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Meeting:	Joint Commissioning		ning						
		Committee			NHS England update				
Item Number:	11.0								
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Executive Summary (Question, Options, Recommendations):									
This report is to update the Committee on matters pertaining to primary medical care within NHS England.									
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Sale and Lease back of premises – West Common Lane Teaching Practice									
Merger Application update - Scotter and Kirton Surgeries									
Market Hill Procurement									
Annual Revalidation and Appraisal Report									
General Practice Forward View Update									
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# North Lincolnshire update

Prepared by Rachel Singyard

Primary Care Business Manager

NHS ENGLAND – North (Yorkshire & The Humber)

1 September 2016

## 1. <u>West Common Lane Teaching practice- Application for Sale and Lease back of practice premises</u>

## **Introduction**

GP contractors are eligible for rental reimbursements. The type of reimbursement applicable depends on who owns the practice premises. For instance:

- Where the GP owns the building, this is known as 'notional rent'
- Where the GP are paying off a mortgage, this is known as 'borrowing cost reimbursements'
- Where there GP is tenants in a building owned by an NHS landlord or a private owner, they receive leasehold cost reimbursements

#### **Notional Rent Reimbursements**

GP contractors who own their premises may be eligible for notional rent reimbursement. The amount of notional rent to be paid to the contractor is based upon the current market rental (CMR) value for the property, as determined by a surveyor. The CMR is assessed based on notional lease terms (hence the term notional rent), which assume a 15-year term and tenant internal repairing obligations with the landlord responsible for external and structural repairs together with insurance.

The level of CMR, and the amount of notional rent paid, must be reviewed every three years. The review will be brought forward if there is a change to the purpose for which the premises are used or if there is further capital investment in the premises which will be reflected in the payments the contractor is receiving under its contract.

## **Leasehold Rent Reimbursements**

GP contractors who rent their premises are eligible to receive reimbursement for their rental costs. The level of leasehold rent that may be granted is determined by the current market rental (CMR) value of the premises, or the actual lease rent, whichever is lower.

The CMR value of the premises is as assessed by independent valuation conducted by the District Valuer, who must determine what might be reasonably expected to be paid by a tenant for the premises at the date of valuation. The level of leasehold rent reimbursement paid to the contractor must be reviewed when the landlord undertakes a rent review provided for in the respective lease, unless the review does not result in any change to the level of rent being charged.

Under the 2013 Premises Cost Directions, when the CMR is to be reviewed, practices are required to provide NHS England with a Rent Review Memorandum (RRM), a signed agreement between the tenant and the landlord stating any changes made to the level of rent being charged.

## Request to NHS England

West Common Lane Teaching Practice have formally submitted a request to NHS England regarding the sale and lease back of their practice premises at Dorchester Road, Scunthorpe. The practice are planning for the future and as new partners are increasingly

reluctant to buy into the ownership of the premises, it was considered best for the practice to sell the premises and lease back.

The practice currently receive notional rent payments (as described above) in accordance with the 2013 Premises Costs Directions.

#### **Next steps**

The 2013 Premises Directions allow for a practice to submit a proposal as requested by this practice. They have confirmed that the purchaser and future landlord would be Assura, a company based in Warrington, Cheshire.

The practice will need to agree a heads of term for the proposed lease and there is a requirement to present the entire lease in an agreed format to NHS England for approval by the District Valuer prior to completion of the lease. NHS England have received the proposed lease which will be submitted to the District Valuer, subject to this request being granted. The lease rent proposed does not exceed the current notional rent paid, therefore the financial implications are cost neutral.

The practice are currently undertaking legal advice regarding a charge on the property which was imposed by the previous Health Authority body, when the premises were constructed. This charge will need to be removed prior to sale of the property.

## Recommendation

North Lincolnshire Joint Commissioning Committee is asked to:-

- Note the request from West Common Lane Teaching Practice
- Agree that the practice can progress and sale and lease back of their premises subject to the charge on the property being released.

#### **Action for the Joint Committee:**

This report was circulated by virtual means to members of the Committee due to the timescales as to when a decision was required.

The responses to the request for virtual approval were noted by the CCG and NHS England and the following decision was made in line with the terms of reference.

The Joint Commissioning Committee considered the application and it was confirmed that a majority of both NHS England and CCG voting members on the Committee are in agreement with approving the application from West Common Lane Teaching Practice for permission to proceed with the sale and lease back of their practice premises.

The practice were duly informed of this decision by NHS England. The Committee is asked to note this update and the virtual decision.

#### 2. Practice Merger Application Scotter and Kirton Lindsey Surgeries

At the last Joint Commissioning Committee a practice merger application was considered and it was agreed that further work should be undertaken with regards to patient and public consultation in order to progress the application.

In the period since the last Committee, colleagues from each CCG and the respective NHS England Regional teams have developed an action plan and draft consultation plan which is currently being finalised and agreed with both practices.

A copy of the Consultation plan, along with the prepared FAQs will be submitted to the Committee for final approval shortly. This will be by virtual means due to timescales involved.

#### **Action for the Joint Committee:**

- To note the contents of the update above
- Note that the Consultation plan will be circulated for approval by virtual means before the next Committee meeting.

#### 3.Market Hill Procurement

The Committee were informed at the previous meeting that the procurement for the Market Hill practice would be advertised at the end of July. Due to delays in finalising the documentation for the Hull GP Practice procurements we have been unable to advertise the Market Hill contract. To enable the Market Hill contract to be extended for 12 months only and to minimise the financial cost of undertaking two procurements within a short timescale we have linked the procurements together. We are in the process of seeking approval for the Hull procurement and would anticipate the adverts being placed within the next month.

#### **Action for the Joint Committee:**

To note the contents of the update above

#### 4. Annual Appraisal Report

In June 2016, Dr Paul Twomey, as the lead Responsible Officer for NHS England North (Yorkshire and Humber) presented the Annual Assurance Report on Revalidation and the Responsible Office Regulations to the Senior Management Team. This report is attached below and is presented to this Committee as assurance that the Appraisal and Revalidation system in Yorkshire and Humber is being provided to an appropriate standard.



#### **Action for the Joint Committee:**

To note the contents of the report

## 5.0 General Practice Forward View Update

This was published in April 2016. The NHS England Board recently gave an update on five key actions which illustrate progress against the commitments made in this document.

## 5.1 GP indemnity proposals

In recognition of concerns around the rising costs of indemnity, NHS England and the Department of Health established a GP Indemnity Review group to consider proposals to address the rising costs of indemnity in general practice, working with the profession and medical defence organisations. The review concluded the best way to relieve the immediate pressure was through a new and tailored scheme which would provide financial support to general practice whilst developing actions to resolve the long-term drivers of increased costs.

This new **Indemnity Support Scheme** is funded through the SFE for practices for at least the next two years and comes on top of £33m that was invested into GP contracts as part of the 161/7 contract negotiations. It will be payable in arrears (April 17 for the 16/17 financial year and will seek to cover the inflationary rises of indemnity costs for practices, using an agreed and transparent methodology, based on best available data. Funding will be based on a registered practice population.

Whilst this scheme will mitigate the effects of rising indemnity costs in practices, the DH will commence work leading to Tort reform aimed at reducing the overall rising costs of claims and litigation affecting the NHS

NHS England is committed to further work to address costs of indemnity impacting on Out of Hours (OOH) services. A number of CCGs have already recognised rising indemnity costs for OOH and NHS 111 and so work will need to be done to inform the CCGs commissioning intentions for 17/18. In 16/17 the Winter Indemnity Scheme will be run for a further year, details of which will be published in the autumn.

## 5.2 General Practice Resilience Programme (GPRP)

The guidance around the implementation of this describes how the new GPRP will operate to deliver the commitment set out in the General Practice Forward view to support struggling practices over the next 4years.

This programme is aligned to the Vulnerable Practice Scheme (VPS) and aims to build on work already underway as part of this scheme. It allows a wider range of support to be delivered that will help practices to become more sustainable and resilient, better placed to tackle the challenges they face now and into the future and securing continuing high quality care for patients.

The menu of support offered will need to include:

a) rapid intervention and management support for practices at risk of closure;

- b) coordinated support to help practices struggling with workforce issues, such as access to experienced clinical capacity or to develop skill mix;
- c) change management and improvement support to individual practices or groups of practices, and

Earlier work undertaken as part of the VPS can be used to select practices for support under this new programme this year e.g. allowing the funding to be used to support even more practices including those less vulnerable.

Funding can be used to deliver/secure this support in more flexible ways such as:

- Additional local team capacity
- Backfill for peers support
- Section 96 funding
- Backfill for GPs who are assisting others

The deadlines are tight to ensure that practices are clear the 'cavalry is coming.' This means:

- By 19 August proposals for how NHS England intends to deliver the menu of support will be developed and shared with CCGs, LMCs and RCGP leads. Essentially this will be outline proposals for going further faster with our current plans with vulnerable practices or how we will add/or replace these arrangements to secure the wider menu for practices.
- By end of September decided on our local approach, practices selected for support and offers made to them.
- By mid-October any practices in urgent need not receiving support via vulnerable practice scheme will need to have begun to receive support (this could include Section 96 funding ahead of our delivery arrangements being in place).
- By end of October £10m needs to have been spent or fully committed to individual practices.
- By end of December £16m need to have be spent or committed to individual practices.

Further resources will follow as identified in the guidance or following discussions with practices.

### 5.3 General practice national development programme

This new development programme aims to support practices to manage their workload differently, freeing up time for GPs and improving care for patients. The programme will provide tailored support for groups of practices to implement the 10 High Impact Actions to release time for care.

Practices, or CCGs, can submit an expression of interest form any time until summer 2018. They will be allocated an expert development advisor, who will help them plan their own Time for Care programme. Over the course of a typical 9-12 month programme, most practices could expect to release about 10% of GP time.

Also available are free places on the General Practice Improvement Leaders programme, to build capabilities for improvement and change leadership in practices and federations. NHS England is also providing a new £45m fund over the next five years to support training for

reception and clerical staff and, from 2017/18, a new £45m three-year fund to support purchase of online consultation systems.

Further details of webinars etc are available from dedicated web page.

https://www.england.nhs.uk/ourwork/gpfv/

#### 5.4 Retained doctor scheme - extra resources for GPs and practices

Although the Retained Doctor Scheme has been in place for many years the 2016 scheme delivers a number of improvements. From July 2016, NHS England is increasing the money received by practices employing a retained GP and the annual payment which GPs on the scheme receive towards professional expenses. The additional support is available to doctors already on the scheme and those doctors joining the scheme and in post before 31 March 2017

## 5.5 Improving how hospitals work with general practice – new requirements on hospitals in the NHS Standard Contract 2016/17

Matthew Swindells, NHS England National Director: Operations and Information and Bob Alexander, NHS Improvement Deputy Chief Executive, <u>have today written out to CCGs and NHS Trusts</u> to highlight the importance of ensuring that the six new requirements for hospitals, which were introduced in the 2016/17 NHS Standard Contract to clarify the expectations across the hospital and general practice interface and reduce avoidable extra workload for GPs, are fully implemented in a robust and timely way.

Further updates will be provided as they become available.

#### **Action for the Joint Committee:**

• To note the contents of the update.