** | 01/04/2019 | **Completion:** | | **Delivery group(s):** | NY+Y cancer locality group |

| **Work stream owners:** | **Indicators/Baseline:** | **Outcome/Target:** |
|---|---|---|
| *Name (Title/Organisation)*<br>WW, SD, PH (PHE SIT), DW (VoY CCG), AD (YCC),KI (NYC), ML (SRCCG), MM (ERoY C), CH (HaRD CCG), AE (HRW CCG) | Currently no data available separating younger age group from 25- 49. Investigating other data sources for specific data | National target for CS is 80%. SILIP target is to improve the lowest practice uptake by 5% in one year and 10% in three years. |

| **No.** | **Action** | **Owner** | **Comp. date** | **RAG** |
|---|---|---|---|---|
| 1 | Practice staff and carers to have a raised awareness of access and availability of annual health checks and cancer screening, to include resources and support available. | | | |
| 2 | Establish group in NY, to hold bi monthly meetings with stakeholders to share what is already known about cancer screening. | | | |
| 3 | Conduct exercise exploring geographic variation of uptake across the locality. | | | |
| 4 | Improve quality of annual health checks and awareness raising of cancer screening programmes | | | |
| 5 | To prevent inequity of access and uptake to screening and programmes in NY | | | |

**Progress:**

1: CRUK & MacMillan GP's have been visiting practices in HRW to discuss Cancer Champions within the surgeries to promote screening programmes. CRUK to deliver Raising Awareness training in practices with input from SIC as required

4: LD groups established to consider how screening uptake can be improved for those with LD. New annual health check created and should be used in all practices.

5. SIC attending locality meetings with CRUK and CCG- areas of poor performance can be discussed and addressed.

| **Risks to delivery:** | **Mitigation:** |
|---|---|
| Future changes to screening programme are affecting capacity in cytology services and pressures of increase in uptake are affecting turn-around time for samples<br>Difficulty for practitioners to access initial sample taker training and mentorship | High profile campaign early 2018 has increased number of women attending for samples |

| **Date of update:** | 07/06/18 | **RAG:** | ONGOING | |
|---|---|---|---|---|

5

| RAG - | SLIPPAGE/ABANDONED | ONGOING | COMPLETED |
|---|---|---|---|

| Version: | 2.2 | Date of last update: | 07/06/2018 | |
|---|---|---|---|---|

| **Work Stream:** | | Improve bowel screening in practices below the national target | | | | | |
|---|---|---|---|---|---|---|---|
| **ID:** | **NYY5** | **Start Date:** | 01/04/2019 | **Completion:** | | **Delivery group(s):** | Programme Board , Cancer Screening/ Cancer locality group, |

| **Work stream owners:** | **Indicators/Baseline:** | **Outcome/Target:** |
|---|---|---|
| *Name (Title/Organisation)*<br>WW, SD, PH (PHE SIT), DW (VoY CCG), AD (CoYC), KI (NYC), ML (SRCCG), MM (ERoY C), CH (HaRD CCG), AE (HRW CCG) | CCG/Area / Mean / High GP / Low GP<br>HRW 64.70% 69.30% 55.90%<br>HaRD 62.70% 66.50% 57.50%<br>SR 61.20% 68.60% 40.40%<br>VoY 63.90% 74.30% 58.10%<br>Y+H 59.50%<br>ENGLAND 57.40% | National target for BS is 75%.<br>SILIP target is to improve the lowest practice uptake by 5% in one year and 10% in three years. |

| **No.** | **Action** | **Owner** | **Comp. date** | **RAG** |
|---|---|---|---|---|
| 1 | Practice staff and carers to have a raised awareness of access and availability of annual health checks and cancer screening, to include resources and support available | | | |
| 2 | Improve quality of annual health checks and awareness raising of cancer screening programmes for LD population | | | |
| 3 | To prevent inequity of access and uptake to screening and programmes in NY | | | |
| 4 | To encourage all GP practices to use non responder letter with GP endorsement. | | | |
| 5 | | | | |

**Progress:**

1: CRUK & MacMillan GP's have been visiting practices in HRW and VoY to discuss Cancer Champions within the surgeries to promote screening programmes. CRUK to deliver Raising Awareness training in practices with input from SIC as required.
2: LD groups established to consider how screening uptake can be improved for those with LD. New annual health check created and should be used in all practices.
5. SIC attending locality meetings with CRUK and CCG- areas of poor performance can be discussed and addressed.

| **Risks to delivery:** | **Mitigation:** |
|---|---|
| Difficulty of the current screening process. New FIT kit to be rolled out from April 2018- no date set at present | |

| **Date of update:** | 07/06/18 | **RAG:** | ONGOING | |
|---|---|---|---|---|



| RAG - | SLIPPAGE/ABANDONED | ONGOING | COMPLETED |
|---|---|---|---|

| Version: | 2.2 | Date of last update: | 07/06/2018 | |
|---|---|---|---|---|

| **Work Stream:** | | Improve uptake of maternal vaccination | | | | | |
|---|---|---|---|---|---|---|---|
| **ID:** | **NYY3** | **Start Date:** | 01/04/2019 | **Completion:** | | **Delivery group(s):** | NY+Y Immunisation group, |

| **Work stream owners:** | **Indicators/Baseline:** | **Outcome/Target:** |
|---|---|---|
| *Name (Title/Organisation)*<br>WW, SD, PH (PHE SIT), DW (VoY CCG), AD (CoYC),(NYC), ML (SRCCG), MM (ERoY C), CH (HaRD CCG), AE (HRW CCG) | Source: Immform (Flu Feb 18, Pertussis 17-18 annual) | No national uptake target for maternal flu or pertussis, requirements for 100% offer. 3% stretch target for both. |

| **Area** | **All Pregnant Flu** | **Pertussis** |
|---|---|---|
| **HRW CCG** | 57.8% | 75.9% |
| **HaRD CCG** | 52.7% | 80.5% |
| **SR CCG** | 57.1% | 86.1% |
| **VoY CCG** | 56.6% | 86.1% |
| **NYaH** | 48.6% | 77.8% |

| **No.** | **Action** | **Owner** | **Comp. date** | **RAG** |
|---|---|---|---|---|
| 1 | Support evaluation of maternal flu delivery in YTH by maternity services, share learning across system | | | |
| 2 | Improve equity of access to maternal vaccinations by encouraging acceptance of enhanced service spec by HDFT | | | |
| 3 | Continue conversations to allow YTH patients access pertussis from maternity services | | | |
| 4 | | | | |

**Progress:**

1. Anecdotally flu delivery has been successful within the trust. Ongoing discussions between SICs to formulate evaluation process.
2. Arrange meeting with HDFT maternity services to ascertain plans for next season
3. Meeting between SIC and YTH to promote delivery of pertussis, sharing learning from NLaG.

| **Risks to delivery:** | **Mitigation:** |
|---|---|
| Studies indicate women often do not prioritise flu vaccination as the benefit to the unborn child is not obvious<br>Risk of double vaccination due to communication between maternity services and primary care.<br>Pertussis data is variable, less than 100% practice response rate | Offering vaccination in maternity services should make it more accessible as it does not require additional appointments. |

| **Date of update:** | 07/06/18 | **RAG:** | ONGOING | |
|---|---|---|---|---|



| RAG - | SLIPPAGE/ABANDONED | ONGOING | COMPLETED |
|---|---|---|---|

| Version: | 2.2 | Date of last update: | 07/06/2018 | |
|---|---|---|---|---|

Key to members names, organisation and role

| Initials | Name | Organisation | Role |
|---|---|---|---|
| WW | Wendy Watson | PHE | Screening and Immunisation Coordinator |
| SD | Sam Dyson | PHE | Screening and Immunisation Coordinator |
| PH | Peter Hudson | PHE | Screening and Immunisation Coordinator |
| AD | Anita Dobson | City of York Council | Senior Public Health Manager |
| DW | Debbie Winder | NHS Vale of York Clinical Commissioning Group | Head of Quality Assurance and Maternity |
| MM | Mike McDermott | East Riding of Yorkshire Council | Assistant Director of Public Health |
| ML | Mark Lagowski | NHS Scarborough and Ryedale CCG | Service Improvement Manager |
| CH | Claire Hedges | NHS Harrogate and Rural District CCG | Head of Quality & Performance |
| AE | Angela Edmunds | NHS Hambleton, Richmondshire and Whitby CCG | Head of Quality & Safety/Deputy Chief Nurse |
| KI | Kathryn Ingold | North Yorkshire County Council | Public Health Consultant |



| RAG - | SLIPPAGE/ABANDONED | ONGOING | COMPLETED |
|---|---|---|---|