



WELCOME TO THE CONFEDERATION HILLINGDON CIC AGM 2023



Agenda



18.30 Hot Buffet Dinner & Confederation Support Teams Showcase

19.00 **Welcome & Introduction** (Dr Ritu Prasad, Board Chair)

19.10 **Guest Speaker: Ruth Rankine of the NHS Confederation**

The Future GP Contract

19.35 Round table's introduction (Edmund Jahn, CEO)

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○ 19.40

Clinical Operations

(Dr Sagar Dhanani, Clinical Director & Amanda Carey-McDermott, COO)

ARRS

(Kimberley Redman, Associate Director – People & Abdullah Al-Ahmad, Head of PCN Additional Staff)

Strategic Plans

(Dr Ritu Prasad, Board Chair & Edmund Jahn, CEO)

20.25 **Finance & Q&A** (Nick Gordon, CFO)

20.40 **Summary & Feedback** (Edmund Jahn, CEO)

20.50 **Thank You & Close** (Dr Ritu Prasad, Board Chair & Edmund Jahn, CEO)



Welcome



Dr Ritu Prasad
Board Chair



Guest Speaker



Ruth Rankine

NHS Confederation Director of Primary Care



Introduction to the Round Tables



Eddie Jahn

◦ ⁺ **CEO**



Round Tables



- **Clinical Operations**

- Amanda Carey-McDermott, COO
- Dr Sagar Dhanani, Clinical Director
- Assistant, Prity Badiani

- **ARRS**

- Kimberley Redman, Associate Director People
- Abdullah Al-Ahmad, Head of ARRS Staff
- Assistant, Sam Claridge

- **Strategy**

- Dr Ritu Prasad, Confederation Board Chair
- Edmund Jahn, CEO
- Assistant, Naomi Kennard

Finance



Nick Gordon

Chief Financial Officer



Finance Overview

- The Confed is really very complicated!
- We are well funded and have put money away for rainy days.
- We are not-for-profit – but that does not mean no profit, it means everything is re-invested in what we do ...

In light of :

- The changes to our services, with some ceasing and others starting up;
- The potential investment in new facilities;
- Other opportunities we are pursuing...

The Board approved a small budgeted loss for this year and to utilise the surplus we have built up in previous years. This is in expectation that next year things will have settled down.



Financial Results

Income and Expenditure	31-Mar-23	31-Mar-22	31-Mar-21
	£000s	£000s	£000s
Turnover	13,677	14,152	9,955
Clinical Delivery cost	10,384	11,137	7,080
Service Delivery overheads	951	874	875
Gross Profit	2,341	2,140	2,000
Administrative Expenses	2,207	2,020	1,955
Surplus	135	120	44

- Revenue fell with the end of the Vaccination programme
- Continued to make a small profit in the year (1%).

Financial Results

Balance Sheet	31-Mar-23	31-Mar-22
	£000s	£000s
Debtors	1312	5285
Cash at Bank	7708	6156
	<hr/> 9020	<hr/> 11441
Creditors due within 1 year	(7,056)	(9,392)
Provisions	(1,698)	(1,915)
Total net assets	<hr/> 266	<hr/> 134

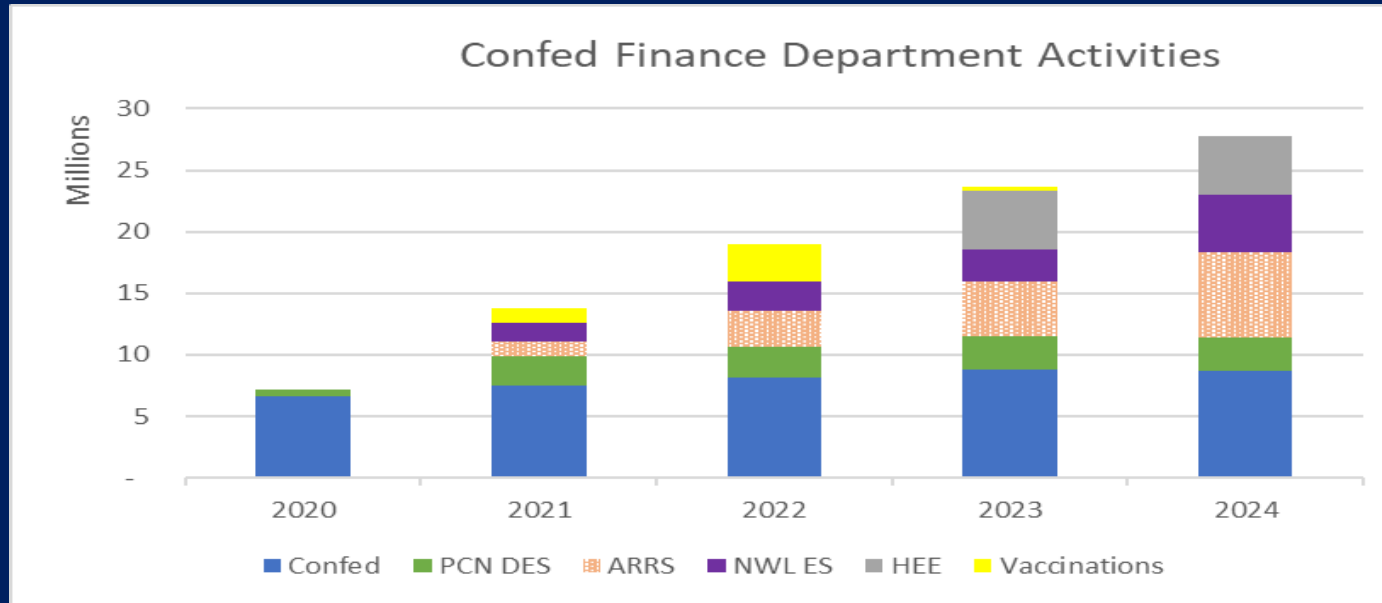
The year-end balance sheet shows a reasonably strong position. Net assets of £266k are very low for a company turning over £14m, however we do have strong cash position and have made provisions against potential liabilities.

PCN Funds, the Ins & Outs

Opening Funds	4,323,007
Billed in year	7,538,227
Practices	2,514,918
ARRS	4,043,977
EA/Care Home/Transformation	1,044,244
Confed Management Fee	381,332
Other	1,352,837
Total Money paid and distributed	9,337,308
Closing Funds	<u>2,523,926</u>

Represented by	
Debtors	766,002
Cash	1,757,924
Closing Funds	<u>2,523,926</u>
Practice Funds re 2021-22	131,930
Practice Funds re 2022-23	128,361
PCN Funds	712,487
On Account re 2022-23 ES	1,144,893
Other funds	49,702
Closing Funds	<u>2,523,926</u>

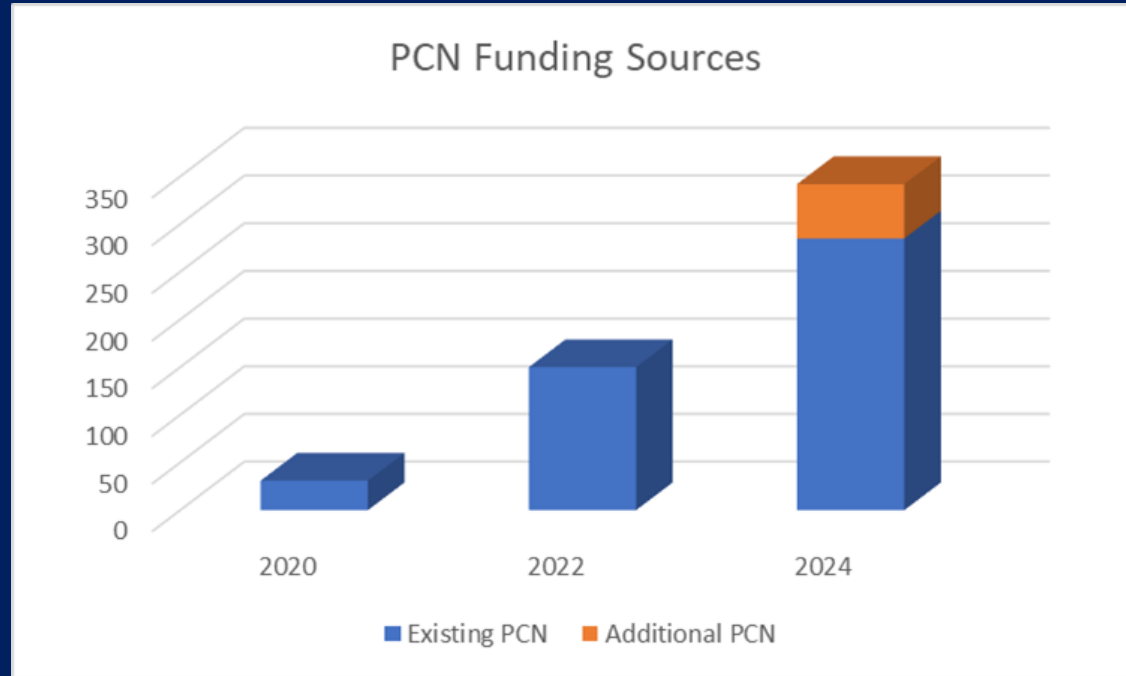
The changing roles & complexity in finance



From a finance workload perspective, the Confederation continues to change

- In 2022-23 'total' activity was up 46% to ~ £24m and is forecast to grow a further 18% in 2023-24 to £28m.
- The costs of the Finance department are less than 2% of the activity we manage.

The changing roles & complexity in finance



- I commented at last year's AGM on how PCN funding has become increasingly complicated
- The NWL Single Service ES has added a further 27 lines to track per PCN, and they continue to expand its scope
- The complexity is over tenfold from where we were in 2020 and we currently are tracking against over 150+ PCN funding streams
- In 2024 there will be over 200 PCN funding streams to track

Investment in systems and people and with integrated working between practices, PCNs and Confed should maximise the £7m of ARRS income.

The NWL ES is worth £8.7m and could grow.

Looking Ahead

Edmund Jahn
CEO

For three AGM's we have not significantly changed the way we operate.
Members have had nothing to vote for (or against).

That may change!

Three Reasons we May Need an EGM

- If the number of practices that cease to operate increases
- If in the new GP contract, the nature of PCNs is changed
- We set up a property company

The Confederation could Run a GP Practice IF...

- In 2012 Hillingdon hosted 49 GP practices
- In 2023 we have 44 practices
- In 2030 an analysis suggests there will only be 30 practices
- This year the Board of the Confederation agreed a set of principles if another practice ceases to operate and seeks an exit:
 - A local agreement with a neighbouring practice
 - If there is no agreement the Confederation would seek to step in and run the practice. *This would have to be sensitive to local members and keep the practice in the PCN*
 - Only after those two steps would we want intervention from the ICB or elsewhere.
- We want to keep Hillingdon primary care independent and sustainable

If the number of practices that cease to operate increases

Contracts and Commissioning: All for One and One for All!

- Around £18m of primary care money is managed by your Network Agreement Contracts. Your national DES, your ARRS money, your NWL ES...
- It is detailed and complex. It is also legally validated and consistent across Hillingdon.
- Decisions about how a service is delivered are increasingly made by your PCN and legally grounded by the Confederation

TOP AGREEMENT		Network Agreement			
MAIN SCHEDULE		Schedule 1	Schedule 2	Schedule 3	Schedule 4
Description		Set up of PCN management and decision making	Any extra or alternative clauses to the standard Network Agreement	How will members deliver the services they are contracted for under the DES or other contracts	Payment terms and process
THIRD TIER SECTIONS		Schedule 5			
Description		Workforce			
		Who's doing what			
		The services themselves			
		Specifications and standards			

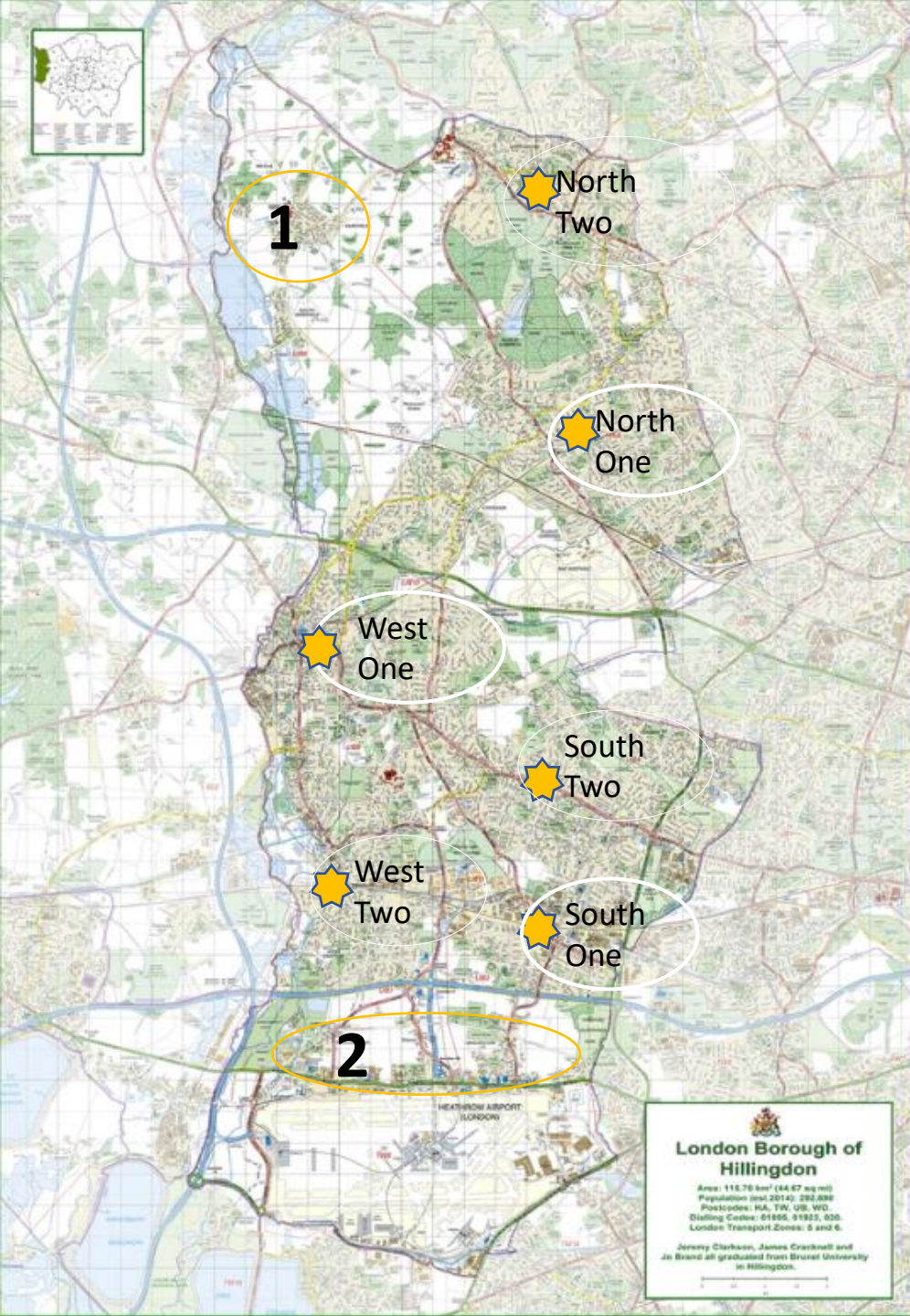
If a PCN folds, or Confederation membership changes, a lot of contractual dependency and a lot of finances that practices depend on, will be at risk. We are mutually interdependent

APPENDICES, SPECIFICATIONS ET AL...

Basis of new Estates Strategy

★ Neighbourhood Hubs

- This is an example of where Neighbourhood Hubs could be located, and something not far off this, would be central to a new strategy
- NOTHING (!) has happened to our estates in 20 years.
- We are not going to wait 20 years for something to happen...



We are Establishing a Joint Venture Property Company:

Case Study: Pembroke Road

Typical challenges:

- Possible loss of GP owned practices in next 5 years, single handed GPs retiring
- Cramped and limited primary and community facilities
- Practices that physically can't provide the range of their contractual services
- New staff with literally no space to work from in corridors
- No new build in over 25 years



Innovative solutions:

- Buy Pembroke Road through Confederation PropCo with private capital
- Voluntary transfer of two practices to new site as part of partners' exit plans
- Practice GMS underwrites business case
- Develop site into c1,700sqm community hub:
 - GP practices
 - Community services
 - Training and education
 - Social and voluntary care opportunity
 - Same day urgent care and diagnostics

WE ARE NOW AT A SCALE
TO BE ABLE TO HELP OUR
MEMBERS WITH SOME
OF THE BIG STUFF. BIG
RISKS, AND BIG
OPPORTUNITIES WE
WOULD COME BACK TO
OUR MEMBERS FOR
THESE BIG DECISIONS

Many
Thanks!