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Your Ref: BMcL/0125/13

Our Ref: LIT 0477/08/B5/CR

Date: 21st August 2013

Dear Mr McLoughlin

RE: RAYCHEL FERGUSON (LUCY CRAWFORD AFTERMATH)

I refer to the above matter and your correspondence of 26 July 2013 requesting information. I would advise that I am instructed by the Department that unfortunately they do not hold any records relating to formal accountability meetings between the Department and Sperrin Lakeland in 2000, 2001 and 2002. The relevant files containing this information have been destroyed.

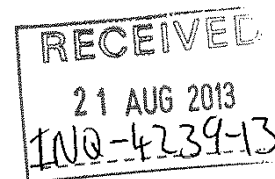
You have also asked for copies of Statements referred to in paragraph 2 of Circular MELT 2/93 which address the relationships within the HPSS involving the ME, Boards, Trusts and GP Fund Holders at that time. An extensive search has been conducted to locate these documents however the only Statement that has been found is that relating to GP Fund Holders (copy enclosed).

I am sorry that we cannot be more helpful in this regard.

Yours sincerely

Catherine Rodgers

CATHERINE RODGERS
for The Solicitor
Direct Dial: [REDACTED]



DF1/13/542643 CR/EC





**An Accountability Framework
for GP Fundholding**

July 1996

HSS Executive

An Accountability Framework for GP Fundholding

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An Accountability Framework for GP Fundholding

Section 1 – Introduction

1. A major strength of the GP Fundholding Scheme is the freedom it gives GPs to use the resources under their control directly on behalf of their patients. However, as the Scheme expands and as increasing amounts of resources come under the control of GPs, fundholders must clearly be seen to be accountable for their use of these resources. This framework, which has been developed in consultation with fundholders and Health and Social Services Boards, sets out the accountability arrangements that will apply to fundholding in the future.
2. The arrangements set out in this document build on and strengthen existing accountability mechanisms. However, the framework goes beyond simply setting requirements for GP fundholders: it is part of a wider strategy for the development of stronger partnerships between GPs generally and Boards, as signalled by the paper issued by the HSS Executive in February 1996 entitled "Empowering Primary Care Teams".
3. The framework will come into operation during 1996/97.

Section 2 – Principles of Accountability

1. As direct purchasers of services for their patients, GP fundholders are responsible for the expenditure of large amounts of public money and as such, need to account for the security and proper use of these resources. A number of key principles have been identified as essential to the successful implementation of accountability in fundholding. These are:

Responsibility As increasingly significant purchasers of services, fundholders are expected to play their full part in delivering the priority aims and objectives identified in the Regional Strategy for Health and Social Wellbeing, the HPSS Management Plan, the Charter for Patients and Clients and the Community Services Charter. For their part, Boards will need to advise and inform fundholders of the wider implications of fundholders' purchasing intentions (either collectively or individually); for example, their possible impact on hospitals or community units, or on local strategy. It follows, therefore, that, in making purchasing decisions, fundholders must pay due regard to wider strategic and epidemiological issues.

Cooperation In implementing the accountability framework, Boards and fundholders need to understand and accept each other's roles and responsibilities. They need to work together in partnership to ensure that patients and clients obtain high quality, cost-effective services when they are needed. In developing local strategies for service development, Boards need to work in collaboration with all GPs and their primary care teams – and with the wider community – to secure local agreement for the effective delivery of services. It will be particularly important for Boards to involve GP fundholders, as partners in purchasing, in the development and implementation of local strategies for health and social services.

Openness GP fundholders are responsible for the expenditure of large amounts of public money. The public have a right to expect that these resources are soundly managed and also to know how they are being used. In this context, it is very much in the interests of fundholders and Boards to ensure that as much information as possible is available to the public about the operation of the Scheme. This will entail ensuring that the public has access to information about services purchased by fundholders and the uses to which fund resources are put. One way of ensuring such openness is for fundholders to keep their Health and Social Services Councils up to date about their plans and aspirations. They might wish to consider how they, in any one Board area, might do this effectively.

Clarity The draft framework clarifies the accountability relationship that will exist between fundholders and Boards. It sets out the arrangements through which that accountability will be discharged.

Simplicity The framework is not intended to impose unreasonable administrative burdens on either fundholders or Boards. In the spirit of the Efficiency Scrutiny Report "Patients not Paper", both are expected to implement the framework in as unbureaucratic a manner as possible. In this respect, informal sharing of information and mutual cooperation between fundholding practices and Boards will be helpful in ensuring that the framework can be implemented in a positive manner. It will also ensure that patients derive the maximum benefit from the Scheme.

2. The processes through which accountability in fundholding will be delivered, as set out in the remainder of this document, are based on these principles.

Section 3 – Accountability in Practice

General

1. In law, GP fundholders are accountable to the HSS Executive, but day-to-day management contact for fundholders will normally be through the Boards. Boards will also be responsible, on behalf of the Executive, for securing fundholders' compliance with the accountability requirements laid down in this document.
2. The Executive expects Boards and GP fundholders to develop good relationships in line with the principles outlined in this document. It would not expect to become involved in disputes arising between Boards and fundholders, except in very exceptional cases where local agreement cannot be reached.
3. GP fundholders are accountable for their use of public money in four different areas. These are:
 - management accountability;
 - public accountability;
 - financial accountability;
 - professional accountability.
4. This document seeks to clarify and make explicit the key requirements for fundholders within each of these four areas of accountability. Some of the elements described are already in place.
5. A summary of the key accountability requirements for GP fundholders is provided at Annex A.

Part 1 – Management Accountability

1. As purchasers in their own right, GP fundholders are wholly responsible for the management of the funds they control for the benefit of their patients. In accounting for the management of these resources, fundholders should adhere to the key requirements set out below, which are considered necessary in order to demonstrate full accountability. It is not expected that information over and above these routine requirements will need to be provided, except in circumstances where, for example, clarification is necessary in relation to significant variances from plan in monthly returns.
2. To ensure management accountability, fundholders are required to:
 - prepare an annual practice plan;
 - give prior notice of purchasing intentions;
 - prepare an annual performance report;
 - review performance with the Board against the practice plan.

The Annual Practice Plan

3. Under the Health and Personal Social Services (Fundholding Practices) Amendment Regulations (Northern Ireland) 1996, there is now a statutory requirement on fundholders to prepare a practice plan each year and to submit it to the Board before the start of each new financial year. The practice plan should set out how the practice intends to use its fund and management allowance over the coming year and should include a spending forecast. Additionally, it should demonstrate the practice's contribution to regional targets and priorities as well as any locally-agreed objectives. The plan should also include an outline longer term view.
4. Although it is not a requirement for GP fundholders to include General Medical Services (GMS) in their annual practice plans, many may well wish to do so. This would have the advantage of presenting a coherent view of all the services offered by the practice for its patients. It may also provide a useful reference point for practices and Boards in planning general medical practice developments from cash-limited resources.
5. Such practice planning should provide a useful way for GPs and Boards to work together on strategies for developing primary care; in time, this could replace some of the more bureaucratic elements of the existing framework for GMS.

6. Fundholders should send their practice plans to their Board. It will be the Board's responsibility to check that plans are consistent with regional priorities and that fundholders' plans are designed to meet relevant targets and objectives.

Purchasing Intentions

7. GP fundholders should, by the end of September each year, notify relevant providers and their Board of their purchasing intentions for the coming year, drawing attention to any planned shifts in business. Compliance with this requirement will assist HSS Trusts to plan more effectively for the coming year. It will also assist Boards to form an overview about the combined effects of all fundholder purchasing in their area and to feed this back to fundholders as appropriate.

Reporting Performance

8. As part of the process of reviewing their performance, GP fundholders are required by the 1996 Fundholding Amendment Regulations to prepare a brief outturn report, to be submitted to the Board within 3 months of the end of the financial year. This should set out performance against the practice plan and highlight any significant developments. The report should also incorporate the practice's performance against the standards laid down in the Charter for Patients and Clients, the Community Services Charter and, optionally, its annual GMS report.

Reviewing Performance

9. Following submission of the outturn report, the fundholding practice and the Board should hold a performance review meeting to complete the cycle. This should be a genuine dialogue between partners, with the focus on identifying areas for development and sharing best practice to inform planning for the year ahead. The discussion should allow for a review of performance of the year completed, against the practice's annual plan; an in-year review of the current year; and an opportunity to plan ahead for the next cycle of business activity. The performance review meeting will usually be held in the autumn, after the fundholder's accounts have been audited.

Part 2 – Public Accountability

1. GP fundholders manage significant sums of public money for the benefit of patients. Like other managers of Health and Social Services resources, they have a responsibility to make their plans and performance reports available for public scrutiny. This includes:
 - providing information on plans and performance;
 - involving their patients in service planning;
 - ensuring an effective complaints system.
2. Fundholders' contracts with providers and their annual accounts are already in the public domain and should be available at the Board for public inspection.

Providing Information

3. As well as sending copies of key documents relating to the management of their fund (ie purchasing intentions, annual practice plans and performance reports) to their Board, fundholders should also send a copy or summary of each to the appropriate Health and Social Services Council. GP fundholders should also ensure that a copy of the above documents (or a summary) is available at the practice for consultation by patients. Its availability should be publicised in the surgery.
4. The practice should also put on display in the surgery a copy of its practice charter, if available.
5. Boards are responsible for summarising the expenditure of fundholding practices and publishing this summary as part 5 of their own annual accounts. They may also wish to add a short commentary on expenditure trends of fundholders in their respective areas.

Involving Patients in Service Planning and Review

6. The closeness of GPs and primary care teams to patients and the involvement of patients in decisions about their own care are major strengths of general medical practice. The GP Fundholding Scheme builds on this and offers opportunities for fundholding practices to develop a range of models for involving their patients in service planning.

7. At the simplest level, some practices might choose to make their draft annual plans available for consultation at the surgery and to publicise this fact as a notice in the waiting room. Practices may, however, choose to go further and establish a patient forum or carry out patient questionnaire surveys about the level of satisfaction with services. Whatever option is chosen, practices should describe briefly how they intend to involve their patients in service planning in their annual practice plan, so that progress in achieving improved patient involvement can be part of continuing performance review discussions.

Handling Complaints

8. In the light of the Wilson Report on NHS complaints procedures, the Executive has introduced a new unified complaints procedure for the Health and Social Services with effect from April 1996, which requires all GPs to put in place procedures for dealing with practice-based complaints. Fundholders are further required to incorporate in these procedures arrangements for dealing with complaints about their use of the allotted sum.
9. In addition to dealing with complaints and suggestions about services within the practice, GP fundholders also have a responsibility to ensure that the contracts they place for services include appropriate arrangements for handling complaints. Fundholders may wish to develop their own practice-sensitive standards for the handling of complaints about service providers, or adopt the standards developed by their Board.

Part 3 – Financial Accountability

1. The Chief Executive of the HSS Executive is the Accounting Officer, and as such is personally answerable to Parliament for all expenditure in the Health and Social Services, including those resources which are allocated to fundholders. To enable him to discharge his responsibilities, the Chief Executive expects all fundholding practices to ensure that they have in place systems and procedures consistent with the sound administration of public funds. On entering the Fundholding Scheme, practices receive a letter from the Chief Executive setting out their responsibilities in this regard.
2. It is the responsibility of fundholding practices to ensure probity, regularity and value for money in the expenditure of their fund. Systems of internal control should be in place to prevent or detect fraud, to eliminate waste and to deter extravagance in the use of funds.
3. The key financial accountability requirements for GP fundholding are summarised below. Fundholding practices must:
 - prepare annual accounts for independent audit. Once audited, these are public documents and available for inspection at the appropriate Board;
 - have their fundholding expenditure and activity monitored, on a monthly basis against plan, in accordance with HSS Executive guidance. Boards will discuss with practices any action that may be necessary to bring activity or expenditure back into line. Boards can institute an audit and review where they consider this necessary;
 - secure agreement from Boards to their proposals for the use of savings for material or equipment purchases and for the improvement of premises. Boards will be responsible for ensuring that such proposed expenditure is in accordance with Regulations, will benefit patients and represents value for money.
4. Fundholders' financial responsibilities are set out in full in the GP Fundholders' Finance Manual and the GP Fundholders' Manual for Accounts.

Part 4 -- Clinical and Professional Accountability

1. GP fundholders, like all clinicians, have a duty to ensure that the care they provide is of the highest possible standard. As GPs, they are answerable for their standards of clinical practice and their conduct as members of the medical profession.
2. It is expected that all GP practices will participate in clinical audit of their GMS activities. In addition, GP fundholders are expected to ensure that the services they purchase directly on behalf of their patients are subject to audit and they may wish to agree (with other purchasers) local audit priorities on an annual basis.
3. GP fundholders should set out briefly in their annual practice plan their intentions for clinical audit in the coming year.

Summary of Key Requirements

Management Accountability

- Prepare an annual practice plan.
- Give prior notice of purchasing intentions.
- Prepare an annual performance report.
- Review performance with the Board.

Public Accountability

- Provide information.
- Involve patients in service planning.
- Ensure an effective complaints system.

Financial Accountability

- Prepare annual accounts for independent audit.
- Provide monthly information for monitoring by the Board.
- Secure agreement to proposed use of savings.

Clinical and Professional Accountability

- Participate in clinical audit of GMS activities.
- Ensure that agreed audit programmes are completed by service providers.

GP Fundholding : Annual Accountability Cycle													
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
Fundholders forward outturn report for the previous financial year to the Board													
Fundholders' annual accounts are audited													
Fundholders announce purchasing intentions for the coming year													
Boards hold performance review meetings with practices													
Fundholders submit practice plans for the next financial year to the Board													
Fundholders submit monthly monitoring reports to the Board (throughout the year)													