



REPORT CLASSIFICATION	✓	CATEGORY OF PAPER	✓
Official	✓	Proposes specific action	✓
Official: Sensitive Commercial	✓	Provides assurance	✓
Official: Sensitive Personal		For information only	

NORTHUMBERLAND PLACE BASED DELIVERY GROUP AGENDA ITEM 10 12 July 2023	
Report Title:	A84029 Northumberland Health Sub-contracting Decision
Purpose of report	
<p>The report details the resolution to maintaining primary care medical services to the registered population of A84029 Northumberland Health via a sub-contracting process with Northumbria Primary Care for clinical service delivery. The Group are requested to review the information provided and approve the proposed sub-contracting process.</p>	
Key points	
<ul style="list-style-type: none"> - A84029 Northumberland Health proactively approached ICB Northumberland in May 2023 requesting support to maintain the delivery of service to the registered population - A resilience bid for [REDACTED] was approved to support the practice with operational service delivery and to identify areas of improvement to maintain and sustain delivery of high-quality safe services to the registered population of 4,500 - The Parties to the GMS contract for A84029 Northumberland Health commenced discussion for support and business development with Alwicks Medical Group, Lindisfarne Health Group and Northumbria Primary Care. - A due diligence exercise was undertaken by Lindisfarne Health Group and Northumbria Primary Care in relation to the current finances and operation of the GMS contract for A84029 Northumberland Health - Agreement was reached between A84029 Northumberland Health and Northumbria Primary Care as the preferred way forward. - A formal proposal was made to the Northumbria Primary Care Board in respect of delivering sub-contracted services from A84029 Northumberland Health. This was subsequently approved with caveats for the current parties to the contract and the outcome of the due diligence process on 3rd July 2023. - The ICB having undertaken an Open Book exercise for A84029 Northumberland Health financial processes have identified one anomaly relating to rent which is currently under investigation. - The ICB at Northumberland are also undertaking a clinical and prescribing audit for assurance purposes - The ICB has 28 days in which to consider and raise any objections to the proposal for the sub-contracting of services as detailed in the formal process outlined below. 	

Risks and issues	
<ul style="list-style-type: none"> - Either party may choose to withdraw from the current agreement for the sub-contracting of services. - Due diligence being undertaken by Northumbria Primary Care may identify areas of significant concern not already identified - Consideration should be given to the stability of the affected PCNs in Northumberland related to ARRS staffing and funding allocations - The ICB Northumberland could find the proposal novel, contentious or repercussive when considering the impact on PCNs 	
Assurances	
<ul style="list-style-type: none"> - Northumbria Primary Care has a robust and comprehensive due diligence process and have undertaken this with several Northumberland practices previously - Northumbria Primary Care has developed a specific onboarding team Rapid Induction Onboarding Team (RIOT) to support this process with practices to ensure the sustainability of high-quality safe service delivery is maintained. This process for Northumberland Health is supported by a 'Deed for the Provision of Services' (10b) - The sub-contracting arrangement could still progress without the re-configuration of the PCNs. However, this could impact the operating model and stability of practices within the Northumbria Primary Care Network - The ICB has a draft process for considering PCN configurations. This would give governance and consistency of the proposal to reconfigure the PCNs in Northumberland as a result of Northumberland Health joining NPC. - ICB Northumberland will require that the Assurance Framework Sub-contracting of Clinical Services Under GMS Contracts – Annex A: Assurance Assessment Checklist is completed and that consideration is given to the Anne B Mandatory Terms for Sub-contracting 	
Recommendation/Action Required	
<p>It is recommended that the PBDG consider the information presented in the Deed for Provision of Services against the Assurance Assessment and Mandatory Terms for Sub-contracting for this proposal.</p> <p>It is recommended that the PBDG find the application lawful with the caveat that impacts on PCN allocations and entitlements are given due consideration by the Parties to the Deed for Provision of Services.</p>	
Sponsor/approving director	Director of Place Northumberland
Report author	Primary Care Portfolio Manager - Northumberland
Link to ICB corporate aims (please tick all that apply)	
CA1: Improve outcomes in population health and healthcare	x
CA2: tackle inequalities in outcomes, experience and access	x
CA3: Enhance productivity and value for money	x
CA4: Help the NHS support broader social and economic development	x

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Relevant legal/statutory issues						
<ul style="list-style-type: none"> - Primary Care Policy Guidance Manual V4 – S14 Sub-contracting of clinical services framework - The National Health Service (General Medical Services Contracts) Regulations 2015, The National Health Service (Personal Medical Services Agreements) Regulations 2015 or The Alternative Provider Medical Services Directions 2016, as applicable. 						
Any potential/actual conflicts of interest associated with the paper? (please tick)	Yes	X	No		N/A	
Consideration should be given to the impact on PCN allocations and Entitlements as a result of the proposal.						
Equality analysis completed (please tick)	Yes		No	x	N/A	
If there is an expected impact on patient outcomes and/or experience, has a quality impact assessment been undertaken? (please tick)	Yes		No	x	N/A	
Key implications						
Are additional resources required?	No – the parties to the proposal and Deed will be required to meet the requirements under the Assurance Assessment and the Mandatory terms of sub-contracting					
Has there been/does there need to be appropriate clinical involvement?	Yes – the LMC is supporting the practice clinically and pastorally					
Has there been/does there need to be any patient and public involvement?	Yes – a communication plan will be required to remain open and transparent with all registered patients and stakeholders					
Has there been/does there need to be partner and/or other stakeholder engagement?	Yes – please note information above.					

A84029 Northumberland Health Sub-contracting Decision

1. Purpose

This report provides detail relating to the proposal of A84029 Northumberland Health to sub-contract services to Northumbria Primary Care (NPC). This process is proposed as a remedy to maintain the sustainability and viability of high-quality services to the registered population of the practice. The Group is requested to consider the information detailed and agree the validity and approve the sub-contracting proposal made by A84029 – Northumberland Health with the caveat that consideration must be given to the impact to PCNs by the parties to the Deed for Provision of Services.

2. Scope

The Group is requested to consider the details of the proposal for the subcontracting of services from A84029 Northumberland Health to NPC as permitted under The National Health Service (General Medical Services Contracts) Regulations 2015, The National Health Service (Personal Medical Services Agreements) Regulations 2015 or The Alternative Provider Medical Services Directions 2016, as the context requires.

The sub-contracting proposal has been formally notified to the Commissioner on 3rd July 2023, submitted as a solution to the issues and concerns around the delivery of safe, high quality primary care medical services for the registered patients of A84029 – Northumberland Health following proactive contact for support by the practice. A Deed for the Provision of Services has been drawn up for the two parties, A84029 Northumberland Health and NPC, and this should be considered against the Assurance Assessment framework (10b) and the Mandatory terms for sub-contracting (10c).

The process for the commissioner to review and raise any concerns or objections in relation to this proposal must take place within the 28-day period to 31 July 2023 and be communicated formally to both parties. Should the application be found to be unlawful, a resubmission with issues addressed can be made and this will reset the 28-day period for the process.

3. Background

A84029 – Northumberland Health contractors approached the ICB Northumberland commissioner in May 2023 requesting support to maintain service delivery to the registered practice population. An action plan to support the practice, including a resilience bid approved for ██████████ to support the practice to maintain service delivery to the 4,500 registered patients.

The Contractors for Northumberland Health sought support from the overarching management group, Lindisfarne Health, Alnwick Medical Group and NPC to maintain service delivery. A due diligence process was implemented by Lindisfarne Health, with whom

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Northumberland Health were in a partnership for management services, as a result Northumberland Health was removed from the Lindisfarne Health partnership.

Northumberland Health commenced dialogue with NPC to identify a solution to maintain service delivery for patients and agreement was reached for a proposal to sub-contract services to NPC, subject to caveats should any issues be raised as part of the due diligence process undertaken by NPC.

NPC presented to their Board on 28 June 2023 and approval was given subject to caveats about workforce and any findings of the due diligence process.

The commissioner was approached on 3rd July 2023 with a request from A84029 – Northumberland Health as a GMS contactor to sub-contract services to NPC.

GMS/PMS and APMS contractors can request to sub-contract clinical services via a formal process with the local commissioner. The formal process consists of 6 steps which should be undertaken within 28 days:

1. Identification of the relevant contract and terms by the Commissioner

The PMS and GMS regulations allow subcontracting of clinical services either with the commissioner's approval (PMS) or following notification and no objection (GMS). However, in both cases the GMS and PMS regulations required any sub-contract to prohibit any further sub-contracting by the sub-contractor.

- The A84029 Northumberland Health is a GMS Contract therefore the Mandatory Terms for sub-contracting apply (10c)

2. Notice of Sub-contracting

As A84029 Northumberland Health holds a GMS contract the requirement for sub-contracting of services is notification to the commissioner. The ICB commissioner was notified on 3rd of July 2023 that Northumberland Health wished to sub-contract services and that this had been approved by Northumbria Primary Care Board with caveats subject to a due diligence exercise.

The formal sub-contracting of services is expected to commence from 1 August 2023 and a Deed for the Provision of Services between to the two parties, Northumberland Health and NPC, has been drawn up. (See 10a).

It is the responsibility of the commissioner to check if the Notice to Sub-contract is valid and lawful and the time period in which this decision must be completed, and any objections raised to the Contractor is 28 days. Should the Notice be found to be invalid the Contractor should be notified and the 28-day clock re-starts once a notice to sub-contract is re-submitted.

A valid notice must include the following:

- Name and address of proposed sub-contractor
- Duration of proposed sub-contract
- Services to be covered by the proposed sub-contract

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- The address of any premises to be used for the provision of services under the proposed subcontract
 - o This is not explicit in the 'Deed for Provision of Services' and should be clarified

3. Notification of novel, contentious or repercussive proposals

The commissioner should consider the following and take an initial view upon whether any of the following criteria are met:

- The sub-contracted services will be delivered wholly or partly via a 'digital first' model
- The sub-contracted services will be provided to 'out of area' patients
- The premises to be used for service delivery fall outside of the contractor's practice area
- The proposed contract is otherwise considered to be novel, contentious or repercussive.
 - o In this case regard should be given to the impact upon the PCN with whom the Contractor is a partner by the Group.

Where any of the criteria above are met the regional primary care team should be notified to enable:

- Monitoring the roll-out of sub-contracting arrangements
- Notification of commissioners affected by proposed sub-contract
- Provision of additional advice and guidance to the commissioner where appropriate
- Where the ICB commissioning primary care services under delegated arrangements whether the decision requires additional approval by NHS England

4. Assurance of the proposed contract

The Commissioner should then assure the proposed sub-contracting of services and decide whether it is lawful under the GMS contract and whether there are any safety and financial grounds to be considered.

This should take place within the 28-day period. An assurance assessment framework (10b) and mandatory terms for sub-contracting (10c) can be shared with the parties proposing the sub-contract of services to assist with this process to be compared with the Deed for Provision of Services (10a).

5. Implementation

Where the Commissioner decision is such that no objections have been raised and sub-contracting is permitted, there are no further formal steps to take.

Should the Commissioner find there to be unlawful sub-contracting the following steps should be taken:

- Contractor to notified by Commissioner in writing
- If contractor continues with proposal the Breach of Contract process will be commenced

Where there is an objection on financial or safety grounds:

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- 'Notice of objection' to be served within 28-day period
- Including specific grounds relied upon

- Where the Contractor disagrees with the 'notice of objection' served in the 28-day period the 'Dispute Resolution Process' should be followed
- If contractor continues with proposal the 'Breach of Contract' process will be commenced

6. Review

The sub-contracting process should be monitored by the Commissioner and;

- Where issues arise, appropriate contractual action should be taken
- Where a sub-contracting process has been previously deemed, unlawful or objected to on financial or safety grounds this can be reconsidered following a further period of development

4. Recommendations

Northumberland Place Based Delivery Group is asked to:

- **Agree the validity of the Notice to Sub-contract Services**
- **Approve the Proposal to Sub-contract Services from Northumberland Health to Northumbria Primary Care subject to the following caveats:**
 - **The premises from which the services are to be delivered are detailed**
 - **Consideration is given to the potential impact of PCN entitlements and allocations and resulting findings clarified**
- **Agree to further discussion and process is developed to consider the implications of PCN configuration as a result of this sub-contract arrangement**

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Name of Sponsoring Director(s): Rachel Mitcheson

Date: 12 July 2023

Enclosures:

Appendix 10a – Deed for Provision of Services

Appendix 10b – Annex A: Assurance Assessment Framework

Appendix 10c – Annex B: Mandatory Terms regarding Sub-contracting