

Report to:	Primary Care Commissioning Committee
Date of Meeting:	23 rd October 2020
Title of Report:	Primary Medical Care Commissioning - Final Internal Audit Report
Presented by:	Phil Davis, Strategic Lead - Primary Care, NHS Hull CCG
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STATUS OF THE REPORT:

To approve	<input type="checkbox"/>	To endorse	<input type="checkbox"/>
To ratify	<input type="checkbox"/>	To discuss	<input type="checkbox"/>
To consider	<input type="checkbox"/>	For information	<input type="checkbox"/>
To note	<input checked="" type="checkbox"/>		

PURPOSE OF REPORT:

The purpose of this report is to provide the Primary Care Commissioning Committee the Primary Medical Care Commissioning Final Internal Audit Report.

RECOMMENDATIONS:

It is recommended that the Primary Care Commissioning Committee:

- (a) Note the contents of the report;
- (b) Note that the action identified has been completed.

REPORT EXEMPT FROM PUBLIC DISCLOSURE No Yes

If yes, detail grounds for exemption

CCG STRATEGIC OBJECTIVE *(See guidance notes on page 4)*

Support the delivery of financial strategies and actions as enablers to system-wide transformation.

Short summary as to how the report links to the CCG's strategic objectives

The audit reviewed process for management and reporting of delegated funds, financial controls and processes for approving payments to practices including 'discretionary' payments, and implementation of the Premises Costs Directions.

IMPLICATIONS: (summary of key implications, including risks, associated with the paper),

Finance	Not applicable.
HR	Not applicable.
Quality	Not applicable.
Safety	Not applicable.

ENGAGEMENT: (Explain what engagement has taken place e.g. Partners, patients and the public prior to presenting the paper and the outcome of this)

None - the Audit was based upon guidance published by NHS England in August 2018.

LEGAL ISSUES: (Summarise key legal issues / legislation relevant to the report)

None.

EQUALITY AND DIVERSITY ISSUES: (summary of impact, if any, of CCG's duty to promote equality and diversity based on Equality Impact Analysis (EIA). **All** reports relating to new services, changes to existing services or CCG strategies / policies **must** have a valid EIA and will not be received by the Committee if this is not appended to the report)

	Tick relevant box
An Equality Impact Analysis/Assessment is not required for this report.	√
An Equality Impact Analysis/Assessment has been completed and approved by the lead Director for Equality and Diversity. As a result of performing the analysis/assessment there are no actions arising from the analysis/assessment.	
An Equality Impact Analysis/Assessment has been completed and there are actions arising from the analysis/assessment and these are included in section xx in the enclosed report.	

THE NHS CONSTITUTION: (How the report supports the NHS Constitution)

The report supports the delivery of the NHS Constitution as the commissioning of primary care services will aid in the delivery of the following principles, rights and NHS pledges:

- 1) The NHS aspires to the highest standards of excellence and professionalism
- 2) NHS works across organisational boundaries and in partnership with other organisations in the interests of patients.

PRIMARY MEDICAL CARE COMMISSIONING - FINAL INTERNAL AUDIT REPORT

1. INTRODUCTION

The purpose of this report is to provide the Primary Care Commissioning Committee the Primary Medical Care Commissioning Final Internal Audit Report.

2. BACKGROUND

Where NHS England delegates its functions to Clinical Commissioning Groups, it still retains overall responsibility and liability for these and is responsible for obtaining assurances that its functions are being discharged effectively.

In August 2018 NHS England published *Primary Medical Care Commissioning and Contracting: Internal Audit Framework for delegated Clinical Commissioning Groups*. The document provided the framework for delegated Clinical Commissioning Groups undertaking internal audit of their primary medical care commissioning arrangements.

The scope of the audit framework mirrors the Delegation Agreement entered into between NHS England and Clinical Commissioning Groups and covers the following functions of the commissioning cycle:

1. Commissioning and procurement of services
2. Contract Oversight and Management Functions
3. Primary Care Finance
4. Governance (common to each of the above areas)

Clinical Commissioning Groups were required to incorporate primary medical care commissioning within 2018/19 audit plans where possible and where this has been possible the full set of audits, 1 - 4 above, must be completed by March 2021.

3. INFORMATION

Following agreement with Audit One it was agreed that the audit to be undertaken in 2018/19 would be *1. Commissioning and procurement of services*. It was subsequently agreed with Audit One that the scope of the audit in 2019/20 would be *2. Contract Oversight and Management Function*. The Primary Care Commissioning Committee received the Final Audit Report at the February 2020 meeting.

The final two functions of the commissioning cycle, *3. Primary Care Finance* and *4. Governance*, have now been completed.

The scope of the audit was as follows:

Primary Care Finance

- i. Overall management and the reporting of delegated funds - processes for forecasting, monitoring and reporting*
- ii. Review of financial controls and processes for approving payments to practices*
- iii. Review of compliance with coding guidance on a sample basis*

- iv. Processes to approve and decisions regarding 'discretionary' payments (e.g. Section 96 funding arrangements, Local Incentive Schemes)
- v. Implementation of the Premises Costs Directions

Governance

i. Operation and oversight of the Primary Care Commissioning Committee (or alternative committee with responsibility for the delegated function) in regard to commissioning and procurement of primary medical services, contract oversight and management functions and primary care finance (sections a-c within the Internal Audit Framework but not in relation to the management of Conflicts of Interest).

The audit has concluded:

*Governance, risk management and control arrangements provide **substantial assurance** that the risks identified are managed effectively. Compliance with the control framework was found to be taking place.*

This assurance level aligns to the NHS England Assurance category of '**full assurance**'.

One recommended action was identified in relation to dates for the Primary Care Commissioning Committee terms of reference to be reviewed.

The full audit report is attached at Appendix 1.

4. RECOMMENDATIONS

It is recommended that the Primary Care Commissioning Committee:

- a) Note the contents of the report;
- b) Note that the action identified has been completed.