The Commissioner Assessment Framework for Incorporation requests:

Supporting guidance

Contents

1. Introduction

Overview

1.1 The NHS Long Term Plan committed £4.5 billion investment into improving primary and community care by 2023/24. Central to delivering this aim is establishing Primary Care Networks (PCNs) based on neighbouring GP practices working closely with delivery partners on a footprint typically covering 30-50,000 people.

1.2 As these networks develop, they may consider alternative delivery models that can help facilitate the delivery of, and investment in, an expanded primary and community care service model. Key drivers for this could include:

- Supporting the stability and sustainability of general practice including addressing workforce and capacity challenges
- A desire by PCN partners to formalise their collaboration and strengthen shared ways of working
- Giving the wide range of multi-disciplinary staff within a PCN more say and control over how services are delivered
- Helping GP partners manage their personal responsibilities for liabilities arising from service model expansion
- Operate at scale to make better use of existing resources (financial and non-financial) for the benefit of their local populations

1.3 It is possible for individual GPs or partnerships holding GMS or PMS contracts to seek commissioner approval to operate and deliver services through a limited liability company - this process is known as "incorporation". The current legal framework (NHS Act 2006) specifics that this must be a company limited by shares and s86 and s93 (respectively) prescribe who can be shareholders for this purpose.

1.4 'Incorporation' provides GP practices the option to set up a delivery vehicle on a network footprint to deliver core primary medical services, the 'network' DES, and potentially other services that may be commissioned using APMS and/or NHS Standard Contracts.

1.5 It is important that limited liability companies that are created to act as vehicles for general practice, and potentially primary care networks, to deliver contracted-for-services are sustainable. Incorporation may present opportunities to improve patient care, deliver on local strategic priorities, and improve the sustainability of services and the workforce. For example, a company limited by shares can be configured in ways that can facilitate

sustained (re)investment in service improvement and offer employees shareholding opportunities including a greater say in strategic and operational decision making. Growing evidence that suggests that higher levels of employee ownership[1] within an organisation can lead to better staff engagement and productivity. There is also some evidence[2] that this type of workforce model contributes to company sustainability, for example, through staff making decisions in the longer term interests of the company and generating resilience in difficult economic periods.

1.6 There is no express right for GPs incorporate. Full discretion and the decision rests with the commissioner, which in most cases will be the CCG, by virtue of their primary medical care delegated commissioning arrangements. In reaching its approval or rejection decision, a commissioner should consider carefully the benefits and risks of the proposal. The benefits must be weighed against any risks arising from the change in organisational form and its proposed scale. This guidance explores these issues further including the action that commissioner's might wish to take in response.

1.7 For every incorporation request, commissioners will need to consider their obligations under procurement law as well as number of other matters. The Public Contracts Regulations 2015 (PCR2015 regulation 72) provides protection from a procurement challenge in relation to incorporation requests if certain conditions apply.

Purpose of this document

1.8 Commissioners (in most cases this will be CCGs as explained above) are responsible for the approval or rejection decision and the due diligence they undertake. This document describes the tool that has been developed and made available, currently in working draft form, to support commissioners to perform this role and to take steps to ensure that associated risks are identified, understood and mitigated as far as possible.

1.9 The overarching incorporation process, eligibility requirements and considerations for commissioners are set out in the Primary Medical Care

[1] Defined as employees having a significant and meaningful stake in the business either financially (ie by owning shares) and/or a having a meaningful say in how it is run - further information on employee ownership models and their benefits can be found at: www.gov.uk/employee-ownership

[2] Academic literature review (The Ownership Effect Inquiry (2017) - What Does the Evidence Tell Us? - a collaboration between Alliance Manchester Business School, University of Manchester and Cass Business School, City, University of London

Policy and Guidance Manual (PGM): https://www.england.nhs.uk/publication/primary-medical-care-policy-and-guidance-manual-pgm/.

1.10 This tool, known as the Commissioner Assessment Framework (CAF), has been developed to go into the next level for assessing, testing and evidencing the requirements set out in the PGM. Its objective is to provide a standardised framework for commissioners to:

- undertake their due diligence in a structured and consistent way (discretion can be applied - see 1.11);
- reach an approval or rejection decision based on assessed levels of risk; and
- apply approval conditions as necessary to mitigate risks to service delivery.

1.11 The CAF has been designed to be comprehensive in scope and to support commissioners to assess significant or 'complex' incorporation proposals, for example, a practice partnership operating as the PCN. For more straightforward incorporation applications, commissioners should use their discretion as to whether the CAF should be applied in full. For all applications, commissioners should be able to audit and justify their approval decision.

1.12 The draft CAF has been developed jointly with input from national colleagues and NHS England and Improvement North and East of England regional teams, alongside Cambridgeshire and Peterborough CCG. However, it has currently not been used in a live incorporation scenario and it will remain in draft status until it has been tested further. It is though being made available now in the knowledge that the learning from its development to date will be useful in supporting commissioners, in all regions, to assess new incorporation requests, particularly those from 'at scale' providers. The learning that is gleaned from live testing will be integrated into further updates to this guidance.

1.13 Whilst the approval decision will rest with the CCG in most cases, the relevant regional NHS England and Improvement regional team have an important role in supporting the CCG to assess the application and feed in their view into the outcome decision. This is particularly important for the more complex and/or novel scenarios involving 'at scale' providers. We advise that CCGs discuss the nature of each incorporation request upon notification (see stage 1 in the diagram below) with the relevant regional team.

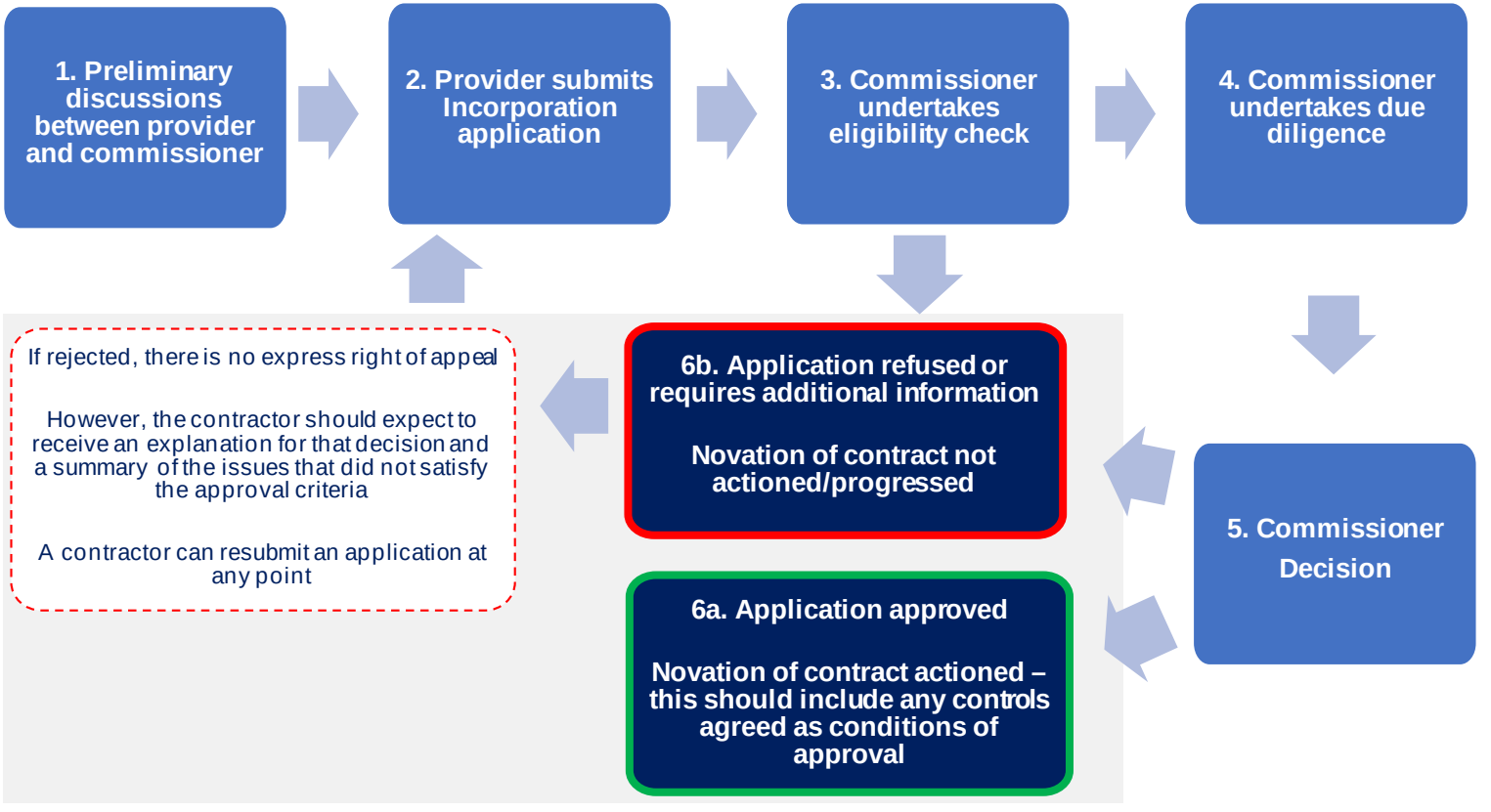
1.14 To note: The management of disincorporation (the same process in reverse) is out of scope of this guidance and the CAF.

2. How the CAF has been designed and when it should be applied

2.1 The CAF takes a risk-based approach and has been informed by the approach taken on the integrated support and assurance process (ISAP), undertaken by NHS England and Improvement over the award of complex and/or novel contracts. The following design principles that were adopted were based on feedback from NHS England and Improvement North and East regional teams, Cambridgeshire and Peterborough CCG, and a range of CCGs in those regions:

- To keep the functionality simple and user friendly
- To allow for discretion in determining the level of risk based on local context
- To provide a fair and transparent basis on which to make a decision and inform applicants of the outcome
- To continually refine and improve the framework in response to feedback
- To satisfy the necessary assurance requirements for both the commissioner i.e. CCG and the NHS England and Improvement regional team

2.2 The below diagram provides an overview of the established approvals process and stages (the CAF would be applied from stage 3 onwards). In practice, reaching a decision is likely to be an iterative process, with discussions taking place with the contractor throughout particularly where issues have been identified and further evidence and/or action is required for the commissioner to be able to form their opinion. We would also encourage both parties to invest time and energy into the pre-application stage (ie stage 1 in the below diagram) to discuss the proposal and the alignment with wider strategic priorities. This can help set expectations and minimise additional information exchanges once the application has been submitted:


1. Preliminary discussions between provider and commissioner
2. Provider submits Incorporation application
3. Commissioner undertakes eligibility check
4. Commissioner undertakes due diligence
5. Commissioner Decision
6a. Application approved
Novation of contract actioned – this should include any controls agreed as conditions of approval
6b. Application refused or requires additional information
Novation of contract not actioned/progressed
If rejected, there is no express right of appeal
However, the contractor should expect to receive an explanation for that decision and a summary of the issues that did not satisfy the approval criteria
A contractor can resubmit an application at any point

2.3 There are a range of incorporation scenarios that commissioners may be asked to consider. The most straightforward scenario is a request by an individual contractor to form a company and continue to run the business themselves as the shareholders and directors of that company. There are variations on this scenario, as set out in the PGM.

2.4 As PCNs or other 'at scale' providers of primary medical services develop, commissioners may be asked to consider more complex and/or novel proposals. The drivers for this may include strengthening collaboration between PCN partners to deliver core primary medical services, the 'network' DES and potentially other locally commissioned services.

2.5 Scenarios involving 'at scale' providers of primary medical services may create systemically important companies if those requests are approved, necessitating greater oversight from commissioners. 'At scale' in this context can be defined in a number of ways: a) by the size of the population served b) by the value of contracts held and c) the size of the geographic area served. These factors may individually or in combination may create new risks for commissioners, and may arise for example in the following scenarios (these are not exhaustive):

Scenario	Description	Risks to be mitigated
Multi-contract	Several practices, each with a GMS/PMS contract, novate the contracts to the same jointly owned limited company	• there is higher risk to service continuity if the limited company runs into financial difficulty (as compared with separate contracts being held by separate entities) • capped liability combined with higher contract value(s) encourages the company owners to take higher financial risks, for example,
Super-contract	Several practices, each with a GMS/PMS contract, merge their contracts to produce one geographically extensive and high value GMS/PMS contract (either prior to, or as part of, the novation) which is then novated to the limited company	

		increased financial borrowing levels

2.6 In all the incorporation scenarios described above, there would be serious disruption to service continuity in the event of failure. This would be most acute in the 'at scale' scenarios. The CAF has been designed to help assess and navigate contributory factors – the assessment the commissioner is expected to undertake is described further in the following sections.

3. The CAF structure

3.1 The CAF is structured in 3 sections:

No	Theme	Purpose
1	Eligibility	There is a range of eligibility criteria that must be satisfied to enable the request to be given due consideration. This section sets out those criteria in the form of a checklist. This allows the commissioners to assess the eligibility of the contractor and their request on a yes/no basis. In some instances where the eligibility criteria cannot be satisfied, the application cannot proceed and must be rejected. In other instances, follow up action will be required to ensure that the necessary requirements have been met prior to contract novation.
2	Statutory duties	This section sets out the range of statutory duties that a commissioner must consider when assessing and approving any request. This section allows commissioners to document compliance.
3	Risk based assessment	This section is subdivided further into 4 domains – these contain key risks that need to be assessed to determine the robustness and credibility of the proposal including the mitigating action and/or approval controls that a commissioner may need to apply: I. Strategy and delivery: to assess fit with ICS/system plans and to test overall sustainability of the proposals

		II. Provider entity: to determine the suitability and capability of the limited company III. Patients and care quality: to identify the benefit for patients and service improvement IV. Finance: to ensure the proposed service change and provider entity are viable and sustainable

4. Making an assessment using the CAF

4.1 The CAF is to be used to assess risk, using key lines of enquiry to test for evidence, and for that evidence-based assessment to then inform whether to approve or reject the request. That assessment should also determine the nature of any approval conditions which may be set by the commissioner (see section 5 below) and which must be satisfied prior to 'go live' and/or complied with over the duration of the contract. It will also form the basis for any relevant feedback for refusal.

4.2 When presented with an incorporation application, the commissioner will need relevant information to identify whether and what risk factors are present. This information should be set out by the contractor in the application form (via the application template form) and attach supporting information accordingly. Commissioners may also need to request other additional information as necessary such as retrospective information to assess the contractor's historic performance and behaviour.

4.3 To help ensure the correct information is provided, we recommend that the commissioner shares a copy of the CAF with the contractor alongside application template. This will help clarify the information and evidence requirements and to provide insight into the basis on which they will be assessed.

4.4 The assessment, once complete, will generate a summary of how the risks have been RAG rated – this includes an overall total and total by each domain – these summaries are intended to act as a guide only and help commissioners in reaching their final decision i.e. they do not bind a commissioner into making a particular final decision (see RAG rating summary – tab 1). The final approval decision will need to satisfy formal governance arrangements – in the case of CCGs this is likely to be the Primary Care Commissioning Committee (PCCC).

4.5 It is for the commissioner responsible for the approval decision to determine the best way to arrange and coordinate their assessment including how it (assuming the commissioner is a CCG) works with and includes their NHS England and Improvement regional team. One

example to make best use of resource, capacity and expertise might be for the CCG and the relevant NHS England and Improvement regional team to take a shared approach to undertaking the necessary due diligence. In doing so, commissioners may find it helpful to draw parallels with an approach to evaluating tenders and reaching a contract award decision. An example due diligence procedure, developed by the NHS England and Improvement East of England region and Cambridgeshire and Peterborough CCG, has been made available as a reference tool – it can be adapted and tailored according to local circumstances including any established delegated agreement working arrangements.

4.6 Commissioners should maintain records of all incorporation requests and decisions made. NHS England and Improvement intends to amend its annual Primary Care Activity Report to capture this information from commissioners, so it can monitor changes in the primary care provider landscape.

4.7 To help commissioners make the assessment, each domain has a set of 'Key Line of Enquiries' (KLOEs) and 'sub risks for consideration' which expand on each KLOE. To help test each sub-risk, the CAF suggests a range of evidence to look for – this is indicative only and not exhaustive. Based on the evidence provided, the commissioner can then determine the risk rating. The red, amber, green (RAG) ratings are intended to help guide a commissioner with that decision. The RAG rating is automated so it will show in the RAG rating summary tab (tab 1). For each sub-risk, there are suggested mitigations including conditions of approval.

4.8 Assessors should use the CAF as a workbook, making summary notes, observations etc using the 'Summary notes' column within the CAF. This may be useful to draw on when responding to the assessed proposal, or support governance papers to the Primary Care Commissioning Committee. Making detailed comments that explain the rating given will be helpful in communicating the final decision to the applicant and this will be particularly important in the event the applicant has been unsuccessful and seeks feedback. The assessment structure and RAG rating are outlined in more detail in Tables 1 and 2 below, referencing each relevant tab in the workbook:

Table 1 - Assessment Framework structure

Title	Column	Description
Key Line of Enquiry	B	These are the Key Lines of Enquiry
Sub-Risk for consideration	C	These are the sub-risks that are described within each KLOE. This provides further detail of questions that may be asked by the commissioner to assess the nature of the risks contained within Applicant's proposal. This is designed as a guide and is not meant to be an exhaustive list. There may also be instances where further sub-risks apply or the sub-risks do not.
Evidence to look for	D	This suggests the nature of the evidence that should be sought to help assess the level of risk. This is a guide and is not intended to be an exhaustive list.
Possible documentary evidence	E	The documents available are potential sources of evidence that a commissioner may use in order to assess the sub-risk. This is only intended as a guide and is not an exhaustive list.
Red / Amber / Green	F-H	These RAG descriptions are intended to support the assessor in reaching a consistent view.
Suggested mitigation for identified risks	I	This suggests a range of mitigating actions that a commissioner may wish to take to address any risks and/or concerns.
Rating	J	This is a drop down box for the assessor to record the RAG rating of the sub-risk. This will flow through to the summary tab.

Summary notes	K	This is a free text box for the assessor to record any follow up questions, comments, risks and strengths of the application – this will be a point of reference to feed into final decision making.

Table 2 - RAG rating definitions

RATING	DEFINITION	PROPOSED OUTCOME
Green	Meets or exceeds expectations	Outcome (a): No material concerns have arisen from the assessment
Amber	Partially meets expectations but there is confidence this can achieve green subject to further assurance provided	Outcome (b): recommendation of further activities to undertake, some of which may need to be completed before proceeding
Red	Does not meet expectations	Outcome (c): recommendation not to proceed without fundamental revision or significant further input by one or more parties.

1. Approach to risk mitigation and approval controls

1.1 As previously stated, there is no express right under GMS, PMS (or APMS) for a contractor to proceed on this basis without commissioner consent (in most cases this will be the CCG).

1.2 Following their assessment using the CAF, if a commissioner deems any risk too significant, it can reject the request. However, a commissioner may conclude that a proposal, and the associated benefits, is worth supporting provided that there is alignment with local strategic priorities and identified risk can be mitigated for and/or minimised.

The novation agreement and process

1.3 If a commissioner wishes to approve an incorporation request, the contract will need to novate from the old to the new contractor. A legal document called a novation agreement is used - its primary function is to change the parties to the contract. In practice, it ends the contractual relationship between the commissioner and old contractor and creates a contractual relationship between the commissioner and new contractor (in this case, the company). The agreement must be signed by each of the three parties. A novation agreement template can be found in the PGM – this can be adapted and tailored by commissioners accordingly. (To note: for procurement purposes, signing a novation agreement counts as the award of a new contract).

1.4 The novation agreement can also capture what has been agreed at the point of novation including the nature of any controls, including pre-conditions to be satisfied, that have been placed upon the contractor.

1.5 The novation process, and the discretion commissioners have in approving the request, provides an opportunity for commissioners to negotiate and agree a range of controls with the contractor. Those controls can take the following forms (these are not mutually exclusive):

- **Contractual requirements**: there is some, although limited, scope to agree local contract variations that would bind contractors into a course of action and be enforceable using the core contractual levers
- **Non-contractual requirements**: these are declarative statements of intent that describe expected behaviours and/or actions but are not enforceable through the core contract

1.6 There are opportunities and limitations in implementing both type of controls - these are explored further below including how the novation agreement might be used to facilitate their implementation.

Contractual requirements as controls

1.7 Local contract variations create a binding requirement on a contractor. They must be agreed between, and signed by, both parties in line with local contractual variation processes. A commissioner could make approval conditional on the contractor agreeing those local contract variations. The value of documenting local contract variations in the novation agreement is to confirm and emphasise what has been agreed contractually at the point of novation. However, a contract variation is binding irrespective of whether or not it has been documented in the novation agreement.

1.8 There are rigid national rules and processes governing the core GP (GMS/PMS) contractual framework that limit the scale and nature of what local contractual variations are permissible. In summary, the following broad principles should be adopted when considering possible variations:

- Variations are targeted, proportionate, and can be justified on reasonable grounds - these can be linked to either contractor performance, their capabilities and contractual management arrangements
- Variations must not seek to alter or extend the agreed core GMS service provision requirements - these are mandatory and are negotiated nationally with the BMA and are reflected in the relevant GMS/PMS contract regulations and statement of Financial Entitlements (SFE).

<u>Permissible variations</u>

1.9 Local context will play an important role in determining the nature of local contract variations that should be agreed. For example, variations that might be warranted to address contractor performance – those that are permissible could take the form of an agreed improvement plan for one or more services where concerns have been identified - this must be linked to a reasonable level of quality that can be expected to be delivered under the contract.

1.10 Variations that might be permissible in relation to contract management arrangements are those that would supplement the mandatory requirements and be justified on performance or capability

grounds (this is particularly relevant for 'at scale providers'). The type of arrangements could encompass:

- The nature and frequency of review meetings to supplement the mandatory annual review meeting - these arrangements can be kept under review and a) amended as a further contract variation and/or b) be phased, for example: Monthly in Y1, Quarterly in Y2 and Bi-annual from Y3
- additional KPIs, for example, as part of service improvement plan - these would be:
  I. Proportionate and not overly burdensome ie reporting
  II. Kept to a handful of key things, that can be measured
  III. additional reporting requirements subject to proportionality test as per above

1.11 There are also a targeted set of variations that commissioners should consider for all incorporation requests. These are linked to provider capabilities and their purpose is to help mitigate for the occurrence and consequences of provider failure in line with good practice. The recommended variations are:

Proposed contract variation	Further detail	Recommended application
To place parameters around a company's ability to take certain actions (and/or require commissioner consent to do so)	Unless notified and approval given, a commissioner could: I. prohibit changes in company control and ownership that could otherwise pose sustainability challenges II. prohibit the company from entering into significant financial arrangements (for example, high value financial loans) III. place conditions on the company which must be satisfied before dividends can be distributed	I and II should be considered for all incorporation requests and only removed upon justification III may be considered appropriate only for 'at scale' provider incorporation scenarios subject to a commissioner's assessment of risk
To specify protections for commissioners and service continuity	Commissioners could prescribe: I. any actions that rest with the provider upon contract termination	I should be considered for all incorporation requests and only removed upon justification II may be considered appropriate only for 'at scale' provider incorporation scenarios subject to a commissioner's assessment of risk

	II. Minimum working capital requirements to provide confidence that the company will always be able to cover routine business running costs and its liabilities	
To promote greater transparency for provider health and performance monitoring	It is common to have provisions of this type within other NHS contracts. It is envisaged that such a provision would include transparency in reporting on matters including a) the annual company business plan b) financial accounts c) management information d) staff pay e) dividend payments	This should be considered for all incorporation requests and only removed upon justification

1.11 The majority of these precautionary controls should be considered for all incorporations and should only be removed where clearly justified. Additional controls should be considered based on a commissioner's assessment of risk and may be particularly justified on the basis of the company's scale.

1.12 A contract variation is permanent once agreed – however, commissioners do have the discretion to agree a time limited duration if they felt it would be appropriate to do so.

1.13 In addition to nationally mandated changes resulting from, for example, changes to underlying GMS / PMS regulations, a commissioner retains the right to propose new local contract variations at any future point in time, for example, to update reporting requirements to reflect a newly identified risk. However, any future variations that the commissioner might wish to secure in their favour, once the contractor has incorporated, will be harder as there may be reduced incentive for the contractor to agree to further changes.

1.14 Whilst this guidance is intended to support commissioners in considering their options, it may be appropriate for a commissioner to seek appropriate additional technical expertise where necessary, for example legal or financial, to help them test particular risks and/or in putting together the terms of the novation agreement.

Non-permissible variations

1.15 Variations that might fundamentally change the core standard terms of the nationally agreed GMS contract would not be permissible. For example, it is not possible to request that extra services are delivered within the existing SFE funding, as these would need to be agreed as enhanced services. Commissioners are also unable to make any changes that alter or dis-apply any mandatory terms set by regulations.

1.16 It is also important to be aware that from a procurement perspective there should be no substantial variation to the nature or scope of services, or payment for them.

Non-contractual requirements as controls

1.17 The commissioner can also use the approval decision as an opportunity to secure commitments from the contractor, for example, to act or contribute in a certain way. Examples include:

- setting expectations around the level of improvement where there is underperformance - however, a commissioner can/should agree such an improvement plan as part of routine contract management at any point where issues are identified
- contributing to the delivery of local strategic priorities
- adopting more collaborative ways of working including with other local key delivery partners

1.18 The delivery of these commitments could be monitored through the agreed contractual management arrangements. However, as they are not contractually binding, their impact and the ability of the commissioner to hold the contractor to account for their delivery, greatly reduces once the novation agreement has been signed. As far as possible, a commissioner should specify the necessary action that must be completed prior to contract novation and ensure satisfactory completion through usual contract management practices before signing the novation agreement. A commissioner may wish to audit what action was required as part of approving the request in the novation agreement itself.

1.19 The novation agreement can play an important role in capturing more enduring requirements and commitments that a commissioner might wish to secure from the contractor. The benefits include:

- signalling and/or emphasising what the commissioner deems to be important
- help both the contractor and commissioner understand their respective role and responsibilities - this may be with respect to performance improvement but also the wider strategic and delivery context; and
- documenting what was agreed for regular review by all relevant parties

1.20 In setting these requirements, they should be articulated in the novation agreement in relatively high-level terms and not presented as contractual requirements (ie variations). It is worth bearing in mind that the novation agreement presents a snap shot in time only and cannot be reopened to reflect new requirements of this nature. This means requirements could become outdated over time in the event of new or evolving policy and strategic developments.

2. CAF assessment timeframe

2.1 When commissioners are notified of intentions to incorporate, the commissioner should engage with their NHS England and Improvement

regional team at an early stage. The following table sets out a ‘typical’ request and process through to decision. The timeframe to complete the assessment will vary locally and is subject to a range of factors including local circumstances and resourcing. However, as an indicative guide, the anticipated timeframe for assessing a complex or novel incorporation request, once an application has been received, is up to 3 months:

STEPS TO BE TAKEN BY THE COMMISSIONER
1. Preliminary discussion and cooperation Initial discussions are held with the existing contractor about their intentions.
2. Incorporation Request The existing contractor makes a formal request to incorporate. The Commissioner acknowledges this request using the template letter in the Annex and shares the supporting 'Incorporation Application – template and user guide' with the contractor to gain further information on the request. Please note these templates are for sole use with the CAF and replace the previous templates that were included in PGM. The contractor is expected to submit supplementary documentation alongside a completed template.
3. Eligibility check The eligibility check ensures the proposed new contractor can hold a GMS/PMS contract, in line with legislation. If they are not eligible, this must result in a refusal letter being sent using the national template letter in the PGM. At this stage, the request will be refused and no longer progressed unless eligibility issues are addressed. The CAF incorporates an eligibility 'checklist'. If the proposed new contractor is eligible, and there are no identified barriers to moving forwards with the assessment, the commissioner should now consult the PGM and the CAF section on statutory duty compliance to ensure that consideration has been given to the implications of the change to the terms of the existing contract, including any procurement risks and whether there is a service change requiring patient and public involvement.

4. Commissioner undertakes due diligence using CAF

The CAF should be used to risk assess the incorporation request.

This stage may involve an iterative discussion between the commissioner and contractor, where further information or assurance is requested on outstanding areas of concern.

5. Decision making

Based on the final assessment, the request can be approved or rejected. The commissioner may make their approval conditional - this could take the form of local contract variations which should be documented in a novation agreement alongside auditing the change in contractor. The agreement should also document any other terms of novation as appropriate.

The terms of the novation agreement will need to be approved through formal governance processes - in most cases the decision will be made by the CCG's Primary Care Commissioning Committee.

Based on an example of approving a request with conditions, the Primary Care Commissioning Committee can expect to:

I. Agree in principle the recommendation to approve the request with conditions including the nature of those conditions
II. Ratify the final novation agreement terms (as agreed with contractor) including the decision to approve with conditions

6a. Rejection of incorporation request

Where the incorporation request is refused, the existing contractor should be advised using the template letter (PGM Annex 10) which should include summary feedback from the CAF assessment to justify the decision.

6b. Approval of incorporation request

The processes described in the PGM from Para 7.10.20 to 7.10.24 should be followed where requests have been approved.

The Applicant should be advised using the template letter (PGM Annex 12).

3. Feedback

3.1 Our intention is to refine and improve the CAF. If you have any comments and suggestions, please send them under subject header 'Feedback on incorporation assessment process' to: england.primarycareops@nhs.net. All feedback received will be carefully considered as part of ongoing development of the CAF.