

Meeting: Primary Care Commissioning Committee			
Meeting Date	23 March 2022	Action	Receive
Item No.	7	Confidential	No
Title	GP Premises Update		
Presented By	Clare Postlethwaite, Associate Director of Finance		
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Clinical Lead	Cathy Fines, CCG Chair		

Executive Summary
<p>On 28th July 2021, the Primary Care Commissioning Committee supported a decision to remove 100% of GP premises subsidies with effect from April 2022 on a phased approach over a number of years. It was recognised at the point of this decision, that any reduction in the premises subsidy received by a practice may be over a number years in order to ensure the financial stability of the practice involved.</p> <p>Meetings with the practices involved have now begun with initial meetings held with the majority of practices. This paper details discussions to date and outlines the next steps now being proposed to progress this work further.</p>
Recommendations
To note the contents of this report and in particular the next steps being proposed.

Links to CCG Strategic Objectives	
SO1 - To support the Borough through a robust emergency response to the Covid-19 pandemic.	<input checked="" type="checkbox"/>
SO2 - To deliver our role in the Bury 2030 local industrial strategy priorities and recovery.	<input checked="" type="checkbox"/>
SO3 - To deliver improved outcomes through a programme of transformation to establish the capabilities required to deliver the 2030 vision.	<input checked="" type="checkbox"/>
SO4 - To secure financial sustainability through the delivery of the agreed budget strategy.	<input checked="" type="checkbox"/>
Does this report seek to address any of the risks included on the Governing Body Assurance Framework? If yes, state which risk below:	
GBAF	

Implications						
Are there any quality, safeguarding or patient experience implications?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Has any engagement (clinical, stakeholder or public/patient) been undertaken in relation to this report?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Have any departments/organisations who will be affected been consulted ?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Are there any conflicts of interest arising from the proposal or decision being requested?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Are there any financial Implications?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Is an Equality, Privacy or Quality Impact Assessment required?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
If yes, has an Equality, Privacy or Quality Impact Assessment been completed?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
If yes, please give details below:						
If no, please detail below the reason for not completing an Equality, Privacy or Quality Impact Assessment:						
Negotiations relate to practice budgets and no impact on patient care or service delivery is proposed.						
Are there any associated risks including Conflicts of Interest?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Are the risks on the CCG's risk register?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>

Governance and Reporting		
Meeting	Date	Outcome
Primary Care Commissioning Committee	23/03/2022	

GP Premises Update

1. Introduction

- 1.1. In July 2021, the Primary Care Commissioning Committee supported a proposal to reduce GP premises subsidies being received by 100% with effect from April 2022 on a phased approach over a number of years.
- 1.2. This report outlines the work progressed to date in order to reduce premises subsidies and in particular the need to ensure the financial stability of the practices involved in any reduction agreed.
- 1.3. This report also outlines common themes emerging from the initial practice meetings that have been held and proposes appropriate next steps with regard to progressing this piece of work.

2. Background

- 2.1. On 28th July 2021, the Primary Care Commissioning Committee made the following decision relating to GP premises subsidies: - *‘.....The Primary Care Commissioning Committee noted the content of the report and supported the adoption of Option G outlined as follows; The withdrawal of all subsidy funding (100%) with effect from 1st April 2022 on a phased approach over a number of years and the consideration to the financial stability of each organisation on an individual basis...’*
- 2.2. Work has now progressed to meet with all practices receiving a premises subsidy in order to agree how to reduce the premises subsidy received over time.
- 2.3. Recognising the size of the subsidies in place for some practices along with some complexities with regard to the make-up of some of these costs, it is not proposed to remove any practice subsidy in full on 1st April 2022.
- 2.4. Whilst no practice will have their subsidy removed in full on 1st April 2022, the reduction of premises subsidies is still being progressing in line with the July 2021 decision. Following the initial meetings it is anticipated that a position statement and agreement of next steps be achieved with each practice.

3. Key Work Completed to Date

- 3.1 Initial meetings with the majority of practices have now been held, dates for all remaining meetings are in the diary prior to end of March 2022. Follow-up meetings are now also being booked with all practices with some due to happen this month.
- 3.2 All meetings to date have been attended by the CCG finance lead for this work along with representation from the CCG primary care team. At each meeting the need to ensure the financial stability of each practice along with the desire not to reduce patient care has been emphasized at the outset.

- 3.3 Whilst all practices have raised concerns with regard to the need to reduce the subsidy being received, and in particular the affordability of any reduction, in the majority of cases the need to review and reduce the subsidy has been recognised by the practice and a willingness to work with the CCG to achieve this has been shown.
- 3.4 All meetings with practices have emphasized a number of key points for note :-
- The intention of the CCG to ensure the financial stability of the practice and to ensure that patient services are not reduced or compromised.
 - Confirmation that, if appropriate, the practice would have the option to reduce the space they currently occupy in order to reduce the subsidy received.
 - Recognition that any reduction in the subsidy received could be phased over a number of years and in discussion with the practice based on practice circumstances.
 - Confirmation that the aim of the CCG is to agree a way forward in partnership with the practice involved and in a collaborative manner.
 - Whilst it is likely that the issue of premises subsidies being paid to GP practices across Greater Manchester will be addressed by the Integrated Care Organisation (ICO) once established, it is not possible at this stage to confirm what approach they will take moving forward.

4. Key Themes Emerging

- 4.1 During the initial practice meetings held to date, a number of common themes have arisen, which will underpin the next steps being proposed.
- 4.2 Key themes emerging in discussions to date include :-
- The need for greater detail with regard to the apportionment of space and related charging mechanism in the facilities.
 - A requirement for a more detailed breakdown of the make up of the costs being charged along with evidence of an appropriate market test.
 - A number of specific practice queries regarding both services received and costs included within the invoices received to date.
 - For practices within new build facilities, additional detail on baseline costs at the point of transfer is necessary in order to understand the implications of a support letter provided by the former Bury PCT at point of transfer.

5 Next Steps

- 5.1 Position statement to include agreed next steps to be shared and agreed with each practice and a follow-up meeting to be booked.
- 5.2 Meeting with CCG representatives, NHS Property Services and Community Health Partnerships to be arranged to review the queries that have arisen relating to cost base and apportionment methodologies.

- 5.3 Discussion with both NHS Property Services and Community Health Partnerships to understand baseline costs at the point of transfer (either a move into a new facility or change of landlord in existing previously PCT owned building.)
- 5.4 Confirm the legal basis of the letter of underwriting received by some practices and in particular what costs would this apply to.

6 **Actions Required**

- 6.1 The Primary Care Commissioning Committee is asked to :-
- Note progress to date and in particular next steps being proposed.

Clare Postlethwaite

Associate Director of Finance