Welcome to the latest issue of the Albert Goodman e-Update specifically for medical practices.

If you have any feedback on the contents of this newsletter, or would like to discuss how this may affect your practice please click on the feedback link. Likewise, if you are not a client of ours and would like to see if we are the right team for you please forward Keith Miller, our medical practice specialist, your details who will be delighted to get in touch for an informal chat.

Thank you for taking the time to read this newsletter.

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The National Audit Office (NAO) is recommending that NHS England should improve the data it collects on demand and supply in general practice, and research how different practices’ appointment-booking and other working arrangements drive variations in access.

While making changes designed to improve access, it should also analyse the impact on different patient groups, says the watchdog.

An NAO report today finds that people’s experience of accessing general practice remains positive, with almost 9 in 10 patients reporting in 2014-15 that they could get an appointment.

But it warns that patient satisfaction with access is, however, gradually and consistently declining.

A fifth of patients report opening hours are not convenient.

NAO head Amyas Morse said: ‘Against the background of increasing demand and pressure on NHS resources, the challenge is how to maintain people’s positive experience of accessing general practice and reduce variation.

‘The Department of Health and NHS England are working to improve access, but are making decisions without fully understanding either the demand for services or the capacity of the current system.

‘Better data is needed so that decisions about how to use limited resources to best effect are well-informed.’

The NAO found considerable variation in access between different patient groups. Older patients were more likely than younger patients to report that they were able to access appointments.

The NAO also found that people from a white ethnic background reported better access than those from other ethnic groups. Differences in GP practices’ working arrangements also affect the proportion of patients who can get appointments.

Nationally, 92% of people live within two kilometres of a GP surgery, but there are stark differences between urban and rural areas. Only 1% of people in urban areas do not have a GP surgery within two kilometres, compared with 37% in rural areas.

GP RECRUITMENT

The NAO identified that problems in recruiting and retaining GPs are increasing, with 12% of training places in 2014-15 remaining unfilled.

It said GPs make up only 29% of the general practice workforce, so alone are unlikely to be able to deal with the rising demand for services.

‘Practices are increasingly using other staff to help manage demand. Today’s report finds that deprived areas tend to have a lower ratio of GPs and nurses to patients, and where the ratio is lower it is harder for patients to get appointments. The distribution of general practice staff across the country does not reflect need.

‘NHS England allocates funding to local areas using weighted populations that reflect factors such as demographics, health needs and local costs. Despite this, inequalities remain, with the combined number of GPs and nurses in each local area ranging from 63 to 114 per 100,000 weighted population.’

GP STATISTICS FROM NATIONAL AUDIT OFFICE

£7.7bn Funding for general practice in 2014-15

372m An estimate of the number of general practice consultations in 2014-15

89% Of patients in 2014-15 said they could get an appointment when they last tried to book one
7,875 GP practices in England in 2014, with 125,300 full-time equivalent staff

37,000 Full-time equivalent GPs (including trainee GPs) at September 2014

51.4 Hours average number of hours GP practices are open per week

92% Of patients live within 2 kilometres of a GP surgery

63 to 114 Range in the number of GPs and nurses per 100,000 people, after adjusting for factors such as age and need

12% Of general practice training places were unfilled in 2014/15

27% Of patients in 2014-15 said it was not easy to get through to the GP practice on the telephone

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‘BIGGEST GP PARTNERSHIP’ SAYS IT WILL ENABLE GPS TO PROSPER

What is thought to be the biggest GP partnership ever says the way it is run will allow its practices to grow and prosper while providing a reliable and innovative service for patients.

Our Health Partnership is a group of 35 GP practices with 270,000 patients across Birmingham. It says its structure will help doctors work more effectively and to thrive in the face of continuing change.

Its website says: ‘Our model ensures the advantage of strength in numbers while preserving autonomy at local practice level. It is all about benefiting our patients and our local GPs and staff delivering excellent care for our patients.

‘By working together our GPs will have the power to provide more local services in the community, share knowledge and support services and strengthen links with local hospitals and other care services. Better for patients, better for GPs.

‘The concept, developed by a consortium of concerned local GPs, is our solution to the ever changing and continual challenges that GP practices face, whilst at the same time opening up tremendous opportunities for the development of primary care services in our communities’.

Our Health Partnership says it will work as one single practice, run by a board consisting of seven partners elected by all partners and supported by an executive team comprising a managing director, a chief financial officer and a chief operating officer.

But it claims that what makes it unique is that all practices involved will be part of a big organisation that provides economies of scale and support, whilst at the same time:

- Retaining their own operational autonomy
- Retaining their own, hard worked for, successful local links
- Having an equal and significant voice in the development and shaping of Our Health Partnership, and
- Enjoying security and sustainability, combined with great opportunity

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RENT REIMBURSEMENT WARNING FOR GPS IN ENGLAND

GP practices in England, whose rent reimbursement has been calculated on an ‘alternative use’ basis, are being advised to set aside a proportion of their reimbursement over the coming months (or until the revised Premises Costs Directions have been issued) in case their reimbursement is cut at their next review.

The latest Premises Costs Directions which were released in 2013, prevent ‘alternative use’ valuations being used
when valuing GP surgeries. According to GP Surveyors, therefore surgeries who have previously been valued on this basis could potentially face a decrease in their notional rent.

This warning comes as a surgery in the North East recently received an email from NHS England stating that, because its reimbursement had previously been calculated on an ‘alternative use’ basis, its new review would be put on hold until internal talks regarding the ‘alternative use’ issue have reached a conclusion.

Paul Conlan, operations director at GP Surveyors, explained: ‘We have a number of ongoing cases where reimbursement has been reduced considerably by the district valuer. These cases are now on hold while we await the new Directions.’

‘Moreover, there are other practices, such as the one in the North East, who are being told that their reviews have been postponed completely until NHS England decide whether to allow ‘alternative use’ valuations in the revised Directions – which are yet to be released.’

‘Our concern is that these revised Directions have been promised for some time – yet they still have not materialised. The longer these surgeries have to wait for a conclusion to the matter, the more money NHS England will potentially clawback from them (if they decide to keep the clause preventing ‘alternative use’ valuations).’

‘This is why we are advising these surgeries to set aside some of their reimbursement over the coming months to help soften the blow should the worst occur.’

‘We have, of course, communicated our thoughts on the Premises Costs Directions to NHS England and we will be keeping GP practices abreast of any updates.’

‘Alternative use’ valuations have been most commonly used in city locations and are generally used when GP surgeries are located in high value office districts, residential areas or retail parades. In situations like this, the GP premises would typically be valued by looking at comparable office, residential or retail rents rather than comparable GP surgery rents. This is standard practice in commercial property surveying.

The Premises Costs Directions govern how GP surgeries must be valued across England.

Note: This issue does not apply to surgeries in Scotland, Wales and Northern Ireland.

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**GMC FEES UP AGAIN**

GPs and hospital doctors will have to pay more to stay licensed with the General Medical Council (GMC) next year. The annual retention fees will increase by £5 from £420 to £425.

For doctors who are registered without a licence the fee will rise by £2 to £152.

These small increases were decided by the GMC’s Council in addition to freezes on fees paid by newly qualified doctors and doctors in training.

The GMC’s Council said it had also decided to embark on a major change programme to help the organisation achieve significant cost reduction and support more effective ways of working in the future.

Next year the GMC plans to move around 130 posts from London to Manchester and reform its defined benefit pension scheme for staff. The aim is to save up to £6m a year by 2018.

The fee paid by medical school graduates to become provisionally registered with the GMC will be frozen at £90, and the fee to move from provisional to full registration will be kept at £200. The fees for the postgraduate Certificate of Completion of Training (CCT) have also been frozen at £420.

Doctors on incomes below £32,000 a year will continue to be eligible for a 50% discount, the GMC said.

The GMC receives 90% of its income from the annual retention fee paid by doctors. As part of a new financial plan, it
is exploring ways to generate additional sources of income – such as charging for some of its services internationally. Most of the increase to the annual retention fee will cover the first full year of the levy imposed by the government on the GMC to fund the work of the Professional Standards Authority. The GMC’s contribution in 2016 will be £736,000.

RED TAPE PLAGUE BLIGHTS GP BUILDING PROGRAMME

GPs’ hopes of practising in more modern buildings are being dashed by red tape.

Now it is feared that 20 per cent of investment projects designed to upgrade and expand GP facilities could collapse because the NHS is not committing cash to keep the new buildings maintained.

According to a new BMA survey of just over 200 GP practices, out today, 75 per cent of the bids have been delayed. Many GPs blame a lack of leadership and expertise in NHS England.

The Government announced last year that it was allocating £250m annually to invest in GP facilities following a BMA campaign that highlighted how cramped and inadequate GP buildings were damaging patient care.

The BMA survey received a response from 207 practices, around 20 per cent of the 1,000 practices who have had their bids approved ‘in principle’ by the Primary Care Transformation Fund.

Key findings were:
- Of those with supported bids, 54 per cent say they had experienced delays of over six months.
- For all those that received initial approval ‘refusal to meet recurrent costs by NHS England or the local Clinical Commissioning Group’ (CCG) is cited as a major obstacle by 22 per cent of respondents.
- Other reasons for delays included a ‘lack of leadership or clear process’ (24 per cent) and ‘lack of expertise within the local NHS England team’ (32 per cent).
- Of those with approved bids, 83 per cent believe that the project will need to extend beyond March 2016. One in five of those facing delays have now been told that their local NHS Area Teams might withdraw funding for their project.
- A third of bids accepted were to build an extension to a GP building, while a further third were to improve an existing building. 18 per cent were to build new facilities.
- Dr Brian Balmer, BMA GP committee lead on premises, said: ‘These results paint a depressing picture of a faltering programme of investment in GP practices which has so far failed to deliver the improvements promised by the Government.

‘Many GPs are being held back from delivering enough appointments and services to their patients because they are having to use inadequate and cramped buildings. Last year a BMA poll of 4,000 GP practices found that four out of ten practices were struggling to provide even basic care due to poor facilities while seven out of ten felt they had no scope to expand the services they offered.’

He said the most worrying aspect was that one in five were being refused support from NHS England and CCGs for the recurring costs of maintaining new facilities.

This could mean these projects could not be completed and the bids could simply collapse. ‘That would leave patients with no hope of getting the improved care they deserve. Already some bids have been told by local area teams that they may not be able to support their projects financially.’

The GPC said the Government announced the extra investment in GP facilities with much fanfare. But on the ground many GPs were beginning to doubt these supposed improvements would ever be delivered.

Dr Balmer called on ministers ‘to get a grip on the project’ and deliver what they promised.
HOSPITALS’ FINANCIAL PERFORMANCE GETTING WORSE WARNS NAO

Acute hospital trusts’ financial performance has significantly declined in the last year and their financial position looks set to worsen, the National Audit Office warned today.

The deterioration has been severe and worse than expected, with their £843m deficit in 2014-15 representing a sharp decline from the £91m deficit reported in 2013-14.

Overall, the financial position of NHS bodies worsened in 2014-15, as NHS commissioners, NHS trusts and NHS foundation trusts together moved from a surplus of £722m in 2013-14, to a deficit of £471m.

In June 2015, the Department of Health announced limits on some elements of trust spending in response to the worsening financial position of NHS trusts and NHS foundation trusts.

But today’s report warns that the response by the Department, Monitor and the NHS Trusts Development Authority might come too late to improve the 2015-16 financial position.

It says the revisions and resubmissions of trusts’ 2015-16 financial plans have created an unsettled planning period, and might make it difficult to meet targets, measure progress and manage resources effectively.

The Government has committed to giving the NHS £8.4 billion more in this Parliament. But the NAO said it was unclear if the Department, NHS England, Monitor and the NHS TDA had the coherent plan needed to get trusts’ finances back on track.

NAO head Amyas Morse said running a deficit seemed to be becoming normal practice for acute trusts: ‘There is a risk that poor financial performance is seen as the least worst option compared with poor healthcare provision. The Department, NHS England, Monitor and the NHS TDA must take a rounded view of how to improve trusts’ finances.

‘The Government’s commitment to give the NHS more funding, with almost half of this coming upfront, could be a significant step towards financial sustainability if this funding can be devoted to improving the financial position of trusts rather than dealing with new costs.’

SMALL HOSPITALS IN BIG FINANCIAL RISK

All of England’s hospitals with a turnover of less than £200m are forecast to be in deficit compared to 76% of the NHS overall, according to a new analysis.

Small hospitals are expected to forecast a combined deficit of £273.3m in 2016 – almost double the 2014-15 figure of £141.7m.

As a result, all small hospitals will be running a combined loss of -8% of their turnover with the average deficit per hospital forecast to reach £13.7m, up from £11.8m in 2014-15 – a 14% increase. In 2014-15, 12 small hospitals (60%) were in deficit and eight (40%) ran a surplus.

EY Healthcare conducted an analysis of all 20 small acute hospital trusts across England that had a turnover of less than £200m using publicly available information from the relevant Trust’s websites. The most recent in year deficit/forecast position has been used where Trusts do not publish their 2015/16 surplus/deficit forecast.

Gill Cooksley, director at EY Healthcare, said: ‘As hospital Trusts up and down the country struggle to balance the books, small hospitals, in particular, are bearing the brunt of unsustainable finances and the challenges of delivering clinically sustainable services.

‘With the NHS forecasting a deficit of £2.6bn in 2016, small hospitals will be responsible for a disproportionate share as small hospitals account for 8% of the total revenues of English hospitals yet 12% of the deficit.

‘There is a risk that in the rush to find big savings from larger NHS trusts, smaller hospital trusts are ignored despite the fact that achieving financial and clinical sustainability within smaller hospitals is often much harder. These
hospitals have a vital role to play in their communities and need to act quickly to ensure that they can continue to deliver vital services in a safe and sustainable way.’

Risk of hospital failure if no action taken

With deficits increasing year on year and finances continuing to perform badly, there is a risk that regulators may step in. NHS Improvement have the power to appoint Trust Special Administrators (TSAs) to take control of an NHS Foundation Trust's affairs if the trust is either financially unsustainable in its current form or is at serious risk of failing to provide high-quality, sustainable services to patients. This has only been invoked once, in the case of Mid-Staffordshire NHS Trust in 2013.

Ms Cooksley said: ‘The trust special administrator process will remain a rarity, and should be seen as a last resort.’

She believed the onus should be on small trusts to be pro-active in assessing and securing their long term future. Every service a hospital provided needed to be looked at and judged independently as to whether it could be delivered in a safe and sustainable way.

‘However, it may be decided that it is not be feasible to continue to offer certain services at a small hospital and partnering with nearby larger hospitals may be inevitable if patient safety is to be maintained.

‘If this is the case, then it’ll be important to bring CCG, neighbouring hospitals and other local care providers together sooner rather than later to ensure that these services can be accommodated in a timely, efficient and safe manner.’

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BBC HIGHLIGHTS ‘GOLDEN HELLO’ GP PAYMENTS

Five figure payments made by GP practices to try and recruit new doctors have been highlighted in a BBC investigation.

The report also warned of large numbers of GP practices who had stopped taking new patients or had applied to do so.

Responding, GPC chair Dr Chaand Nagpaul today called on the Government to take urgent action to provide GP practices with the resources and support to enable them to treat more patients in a safe and effective way.

He said: ‘As this BBC investigation shows, general practice across England is under unprecedented pressure. Some practices are having to consider taking the difficult decision to close their practice lists in order to safeguard safe and effective care because they do not have the resources or staff to treat the sheer number of patients coming through their surgery’s door.’

The GPs’ leader said many GPs were ‘buckling under the pressure’ and stopping or reducing their work due to stress – meaning there were even fewer GPs available.

He warned: ‘With more than 600 GP trainee posts left vacant in 2015 and a third of the existing workforce considering retirement in the next five years, there are signs this crisis is likely to worsen this year.’

At least 100 surgeries applied to NHS England to stop accepting new patients in 2014-15, a Freedom of Information request from the BBC revealed.

At the beginning of November, 299 surgeries were indicating on the NHS Choices website – which provides patients with information about surgeries in their local area – that they were not taking on new patients.

The BBC reported some practices were offering a ‘golden hello’ of up to £10,000 to attract new doctors: ‘In Clacton-on-Sea, Essex, three out of the four town centre surgeries have had to stop taking on new patients. Ranworth Surgery has been struggling to recruit new doctors and recently offered a £9,500 bonus after failing to attract applicants. The surgery also closed its patient list after the intake of new patients saw it reach almost 9,000, which it deemed unsafe.’
Analysis of the Freedom of Information data suggested about 46% of the 100 surgeries which applied in 2014-15 were denied permission, or withdrew the request.

Dr Robert Morley, chairman of the Birmingham LMC, told the BBC practices could decide to stop taking on new patients without the approval of NHS England.

He said in Birmingham the LMC had been ‘particularly proactive’ in pointing this out to practices, making them ‘feel empowered to take appropriate measures’.