Briefing: the operating framework and primary care

28 November 2011

The final year of transition: a guide to the operating framework for 2012/13

This document is a summary of the operating framework which deals with the implications for primary care in 2012/13, the second year of the quality and productivity challenge and final year of the transition to the new system.

The operating framework provides further information on the progress with structural change, and highlights four interrelated challenges and themes for the NHS:

- To continue performance on finance and service quality
- QIPP in the medium term
- The transition to the new commissioning and management system
- The care of elderly and vulnerable patients, and increased support for carers

Structure

The NHS Commissioning Board (NCB)

Structural developments continue, and from 2013/14 the secretary of state will hold the NCB to account on the basis of a mandate - informed by the operating framework. The NCB will in turn will hold CCGs to account for their performance. Commissioners should anticipate the introduction of a more outcomes based approach.

SHA and PCT clusters

Existing accountability arrangements with SHA and PCT clusters remain in place for 2012/13.

SHA clusters remain responsible for the oversight of readiness for CCG authorisation, and are required to resolve CCG configuration issues by March 2012.

PCT clusters continue to play a key role in the transition, including:

- Transfer of staff and development of commissioning support models for CCGs
- Support for local authorities in establishing health and wellbeing boards, and to prepare the transfer of public health functions
- Active promotion of the NHS Constitution in their localities so that the public can be fully informed when they exercise choice, including requirements for Any Qualified Provider (AQP)

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CCGs and commissioning support

There remains the requirement for CCGs to be engaged with the local QIPP agenda, and also take the lead in new areas such as service provision for NHS 111. As far as possible, the framework states that CCGs should be coterminous with a single health and wellbeing board.

The running cost allowance – the funding for CCGs – is expected to be set at £25 per head of population per annum. This is before entitlement to any quality premium. While this is not formally agreed at this stage, it is at the lower end of previous expectations.

Commissioning support should be commercially viable, customer focused and develop distinctly from the PCT cluster. Such support may occupy a different geographical footprint, aggregating demand from multiple CCGs.

Finance

As in previous years, the operating framework states that 2% of PCT recurrent funding is to be retained by SHAs for non-recurrent uses, which can be used for one-off expenditure subject to appropriate business cases.

No PCT or SHA should plan for a deficit in 2012/13. PCTs carrying legacy debt into that year must clear it. Year-end surpluses generated by SHAs and PCTs will be carried forward to the NCB in 2013/14. PCT originated surpluses are expected to be made available to the local health system in future years.

Allocations for primary dental care, pharmaceutical services and primary ophthalmic services will be announced in December 2011.

Social care

Transfers of funding between PCTs and local authorities were included in the NHS Operating Framework 2011/12. This included £622m in 2012/13 for social care services to benefit health. When considering the use of this funding in 2012/13, local authorities and NHS partners are made aware that financial support from the health system for social care will continue in 2013/14 and 2014/15.

Key points for primary care

- Further guidance will be issued during 2012/13 on the operational requirements for the transfer of commissioning responsibilities for primary care and other specialised services
- PCT clusters must work with GP practices on their patient lists to ensure that any anomalies are corrected by March 2013
- PCT clusters should work collaboratively with GP practices to establish new outer areas to enable patients who move house locally to stay with their existing practice

What does it all mean?

The structural developments and innovations continue to progress amid significant financial constraints and drives for efficiency gains. Primary care will experience the tensions inherent in this position as roles, responsibilities and expectations adapt to the new system requirements.

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Focus needs to remain strongly on QIPP during the next period to help ensure CCGs are in the best possible position to move forward through authorisation, and improve the health of, and services for, their local population.

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