



## Learning from PCC National events and early PCC PbC 'Toolkit' usage

Initial feedback on use of the Preliminary PbC Toolkit (found at <http://www.primarycarecontracting.nhs.uk/108.php>) indicated that it had been utilised in a wide range of ways. Certain PCTs used the Toolkit as their starting point for PbC implementation whilst others selected different elements or tools to complement their individual approach, level of expertise, and locality focus.

National events held in May and June highlighted both the need and desire of PCTs to learn from one another. The lack of clear central direction was consistently cited as a barrier to implementation. Feedback also illustrated the variety of levels at which PCTs are currently operating as well as a fundamental gap in the engagement of and understanding within secondary care and among primary care practitioners.

## Early preparation for PbC

Early preparation in PCTs has highlighted how essential it is for commissioning, finance and health information work areas to be aligned with those of strategic primary care planning and development. Implementation planning for full practice based commissioning has been characterised by a variety of different approaches but generally with the same broad objectives to engage local clinicians and establish the right information in which to have meaningful discussion with practices. Inevitably at this stage, PCTs have moved through early implementation at a pace dependent upon local circumstance.

### *Information management and data validation*

Determining accurate and specific GP referral and secondary care activity data is perhaps the most technical and important aspect of the preparation for PbC. Some PCTs have begun to address this through detailed data validation exercises with their practices. With the help of local health informatics departments, PCTs have received a variety of Hospital Episode Statistics (Spells) data for different specialities and have begun to map this against appropriate HRG codes for in-patient, out-patient, day-case, and follow-up activity. Further interpretation has taken place in relation to Payment by Results tariffs for both elective and non-elective activity. Detailed supporting analysis and monitoring processes are being developed which is essential in order to actively manage the PbC-PbR process. To help with monitoring and reporting activity, commercial software is available or is currently being developed even at a local level. This includes web-based technology to capture primary care activity from local GPwSI services. It is our intention to review these in more depth in a later Bulletin.

The implications of these processes manifest themselves through increasing demands on local information specialists. PCTs are recognising the importance of building and resourcing local capacity in this area.

Links to:

- [Dudley Beacon & Castle PCT](#)  
Overview presentation ([Click here](#))
- Practice Budget statement ([Click here](#))

### *Financial flows and budget setting methodologies*

Since April 1<sup>st</sup> 2005, PCTs have begun or refined the process of identifying the specific elements that make up the PbC budget for individual practices. This has also included local methodology for moving to budget setting on a 'fair shares' basis as recommended in the DH guidance from 2006/7.

The obvious links between information and finance teams have become more apparent and it is imperative that both teams work closely together to tie up activity and cost information at all stages. The most successful PCTs have provided additional investment to support this area. Certain PCTs have begun to identify the low and high cost HRGs for their area in relation to the local acute provider contracts they hold. The key driver here has been to ensure that PbC budgets are matched to SLA activity and that this is communicated in a meaningful way to practices so all the starting points are recognised.

Financial information should therefore complement referral and activity information. Although some elements of the PCT unified budget remain outside the widest scope of PbC, such as specialised services and individual GP contracts, showing the whole commissioning budget to GP practices helps them gain a greater awareness of the impact on the budget of the decisions they make.

Links to:

- [Dudley Beacon & Castle PCT](#)  
Overview presentation ([Click here](#))  
Practice Budget statement ([Click here](#))
  
- [High Peak & Dales PCT](#)  
Business Plan Assessment proforma ([Click here](#))  
Budget Methodology ([Click here](#))  
Policy for PbC Guidance ([Click here](#))  
Referral Management Scheme proforma ([Click here](#))  
Referral Review Scheme ([Click here](#))  
Risk Assessment template – Appendix 1 ([Click here](#))
  
- [Melton Rutland & Harborough PCT](#)  
Terms of Reference Appendix 1 ([Click here](#))  
Terms of reference Appendix 2 ([Click here](#))  
Terms of reference Appendix 3 ([Click here](#))  
PbC Paper ([Click here](#))

### *Locality management re-organisation and project implementation*

In determining the size and scope of the local PbC commissioning units, some PCTs have also realised the need to re-organise and provide management infrastructure where this did not overlap or exist. This is vital for the success of new PCT reconfigurations and has required top level consideration by Executive teams and PECs, working together with those PCTs that are likely to be merged. Some of the decisions to re-organise locality PCT support to practices and the nature of the support available have been based on local PCT capacity and experience as well as the taking into account factors such as geographical spread of practices, fundholding history, level of current service delivery and current financial position of the PCT.

Certainly there is no universal model of management infrastructure at PCT level but decisions have also been made to set the right management foundations to be sustainable across the imminent broader organisational changes in primary care. A 'fitness for purpose' philosophy has been balanced with the need to get on with the job of local implementation as early as possible this year. Analyses of potential gaps in PCT support functions for PbC have enabled early and significant progress to be made.

Nearly all PCTs that fed back to the PCC Project Team have developed local action plans which recognise PbC implementation as a longer term project aim rather than a quick fix approach. They have also set up senior management or project steering groups within the PCT itself and the most effective of these seem to be where representation at Director and/or Chief Executive level is in place.

Links to:

- [Craven, Harrogate & Rural District PCT \(Click here\)](#)
- [East Leeds PCT](#)  
E Leeds PbC Document [\(Click here\)](#)  
E Leeds Engagement Letter [\(Click here\)](#)  
E Leeds PbC Member Criteria [\(Click here\)](#)

#### *PbC governance frameworks*

Early preparation has brought with it more fundamental engagement of the PECs and Boards. The current structures have begun to address the need for local governance arrangements to sign off strategic PbC management plans as well as initial practice business plans. In view of forthcoming PCT reorganisation, interim arrangements are proposed through current PECs where these functions move into the new primary care organisations. Accountability arrangements for localities are presenting a real challenge to PCTs at this stage of their preparations. Governance issues for PbC will be covered in more depth in the next Primary Care Contracting PbC Bulletin.

#### *Practice and clinical engagement*

In busy day-to-day practice, GPs and other practitioners have had limited headroom to either consider local plans or get to grips with understanding the fundamentals of PbC information on activity or budget management. To this end, many PCTs have introduced local incentive schemes for practices or for individual clinicians on behalf of their colleagues. The objectives of these schemes cover a number of important preparatory areas including clinician and practice input in:

- the PCT process to enable broader understanding at practice level
- hospital data validation where this has proved difficult to achieve in the past
- developing new systems for high quality data entry at practice level
- primary to secondary care clinical pathway design/clarification
- developing alternative primary care services or clinical pathways.

Nearly all PECs will have discussed outline or comprehensive plans for implementing PbC and most will have been instrumental in shaping the overall PbC local approach or cascading key messages to clinical colleagues. Additional clinical steer has come from individual GPs or other practitioners already involved in PCT commissioning or those taking a particular interest in PbC. Early stages of implementation have been set against a background of the need to ensure convergence of the primary care development agenda with that of the locality commissioning agenda.

PCTs have started both formal and informal processes for engaging GP practices in PbC. This has included Protected Learning Time events and practice meetings. Most PCTs are currently determining how interested practices are in PbC and what they understand by it. Discussion has revolved around PbC budgets, the size, scope and function of local commissioning units, and what areas of focus would be the first to consider under local PbC arrangements.

Similarly, some practices or practice clusters are beginning to establish their own formal or informal make-up, including governance structures, and producing outline business plans for their own or collective commissioning decisions.

Links to:

- [Gedling PCT and Broxtowe & Hucknall PCT](#)

Joint Consultation Paper [\(Click here\)](#)

- [Rushcliffe PCT](#)

Commissioning QOF [\(Click here\)](#)

Letter to GPs [\(Click here\)](#)

- [Islington PCT](#)

PEC Paper [\(Click here\)](#)

Referral Data sets [\(Click here\)](#)

### Local networks

Building on early foundations has been an important feature of early PbC implementation. PCTs have managed to utilise existing clinical networks or local forums to repeatedly get across the PbC message or local plans. Similarly, some but not all SHAs have established PbC learning and development networks. Whilst these are still in their early stages they have provided a particularly useful environment for PCT representatives to come together and discuss local strategic plans or progress and share examples of good practice.

Links to:

- [Thames Valley SHA \(Click here\)](#)

- [Leicestershire, Northamptonshire & Rutland SHA \(Click here\)](#)

### How is your PCT progressing?

- Is there an overall PCT plan or strategic direction? Has this been through Senior Management teams and/or PEC and Board?
- Have you engaged practices and other clinicians? Identified incentives to engage?
- Has hospital activity data been collated, circulated, validated?
- Have you identified your 10 highest impact areas of expenditure?
- Have practice budgets been identified and shared with practices?
- Has appropriate staff from Finance, Commissioning, Information and Primary Care been identified, linked and engaged at PCT level?
- Has a senior lead been identified who can ensure these functions and staff are effectively supporting implementation?
- Are your locality structures fit for purpose to support practices?
- Have commissioning units been identified?
- Has management support been identified?
- Are you involved in any local SHA or health community PbC network?
- Have you engaged other stakeholders?
- Have indicative budgets been produced and distributed to Practices?
- Is there a Project plan in place?

(See also the updated Toolkit PCT Readiness Questionnaire on the PCC Website)

If you or your PCT would like to give feedback on this first PCC Bulletin or contribute to the next Bulletin (share examples; innovative solutions to significant issues, local PbC events etc), then please contact the PbC Project Team.

For further resources and information, PCTs may wish to link to other agencies such as the NHS Alliance, the NHS Confederation, the National Association of Primary Care, and the National Primary Care Development Team.

***Next PCC Bulletin: PbC and governance arrangements including key structures, risks and responsibilities and local agreements.***

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