



# ANNUAL REPORT & ACCOUNTS 2007 - 2008

# CONTENTS

	PAGE NUMBER
Foreword	3
Our Role	4
Achievements in 2007/2008	5-6
Our future ambitions for PBC in Somerset	7
Summary Annual Accounts 2007/2008	8-14
Appendix - Frequently Asked Questions	15-16

# FOREWORD

Welcome to our first annual report.

This year has been an exciting one for WyvernHealth.Com (WH.C) and significant progress has been made.

The work initiated by the Somerset Practice Based Commissioning Group had been taken forward by WH.C which was established on 30 August 2007.

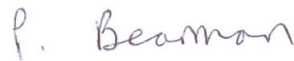
With significant support from Somerset PCT we have commissioned new services for patients with the aim of delivering high quality services for patients in local and convenient settings.

GP practices across Somerset are using more of the new services being provided. A recent survey of practices highlighted that the majority of practices are supportive of practice based commissioning in Somerset.

Moving forward we would like to see WH.C, with support from member practices, address the ambitions of NHS South West to dramatically improve healthcare in Somerset.



David Rooke  
Chairman



Paul Bearman  
General Manager

# OUR ROLE

The purpose of WH.C is to enable practice based commissioning to operate effectively in Somerset.

Representing 74 of the 75 practices in Somerset with a registered population of 530,000 probably makes us one of the largest consortium in the country.

Practice based commissioning is about engaging GP practices and other primary care professionals in the commissioning of services. PBC will lead to high quality services for patients in local and convenient settings. GPs, nurses and other primary care professionals are in the prime position to translate patient needs into redesigned services that best deliver what local people want.

## ACHIEVEMENTS IN 2007/2008

Significant effort for WH.C and the PCT during the last year has been spent on the implementation of the first PBC commissioning plan 'The Challenge of Reducing Avoidable Emergency Admissions'.

There is growing confidence that the schemes in the plan are providing patients with an alternative to hospital admission. However, the impact on reducing avoidable admissions is unproven. During the summer there was a significant increase in hospital admissions compared to the previous year, whether this is due to the 'ageing population', the 'poor' weather, patient demand for a second opinion or GPs and acute staff increasingly risk averse is unclear and requires further work.

The number of patients through Somerset Primary Link and the CATUs is lower than planned although the utilisation is increasing. Where patients are referred through the new alternative services, there is increasing evidence that the anticipated percentage are directed to an alternative community service.

To date fewer patients than originally planned have been referred to Acute Care GPs and the Community COPD Service, however there are plans in place to increase these.

There has been considerable progress in the development of commissioning plans for 2008/2009. Over 40 commissioning plans were received from over 30 practices. After evaluation by WH.C these were distilled into six main workstreams. These are now at various stages of development and are summarised on the next page.

**Public Health and Wellbeing** – projects being delivered include: teenage health clinic, healthcare for the homeless, community dietetics service to six practices in South Somerset and reviews of patients on oral nutritional supplements.

**Interface Services** – a range of services being developed as commissioning proposals and some of these are being linked to the wider agenda around Flexible Healthcare.

**Diagnostics** – focus on ambulatory ECGs and direct access to echos service.

**Emergency Admissions** – two projects focussing on respite care for palliative care patients and enhanced clinical care for specialised residential care homes.

**Adult Patients with Diabetes** – a new model of care for people with diabetes in Somerset has been agreed following extensive consultation with stakeholders and the public. A commissioning proposal is now being completed.

**Emotional Health and Wellbeing Service** – this is a major new service that the PCT will be procuring via a tender exercise early in 2009. In the interim we are working with the PCT to invest in practice based counsellors to address some of the waiting time problems across the county.

## **ACHIEVEMENTS IN 2007/2008 CONTINUED**

Since November 2007 we have been working with the PCT and United Healthcare on an 'Information for PBC' project. This has had a number of workstreams including:

- Development of a PBC Dashboard
- Producing daily emergency admission reports
- Piloting the RISC tool to identify patients at risk of an emergency admission in the next six months
- Developing a methodology to check the accuracy of secondary care data
- Evaluating the quality of secondary care data.

Although the project has not delivered all the answers considerable progress has been made and plans for progressing this further are being developed.

Relationships with the PCT and other stakeholders are very important if PBC is going to be effective. WH.C has a positive relationship with the PCT who are very encouraging of WH.C providing significant financial support to the development of WH.C.

WH.C have recently established an Advisory Group, comprising representatives from secondary care, community services and voluntary sector, to inform the development of commissioning proposals and advise the Board to ensure world class standards of healthcare are delivered locally.

# OUR FUTURE AMBITIONS FOR PBC IN SOMERSET

Although practice based commissioning is happening in Somerset, the Board's view is it could be more effective if:

- Practice indicative prescribing budgets were within the remit of the consortium
- Payment by results was fully implemented by the PCT to the two Somerset Acute Foundation Trusts
- Primary care provider organisations were established providing an income for GP practices.

What we would like to see is indicative practice prescribing budgets incorporated within the consortium budget which would provide greater opportunity to deliver benefits to practices and patients.

By re-designing services and shifting care closer to home there should be demonstrable financial benefits generated from the application of PbR, this is not currently possible but should be in the future. Practices would then be in a position to see the financial benefits of changing patient pathways.

The Board would strongly support the development of a framework for the establishment of primary care provider organisations for Somerset as we believe that by having potential providers for services would increase engagement from practices in the commissioning agenda.

We would like to see WH.C working with and supporting member practices engaging in the commissioning process, this includes:

- Undertaking health needs analysis for locality and practice populations
- Identify service gaps and assessing those services that are mis-used, under-used or over-used
- Establishing priorities
- Re-designing care pathways
- Supporting the implementation of re-designed services
- Reviewing the performance and quality of service providers.

# **SUMMARY ANNUAL ACCOUNTS**

## **DIRECTORS' REPORT**

### ***FOR THE YEAR ENDED 31 AUGUST 2008***

The directors present their report and financial statements for the year ended 31 August 2008.

The company has been set up as a company limited by guarantee not having a share capital.

The company was incorporated on 30 August 2007.

#### **Principal activities**

The principal activity of the company is to develop health commissioning to its maximum within Somerset and to act as an interface between individual Medical Practices and Somerset Primary Care Trust.

The company has been supported financially by Somerset PCT during the year by the payment of a grant of £50,000. The General Manager of WyvernHealth.Com and his PA are employed by Somerset PCT and are seconded to WyvernHealth.Com at no charge. The total salary costs including employers pension and employers national insurance for the period to 31 August 2008 were £98,694. In addition the PCT also provide the accommodation, IT, communications and office consumables for WyvernHealth.Com.

#### **Directors**

The following directors have held office since 31 August 2007:

Dr David Rooke	(Appointed 31 August 2007)
Dr Matthew Dolman	(Appointed 31 August 2007)

## Directors' Responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the Board



## **ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF WYVERNHEALTH.COM**

In accordance with the engagement letter dated 5 November 2008, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of WYVERNHEALTH.COM for the year ended 31 August 2008, which comprise the Profit and Loss Account, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so and state those matters we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Board of Directors as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 31 August 2008 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. 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 financial statements.

Lentells Accountants, 26 Fore Street, Chard, Somerset, TA20 1PT

  
Lentells

Accountants

*27 November 2008*

26 Fore Street  
Chard  
Somerset  
TA20 1PT

## PROFIT AND LOSS ACCOUNT

*FOR THE YEAR ENDED 31 AUGUST 2008*

	Notes	2008 £
Turnover		136,715
Administrative expenses		(144,749)
Other operating income		11,342
		<hr/>
<b>Profit on ordinary activities before taxation</b>		<b>3,308</b>
Tax on profit on ordinary activities	<b>2</b>	(1,361)
		<hr/>
<b>Profit for the year</b>	<b>4</b>	<b>1,947</b>
		<hr/> <hr/>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

## BALANCE SHEET

AS AT 31 AUGUST 2008

	Notes	2008 £	£
<b>Current assets</b>			
Cash at bank and in hand		21,067	
<b>Creditors: amounts falling due within one year</b>	<b>3</b>	(19,120)	
		<hr/>	
<b>Total assets less current liabilities</b>			1,947
			<hr/> <hr/>
<b>Capital and reserves</b>			
Profit and loss account	<b>4</b>		1,947
			<hr/>
<b>Shareholders' funds</b>	<b>5</b>		1,947
			<hr/> <hr/>

In preparing these financial statements:

The directors are of the opinion that the company is entitled to the exemption from audit conferred by  
(a) Section 249A(1) of the Companies Act 1985;

(b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and

(c) The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board and authorised for issue on 19 November 2008.

Director



## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2008

#### 1 Accounting policies

##### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

##### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

##### 1.3 Turnover

Turnover represent amounts receivable by the Company for the development of Health Commissioning within Somerset.

<b>2 Taxation</b>	<b>2008</b>
	<b>£</b>
<b>Domestic current year tax</b>	
U.K. corporation tax	1,361
	<hr/>
<b>Current tax charge</b>	1,361
	<hr/> <hr/>
<b>Factors affecting the tax charge for the year</b>	
Profit on ordinary activities before taxation	3,308
	<hr/> <hr/>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.24%	934
Effects of:	
Non deductible expenses	427
	<hr/>
Current tax charge	1,361
	<hr/> <hr/>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2008

<b>3</b>	<b>Creditors: amounts falling due within one year</b>	<b>2008</b>
		£
	Trade creditors	5,035
	Taxation and social security	13,485
	Other creditors	600
		<hr/>
		19,120
		<hr/> <hr/>
<b>4</b>	<b>Statement of movements on profit and loss account</b>	<b>Profit and loss account</b>
		£
	Profit for the year	1,947
		<hr/> <hr/>
<b>5</b>	<b>Reconciliation of movements in shareholders' funds</b>	<b>2008</b>
		£
	Profit for the financial year	1,947
	Opening shareholders' funds	-
		<hr/>
	Closing shareholders' funds	1,947
		<hr/> <hr/>

# FREQUENTLY ASKED QUESTIONS

## **How would you rate your relationship with the PCT?**

We have a good relationship with the PCT and we are contributing to debates on their priorities and influencing some of their decisions.

## **Is practice based commissioning as a policy a good idea?**

Yes, because it does get primary care clinicians actively involved in the re-design of services for the benefit of their patients.

## **Have practices been given an indicative budget for PBC by the PCT for 2008/2009?**

Yes, these were issued to practices in June 2008.

## **Is the indicative budgets making practices change their behaviours?**

Practices have undertaken many changes in prescribing in response to this element of the PBC budget (e.g. Statins, PPIs, ACE Inhibitors). Practices have been identifying patients at high risk of emergency admission and developing care plans that will help avoid future emergency admissions.

## **Has a commissioning plan been agreed with the PCT for 2008/2009?**

Yes, a Commissioning Plan for 2008/09 was submitted to the PCT Professional Executive Committee in January 2008.

## **Will the Commissioning Plan deliver freed up resources?**

Practices have recently received approval for spending £860,000 of Freed Up Resources from prescribing budgets in 2007/2008. The Plan for 2007/08 focusing on reducing avoidable emergency admissions should deliver freed up resources, The PCT has released £1million 'on account' during 2008/09. The 2008/09 plan should also provide some savings but as they are focused on elective services and on shifting care closer to home there will be fewer savings.

## **How many new services has WH.C commissioned on behalf of practices?**

In excess of ten new services have been commissioned.

## **Are practices now providing more services commissioned through PBC?**

No, except for a few practices, this an area for the newly appointed WH.C Implementation Managers to work on.

## **Have business cases been submitted for service redesign to the PCT?**

Yes, 19 submitted in 2008/2009.

## **How many of the business cases have been approved by the PCT?**

14 have been approved.

## **FREQUENTLY ASKED QUESTIONS CONTINUED**

### **Does the PCT have a process for the approval of business cases?**

Yes, proposals are initially submitted to PEC for their endorsement and then reviewed by the PBC Approvals Committee which is Chaired by a Non-Executive Director of the PCT.

### **Has PBC improved patient care?**

Yes, the admission avoidance schemes are helping to keep patients in the most appropriate setting and preventing admissions to an acute hospital when this is unnecessary. Other services commissioned are also improving access to care for patients.

### **Has the PCT provided a financial incentive scheme for PBC in 2008/09?**

Yes, there is a PBC LES in place for 2008/2009 to engage practices in PBC.

### **Does the PCT provide managerial support for PBC?**

In Somerset, WH.C have employed four members of staff who are seconded from the PCT who report to the WH.C Board. WH.C managers work closely with PCT staff to develop commissioning plans.

### **What is being done to improve the information provided for PBC by the PCT?**

This is an issue in Somerset which is being addressed as a priority by the PCT and WH.C. There are a number of projects which are being progressed to improve data quality and frequency of the information.

