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To: CCG Clinical Leads  
Area Directors, NHS England

Copy: CCG Chief Officers

## **Co-commissioning of primary care services**

We are writing to set out:

- how CCGs can submit expressions of interest to develop new arrangements for co-commissioning of primary care services, following Simon Stevens' announcement on 1 May (see annex A);
- the work proposed to be done through the NHS Commissioning Assembly to support CCGs and area teams in developing co-commissioning arrangements.

We are inviting CCGs to submit expressions of interest by 20 June. We would encourage CCGs to work with area teams in developing proposals.

### **Expressions of interest should include at least this information:**

#### **A. CCG(s) involved**

Proposals may be submitted by an individual CCG or by a group of CCGs that wishes to propose co-commissioning arrangements to cover their combined localities.

#### **B. Intended benefits and benefits realisation**

Expressions of interest should set out how the proposals fit with five-year strategic plans and, in particular, how they will help:

- achieve greater integration of health and care services, in particular more cohesive systems of out-of-hospital care that bring together general practice,

community health services, mental health services and social care to provide more joined-up services and improve outcomes;

- raise standards of quality (clinical effectiveness, patient experience and patient safety) within general practice services, reduce unwarranted variations in quality, and, where appropriate, provide targeted improvement support for practices;
- enhance patient and public involvement in developing services, for instance through asset-based community development;
- tackle health inequalities, in particular by improving quality of primary care in more deprived areas and for groups such as people with mental health problems or learning disabilities.

### **C. Scope**

Commissioning of primary care encompasses a wide spectrum of activity, including:

- working with patients and the public and with Health and Wellbeing Boards to assess needs and decide strategic priorities;
- designing and negotiating local contracts (e.g. PMS, APMS, any enhanced services commissioned by NHS England);
- approving 'discretionary' payments, e.g. for premises reimbursement;
- managing financial resources and ensuring that expenditure does not exceed the resources available;
- monitoring contractual performance;
- applying any contractual sanctions;
- deciding in what circumstances to bring in new providers and managing associated procurements and making decisions on practice mergers.

The expression of interest should indicate which aspects of commissioning fall within the scope of the proposed arrangements. CCGs may wish to propose that they take on delegated or joint responsibilities for some aspects, whilst NHS England continues to discharge other responsibilities directly.

We envisage that arrangements for managing the Performers List, revalidation and appraisal would fall outside the scope of any co-commissioning arrangements.

NHS England cannot delegate responsibility for commissioning of community pharmacy services or dental services. CCGs may wish to make proposals for how better to align decisions made by area teams in commissioning of community pharmacy services with CCGs' strategic objectives, provided that NHS England retains its statutory decision-making responsibilities and that there is appropriate involvement of local professional networks.

NHS England could in principle delegate responsibility for commissioning of primary eye care services, but the main services commissioned by NHS England (NHS sight tests) are essentially a demand-led service governed by national regulations.

#### **D. Nature of co-commissioning**

There is a spectrum of potential forms that co-commissioning could take, for instance:

- greater CCG involvement in influencing commissioning decisions made by NHS England area teams;
- joint commissioning arrangements, whereby CCGs and area teams make decisions together, potentially supported by pooled funding arrangements;
- delegated commissioning arrangements, whereby CCGs carry out defined functions on behalf of NHS England and area teams hold CCGs to account for how effectively they carry out these functions.

Expressions of interest will need to indicate the form that CCGs would like co-commissioning to take and how they would like this to evolve, including the proposed relationship with any current or proposed joint commissioning with local authorities.

CCGs will be expected to ensure that their proposals take advantage of synergies with existing areas of CCG activity and enable functions to be discharged within existing CCG running costs as far as possible. Expressions of interest will need to indicate where proposals would rely upon area team staff working under the supervision of CCGs.

#### **E. Timescales**

Expressions of interest will need to indicate the proposed timescales for applying the new arrangements, including any proposals for phasing (e.g. where some elements of co-commissioning are introduced during 2014/15, followed by a more developed form of co-commissioning during 2015/16).

Any proposals that rely upon setting primary care budgets at a locality level (below that of an area team) would have to be implemented from 2015/16 onwards.

#### **F. Governance**

CCGs already have powers to commission services from general practice (or from other primary care providers) in their own right. Where commissioning services from general practice, or from any organisation in which their members or offers have a

material interest, CCGs have a statutory duty to manage conflicts of interest and to have regard to the statutory guidance on managing conflicts of interest published by NHS England<sup>1</sup>. CCGs would need equally to meet these duties and follow the statutory guidance in relation to any functions that they were to carry out jointly with, or on behalf of, NHS England.

Expressions of interest should set out any additional proposed safeguards for managing conflicts of interest.

### **G. Engaging member practices and local stakeholders**

Expressions of interest should set out how CCGs have engaged their member practices in developing the proposals and any key issues raised by member practices, together with proposals for how they will further involve member practices.

Expressions of interest should provide any initial views of local stakeholders, together with proposals for engaging stakeholders more fully in developing the proposed arrangements more fully. This should, for instance, cover:

- patient groups;
- local authorities and Health and Wellbeing Boards;
- other local provider organisations, e.g. community, mental health, acute trusts.

### **H. Monitoring and evaluation**

Expressions of interest should set out initial proposals for how to monitor and evaluate the impact and effectiveness of the proposed co-commissioning arrangements, in order to ensure that CCGs and area teams can adapt

### **NHS Commissioning Assembly project**

The primary care working group of the NHS Commissioning Assembly will undertake a rapid piece of work to identify the key issues that will need to be resolved to support successful co-commissioning, with the aim of supporting area teams and CCGs in working together to refine the proposals that come from expressions of interest and to help spread innovative thinking.

This will include:

- identifying likely success factors for effective co-commissioning;

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<sup>1</sup> <http://www.england.nhs.uk/wp-content/uploads/2013/03/manage-con-int.pdf>

- identifying the different forms that co-commissioning could take – and its potential scope – and the considerations that would need to be applied locally in choosing between them;
- developing a checklist that could guide CCGs and area teams through the steps involved in setting up new arrangements.

The project will also look, among other issues, at:

- how NHS England can assure itself that delegated functions are being discharged effectively and that any conflicts of interest are being managed appropriately;
- how associated financial resources would be allocated, managed and accounted for;
- any national decisions or approvals that would be needed in relation to information sharing;
- any implications for the public health offer to support primary care commissioning from Public Health England and local authorities.

### **Conclusion**

CCGs are asked to submit expressions of interest, covering the factors set out above (paragraph 8), by 20 June. Please submit expressions of interest to [england.co-commissioning@nhs.net](mailto:england.co-commissioning@nhs.net).

The relevant Area Team will then discuss each proposal with the applicant CCG(s) and subsequently make a recommendation for approval through the Board governance of NHS England.



Rosamond Roughton  
National Director: Commissioning Development



Dame Barbara Hakin  
Chief Operating Officer

**NHS ENGLAND PRESS NOTICE (1 May 2014)**

**LOCAL HEALTH PROFESSIONALS TO GET MORE POWER TO IMPROVE NHS PRIMARY CARE**

**Stevens announces new option for local Clinical Commissioning Groups to co-commission primary care in partnership with NHS England**

England's 211 clinically-led local Clinical Commissioning Groups will get new powers to improve local health services under a new commissioning initiative announced today by NHS England Chief Executive Simon Stevens.

Speaking to GPs and other NHS health professionals at the Annual Conference of NHS Clinical Commissioners in London, Simon Stevens said:

"England has now taken the bold step – unique in the western world – of putting two thirds of its health service funding under the control of local family doctors and clinicians.

"If we want to better integrate care outside hospitals, and properly resource primary, community and mental health services - at a time when overall funding is inevitably constrained - we need to make it easier for patients, local communities and local clinicians to exercise more clout over how services are developed.

"That means giving local CCGs greater influence over the way NHS funding is being invested for their local populations. As well as new models for primary care, we will be taking a hard look at how CCGs can have more impact on NHS England's specialised commissioning activities.

"So today I am inviting those CCGs that are interested in an expanded role in primary care to come forward and show how new powers would enable them to drive up the quality of care, cut health inequalities in primary care, and help put their local NHS on a sustainable path for the next five years and beyond.

"CCGs are still young organisations at different stages of development, and with different local needs. So rather than specifying a one-size-fits all solution, and having listened carefully to what CCGs have been saying, I'm keen to hear from CCGs themselves about what next steps they would like to explore."

Mr Stevens announced that NHS England will be writing next week to all CCGs in England with details of how to submit expressions of interest in taking on enhanced powers and responsibilities to co-commission primary care.

Applications will need to describe the additional powers and responsibilities the CCG would like to assume. They will need to meet a number of tests, including showing

they will help advance care integration, raise standards and cut health inequalities in primary care.

They will also need to show how they will ensure transparent and fair governance - with a continuing oversight role for NHS England to safeguard against conflicts of interest - all in the context of the CCG's five-year plan for its local NHS services.

NHS England will work with the NHS Commissioning Assembly, NHS Clinical Commissioners and other stakeholders to advance this agenda.

CCG expressions of interest should be developed by June 20, the same date that CCGs will complete their initial five-year 'Forward Views' for local NHS services.

Each proposal will be discussed by the applicant CCG and the local Area Team of NHS England, which will subsequently make a recommendation for approval by the Board of NHS England.

## **NOTES TO EDITORS**

England's 211 CCGs are statutory bodies led by local GPs, alongside hospital doctors, nurses and other health professionals, managers, and independent lay members of the public.

NHS Clinical Commissioning Groups (CCGs) now control £67 billion of NHS funding – about two thirds of NHS spending in England.

Giving CCGs the ability to better influence and shape primary care services requires no further structural reorganisation, and the necessary enabling powers are already included in current legislation.

In accordance with national legislation, NHS England (and its Area Teams) will in all parts of the country continue directly to discharge specific primary care responsibilities, including in respect of community pharmacy, primary dental and ophthalmic services, as well as certain responsibilities in respect of primary medical services.