



Primary Care Networks (PCNs) Survey Report

July 2019



1. Executive Summary

Primary Care Networks (PCNs) are a central part of the long term NHS plans to improve patient care. At VWV, we have advised over 1,700 GP practices and other primary care providers in the last 25 years.

Network DES

The Network Contract DES commenced on 1 July 2019 and was the culmination of a very short lead in period for practices to understand PCNs, partner up appropriately, identify their employment model and document their governance arrangements. In the lead up to the deadline, we carried out research with our representative GP practices' database to pick up on the pertinent issues participating practices were most concerned about. This report highlights their key thoughts and challenges in relation to establishing and developing a PCN, along with our recommendations to assist and support GP practices.

Collaborative Working

Whilst the purpose behind collaborative working on this scale was largely understood, the lead time to develop arrangements meant that many groups did not have the time to identify their structure and employment models. Many practices have had experience of collaborative working and recognise that as well as the economies of scale and resilience that can come with collaborative working, the ability to take on new services and associated funding was going to be tied to the Network. Additionally, with the move towards Integrated Care Systems, PCN offers practices the ability to have a "larger and louder" voice when dealing with secondary care and acute partners, which is important in ensuring that primary care is not only the foundation to an Integrated Care System but an active and leading sector within it.

The main concerns understandably are around the risks associated with the employment of staff, potential VAT liabilities and data sharing.

Data Sharing

Although practices were told that a national template for data sharing would be available by 30 June 2019, this did not transpire and has left practices exposed. It is important to have appropriate data sharing arrangements in place and when the template does arrive, it is important for PCNs to ensure, that like the Network Agreement itself, any required detail is included and advice taken where needed.

VAT

Although VAT liabilities are not expected to be an issue for most in year 1 due to the VAT thresholds, it is important to take advice on the chosen model and keep this monitored as the PCN matures. It is expected that flexibilities may follow in respect of the availability of the NHS Pension Scheme to PCN entities and discussions are ongoing with HMRC around possible VAT group exemptions for participating practices.

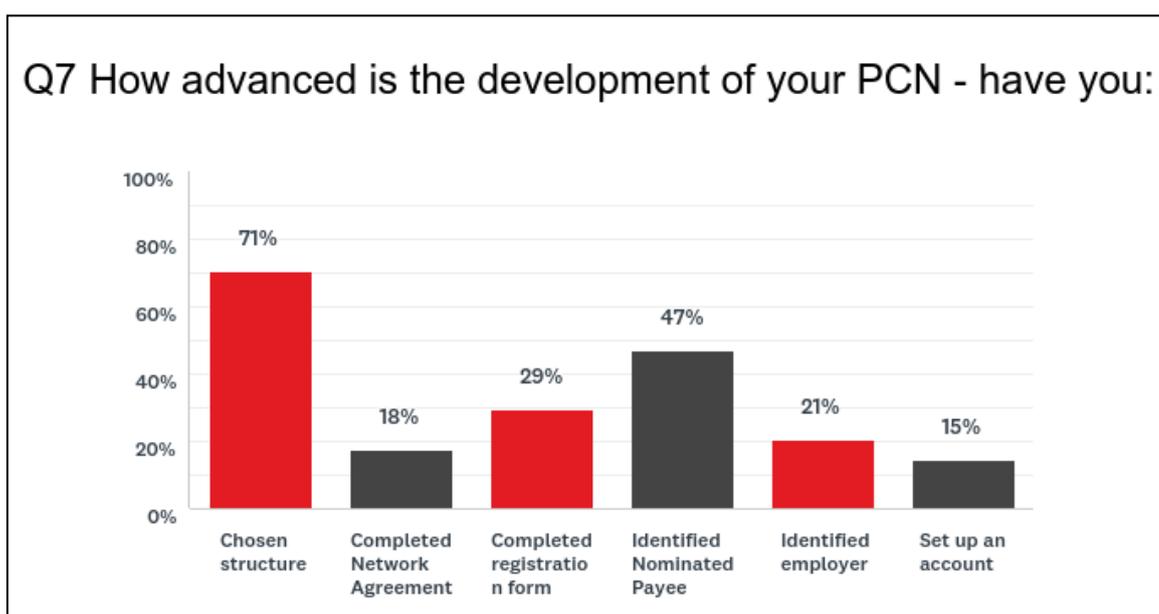
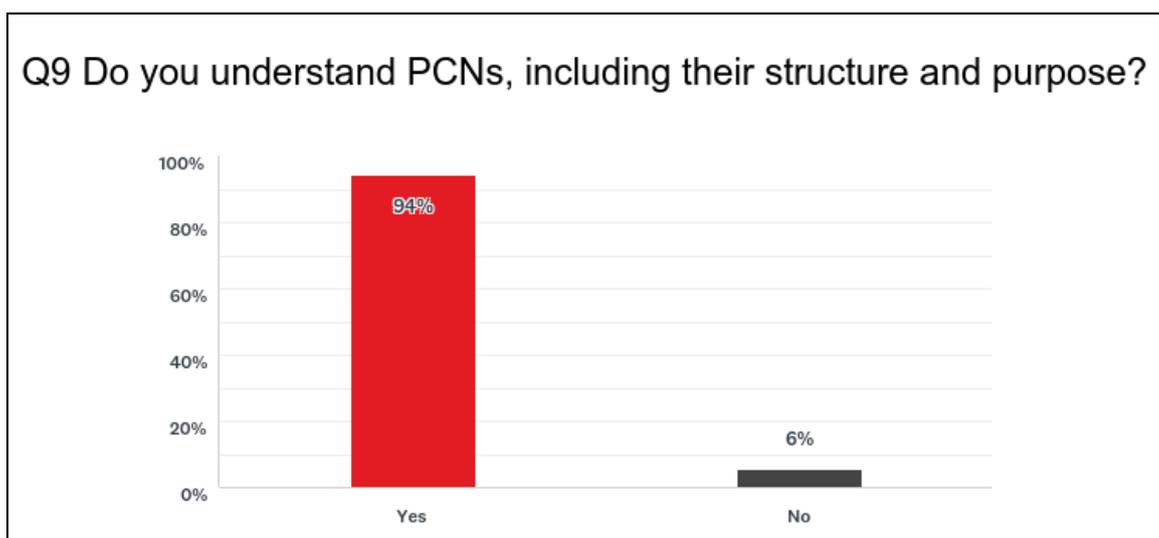
With year 2 of the Network DES expected to include new services, PCNs should ensure that they keep abreast of developments and use year 1 to revisit any issues that they were not able to fully consider before the 1 July deadline, as well as develop their governance and employment models around any new flexibilities as and when they arise.

2. Survey Analysis - Highlights

From the recent research carried out, it was clear many GP practices were keen in signing up to the Network DES with **96%** expressing an interest before 1 July 2019 deadline - and **93%** already had their agreed PCN participants in place.

It was useful to know that **94%** were confident in their overall understanding of PCNs, including their **structure** and purpose, and by mid-May, **71%** of GP practices had already chosen a structure, **47%** identified a nominated payee, **29%** completed the registration form, and **21%** identified the employer.

There was also an average between **2 - 8** groups of GP practices within a PCN with an aggregated patient list size of between **22 - 82k** who have chosen to work more closely together, with other primary and community care staff and health and care organisations, providing integrated services to their local populations.

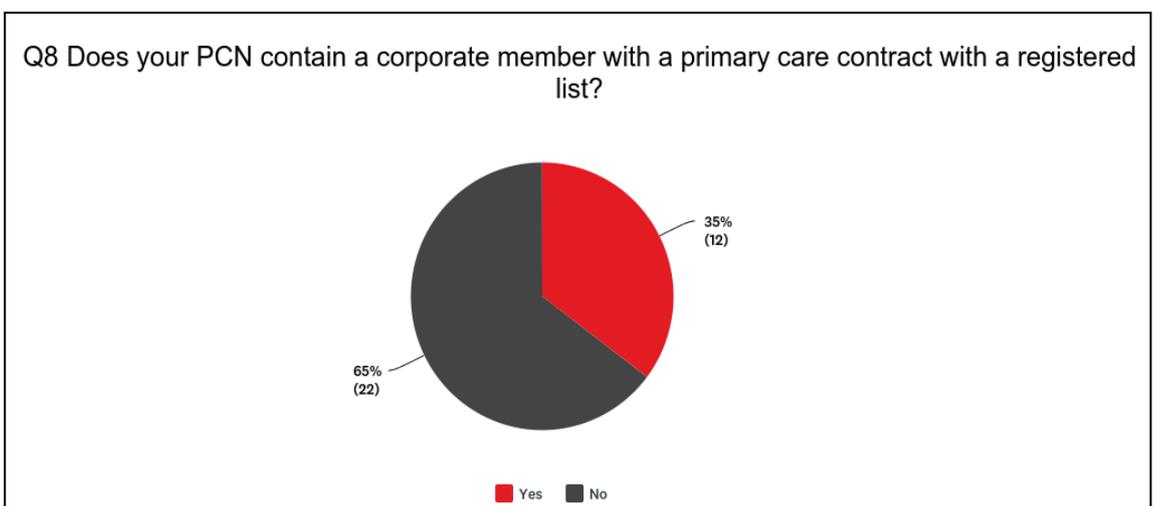
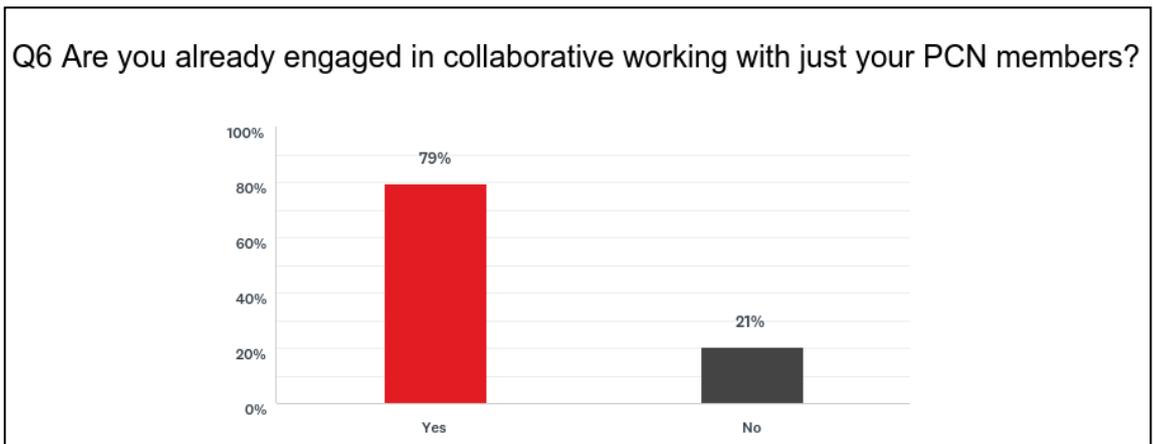


2.1 Collaborative Working

The importance of working collaboratively was clear for many with **79%** of practices already engaged with their PCN members, interestingly, only **35%** had a PCN corporate member with a primary care contract and registered list - with respondents highlighting key benefits of collaboration:

- *"Sharing resources across practices will reduce variation and therefore the potential to offer more and consistent services to the local population"*
- *"Standardised ways of working"*
- *"Improved sharing of skills and staff"*
- *"Shared ideas, learning, resources, responsibility and skill mix - survival mode"*
- *"Larger and louder voice"*
- *"Opportunity to influence other providers"*
- *"Availability of new funding streams and access to money"*
- *"Potentially more resilience"*

In our experience, there is no 'one size fits all' approach when examining both PCNs and collaborative working aligned in delivering integrated care. All individual network members do require different levels of support ie structures, rules, voting arrangements and also time to develop and mature over time. It is also important for members to think technically, practically and financially when working together.

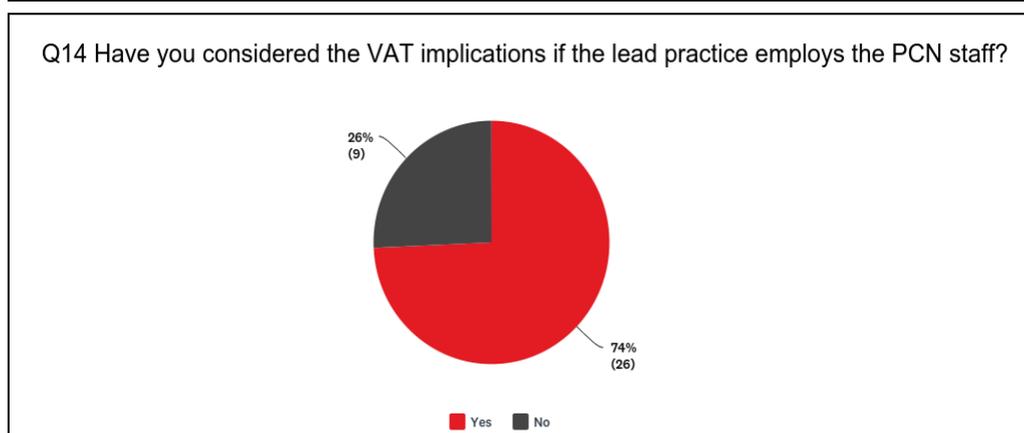
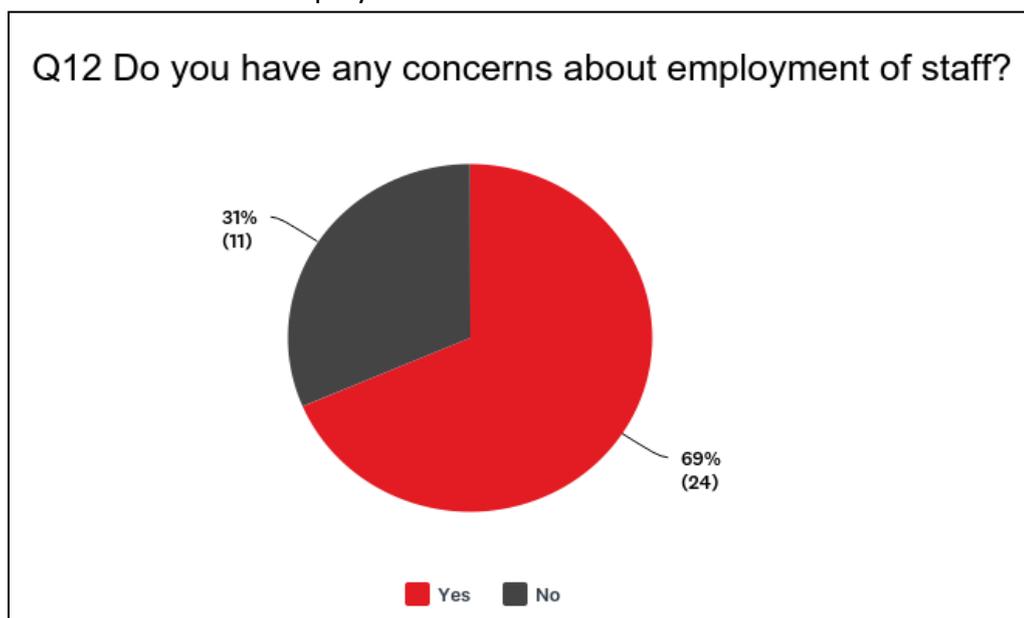


2.2 Employment

Many practices expressed concern regarding the **employment implications** in joining a PCN with **69% worried** about employment of staff members . **74%** have already considered the VAT implications if the lead practice employs the PCN staff. Liability, staff recruitment and retention as well as budgets were key employment PCN issues raised by respondents commenting:

- *"Risks/liabilities being taken by one practice...even with a sharing agreement in place, the host practice will still carry the burden of support and resolution for any problems"*
- *"Ensuring high calibre social prescribers, as this is a fairly new role, writing job descriptions/specs will be a challenge"*
- *"How will employing staff in a PCN work across practices? Low confidence in NHS funding for long term, leading to risk of staff redundancy"*

In our experience, in order to employ staff in a PCN and make it work across practices, the contract of employment needs to clarify that the employee will work at the various sites/practices of the PCN members and needs to be agreed between the members. Members will then need to decide who has responsibility for supervision and direction whilst the employee is at a particular site. Remember, a PCN cannot be an employer.



2.3 Data Sharing

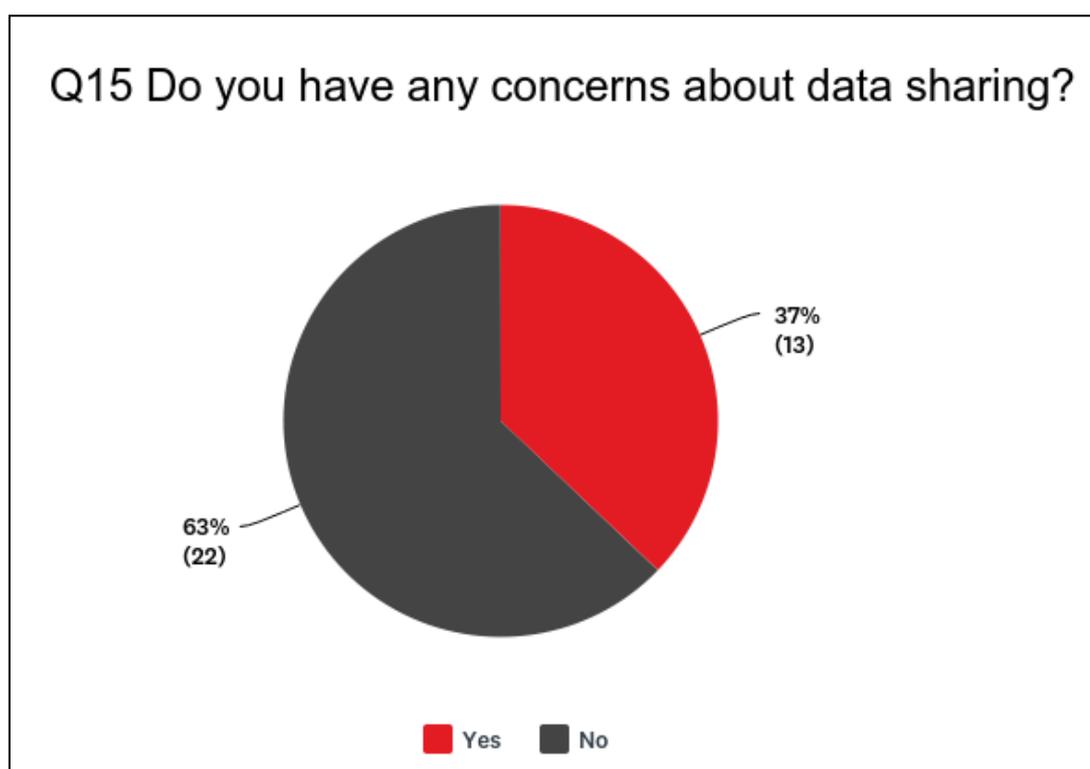
Fundamental to the success of a PCN will be the ability of the organisations in each network to share data effectively between all members and associated parties. This will span across public sector, private sector and third sector organisations that are expected to make up the networks.

Our findings found in general terms, that whilst individuals might have employment concerns, **63%** of practices are confident in approaching the **data sharing** aspect of their PCN.

The key concerns expressed by the respondents are:

- *"Confidentiality"*
- *"Clarity in understanding how data protection should be structured to comply patient confidentiality and GDPR requirements"*
- *"Not enough overall knowledge on this - data protection PCN agreement not yet published"*
- *"Concerns about data sharing with social prescribers and different interpretations of confidentiality. Will general practice become the data controller for all out of hospital activity?"*
- *"More and more people with access statistically increases chance of data breach, and also misuse of statistics through poor understanding"*

Recently, we have been contacted by a number of PCNs who are concerned that they do not yet have a data sharing agreement in place. With still no sign of the promised national data sharing template, time is fast running out. As a stop gap until a template has been issued, we have produced a **template data sharing agreement** that you can use for your PCN.



3. Additional Respondent Comments

- *"This contract is going to involve a lot of work, and may trigger retirement or emigration in some of our GP colleagues"*
- *"It will lead to fragmentation and waste of clinical time for clinicians and devote most times away from patient's care"*
- *"It's a brave step but the extra workforce are likely to come with extra DES demands - not sure it will make a huge difference to workload, morale will take a huge hit"*
- *"We really need to understand how binding the generic legal contracts are from the BMA, should we have other documents in place which deal with specifics for our network dynamics? But there is no funding for this...so this has to be at a realistic cost."*
- *"Concerned about time to develop the PCN. Carrots in year one, but likely squeezing of funding in future years. Relationships in PCN are not always easy and cultural differences. Is the Clinical Director's role realistic to deliver the agenda on two sessions a week?"*
- *"A whole lot of work in a short timescale when we are already so busy."*
- *"Where is the CCG going to recycle the GP funding from?"*

Visit our dedicated Primary Care Networks webpage and check out our FAQs by [clicking here](#).

For further information on Primary Care Networks, please contact our specialist Healthcare lawyers - Mark Jarvis on 020 7665 0880 mjarvis@vww.co.uk, or Oliver Pool on 0117 314 5429 opool@vww.co.uk.

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In the event of such a request being made, we would request that you contact your client partner before any such disclosure is made so that we can discuss the approach with you. This is because we consider that this document could be treated as exempt from disclosure under FOIA on the basis of commercial confidentiality generally, and specifically, commercial confidentiality in (1) our pricing and added value offering including discounted hourly rates and (2) details of our track record, clients, expertise and CVs of our proposed team. Even where disclosure is required under FOIA and / or other legislation, we would request that the specific information listed in (1) and (2) above is redacted prior to disclosure in every case and that we are notified in advance of any such disclosure.

