

Healthcare Insight

January / 2020

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In this issue:

- We look at the Conservatives NHS plan
- Nursing shortages begin as baby boomer population begin to retire
- Why the NHS pension tax is causing NHS service closures as doctors cut their hours.
- NHS to pay doctors tax bills to avoid winter crisis
- NHS buildings maintenance cost backlog rises to £6.5bn
- Pharmacy business to be fined £275k over GDPR breach
- Pharmacy contractors are losing tens of thousands of pounds over electronic

Introduction

Welcome to our Healthcare newsletter



Scott Sanderson
Partner, Sheffield
0114 266 7141
ss@hawsons.co.uk

Welcome to our first healthcare newsletter of 2020. As I write this the cold winter months are amongst us but pretty soon our attention will turn to spring.

2019 was a challenging year for many, not helped by the political uncertainty... and dare I say it... Brexit! Hopefully 2020 will see a conclusion of this and we can all move forward, in what has to be said the great unknown.

We hope you enjoy our latest newsletter and more importantly may we take this opportunity to wish you a prosperous new year.

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We pride ourselves on the in-depth knowledge and experience our team have developed in a number of specialist areas, across the healthcare sector, including GPs, care homes and pharmacies.

Boris' plan for the NHS

After winning the general election last month Conservative leader Boris Johnson has confirmed that the NHS would be a top priority for the government. The Conservative manifesto stated that the NHS budget will increase by £33.9 billion by 2023-24 - the biggest increase in NHS funding levels in its history and with £6.2 billion promised this year alone to aid frontline services.

Infrastructure

The government plan to build up to 40 new hospitals, promising a sum of £2.7 billion of funding for the construction of 6 new hospitals, while the remaining 34 hospitals will be provided with seed funding so that they can begin the construction process. Additional funding of up to £850 million has been promised to another 20 hospital for much needed upgrades, together with 78 hospital trusts expected to receive state of the art MRI, CT and mammography screening machines in order to detect cancer sooner and boost survival rates.

Plans to open 5 new medical schools have also being included in the objectives of government in order for the next generation of NHS staff to be trained in the UK.

Continue to next page



Staffing resources

The government want to recruit 50,000 more nurses, to aid this they are going to offer students nurses annual maintenance grants of between £5,000 and £8,000 every year which they will not have to pay back. Each student nurse will receive at least £5,000 towards the cost of living and further funding will be provided in regions and disciplines that are struggling to recruit such as mental health.

6,000 more doctors in general practice and 6,000 more primary care professionals are also on the governments objectives as set out in the manifesto.

The much-welcomed news of a 6.5% pay rise for over 1 million NHS staff across the UK including nurses, midwives and cleaners. Doctors too are expected to see their pay increase as part of the proposals.

Service delivery

The new funding is expected to deliver an extra 50 million general practice appointments per annum, an increase of 15 percent, which should see a reduction in waiting times and an improvement in the service offered to patients.

Scott Sanderson Medical and Healthcare Partner at Hawsons commented: “The Prime Minister has made significant and much needed promises of additional funding being provided to the National Health Service which is great to see. The challenge he and his colleagues in government now face is implementing these to provide NHS staff and the UK population with a modern and high-quality service for its users and its employees.”



Nursing shortages begin as baby boomer population begin to retire

As the baby boomer population begin to retire, hospitals are struggling to recruit and retain nurses. According to a new survey the contributing factors are due to burnouts and violence in the workplace. 39% of nurses said that work-life balance and flexibility had the most impact on whether they decide to stay in the job. Furthermore 31% said that the compensation and benefits was one of the largest motivating factors to stay in the job. This data is from the AMN Healthcare's 2019 Survey of Registered Nurses.

19,967 nurses took part in this survey with 81% saying they were satisfied with their career choice, and 44% saying they often feel like retiring.

Nurses are raising concerns about the pressure of their job for their well-being and work-life balance as 66% are worried that the pressure of the job is affecting their health.

However, it does not look like this problem is going to get any better with 20% of baby boomers planning to retire in the next 5 years and 27% are not expecting to be working their present job in a year, this problem is only going to get worse with nurse shortages on the rise. Additionally, all baby boomers will be 65 years old by 2030 which means there will be a high demand for nurses.

If you would like to find out more information on this article click here:

<https://www.healthcarefinancenews.com/node/139458>



NHS pension tax is causing NHS service closures as doctors cut their hours

A report compiled by the Academy of Medical Royal Colleges (AoMRC) has shown that some NHS services are struggling to remain open as doctors cut their hours to avoid being taxed on their pensions. Doctors are often refusing additional work as the taxes on pensions can leave them paying more taxes than what they would earn. This means that medical staff shortages have relied solely on doctors working beyond their contracted hours. This is causing longer patient waiting time for those that need urgent and elective care.

This report has been sent to the chancellor Sajid Javid and the health and social care secretary Matt Hancock. The report summarises all the evidence displaying how doctors, across all medical specialties, have been forced to refuse extra work and cut back on their hours. The report also calls on them to do something to address the pension tax problem that is causing doctors to decline extra work.

The rule change in 2016 has seen some doctors and senior staff receive large unexpected tax bills because of the growth in value of their pension pots, with some NHS staff have reportedly having to re-mortgage their home to pay the tax bill. 75% of emergency medicine doctors have said that patient flow had been affected by the impact of the tax changes made in 2016.

In the letter to Mr Hancock and Mr Javid, AoMRC chair Professor Caroline MacEwen says: 'It is evident from the findings that, due to severe medical staff shortages, the NHS has become entirely dependent on consultants delivering service provision over and above their existing contracts; this service is being put at risk of the current pension taxation position.

'Furthermore, our findings indicate that pensions taxation is undermining staff morale, which is detrimental to the recruitment and retention of the medical workforce. Staff shortages in the NHS are a significant concern and we must ensure these pressures do not intensify further as a result of the pension arrangements'

NHS to pay doctors tax bills to avoid winter staffing crisis



The NHS have taken action to avoid winter treatment delays by deciding to cover all senior doctors tax bills. Senior doctors and consultants are refusing to work overtime as they are worried it could prompt a large pension tax charge.

The reason for this is because if NHS staff earn more than £110,000 per annum, they could pay tax rates of more than 90% of their pay which includes their pension contribution. This is why many are refusing extra work because if they earn a penny over the tax threshold, they could be faced with a tax bill worth thousands of pounds.

Therefore, senior NHS staff have been cutting back on their hours which is leading to understaffed hospitals. This is the reason why the NHS has agreed to cover all doctors tax bills to avoid a staffing crisis. How in practice this will be achieved is expected to be complex.

These changes were made in 2016, the main reason why this was brought in was to limit tax relief higher earners can claim on their pension savings. This means that some senior NHS staff have received tax rates of more than 100%, which is leading to staff refusing shifts as they could end up earning less money. But because of the increased demand the NHS cannot afford to have staff refusing overtime over the winter months which is the busiest time of the year.

NHS buildings maintenance cost backlog rises to £6.5bn

New figures have discovered that as of April 2019 the NHS estimated cost to implement urgent repairs to “high risk” had increased by almost £60m in a year from £1.038bn to £1.095bn. (According to data from the Estates Returns Information Collection). Further statistics show that the price of amending the maintenance backlog has increased by 8.4% to £6.5bn. £3.4bn is required to fix issues that are currently a high significant risk to patients and staff, according to official data.

Chief analyst at the King’s Fund think-tank Siva Anandaciva has said, years of underinvestment into the NHS has left staff and patients struggling to work with faulty equipment in buildings “that are in some cases literally falling apart around them”.

“We are not talking about shabby carpets or running down a building when it is scheduled for closure, but instead about facilities and equipment that are so outdated or dilapidated they no longer comply with statutory safety standards,” Mr Anandaciva added.



Pharmacy business to be fined £275k over GDPR breach



A London based pharmacy business has been fined £275,000 by the Information Commissioners Office (ICO) following an investigation into its handling of personal data.

In July 2018 the pharmacy was being investigated by the Medicines and Healthcare Products Regulatory Agency (MHRA) for alleged regulatory issues concerning the storage and distribution of medicines. After this investigation, the MHRA reported a breach to the ICO about how the pharmacy stored personal data, prompting an ICO investigation.

The ICO conducted their investigation and found that there were an estimated 500,000 documents in almost 50 unlocked crates. These crates were stored behind the pharmacy's premises in an outside yard and the documents contained a high amount of personal data.

Continue to next page

After the MHRA made this discovery the Commissioner wrote to the pharmacy showing her concerns around the investigation and requesting cooperation into an investigation into allegations of GDPR breaches. But this point was the start long period of poor communication and cooperation. The pharmacy either responded with insufficient or unsatisfactory information or didn't respond at all.

In the end the Commissioner found that the pharmacy had breached the rules of GDPR as documents with personal information were being stored outside in unsecure crates. The pharmacy did not protect its personal data against accidental loss, destruction or damage of personal data.

If you find yourself on the wrong side of an ICO investigation we strongly suggest you take legal advice immediately. A key point from the above is that the ICO was 'tipped off' by the pharmacy regulator, as they were investigating whilst investigating a different issue at the pharmacy. An investigation can start from more than just a routine check by the ICO and in the normal course of business which is something all businesses need to be aware of. Businesses need to ensure that data protection policies and procedures are up to date and staff are trained accordingly to mitigate the risk of breaches occurring.



Contractors are losing tens of thousands of pounds over Electronic Prescription Service (EPS) claims

Due to errors made when submitting EPS claims some contractors may be losing out on thousands of pounds for medicines they have dispensed. Suraj Shah the drug tariff and reimbursement manager at Pharmaceutical Services Negotiating Committee (PSNC) said that over the past year some contractors are losing large amounts of money.

He continued to say that it was tough to give a definite answer of how this situation has occurred. But PSNC believe that contractors are missing out on this large amount of money because some contractors are not selecting the exemption category code when filling out the EPS claim form. When you select this option “the system defaults to paid”. This means that contractors need to make sure they check that they have correct exemption selected.

According to NHS BSA data “almost 30 per cent of all EPS claims are received on or after the last couple of days of the month and before the submission deadline.” Mr Shah said this was a “staggering amount” and he expressed the importance of making regular claims as submitting them late and a couple of days before the deadline can cause major problems if there are any problems with the system.

EPS seems to be improving accuracy as the error rates on EPS systems are much lower than they are on paper. Currently 75% of pharmacy items are dispensed using EPS, and Mr Shah expects that to be moving to 90% in a few years’ time.



Get in touch...

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Sheffield Partner
Scott Sanderson
0114 266 7141
ss@hawsons.co.uk



Doncaster Partner
Martin Wilmott
01302 367 262
maw@hawsons.co.uk



Northampton Partner
David Owens
01604 645 600
davidowens@hawsons.com



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