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changes to NHS off-payroll working legislation

On 5 December 2016, David Gauke, the chief secretary to the treasury, sent a letter to all UK secretaries of state which included the following statement: *"From April 2017, where a public sector body engages an off-payroll worker through their own limited company, that body will become responsible for determining whether the rules should apply, and paying the right tax. If the public sector body engages the worker through an agency or other third party, then the responsibility to pay this tax will rest with them. However, the responsibility for determining whether or not the rules apply will remain with the public sector body, who will need to inform the agency or third party of their conclusion."*

The key change to note here is that the responsibility for determining the tax status of NHS providers will, from April 2017, be shifting to the NHS employing organisation and away from the service provider. However, there is a degree of uncertainty on quite what impact this is going to have in practice, partly because, at the time this article was written, the Finance Bill 2017 was still subject to parliamentary approval and royal assent, and partly because we are waiting to see how the NHS employing bodies will interpret the legislation once it is passed and applied in practice.

From the NHS employing authority perspective, it can be more expensive to bring an individual onto the payroll, because the NHS is then liable to pay employer national insurance contributions of 13.8%, as well as NHS employer superannuation contributions of 14.3% for those individuals who are a member of the NHS pension scheme. Historically employer national insurance and superannuation contributions have generally not been payable where a personal service company has been contracted to provide NHS services instead of an individual employee. This means that, at a time of widely reported budgetary constraints within NHS organisations, the new changes from April 2017, if strictly implemented, are likely to bring an unwelcome upward pressure on NHS spending at a time when it can least be afforded.

Up until very recently, and certainly after the draft legislation had been published in early December 2016, we have been aware of NHS employing authorities continuing to issue new contracts with GP personal service companies. As a result many GPs are waiting anxiously to see if this is going to change from April 2017 and whether their existing arrangements are going to be amended from a tax perspective.

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GPs warned to prepare for impact of pension tax allowances

The Association of Independent Specialist Medical Accountants (AISMA) has warned GPs that recent changes to pension contribution allowances may mean their tax bills will increase significantly. The changes to lifetime and annual allowances for pension contributions came into effect in April 2016. However, the first time their impact will be felt is when income for the 2016/17 tax year is taxed in January 2018. According to the AISMA, the highest earning GPs face an income tax hike of £20,000.

In April 2016, a tapered annual allowance was introduced that will affect GPs with total earnings, including pension savings and investment income, that exceeds £150,000. Prior to April 2016, all taxpayers received an annual allowance of £40,000. The tapered annual allowance reduces from £40,000 by £1 for every £2 of income above the £150,000 threshold. For GPs with total earnings, including pension savings and investment income exceeding £210,000, the annual allowance is £10,000 for the 2016/17 tax year. Any pension contribution exceeding the annual allowance will be taxed at a rate of 40% to 45%.

The lifetime allowance has been reduced from £1.25 million in the 2015/16 tax year to £1 million from 2016/17. This represents a year on year decrease of 25% and is a significant reduction from the 2011/12 lifetime allowance of £1.8 million. Dr David Bailey, Chair of the British Medical Association's Pension Committee, has urged GPs 'to plan very carefully' for the changes, adding 'there is no extra money - it is just a clawback'. According to Dr Bailey, the reduced attractiveness of the NHS pension scheme due to the changes may result in a 'significant' number of older GPs considering leaving the scheme.

Read more about the changes at: http://bit.ly/2ln6Xvs And: http://bit.ly/2lz03oS

funding boost for clinical pharmacists in general practice

NHS England has announced a budget of £112 million for the next phase of its Clinical Pharmacists in General Practice Programme. This represents an increase of 360% compared to the £31 million budget for piloting the programme, which started in July 2015. The aim is to place an additional 1,500 clinical pharmacists in general practice over the next four years. More than 490 clinical pharmacists were placed in around 650 GP practices across England in the 17 months to December 2016. The Royal Pharmaceutical Society (RPS) welcomed NHS England's announcement as "an important and significant step" towards having a clinical pharmacist in every GP practice.

The application process to participate in the next phase of the programme opened in January 2017. According to NHS England, clinical pharmacists can help free up GP workloads by taking responsibility for patients with chronic conditions. In turn, this reduces accident and emergency waiting times. GP practices participating in the programme employ clinical pharmacists directly and are reimbursed by NHS England for a proportion of the costs in the first three years of their employment. This is 60% of the costs in year one, 40% in year two and 20% in year three.

The target of an extra 1,500 clinical pharmacists in GP practices by 2021 was set out in the New Deal for General Practice, part of the NHS Five Year Forward View. The New Deal is expected to place 5,000 staff in GP practices within the next four years, including pharmacists, district nurses and practice nurses. A separate pilot scheme will make 1,000 physician associates available to GP practices by September 2020.

Read more about the next phase of the clinical pharmacists in general practice programme at: http://bit.ly/2kQJQHE

in brief...

Hundreds of GPs set to resign from NHS in Northern Ireland

A significant number of GP practices in Northern Ireland are set to leave the NHS due to concerns that they can no longer deliver a safe and sustainable service. GPs unanimously voted in favour of the NI General Practitioners' Committee (NIGPC) collecting undated resignation letters from practices that no longer want to operate in the NHS. The vote followed concerns that the provision of general practice is unsustainable, underfunded and placing GP and patient safety at risk. As a result, hundreds of GP practices could leave the NHS and move to the private sector, where they would charge around £45 for an appointment. The NIGPC will submit the letters to the NHS if 60% of practices formally agree to resign.
http://bit.ly/2l05sCg
http://bit.ly/2lDsmTC

£15 million to train 1,000 new physician associates

The Health Secretary Jeremy Hunt has pledged an extra £15 million to support the training of 1,000 new physician associates by 2020. Physician associates, who support GPs in the management and diagnosis of patients, help improve access to primary care services and reduce the pressures on emergency care. Trainee physician associates will receive £9,000 every year to cover course fees and a £6,000 maintenance bursary. Overall, trainees will receive more than £31,000 in financial support over the course of their training. The Department for Health has also confirmed that it is reviewing proposals to grant physician associates prescribing powers, as well as whether there should be a regulatory body to oversee the profession and protect patients.
http://bit.ly/2lDlPbs

Calls for more powers for pharmacists

Pharmacists should have the power to refer their customers directly to specialists and social care teams to help ease the burden on GPs and primary care services, according to a report by the Royal Pharmaceutical Society (RPS) of Scotland. In the report, RPS Scotland argues that giving pharmacists greater autonomy to treat patients with routine and long-term health conditions would improve access to care and reduce the number of unnecessary GP appointments. As a result, GPs would have more time to treat patients with complex or serious health issues. The report also calls for pharmacists to have full access to patient medical records to improve the care they provide, particularly out-of-hours.
http://bit.ly/2lzeGZw
http://bit.ly/2kEzEGQ

RCGP warns that seven-day GP service is unrealistic

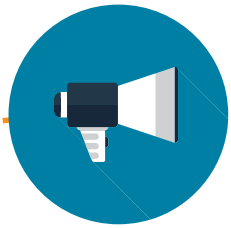
The severe shortage of GPs means it is unrealistic to expect local GP practices to deliver a seven-day service, the Royal College of General Practitioners (RCGP) has warned. NHS England has set out a requirement for all GP practices to provide routine weekend surgeries for every patient by 2020. A fifth of patients must be able to access weekend surgeries by the end of 2016/17. However, the Chair of the RCGP has said that there is a severe shortage of family doctors and that GPs are already working to full capacity, meaning a seven-day service could not be delivered without a reduction in the number of services that practices provide through the week.
http://bit.ly/2kEpCpv
http://bit.ly/2lnhO8v

DH plans will not cut indemnity costs for GPs

Department of Health plans to limit the amount that lawyers can claim in fees for low-value medical negligence cases will not address soaring indemnity costs for GPs. Under the proposals, the level of fees lawyers can claim will be fixed for all cases in which the amount awarded to the claimant is less than £25,000. However, a number of medical organisations, such as the Medical Defence Union, have warned that the proposals will have little impact since they only apply to low-value claims. Clinical negligence cases cost the NHS £1.5 billion in 2015/16, with lawyer fees accounting for 34% of this cost. According to a survey by GPonline, nine in ten GPs also reported an increase in their medical indemnity fees in the 12-months to July 2016. http://bit.ly/2lyYR4X
http://bit.ly/2lz7CMn

GPs to charge patients for out-of-hours appointments

Local medical committees (LMCs) across England have set out their plans to charge patients for out-of-hours GP appointments and minor procedures that fall outside the practice's contracted NHS work. Under the proposals, GPs would use their own time to treat patients, while a third party operator would be responsible for managing the payments. The proposals were developed in response to concerns that GP practices are underfunded and do not have the capacity to treat more patients during regular surgery hours. Dr Prit Buttar, leader of the Oxfordshire LMC confirmed that GP practices across England have discussed rolling the system out nationally by the end of 2017.
http://bit.ly/2kEjNYR



Most dental practices pass inspections under new methodology

The overwhelming majority of dental practices inspected in England since the Care Quality Commission (CQC) revised its inspection methodology in April 2015 were found to meet regulatory requirements. CQC inspectors judged just 93 of the 967 practices to be in breach of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014, which are mandatory for all CQC registrants. The revised methodology is focused on five key questions that ask whether dental care is safe, effective, caring, responsive and well led. Unlike other categories of CQC registrants, dental practices do not receive a rating.

The two most frequently breached regulations were Regulation 17 (good governance) and Regulation 12 (safe care and treatment), which are mapped to the questions 'is the practice well led?' and 'is dental care safe?' respectively. Failure to comply with Regulation 17 accounted for 82% of breaches and failure to comply with Regulation 12 accounted for 45%.

Examples of problems frequently encountered by CQC inspectors include inadequate management of patients' complaints and concerns, a lack of properly completed risk assessments, incomplete or out of date dental records, and inadequate training, supervision and support for staff.

The CQC has also published 'notable examples' of where dental practices have met their regulatory requirements. For example, one dental practice inspected by the CQC had established a patient participation group, where members were invited to an annual meeting at the practice to discuss their care with practice staff. The minutes of meetings were shared by the practice in its practice newsletter. According to the CQC, this is a notable example of compliance with Regulation 17, as it demonstrates 'a positive and open approach to listening to patients'.

Read more about the results of the inspections at: http://bit.ly/2le7TUi

The examples of notable practice are available at: http://bit.ly/2lDk91Q

Brexit stalls GP contract negotiations

The General Practitioners' Committee (GPC) England and NHS Employers have reached an agreement on changes to the GP contract for 2017/18. The agreement follows lengthy contract negotiations between the two organisations.

The GPC has claimed that while the annual contract negotiations had taken longer than expected, they were no more difficult than usual, and the delay was due to the impact of the UK's decision to leave the EU. In particular, the decision to leave had meant that the discussions had taken place during a period of uncertainty and other issues had taken priority over the contract negotiations. A spokesperson for the GPC also said that the changes in government following the EU Referendum, such as the cabinet reshuffle and the appointment of a new Prime Minister, had further delayed negotiations.

During the negotiations, the GPC claimed its aims were to provide stability to General Medical Services (GMC) and Personal Medical Services (PMS) contracts, secure additional funding to tackle GP practice expenses, and reduce the administrative workload so that GPs could spend more time with their patients. Alongside the negotiations, a series of discussions had taken place between the GPC, NHS England and the Department of Health to tackle wider issue affecting the sustainability of general practice in England. The GPC voted in February 2017 to accept the new contract. Under the new contract, GP practices will share an additional £59 million to cover the estimated cost to practices of population growth, as well as £2 million to account for increases in practice workloads as a result of changes to primary care support services. The contract also secured an extra £30 million to cover increases in indemnity insurance costs. A number of changes to sickness and maternity cover, expenses and working hours are also set out in the new contract. http://bit.ly/2le3Uql http://bit.ly/2lz9iFC

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