



# Annual Reports of Derbyshire LMC, Derby and Derbyshire LMC Ltd and LMC Services Ltd

2016 - 2017

**Representing and Supporting GPs** 



Local Medical Committee Executives and Members 31 March 2016 – 01 April 2017				
Name	Role	Practice	LMC Constituency	Meetings attended (maximum 11)
Dr P Williams	Chairman	Bakewell Medical Centre	North Derbyshire	
Dr K Markus	Chief Executive	Calow and Brimington Practice	Chesterfield	
Dr J Ashcroft	Executive	Old Station Road	Erewash	
Dr P J P Holden	Treasurer	Imperial Road, Group Surgery	North Derbyshire	Attends GPC
Dr J S Grenville	Co-opted	N/A	Derby and Derbyshire	
Dr J North	Executive	Parkside Surgery	South Derbyshire	
Dr M Wood	Executive	Bakewell Medical Centre	North Derbyshire	
Dr J Betteridge- Sorby	Member	Swadlincote Surgery	South Derbyshire	
Dr G Crowley	Member	Arthur Medical Centre	Amber Valley	
Dr R Dils	Member	Whittington Moor Surgery	Chesterfield	
Dr P Enoch	Member	Co-opted		
Dr M Gembali	Member	Friar Gate Surgery	Southern Derbyshire	
Dr D Glover	Member	Hasland Medical Centre	Chesterfield	
Dr B G Hands	Member	Co-opted		
Dr A Jordan	Member	Moir Medical Centre	South Derbyshire	
Dr P Love	Member	Bakewell Medical Centre	North Derbyshire	
Dr V Rajeev	Member	Haven Medical Centre	South Derbyshire	
Dr G Walton	Member	Littlewick Medical Centre	Erewash	
Dr H Kinsella	Member	Whitemoor Medical Centre	Amber Valley and South Derbyshire Dales, South Derbyshire	
Dr Y Pasupathi	Member			
Dr S Rackham	Member	Co-opted	North Derbyshire	
Dr S Bayley	Member	Locum	Derby and Derbyshire	

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### **Derby and Derbyshire Services Limited**

#### LMC Annual Report 2016-17 for Derby and Derbyshire LMC Services Ltd:

We have been very busy for the last 12 months since the General Practice Transformation and Action Group (GPTAG) endorsed the idea of establishing a General Practice Task Force (GPTF) for Derbyshire. The GPTF was Derbyshire's answer to the growing crisis in GP practices and phase 1, launched in April 2016 to help address workload, workforce and working at scale needs.

Since the launch, GPTF Change Facilitators have supported 30 change interventions reaching out to 66% of GP practices, covering all four Clinical Commissioning Groups. Supporting GP practice teams to adapt to the changing climate and by giving them time, space and expertise to thrive to future-proof quality GP practice.

The GPTF Project Team has successfully coordinated business and workforce events to help GP practices consider and address their key challenges. They have also designed useful business resources for GP practices to access.

The future viability and sustainability of the GPTF depends on further investment from commissioners. Meanwhile, remaining project funds will be deployed to create a GPTF feasibility business proposal for phase 2 and to continue supporting GP practices with further initiatives and support, where feasible, subject to remaining project funds.

A special thank you to Claire Leggett, GPTF Project Manager, Dr Susie Bayley, GPTF Head of Communication and to all the GPTF Change Facilitators for making the GPTF project such a success. Growing in reputation providing a responsive and facilitative approach to address key challenges faced by our GP practice colleagues. Thank you, too, to the Derby and Derbyshire Local Medical Committee, Executive and the Office Team for their continued support in providing the platform and administrative support for the GPTF.

Further information about the GPTF and access to resources can be found at here

We have carried out a further three successful practice manager recruitment services for GP practices in Derby and Derbyshire. We are pleased to hear all successful candidates are doing exceptionally well in their new positions.

Lisa Soultana, Chief Operating Officer

Derby and Derbyshire LMC Services Ltd

### **Chairman's Report**

As I always start this has been a year of unprecedented change. However, this year it's been to do more with the Imc as an organisation as opposed to nhs reorganisation. Yes the nhs had its deck chairs rearranged but more of that later.

This year John Grenville retired after a very long time. Everyone knew John as the face of the Imc nationally as well as locally. He takes with him years of knowledge, and for that he has been co-opted to the committee so we can continue to tap his organisational memory. In his place has ably come Kath Marcus. She has a steep learning curve but is already proving her abilities.

Additional in the team this year have come Dave Gibbs. Although he had no prior knowledge of the NHS he has quickly learned many parts of a complicated contract and quotes them regularly.

During the year we have made real efforts to increase the visibility of what the LMC does. Susie Bailey has helped increase our presence in the social media, and developed the website and changed the way the office looks. This had led to so much more information being available for constituent practices via the website. All of this has been in no mean part driven by the ever tenacious Lisa Soultana.

Outside of the office the usual shenanigans have taken place.

As part of the 5 year forward view the GP forward view was published and NHSE pushed forward with the development of the STP. In Derbyshire despite lots of hard work this was scuppered by the intervention of monitor stopping the trusts signing up to the plan, and stalemate reigned. It was only quite late in the process that the LMC was consulted about the STP, by which time it had already been submitted. Utter madness when this plan was about primary care as the solution to the problem.

This was not the only area NHSE took ownership of and wrecked. Notes now are to be transferred using Capita under the PCSE organisation. The problem was discovering a warehouse of undelivered letters, that were then delivered on masse to GP. They also took over the distribution of monies to GP, and unfortunately, not in an effective manner. The first problem was one that the LMC could deal with and monies were forthcoming to recompense for the extra work, but regarding the second in this year there was a complete brick wall from all concerned. The LMC will not let them off that easily.

With regards to IT the local CCG's were more forward thinking with the pushing forward of the MIG to share data with the out of hours service from GP. More radically in the banning of faxes. As is the norm for IT projects these were some time in the planning and have been sloe in the implementation.

The CQC multiplied it's fees by many times, and continued delivering it's verdicts. Pleasingly, Derbyshire ended up with a significantly higher proportion of good and outstanding practices than almost any other part of the country. This led to the point where it was perceived that practices were marked down to give a good so that there was not any more outstanding practices. This was robustly denied by CQC!

To the end of looking at transformation the North CCG undertook the 'better care' consultation with the aim of closing community hospitals and moving care into people's homes. This was seen as so unpopular that they were inundated in responses to the point that the CCG has had to put on hold the publication of the outcomes whilst they processed the information sent in.

So overall a normally abnormal looking year has been experienced, and imposed on the GP's of Derbyshire. We have come to expect this in GP and continue to respond with innovation, and in some part sheer doggedness. And sometimes just with the determination to say, "No!"

### **Chief Executive's Report**

2016 was a year that saw more change and unprecedented challenges for Derbyshire GPs.

During the year our constituents sought advice more than ever before, reflecting the massive problems and pressures affecting general practice and the wider NHS.

I joined the LMC as Chief Executive in August 2016, following the retirement of John Grenville.

We were very fortunate to recruit David Gibbs as head of Business support Dr Susie Bayley came on board as head of communications

My first couple of months were a baptism of fire, whilst at the same time taking stock of our current position. We realised the importance of improved and timely communication and Susie has been key in this. I undertook a critical review of the multitude of meetings attended, making sure that the LMC was represented at those meetings where we could have influence and a positive impact for our GP colleagues.

The office had to endure several months of redevelopment work going on around us in Saxon House. There were times where it became too risky for staff to continue to work there. We moved into new, larger accommodation just across the car park in Celtic House in November. My thanks to the office staff who kept things running smoothly at a time of great stress. In particular I should like to thank Lisa Soultana who was masterful in dealing with the developers on an almost daily basis

**Sustainability and Transformation Plans** – these were effectively NHS England's answer to the NHS funding crisis. The STP was to develop an agreement between all health providers, commissioners and the local authority in an attempt to bridge the massive funding gaps that exist. John Grenville fought hard for the LMC to have a seat around the executive table as, for reasons that remain unclear, we were denied an input for some months. When we were eventually invited to attend, it became clear that the STP plans for transformation of services were being progressed at an unsustainable pace with no involvement with GP providers or indeed their representatives. The STP effectively ground to a halt just before Christmas when it became clear that the pace of change expected was simply not deliverable within the twelve months dictated by NHS England. The STP board only reconvened in February. The LMC have continued to push back on the pressures to transfer work from secondary care without adequate funding. We have persistently pointed out to both commissioners and providers alike that such a policy will not solve the much broader issue of chronic underfunding of the NHS.

The issue of GP representation has been a constant battle. It has been accepted that the LMC plays a crucial role in this but we need to develop a structure from the grassroots up which allows equal and effective representation for GPs alongside the other providers

This year also brought the news of yet another upheaval for the commissioning of GP services, with the announcement that the four CCGs across Derbyshire would enter into a functional merger with a view to forming a strategic commissioning body and a formal merger in 2018 most likely

That being so, we continue to build on and maintain good working relationships with all four CCGs across the county and are invited to the co-commissioning meetings.

**GPFV** – This much lauded rescue package for general practice promised much but to date has delivered very little. The LMC has been involved in securing resilience and vulnerable practice monies. We continue to work with CCGs on maximising and releasing more of the funding but we have repeatedly made it clear both locally and nationally that small pots of non-recurrent funding will not save general practice.

The LMC has been actively involved in renegotiating the Basket of Services in North Derbyshire. This has been both lively and at times challenging. We have continued to press for adequate resourcing of items in

the basket using a nationally recognised tool. Whilst there is no new money we will not accept more and more work for less and less.

We are hopeful that a similar cooperative approach can be adopted in southern Derbyshire, although this is one example of where a CCG merger would make life a lot easier when it comes to such negotiations.

**Building Bridges -** In 2015 the BMA produced the 'Urgent Prescription for General Practice' which focussed on sustainable workload and workforce. We took the issue of inappropriate transfer of work from hospitals to GPs direct to the medical directors of both Derbyshire hospitals. Using a collaborative approach we have built up better relationships and most practices have seen some reduction in the 'GP to do' type of request. From April 2017 the new hospital contract will make inappropriate transfer part of the contract. The LMC will continue to monitor this and we need the help of our members to inform us when the contract is not working. We will also hold the CCGs to account who, after all, commission the services on our behalf and are ultimately responsible for monitoring the contract.

We produced a 'You have been referred to the hospital' (add link) leaflet, which practices can adapt to suit their own needs to better inform our patients of what to expect

PCSE/Capita - At the start of 2017 Derbyshire LMC continued to have very real concerns about the impact on practices of the poor service provided by PCSE. Simon England, the then Managing Director of PCSE, attended a Chesterfield Practice Managers meeting in February and apologised for the poor service and promised that they were working hard to rectify their processes and deal with the significant backlog of complaints and issues. He provided assurance that practices would see improvements by the end of March. When it became clear towards the end of March that things had not noticeably improved the LMC wrote to the 5 major shareholders of Capita plc. expressing their dissatisfaction with the service and asking them to apply pressure on the PCSE management to make improvements. Our Head of Business Support was then summoned to a meeting in London on 24<sup>th</sup> April with Simon England and Jill Matthews from NHSE who has responsibility for the day to day monitoring of the contract. Guy Dickie, the new Head of PCSE National Engagement Team was also present. It was clear that our approach to the shareholders had made an impact with the PCSE management being asked some very difficult questions - they also admitted that the timescale for improvement and clearance of backlogs had slipped to the end of June. We were also informed at this meeting that Steve Gentle would be taking over the running of PCSE from Simon England. Following the meeting the LMC have continued to apply pressure on PCSE with specific examples of poor service and in one instance this resulted in a practice receiving a payment backlog in excess of £60,000. While the LMC lobbying has resulted in some practices seeing long standing queries being resolved, it is clear (at the time of writing mid-July) that while the overall service has seen some small improvements there is still deep dissatisfaction among practice managers about the service PCSE provide and particularly with the drawn-out and time consuming process of trying to get any outstanding queries resolved. The LMC remains in contact with the PCSE National Engagement Team in trying to get matters improved and are facilitating PCSE attending various practice managers meetings to enable them to hear first-hand examples of continuing poor service".

### **Communications – Dr Susie Bayley**

This year has seen DDLMC continue to modernize its communications and become increasingly responsive to our constituents.

Our new look website is more user-friendly and searchable than before. We have created a wealth of additional resources, and welcome ideas for further guidelines. New resources are publicized in our updated, more streamlined newsletter.

We have continued to modernize and build our social media presence. We use our <u>Twitter</u> and <u>Facebook</u> accounts to chat directly and share updates from around the world of general practice.

### Derbyshire Local Medical Committee Derby & Derbyshire Local Medical Committee Limited Derby and Derbyshire LMC Services Ltd

### TREASURER'S REPORT year ending 31 March 2017

This treasurer's report refers to matters up to 31 March 2017.

The support and professionalism of our staff in the office at Derby cannot be underestimated and I would like to use this report to formally document that fact. Without their help there is no way that Derbyshire LMC could function and represent you in the manner it does at a time of such massive change and uncertainty.

31 July 2016 marked the end of an era for Derbyshire Local Medical Committee with John Grenville's retirement and his succession by Dr Kath Markus. John had been our Secretary and de facto Chief Executive for almost 30 years – a record unequalled anywhere else in the UK. Kath has stepped upto the mark and we have barely felt any medico-political hiccup in the transfer, a risk for which as Treasurer I had been factoring in for some years –not least because John worked way beyond his contract. The new team is doing a fantastic job and we are all adapting to new methods of working. Some of these will produce long term benefits and savings but in the short term will require some considerable investment for example the website which is the inspiration of Dr Susie Bayley. In the office there has been an evolution of staff roles initiated by our Chief Operating Officer Lisa Soultana ably supported by David Gibbs.

Throughout 2015-17 financial years we have been struggling with our office accommodation. For many years we were based in the Norman House part of Heritage Gate but when we outgrew that office we moved to Saxon House but soon afterwards the building's owners decided to redevelop that building and we were forced to move to Celtic House also at Heritage Gate. Very early in 2017 we learned that Celtic House was also to be redeveloped. Having had our fill of harassment from the landlords and a total lack of opportunity for to "peaceful enjoyment" (to use a legal phrase) we took legal advice and armed with Lisa Soultana's persuasive negotiating skills we are due to move back into Norman House to a fully refurbished set of offices on extremely advantageous terms. The degree of hassle, dirt, noise and inconvenience with which our staff have had to tolerate has been unacceptable and is a complete tribute to their utter professionalism. I hope to be able to report a more satisfactory state of affairs next year.

A consequence of our nomadic existence has been the need to keep amending our Companies House registrations and if even so much as a comma is out of place this causes apoplexy with our bankers. (Freud would have had a field day with them!) As you will recall we were dissatisfied with our electronic banking arrangements which seemed unable to cope with any computer system except a PC and we sought to move to another bank but unfortunately they proved extremely tardy and we took decision to abandon any changes to streamline banking arrangements until the final office move has been completed.

In my 2016 report to the Local Medical Committee I noted that we had reached the top of the mandate and it was necessary to re-mandate our constituents having held the levy steady for almost 12 years. As forewarned in the previous three reports once we reached the tipping point the run on our cash would prove to be quite rapid and so it turned out but skilled management has meant that this has been pulled round and the ship is now on a steady course after two very difficult years albeit at significant impact upon our reserves. The vast majority of practices have signed the new mandates but there are one or two large practices which have not yet done so and I urge them to do so. Furthermore, levy collection systems are much less robust than before partly because of CCG upheavals, partly because of the number of different directions from which levies arrive and partly because the Exeter computer system is now obsolete and a whole new system will be implemented in 2018. This means that we have to devote significantly more time to checking the income streams than before.

In reading this report may I suggest that you consider Derbyshire Local Medical Committee accounts and those of Derby and Derbyshire LMC Ltd in tandem and look at the LMC Services Ltd accounts separately. My reasoning is outlined below.

Since the year ending 31 March 2009 we have presented two sets of accounts in connection with LMC related representational and support activities namely the limited company D&D LMC Ltd. accounts and the LMC accounts themselves. The limited company is a wholly owned subsidiary of the LMC. The two sets of accounts must be read in tandem. The reasons for this are set out below.

During 2007 it became clear upon expert legal and financial advice from the BMA in London and from our business indemnity insurers, that LMC members were personally financially liable for the acts errors and omissions of the officers, employees and, themselves in connection with LMC affairs. Furthermore the structure of the LMC would not allow the adoption of Directors and Officers liability insurance. This liability was deemed by the LMC to be extremely unsatisfactory and following careful legal and financial advice a limited liability company was set up to transact certain aspects of the LMCs work. The company formally started trading on 16 July 2007 and now is the vehicle for ALL LMC related transactions with the exception of receiving the levies and paying the GPDF subvention which for legal reasons must stay with the Derbyshire LMC account as the legally recognised professional representative entity.

The control of the limited company both financially and directorially is totally in the hands of those you elect from time to time, it is funded on a tight drip feed of funds from the LMC – your LMC- and all surpluses accrue to the LMC. The directors of the company are the officers for the time being of the statutorily established Derbyshire Local Medical Committee. The LMC members and officers derive personal protections from this arrangement as do you the levy payers and electors as well as our employees. If anyone wishes further information on this subject please contact me through the LMC office.

### Derby & Derbyshire LMC Services Ltd.

Derby and Derbyshire LMC Services Ltd is set up with the same legal structures and safeguards and constitution as Derby and Derbyshire LMC Ltd thus placing the ultimate control of the company and its directors firmly in the hands of the elected LMC members. In 2013 the officers after consultation with the LMC decided that it would be prudent that all educational and enterprise activities be conducted through a separate financial entity - Derby and Derbyshire LMC Services Ltd. The company was floated with £2641 seed corn money which was repaid to the LMC. The company was incorporated on 4 October 2013. To aid clarity in conversation and communication the directors are now considering renaming Derby & Derbyshire LMC Services Ltd (once our office moves are complete) as its functions are different from those of Derby and Derbyshire LMC Ltd

Derby and Derbyshire LMC Services Ltd activity is somewhat "lumpy" in that monies involved in its business are "soft" budget monies for training and education which are much more exposed to budgetary whim of NHS England and its agencies in times of austerity. You will recall that last year I reported that HEEM educational monies had dried up. In year ending 2016 D&D LMC Services Ltd. turnover has dropped from almost £53,000 pa to £12448 it has now risen again to £152510. Although our turnover is up our two biggest activities GPTF yielded an £85 loss and our GP Conference yielded a solid profit. The development of D&D LMC Services Ltd and investment in its future through staff training and joining EMLA increased our expenses by £13,000 resulting in an operating loss of £9443 which the directors believe should be viewed as investment in the future capacity to exploit profitably the skills and resources residing within the LMC group. Despite two consecutive years of losses over the three years activity the company is still ahead in the sum of £3330 after repaying the seed corn investment made by the LMC. Future activity of the company will depend entirely on monies being forthcoming from government and other initiatives requiring paid educational input from the LMC Secretariat. It was precisely in anticipation of such a scenario to protect members funds raised through levies that D&D LMC Services Ltd was set up. Your funds have been protected yet at the same time we have managed to upskill our secretariat and deliver business and

management education to constituents. It is hoped that funding will come on stream again allowing us to restart the popular managerial and professional educational support to our constituent practices. The company is in a position to transact business immediately new resources become available.

As Derby & Derbyshire LMC Ltd is under Companies Act 1985, deemed to be a small company it is only required to present abbreviated accounts rather than full audited accounts. There is a very significant additional accountancy cost to having formal fully audited accounts presented and at a time of financial stringency the officers have for this year arranged only for the legally required unaudited accounts prepared by our accountants Smith Cooper to be published. Should levy payers feel strongly on this point then we are prepared to reconsider the issue of fully audited accounts again for next year and in the meantime the books and more detailed information required for the Company Tax return are available for inspection at Saxon House by any levy payer upon notice.

For those bored by accountancy and more trusting of their elected representatives the salient matters are:

### 1. The Company accounts (Derby & Derbyshire LMC Ltd)

• The company accounts have been prepared in accordance with micro-entity provisions in accordance with FRS105: The Financial Reporting Standard applicable to the Micro-entities Regime. The company is entitled to exemption from full audit under s.477 Companies Act 2006 and on your behalf under s.476 the directors decided NOT to obtain an audit of its financial statements for reasons of financial economy. Should members of the company wish this state of affairs to change next year then they should make the directors aware.

• Although the company has made a profit and is having Corporation Tax levied on it; even if the profit had been reverted back to the LMC before the year- end then the LMC would have paid exactly the same amount of tax. Therefore, rather than shunt money around needlessly (and not without both banking and accountancy expense); it was decided to leave the bulk of profit for taxation with the company.

### 2. The LMC accounts

• This year all of the expenses are attributable to the drip feed into Derby and Derbyshire Local Medical Committee Limited and our annual subvention to the GPDF levy. The Contributions section remains attributable to the LMC

3. Taking all our activities together again the DLMC group has made a loss. This was predicted as consistently between 2012 and 2016 the directors warned the LMC that the levy needed to rise from its 2004 level. The levy increases are only just coming on stream. There is no room for complacency. The loss for year ending 31 March 2017 is approximately £15,000 better than budget and a tribute to the team in the office who are constantly seeking better ways to operate.

The bottom line is that we have consumed almost £200,000 of our reserves in 3 years. To recover this after Corporation Tax we would need to make a profit of £60,000 pa for 5 years. The directors and the members of the LMC resolved that the LMC levy which is both tax allowable and built into NHS costings will rise by the November CPI annually as a minimum automatically.

Derbyshire LMC prides itself that throughout its 104 year history it has always been solely funded by voluntary levies and furthermore is regarded as one of the most efficient and professional LMCs in the country. As LMCs are statutory bodies we do have the power to raise a statutory COMPULSORY levy on all GPs in contract with the NHS. We are desperate NOT to do this but the directors would ask you to recognise that we have obligations to our employees and therefore MUST maintain one year's operating costs on reserve. Therefore we encourage all of you to speak to colleagues who are freeloading on YOUR backs. A list of contributors to the levy can be found at the back of of this report. With effect from

xx/xx/2018 practices which do not pay the levy will no longer have access to the LMC resources on the internet and further withdrawals of service may have to follow.

Several factors affect the scale of the losses some of which are one off non-recurrent items and they included a second unbudgeted office move, double running of the Chief Executive post during the hand over period and the fact that the LMC now has to liaise with 5 CCGs and an Area Team whereas before liaison was substantially with just 2 PCTs. Developments in 2017/18 are likely to ameliorate all of these factors.

Year ending 31/03/2017 31/03/2016 31/03/2015 31/03/2014 31/03/2013 LMC (£97637) (£102098) (£3767) £27961 (£1766) D&DLMCLtd £71631 £13305 (£80104) £1393 £17318 TOTAL (£26006) (£88793) (£83871) £29534 £15522

The past 5 years Derbyshire LMC/ Derby & Derbyshire LMC Ltd out turns

The Officers and Senior Management Group regularly review activity, income streams, mechanisms of payment, staffing establishment, and methods of working. We cannot rule out further streamlining in the future as we have to bring the LMC finances back into strategic balance and rebuild our reserves because as we all know General Practice is in for a rough ride over the coming years of austerity and now is exactly the time when the LMC needs to be in a strong financial position.

All of our income comes from LMC levies which this year amount to £466,042. Do not be deceived by the increase over last year which was particularly lean. The bottom line is that we need close to £500,000 per annum to function. However as alluded to above we do have room for efficiencies which we will take BUT we also need to rebuild reserves.

4. Bank interest rates compared to 2008 have fallen dramatically over the past nine years reducing our income from that source by 95%. We used to earn over £12000 per annum now we earn barely £300 per annum.

To run the whole LMC operation the costs for y/e 31 March 2017 were (2016 in brackets)

D&D LMC Ltd. company costs £521757 (£452462)

LMC costs were £47860- the GPDF levy of £47860 (£47451) – In 2015-2017 we received a GPDF rebate of the GPDF levy from GPDF Ltd. Historically our full levy has been in excess of £64,000 level for several years. The 2017-18 levy is £72,000 pa and we are paying in monthly installments

Grand Total expenditure of  $\pounds$ 521757 +  $\pounds$ 47860 =  $\pounds$ 569617 ( $\pounds$ 513357). Caution needs expressing at this rate of increase over last year because of several confounding factors outlined above.

• We have reserves, after paying our creditors, of £167043 (£95412) in the company plus £157268 (£254905) in the LMC Grand Total of £324311 (£350381) or 59% of one year's operating costs excluding inflation. This contravenes our longstanding policy of carrying one years costs on reserve. We MUST rebuild our reserves and suggest that our target is to do this over 5 years

• Bitter experience over 25 years has demonstrated that allowing reserves to fall costs GPs more in the long run because to rebuild them, requires us to replenish those reserves from TAXED surpluses.

#### Our reserves 2008- 2017

Ye 31st March	DLMC	D&DLMC Ltd	Total	% Annual expenditure
2008	£331475	£36424	£367899	99.96%
2009	£331729	£71260	£402989	107.5%
2010	£336557	£91184	£427741	110.1%
2011	£339046	£123041	£462087	122.0%
2012	£334575	£146672	£481247	122.6%
2013	£332809	£160818	£493627	122.9%
2014	£360770	£161718	£522588	136%
2015	£357003	£82107	£439110	85.54%
2016	£254905	£95412	£350381	65.24%
2017	£157268	£167043	£324311	58.98%

### The LMC's responsibilities

The Local Medical Committee is the ONLY committee with a statutory obligation to represent your interests as a General Practitioner working in the National Health Service irrespective of which type of medical services contract you or your practice holds. It has well over 80 statutory responsibilities in addition to being recognised as an expert body with a very considerable and unique corporate memory of the NHS, sadly lacking elsewhere because of continual reorganisation. The LMC role will also increase as the economy proves to be so unstable as to require real terms cuts in NHS GP expenditure. As regards the future political scenario, the 2012 Health and Social Care Act is bringing far reaching NHS changes of an uncertain nature and there are tensions between what CCGs want and what GPs are obliged to provide under their contractual terms of service. Within the next 12 months the government will have to recognise that it has over promised to the public and under resourced general practice and there will be inevitable tensions between GPs and their CCGs and I suspect that ther will be Special Conference of LMC as the workload/workforce crisis develops

### Servicing our responsibilities

To service such responsibilities Derbyshire LMC has its office base at Celtic House, Heritage Gate, Derby, DE1 1NL. As at 31 March 2017 we employ 3.5 whole time equivalent members of staff consisting of a Chief Operating Officer, a Business and Liaison Officer an LMC Office coordinator and a Business and Information Officer plus a half time medical secretary supported by the elected office holders and members of the LMC. Our staff have an ongoing constructive dialogue with most practice managers and all the CCG senior managers in the city and county. The office is open 5 days a week from 9-5 pm for the benefit our subscribing constituents. Those who have read many of these annual reports will recognise the significant evolution of the LMC away from the reactive quasi trade union mode towards a specialist business support operation. This movement will require an increasingly skilled staff mix

### Corporate financial governance

We are advised on technical and taxation matters by our accountants Smith Cooper and Partners at their Ashbourne office. Shamim Aktar a partner at Ashbourne has looked after our affairs for the past 8 years. Financial controls exist separating the various steps in expenditure. All books are kept at the office in Derby. Increasingly we bank electronically but full implementation awaits our move to new offices and our use of cheques is now de minimis. The payment raising functions are separate from the payment authorisation functions. Any of the five officers are signatories but normally it is the Treasurer who signs every authorisation. Payments to the value of £5000 require one signature – The Treasurer normally – and above that require two signatures. No officer signs any authorisation payable to themselves or their practice and ALL invoices and expenses claims are signed off by the treasurer weekly.

### Does it work?

The best evidence that this system continues to work for GPs is evidenced by the lack of Derbyshire "crises" on the LMC Secretaries list server. Very few problems emanate from Derbyshire and mostly Derbyshire is in the forefront of replies offering constructive solutions and replies. That is a very significant tribute to the professionalism, knowledge, and long experience of our staff and our officers. This is what gives Derbyshire practices the relatively quiet time in AT/CCG relations because problems are nipped in the bud and the professionalism of the LMC is recognised by most managers with whom we have a good working relationship. On a national level Derbyshire LMC is regarded by the GPC as being in the Premier League of LMCs for the quality of its work and expertise available.

### Value for money

It is worth reiterating that Derbyshire LMC was highlighted in the 2004 University of Sheffield study into the structure, function, and financing of LMCs. That study indicated that Derbyshire LMC is one of the most innovative, cost effective, value for money LMCs in the UK yet has a relatively moderate cost base. There is little reason to believe that this evidence although 13 years old has changed especially as we managed to hold our levy static for 12 years to 2016.

### Our reserves policy

It remains the Local Medical Committee's policy to keep on reserve one year's operating costs in case the current mandate system were to become disrupted or simply to ensure, as is the case for this year, that the LMC has enough funds in reserve to enable Derbyshire Local Medical Committee to continue and improve its service to meet the needs of its constituents. During the past 12 years we have faced and survived BOTH contingencies and continued to develop services to colleagues. On the horizon is a wholesale change to the computer system at Exeter with all the threats to cash flow which that may bring

### Does the levy actually cost you anything at all?

The LMC is funded by the LMC levy. The LMC then funds its representative activities through a tightly and carefully worded service level agreement with Derby and Derbyshire LMC Ltd which is funded by the Local Medical Committee Paying the LMC levy continues to be both a tax allowable expense AND is taken into practice expense calculations by the NHS Employers organisation and/or the Doctors and Dentists Pay Review Body which themselves are informed by the Technical Steering Group's (TSC) Inland Revenue practice expenses enquiry. As the former lead member of the TSC I can give you a personal and categorical assurance that paying the LMC levy costs the profession nothing overall.

Indeed colleagues who fail to pay the levy are not only

- 1. making your individual LMC levy greater than it need be and
- 2. Freeloading on you, but also

3. Pocketing monies that have been incorporated into their funding streams on the basis that the LMC, as a statutory body, should be financially supported.

### We believe in the principle of voluntarism

For 104 years Derbyshire LMC has always believed in the principle of voluntarism and our levy has always been a voluntary one ever since our inception in 1913. Interestingly, although we have the legal power to impose a statutory levy, we have fought strenuously against invoking it. In future both you and your practice are much more likely to need the LMC's services concerning local variations or additions to your new GMS

or PMS Contract particularly with relation to local enhanced services. The LMC is able to offer you a range of services including timely expert advice and practice support on a range of contractual matters.

### Have we achieved our financial aims?

We certainly had until the 1st January 2015. However the outcomes of the past 3 years demonstrate clearly how quickly the situation can turn around and we have no option but to raise the levy. Our 25 year old is policy to keep on reserve one year's operating costs as a contingency. We no longer have reserves of one year's operating costs excluding inflation.

### Increasing the levy

To increase the levy requires a resolution of the LMC. As a matter of principle the officers prefer to give 6 months notice of an increase although legally we only have to give 3 months constitutionally. Following last year's resolution by the LMC the automatic minimum levy rise every April is based upon the previous November RPI increase.

I look for the customary solidarity traditionally demonstrated by Derbyshire General Practice on this matter where over 97% of you pay the levy. The track record of the Derbyshire LMC for wise financial management is recognised throughout the LMC world in the UK and therefore the officers seek your continuing support for our longstanding financial policy of maintaining at least one year's operating costs in reserve.

Derbyshire Local Medical Committee strives to represent and support all GPs whether they be GMS, PMS or sessional doctors. We aim to ensure that GPs are properly valued and their skills are properly utilised. We provide advice and representation for practices or individual GPs with specific problems where that GP is part of a practice which is currently signed up to the LMC levy.

From personal experience, as the former lead GPC financial negotiator (and still the deputy policy lead for finance and premises) I continue to travel the country helping LMCs deal with this threat and the single enduring thread in a successful fending off of draconian renegotiation of contracts is

### 1. the LMC expertise

- 2. LMC leadership
- 3. And most importantly every single practice standing together as one behind the LMC

You continue to need your LMC like no time ever before in any of our professional lifetimes

At the end of this report you will find a list of contributors to the voluntary levy and the officers and members of the Derbyshire Local Medical Committee are pleased to have your continuing support.

The LMC Officers thank all those practices for their continuing co-operation during these times of massive threat.

Peter J P Holden Treasurer

01 November 2017

### DERBYSHIRE LOCAL MEDICAL COMMITTEE UNAUDITED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

### DERBYSHIRE LOCAL MEDICAL COMMITTEE

### CHARTERED ACCOUNTANTS' REPORT TO THE PARTNERS ON THE UNAUDITED ACCOUNTS OF DERBYSHIRE LOCAL MEDICAL COMMITTEE

In accordance with the engagement letter dated 24 September 2014, we have prepared for your approval the accounts of Derbyshire Local Medical Committee for the year, set out on pages 2 to 4 from the entity's accounting records and from information and explanations you have given to us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at icaew.com/ members handbook.

This report is made solely to you, in accordance with the terms of our engagement letter dated 24 September 2014. Our work has been undertaken solely to prepare for your approval the accounts of Derbyshire Local Medical Committee and state those matters that we have agreed to state to you in this report in accordance with ICAEW Technical Release TECH08/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than you, for our work or for this report.

You have approved the accounts for the year and have acknowledged your responsibility for them and for providing all information and explanations necessary for their compilation.

We have not verified the accuracy or completeness of the accounting records or information and explanations, you have given to us and we do not, therefore, express any opinion on the accounts.

Smith Cooper Limited

Chartered Accountants

5 October 2017

St John's House 54 St John Street Ashbourne Derbyshire DE6 1GH

### DERBYSHIRE LOCAL MEDICAL COMMITTEE

#### REVENUE ACCOUNT

#### FOR THE YEAR ENDED 31 MARCH 2017

	£	2017 £	٤	2016 £
Turnover				
Levy on members		466,042		391,384
Administrative expenses				
Insurance	282		270	
Accountancy	1,056		906	
Bank charges	70		45	
Defence Fund Limited contribution	47,860		47,451	
Derby and Derbyshire Local Medical Committee				
Limited contribution	514,500		445,000	
		(563,768)		(493,672)
Operating deficit		(97,726)		(102,288)
Other income				
Bank interest received	89		185	
Corporation tax interest	-		5	
		89		190
Net deficit for the year	20.95%	(97,637)	26.09%	(102,098)
	22.0010	(00,000)	20.0010	(102,000)

#### DERBYSHIRE LOCAL MEDICAL COMMITTEE

### BALANCE SHEET

#### AS AT 31 MARCH 2017

	Notes	201 £	7 £	2016 £	£
Current assets Cash at bank and in hand		240,676		289,114	
Current liabilities Trade creditors Other creditors		48,869 34,539 83,408		912 33,297 34,209	
Net current assets			157,268	-	254,905
Accumulated fund	1		157,268		254,905

In accordance with the engagement letter dated 24 September 2014, we approve the accounts set out on pages 2 to 4. We acknowledge our responsibility for the accounts and for providing Smith Cooper Limited with all information and explanations necessary for their compilation.

Dr P J Holden

Dr P Williams

Date : 5 October 2017

### DERBYSHIRE LOCAL MEDICAL COMMITTEE

### NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2017

1	Accumulated Funds	At 1 April 2016 £	Deficit £	At 31 March 2017 £
	Accumulated funds	254,905  254,905	(97,637) (97,637)	157,268 157,268

Company Registration Number 06203380 (England and Wales)

## DERBY & DERBYSHIRE LOCAL MEDICAL COMMITTEE LIMITED

### UNAUDITED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2017

### DERBY & DERBYSHIRE LOCAL MEDICAL COMMITTEE LIMITED

### COMPANY INFORMATION

Directors	Dr P J P Holden
	Dr J S Ashcroft
	Dr J R North
	Dr P Williams
	Dr M H Wood
Secretary	Dr K Markus
Company number	06203380
Registered office	Heritage Gate Celtic House, 3rd Floor
-	Friary Street
	Derby
	Derbyshire
	England
	DE1 1LS
	DETTES
Accountants	Smith Cooper Limited
	St John's House
	54 St John Street
	Ashbourne
	Derbyshire
	DE6 1GH

### DERBY & DERBYSHIRE LOCAL MEDICAL COMMITTEE LIMITED

#### ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF DERBY & DERBYSHIRE LOCAL MEDICAL COMMITTEE LIMITED FOR THE YEAR ENDED 31 MARCH 2017

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Derby & Derbyshire Local Medical Committee Limited for the year ended 31 March 2017 set out on pages 2 to 3 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at http://www.icaew.com/en/ members/regulations-standards-and-guidance/

This report is made solely to the board of directors of Derby & Derbyshire Local Medical Committee Limited, as a body, in accordance with the terms of our engagement letter dated 24 September 2014. Our work has been undertaken solely to prepare for your approval the financial statements of Derby & Derbyshire Local Medical Committee Limited and state those matters that we have agreed to state to the board of directors of Derby & Derbyshire Local Medical Committee Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Derby & Derbyshire Local Medical Committee Limited and its board of directors as a body, for our work or for this report.

It is your duty to ensure that Derby & Derbyshire Local Medical Committee Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Derby & Derbyshire Local Medical Committee Limited. You consider that Derby & Derbyshire Local Medical Committee Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Derby & Derbyshire Local Medical Committee Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Smith Cooper Limited

Chartered Accountants

5 October 2017

St John's House 54 St John Street Ashbourne Derbyshire DE6 1GH

### DERBY & DERBYSHIRE LOCAL MEDICAL COMMITTEE LIMITED

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017

	2017 £	2016 £	
Turnover	594,782	465,033	
Other income	64	734	
Staff costs	(411,521)	(350,127)	
Depreciation and other amounts written off assets	(1,049)	(1,399)	
Other charges	(109,187)	(100,366)	
Tax	(1,458)	(570)	
Profit for the financial year	71,631	13,305	

### DERBY & DERBYSHIRE LOCAL MEDICAL COMMITTEE LIMITED

#### BALANCE SHEET

#### AS AT 31 MARCH 2017

	2017		2016	
	£	£	£	£
Fixed assets		3,147		4,196
Current assets	189,927		147,161	
Prepayments and accrued income	4,026		6,899	
Creditors: amounts falling due within one year	(30,057)		(62,844)	
Net current assets		163,896		91,216
Total assets less current liabilities		167,043		95,412
Netassets		167,043		95,412
Capital and reserves		167,043		95,412

Derby & Derbyshire Local Medical Committee Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Heritage Gate Celtic House, 3rd Floor, Friary Street, Derby, Derbyshire, England, DE1 1LS.

For the year ended 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the micro-entity provisions and in accordance with FRS 105: The Financial Reporting Standard applicable to the Micro-entities Regime.

The financial statements were approved by the board of directors and authorised for issue on 5 October 2017 and are signed on its behalf by:

Dr P J P Holden Director Dr P Williams Director

Company Registration Number 06203380

Company Registration Number 08719490 (England and Wales)

# DERBY & DERBYSHIRE LMC SERVICES LIMITED UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

### DERBY & DERBYSHIRE LMC SERVICES LIMITED

### COMPANY INFORMATION

Directors	Dr P J P Holden Dr J S Ashcroft Dr P Williams Dr M H Wood Dr J R North
Secretary	Dr K Markus
Company number	08719490
Registered office	Heritage Gate Celtic House, 3rd Floor Friary Street Derby Derbyshire England DE1 1LS
Accountants	Smith Cooper Limited St John's House 54 St John Street Ashbourne Derbyshire DE6 1GH

### DERBY & DERBYSHIRE LMC SERVICES LIMITED

#### ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF DERBY & DERBYSHIRE LMC SERVICES LIMITED FOR THE YEAR ENDED 31 MARCH 2017

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Derby & Derbyshire LMC Services Limited for the year ended 31 March 2017 which comprise the Profit and Loss Account and the Balance Sheet from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at http://www.icaew.com/en/ members/regulations-standards-and-guidance/

This report is made solely to the board of directors of Derby & Derbyshire LMC Services Limited, as a body, in accordance with the terms of our engagement letter dated 24 September 2014. Our work has been undertaken solely to prepare for your approval the financial statements of Derby & Derbyshire LMC Services Limited and state those matters that we have agreed to state to the board of directors of Derby & Derbyshire LMC Services Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Derby & Derbyshire LMC Services Limited and its board of directors as a body, for our work or for this report.

It is your duty to ensure that Derby & Derbyshire LMC Services Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Derby & Derbyshire LMC Services Limited. You consider that Derby & Derbyshire LMC Services Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Derby & Derbyshire LMC Services Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Smith Cooper Limited

Chartered Accountants

5 October 2017

St John's House 54 St John Street Ashbourne Derbyshire DE6 1GH

### DERBY & DERBYSHIRE LMC SERVICES LIMITED

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017

	2017 £	2016 £
Turnover	152,510	16,058
Cost of raw materials and consumables	(142,661)	(6,273)
Other charges	(19,292)	(4,355)
Тах	-	(1,187)
(Loss)/profit	(9,443)	4,243

### DERBY & DERBYSHIRE LMC SERVICES LIMITED

### BALANCE SHEET

### AS AT 31 MARCH 2017

	2017				
			2016		
	£	£	£	£	
Current assets	95,600		235,102		
Creditors: amounts falling due within one year	(88,027)		(218,086)		
Net current assets		7,573		17,016	
Net assets		7,573		17,016	
Capital and reserves				47.040	
Capital and reserves		7,573		17,016	

Derby & Derbyshire LMC Services Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Heritage Gate Celtic House, 3rd Floor, Friary Street, Derby, Derbyshire, England, DE1 1LS.

For the year ended 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the micro-entity provisions and in accordance with FRS 105 'The Financial Reporting Standard applicable to the Micro-entities Regime'.

The financial statements were approved by the board of directors and authorised for issue on 5 October 2017 and are signed on its behalf by:

Dr P J P Holden Director Dr P Williams Director

Company Registration Number 08719490

Derby and Derbyshire LMC thanks the following practice for their contributions to voluntary levy. During financial year 2016 -17 92% of Derby and Derbyshire practices have agreed to pay the levy.

Alvaston Medical Centre Appletree Medical Practice Appletree Medical Practice - Little Eaton Heartwood Medical Practice Arden House Medical Practice Arthur Medical Centre Ashbourne Medical Practice Ashover Medical Centre Avenue House & Hasland Partnership Peaks & Dales - Bakewell Medical Centre Killamarsh Medical Practice Barlborough Medical Practice **Baslow Health Centre** Blue Dykes Surgery Brailsford & Hulland Medical Practice Brimington Surgery Brook Medical Centre Brooklyn Medical Practice **Buxton Medical Practice** Calow and Brimington Practice Chapel Street Medical Centre Chatsworth Road Medical Centre Chesterfield Medical Partnership Clay Cross Medical Centre Clay Cross Medical Centre -Tupton Surgery

College Street Medical Practice Crags Health Care Crich Medical Practice Darley Dale Medical Centre Derbyshire Community Health Services Derby Family Medical Centre Derwent Valley Medical Practice **Dr Purnell & Partners** Dr Webb & Partners Eden Surgery Elmwood Medical Centre Evelyn Medical Centre Eyam Surgery Friar Gate Surgery Friendly Family Surgery Gladstone House Surgery Golden Brook Practice Goyt Valley Medical and Dental Practice Gresleydale Healthcare Centre Hannage Brook Medical Centre Hartington Surgery

Hasland Medical Centre Haven Medical Centre Hulland Ward Medical Centre Imperial Road Group Surgery Ivy Grove Surgery Jessop Medical Practice Kelvingrove Medical Centre Lime Grove Medical Centre Lister House - Meadowfields Practice Lister House Surgery Littlewick Medical Centre Macklin Street Surgery Melbourne and Chellaston Medical CentreWillington Surgery Melbourne Medical Centre Mickleover Medical Centre Mickleover Surgery Moir Medical Centre Newbold Surgery North Wingfield Medical Centre Oakwood Surgery Old Station Surgery Osmaston Surgery **Overdale Medical Practice Overseal Surgery** Park Farm Medical Centre Park Lane Surgery Park View Medical Centre Parkside Surgery Peartree Medical Centre Riversdale Surgery Royal Primary Care Shires Health Care Somercotes Medical Centre Springs Health Centre St Lawrence Road Surgery St Thomas Road Surgery Staffa Health Stewart Medical Centre Stubley Medical Centre Swadlincote Surgery Taddington Road Surgery (Wilson Street) The New Parkfields Surgery The Park Medical Practice The Park Surgery The Surgery - Ashbourne

The Surgery - Wingerworth The Surgery at Wheatbridge The Valleys - Gosforth Valley Medical Ce The Valleys - Moss Valley Medical Practic Thornbrook Surgery Peaks & Dales - Tideswell Surgery Vernon Street Medical Centre Village Surgery Welbeck Road Health Centre Wellbrook Medical Centre Wellside Medical Centre West Hallam Medical Centre Whitemoor Medical Centre Whittington Moor Surgery

Wilson Street Surgery Woodville Surgery