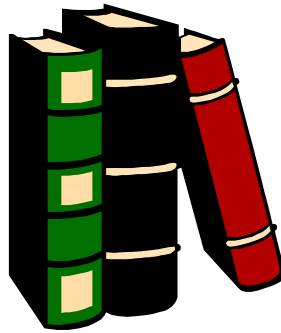




# *ANNUAL REPORT*



***JULY 2005 - JUNE 2006***  
***BARKING & HAVERING LOCAL MEDICAL COMMITTEE***

This Annual Report focuses on the LMC's achievements, negotiations and ongoing projects with both Barking & Dagenham and Havering PCTs. This has been the busiest year the LMC has ever known with the website going on line which required a lot of work. Negotiations for PBC and LIFT have also taken up a lot of the LMC's time.

Over the year LMC meetings continued to be held on the first Thursday of the month which representative members of both PCTs attend. Both PCTs also have bi-monthly meetings with the LMC. These are in place of the monthly meetings that used to be held jointly with both PCTs.

In September 2005 the LMC launched their website. Over a five month period the website has had 691 hits, averaging 138 a month. We would like to see it used more as information is being put on the website in place of monthly newsletters. Up to date information on negotiations with PCTs, including Enhanced Services and Practice Based Commissioning are put on the site. There are also many useful links, including:

GPC  
BMA  
Both PCTs  
BHRT  
NHS Pension Scheme  
And many more

The Notice board has been very useful for sharing information with colleagues. Some of our GP colleagues have also added information to the Notice board on issues that may be of interest to their colleagues. The LMC welcomes this exchange of information.

The Chairman's Annual Dinner, held on the 19 October 2005, was a resounding success. The guest speaker at the function was Graham Gooch. Besides GPs and their partners, guests from both PCTs, the Hospitals Trust and recently retired GPs were in attendance. On this occasion some younger family members came to the function to meet Graham Gooch.

Dr Mittal and Dr Aggarwal attended the LMC Annual Conference in London on the 15/16 June. A report on this meeting is available from the LMC Office.

£150 was donated to The Cameron Fund.

Your LMC had carried out two surveys:

- QOF – this was to reinforce to the PCTs that practices have reached their aspirations and have not underachieved.

- Occupational Health Service to see whether uptake of this service has been as expected.

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### **Anonymous Complaints**

The Medical Director of B&D PCT, produced a document which, after much discussion and changes, was approved as a complaints procedure by both Barking & Dagenham PCT and Havering PCT.

This policy included:

The agreed discussion was that any anonymous complaint that comes to PCT recorded in the register for anonymous complaints, should be maintained for a period not exceeding six months in order to observe any potential trend in complaints. If such a trend is observed, the Performance Panel and LMC should be consulted once again.

If no further complaints of a similar nature are received against the practitioner during the six-month period the initial complaint should be removed from the PCT files.

If the decision is taken to proceed, the decision and reasons will be recorded in the register for anonymous complaints and allegations. In this circumstance, the Medical Director and Clinical Leadership and Quality will present the case to the Performance Panel for discussion regarding further action. The LMC will be consulted and will also have a representative on the Performance Panel

These were the situations where the PCT advised us where anonymous complaint will be further investigated:

- If the complain is of such serious magnitude.
- If the complaint is part of a pattern of similar complaints against the practitioner.
- If several complainants approach the PCT together with similar complaints at the same time.

If you wish to see the whole policy please contact the LMC Office for a copy.

### **Appraisal**

#### *Barking & Dagenham:*

All GPs in Barking & Dagenham have completed the third round of appraisals and are looking forward to the current programme. All appraisers have had their own unique appraisal, the report of

which will inform the commissioning of further appraisal training.

The PCT are now encouraging both appraisers and appraisees to use the GP Appraisal website to be found at [www.gpappraisal.nhs.uk](http://www.gpappraisal.nhs.uk), forms 1,2,3 and 4 and, where appropriate, also form 5. All these forms can be completed and downloaded, and should lead to an even more professional approach by both appraisees and appraisers alike.

*Havering:*

The PCT managed 100% of its appraisal target last year. Following analysis of all Form 4's, any learning was fed back to all the Appraisers at the annual Appraiser meeting on the 28 June.

The PCT intends to make some minor changes for the coming year.

Appraisees will now have the responsibility of approaching their Appraiser for their appraisal meeting. Both Appraiser and Appraiser can use the on-line tool kit but both parties are required to sign the appraisal document.

It is the PCT's intention to complete the appraisal process by the end of February 2007. An evaluation of this year's process will be undertaken to reflect the current practices in an aim to improve our appraisal process.

The PCT is waiting for the publication of Sir Liam Donaldson's report before making any local changes.

The PCT extended its appreciation for the on-going support of the LMC to progress its appraisal system.

**Choose & Book**

*Barking & Dagenham:*

26% of practices are using Choose & Book, a rise from 4% in February. It should have been 32% by the end of August but the national average was 18%. GPs have five or six choices, with local services being one of them.

Guidance on DES says that where the target has not been met through circumstances outside the practice's control, the PCT and practice will come to an agreement for payment.

*Havering:*

In preparation for Choose & Book to be operational, all 52 practices within the PCT were programmed to be equipped with the appropriate hardware and software. They also needed to be supplied with Smart Cards to enable them to use the system.

Training was scheduled and practices were supplied with appropriate literature for GPs and patients.

The work carried out in 2005/06 will enable the system to be fully operational during 2006/07.

**Community Matrons**

During the year Community Matrons took up post as part of both PCTs' Long Term Conditions Management programme. Each matron is based within a designated locality and works alongside district nursing teams to proactively manage a defined caseload of the most vulnerable LTC patients.

They are working closely with the GPs and practice teams to implement intensive case management, add value to the patient experience, improve the quality of life for persons with Long Term Conditions and reduce unnecessary hospital admissions.

The LM asked that all communication to practices should be in writing to allow information to be put into patient case records as individual GPs will of course remain ultimately responsible for patient care.

**Enhanced Services**

Both PCTs have made good progress in implementing and progressing PBC.

*In Barking & Dagenham:*

Building upon the first year of Enhanced Service provision after the implementation of the nGMS contract, the PCT increased the ES floor by £300,000 for 2005/06 (from £2.1m to £2.4m). This increase meant that the PCT, in collaboration with the LMC, developed an additional six Locally ES Services for General Practice provision during the year.

The average payment per practice – including all DES, NES and LES services – worked out at approximately £5.50 per registered patient (payments ranging from £10 to £3.17 for the higher and lower-earning practices). Overall, this contributed to a 5% overspend on the Floor (£129,000) for the year, particularly as further publicity about signing up for, and making claims against, ES was generated by the PCT and LMC during the latter part of 2005/06

*Havering:*

Havering PCT has identified and developed Enhanced Services, e.g. gynaecology services. New Directed Enhanced Services have been introduced in areas such as PBC and Booking & Choice, all of which have been fully taken up by Havering practices.

However, in the last year the PCT has continued to maintain its "steady state" arrangement for some of the enhanced services within the new contractual framework. Progress is being made and arrangements are now in hand to move to a more appropriate commissioning arrangement for these services.

The PCT is currently working on developing a comprehensive schedule of enhanced services, which will be shared with practices and other stakeholders by the end of September.

### ***Freedom of Information Act***

From 1 January 2005 the public and individual right of access to public records. A guidance was sent to GPs last year, which explained how to register on line. We have recently been reminded of the following important points:

- All members of practice staff should have a basic understanding of the Freedom of Information Act as the time limit for responding to a request for information is counted from receipt of the request by the public authority (i.e. the practice).
- All practices should have a publication scheme outlining the type of information available, how it will be made available and the cost of the information. It makes good sense to keep the publication scheme up-to-date, including frequently requested information, because items listed in the publication scheme can command a reasonable charge.

The Information Commissioner recommends that an internal complaints procedure relating to the Act should be included in the publication scheme. Wherever possible, disputes that cannot be solved by the practice can be resolved by the Information Commissioner. In these circumstances, the Information Commissioner can request the information needed to make a judgement but will never pass this on to the applicant. The Information Commissioner's decision can be taken to appeal.

### ***Lift***

There has been a big development of Lift buildings in both PCT areas. Before GPs could move into these buildings a lot of negotiations took place between PCTs, concerned GPs and LMC representatives and in the majority of cases there was a positive outcome.

### ***In Barking & Dagenham:***

The two buildings that opened in 2005/06 were:

- Thames View, which opened in April 2005, houses two surgeries, podiatry, community nursing, midwifery, dentistry, speech and language therapy, counselling and phlebotomy services.
- The PCT has signed a five-year APMS contract with Care UK to run a new GP practice and Walk-in Centre from the Broad Street Resource Centre in Dagenham. The practice will offer extended opening hours and a range of enhanced and additional services, as well as essential services. The contract will be monitored through a range of clinical and non-clinical performance indicators.

Two health centres also opened during the year:

- Church Elm Lane Health Centre opened in the summer. The new 3-storey site houses a general practice, together with a variety of community, school and nursing services.
- Marks Gate Health Centre also opened in the summer and houses 3 GP practices, and will also house speech and language therapy, phlebotomy and antenatal services.

Chadwell Heath Health Centre is due to open before the end of 2006. This is a 2-storey site and will house 3 GP practices with a variety of other services.

### ***Havering:***

2005-06 saw the completion of the build phase of the 3 first tranche LIFT buildings. The three developments became available to the PCT from September 2005 through to January 2006. The three developments are:

- Harold Hill Health Centre houses four practices.
- Cranham Health Centre houses two practices.
- South Hornchurch Health Centre houses two practices.

All three Centres offer a variety of services.

During the final phase of fitting out the Centres, thorny issues such as the transfer of the N3 lines within a sensible timescale became major issues to resolve.

Also over this period the main discussions with practices were underway to finalise the details of the facilities management service level agreement and the lease for occupation by the practices.

The assistance of the LMC in helping to resolve issues of concern to the practices and helped to finalise key items on the SLA.

The three centres have been built to provide a range of services to the local population and work is now underway to make full use of the opportunities presented by each facility.

The PCT thanks GPs, practice colleagues and the LMC for their help and assistance with this project.

### **PCT Restructuring**

The PCTs have undergone a major restructuring exercise in response to Commissioning a Patient Led NHS.

#### *Barking & Dagenham:*

This new structure will support the PCT to meet its longer-term aims in the following ways:

- By providing management support for PBC – these proposals create a focused team with assistant director level leadership, integrated within a commissioning directorate.
- By strengthening commissioning arrangements with provider trusts – these proposals create a bigger commissioning team and at this stage integrates PBC, primary care contract management and acute, mental and public health commissioning.
- Protection of the current level of management investment in Public Health, but with greater integration with local authorities. Strategic joint working with LBBB and the voluntary sector is strengthened through the inclusion of “partnership” in the remit of the Director of Strategy.
- Separation of the PCT provider services: This new structure will provide a clear separation of responsibilities between its commissioning function and its provider function, to ensure that the latter is commissioned in an equivalent way to those being expected by all other providers.

#### *Havering:*

The PCT has identified changes in the way they need to operate to be successful at achieving the three functions outlined by the NHS Confederation:

- Improving health
- Provision of services
- Commissioning for their local population

The PCT not only commissions services from other organisations but also provides services.

This includes in-patient care at St George’s, Community Nursing and the DSC. The PCT has identified a need for the provider services to be delivered at arms length from the rest of the organisation to ensure that the PCT is commissioning the best health care services available for the local population from the range of providers available.

The key elements of the new structure are:

- Establish a separate Directorate for Provider Services – all direct services to patients will be located in this Directorate and will be headed by a newly created post, Director of Provider Services. To meet DoH requirements this post will incorporate a Nurse member. The PCT’s relationship with this Directorate will be similar to that of any organisation that we commission services from and will include Human Resources and Estates.
- Merge the Directorate of Finance and the Directorate of Commissioning – in order for the PCT to be successful there must be a real synergy between the roles of Finance, Commissioning and Performance. This is best achieved with the roles merging into one Directorate with common leadership. It is envisaged that Commissioning, Performance and Finance will be separate streams within the Directorate.

The new profile meant that the Executive Structure within the PCT needed to be reconsidered. There have been many changes, both in the way the PCT is organised and how it functions. The changes will ensure the PCT remain best placed to continue to provide services to the community and to strengthen its commissioning capacity.

### **Practice Based Commissioning**

After year-long discussions and several training events, GPs and PCTs are confident that they can move forward with PBC.

#### *In Barking & Dagenham PCT:*

41 out of 43 practices are aligned to the three PBC clusters. The DES for PBC in 2006/07 is agreed with the three clusters and the first instalment of payments is being sent out to practices. The DES covers building up registers of high-intensity users of acute care, COPD and CHD registers and review of outpatient follow-ups and consultant-to-consultant referrals to determine work that could be repatriated back into primary care.

The PCT’s local delivery plan for 2006/07 supports the introduction of PBC through admission avoidance and outpatient diversion for

COPD, CHD and anti-coagulation. Budgets are being issued to practices and are based on 2006/07 Service Level Agreement baselines for general acute care; the budgets are based on practice historic referral patterns.

The PCT is on Wave 1 of the national collaborative for PBC focusing on outpatient follow-ups for scheduled care and COPD for unscheduled care. The B&D collaborate team includes GP and practice staff, LMC representation and PCT officers.

*While in Havering:*

The PCT has made good progress in implementing and progressing PBC. Seven clusters are now in place and the cluster leads meet regularly in advance of the formal PBC steering group meetings.

Budgets, on a fair share basis, have been devolved to practices/clusters for both their commissioning and prescribing responsibilities.

The PCT has been working with Pfizer, who have developed a helpful series of workshops on PBC, starting with a "Demystifying PBC" event. This programme has benefited GPs, practice staff and the PCT and enhanced knowledge and understanding of PBC.

The PCT is also a second wave PCT in the National Primary Care Development Team (NPDT)/Improvement Foundation (IF) support programme for PBC which commenced in May and is already starting to bring benefits.

An "agreement" framework between PBC clusters and the PCT has been developed which four of the seven have already signed, with the remainder anticipated by the end of August. In addition, intra practice agreements within clusters have also been developed and are in the process of sign off.

Whilst the underlying agenda and the commissioning realities are undeniably challenging, the cluster input and involvement, together with the PCT support that is now in place, are positioning us positively to meet the challenge ahead.

**Quality and Outcomes Framework (QOF)**

*Barking & Dagenham:*

Over the course of 2005/06 the practices within Barking & Dagenham improved tremendously on their QOF scores compared to the previous year. The average score rose from 863 in 2004/05 to 970 in 2005/06, a rise of 12.5%. This reflects the hard work that all practices put into the process in the second year, both from those high scoring practices that worked hard to maintain their

previous score and those practices that worked hard to improve their scores.

For 2006/07 there are changes to some of the QOF indicators, both in terms of thresholds for achievement and in definitions, but the practices have expressed confidence in their ability to maintain their strong scores, given the extensive work that they have undertaken so far.

*Havering:*

The PCT was pleased with its overall progress for 2005/06. Of the 52 practices, 26 practices achieved more than 1000 points, 22 practices above 900 and only 4 practices achieved 830 or more. Only 2 practices achieved less than their aspiration.

Only 3 practices were subject to the 5% random check and the auditors did not identify any concerns regarding evidence and payment.

**Superannuation**

From 1 April 2004 the total funding and responsibility for pension costs was moved to the independent contractor, which included the 14% employer contributions. The additional funding needed for employer and employee superannuation contributions was transferred into PMS baselines and GMS Global sum payments and through increased QOF payments.

For many practices the GPC was aware that the additional funding was insufficient to cover the increased costs of employer contributions fully. However, for PMS practices certain locally agreed contracts include a clause that sets out a clear obligation on the PCO to reimburse fully the 14% of superannuation contributions. The obligations on the PCO were dependent on what was stated in each locally agreed contract and although the GPS believed that these costs should be reimbursed in full where stated, because PMS contracts are negotiated on a local basis the DoH was unable to issue national guidance on this matter.

GMS practices – had an increase to Global Sum unit value of 46p to cover the increase in superannuation contributions from 7% to 14% for the new income arising from the primary medical contract.

PMS practices – there was no increase to contract baselines to cover the increase in superannuation from 7% to 14%. Instead the PCTs deduct the 7% included in the contract baselines but pay the full 14% to the pensions agency.

*Superannuation and Tax*

It was expected by both the medical and accountancy professions that the employer's

contribution of 14% included in the Global Sums under the new contract, would be allowed as a tax deductible expense against business profits when paid over to the Pensions Agency, usually by direct deduction by the PCT on their behalf.

Towards the end of 2005 HMRC ruled that as these sums related to the proprietors of the businesses they were not allowable expenses. After a number of meetings between the BMA, the Department of Health and HMRC it was finally determined that the Revenue's view would prevail, but that GPs would be able to claim these contributions on their tax returns in addition to the 6% already being claimed (and any avcs). To facilitate these claims HMRC extended the percentage that can be claimed from 15% to either 20% or up to 29% where avc payments are made. This extension is for 2004/05 and 2005/06 since as from April 2006 the cap on pension contributions in general has been lifted to an amount equal to annual earnings.

Generally the tax effect on GPs should be neutral as the contributions are being allowed in a different manner, but any GPs using the A9 concession to forego tax relief on the NHS contribution in favour of a personal pension will need to take advice as to the effect of this action under the revised rules, as they could be adversely affected.

There will be a small increase in the class 4 national insurance contributions paid over with the income tax, as the 1% surcharge will apply to the amount of employer's contribution since it is now being claimed as a personal allowance rather than a business expense.

Personal tax returns should have an entry in the 'white box' explaining that the claim for pension contributions includes the employer's element as well, as authorised by HMRC SPSS Nottingham under s594(2) ICTA.

### **Terms of Agreement**

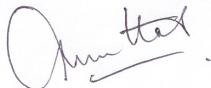
The LMC agreed Terms of Agreement with both Barking & Dagenham and Havering PCTs. One of the stipulations of this agreement is that telephone calls and e-mails will be acknowledged by the PCT within 3 days.

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*The Chairman and Members would like to thank outgoing members, Dr M Asadullah and Dr G Kalkat, who both resigned during the year, for their contribution and advice during their time as Members. Dr Jagan John has replaced Dr Kalkat and Dr A Adedeji has joined the LMC as a co-opted Member.*

*Thank you to all our Members for giving up their valuable time to attend to LMC business.*

*Special thanks go to our Medical Secretary, Dr Madhu Pathak, for her valued support throughout the year. We also thank Sue Elliott, our Administrative Secretary and are pleased that she has settled well. This was her first year with the LMC and she has coped very well with a higher workload than the office has seen in many years. Thanks also go to Suzy Iskander, our Administrative Assistant and IT Support, who is now on maternity leave and will be back in the office early next year.*



**Dr A Mittal**  
**Chairman**

## BARKING AND HAVERING LOCAL MEDICAL COMMITTEE

## INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2006.

	2006 £	2006 £	2005 £	2005 £
<b>Income:</b>				
Members subscriptions from levy	75,356		75,420	
Members subscriptions paid in advance	15,348	90,704	3,952	79,372
Doctors contribution for dinner	3,420		1,790	
Receipts from Drug Companies	2,830		-	
Bank interest	869		1,176	
HM Revenue & Customs internet filing rebate	250	7,369		2,966
		98,073		82,338
<b>Expenditure:</b>				
Medical Secretary Salary	39,672		31,996	
National Insurance	4,451	44,123	3,485	35,481
Admin Secretary Salary	2,172		26,067	
National Insurance	226		2,730	
Superannuation	-		2,750	
Admin Secretary Salary	19,701		750	
National Insurance	1,949		40	
Admin Assistant Salary	8,328		7,782	
National Insurance	439	32,815	389	40,508
Postage and Stationery	1,854		1,349	
Travelling Expenses			50	
Mobile telephone	316		272	
Office equipment	3,702		-	
Conference Dinner BMA	158		-	
LMC Annual Dinner	8,524		2,252	
Locum Cover for attendance at Conference:				
- Dr. Roy	300		-	
- Dr. Kalra	1,798		1,320	
GP Defence Fund & Cameron Fund	342		-	
Catering for Meetings	350		-	
Accountancy Fees	857		670	
Payroll fees	411		-	
Bank Charges and Interest	93		80	
General Expenses	264		356	
Internet design	2,166	21,135	-	6,349
		98,073		82,338
NET SURPLUS/(DEFICIT) FOR THE YEAR		0		0



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*This Annual Report is prepared as required by paragraph 5 of the  
Constitution of the Barking and Havering Local Medical Committee*

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