Schedule 2

Financial and Activity Summary

1. Introduction

1.1 This schedule summarises the key financial elements of the LDA. Detailed information linking activity numbers and price are contained within the separate activity schedules.

1.2 Further detailed financial information is available from the MPET Finance Lead within the SHA Corporate Finance team

2. Postgraduate Medical Training Salary Support

2.1 The number of MPET funded training posts shall be agreed between the SHA and the Service Provider Organisation in the Autumn prior to the start of the following financial year, with revisions for agreed in year changes for the current year during August/September. Revised LDA finance schedules will be available from October with adjusting payments made to date and for the remainder of the financial year. Future year financial schedules will be issued by the 31 March prior to the new financial year.

2.2 The LDA **does not** include postgraduate medical academic training pathway clinical lecturer and academic fellow posts (Walport posts) as these are subject to a separate service level agreement between the Department of Health R&D Department and the SHA.

2.3 The rates of pay used to set the salary support rates per post will be aligned to the rates used by the Department of Health in setting SHA MPET allocations. The rates of pay are now based on the recently introduced foundation programme year 1 and 2 and specialty training 1-7 salary scales. Further details can be provided on request from the key contact listed above in 1.2.

2.4 Inflation uplift will be at the discretion of the SHA with consideration being given to nationally agreed pay award percentage uplifts.

2.5 The actual number of trainees employed into the funded training posts will be reviewed by the SHA in partnership with the East Midlands Healthcare Workforce Deanery Transitional Provider Unit and employing Service Provider Organisation on an ongoing basis.

3. Postgraduate Medical Training Placement Support

3.1 Local postgraduate medical training post tariffs include an element of funding to contribute towards the following:

- Trainee travel and removal costs
- Clinical tutors and regional advisers employed by Service Provider Organisation
- Foundation programme directors employed by Service Provider Organisation
- Foundation programme ALS course costs run by Service Provider Organisation
- Foundation programme administration support staff employed by Service Provider Organisation
- The running costs of postgraduate facilities including centres, libraries and capital charges based on Service Provider Organisation sites

Due to the funding the Service Provider Organisation receives for the running costs of postgraduate facilities it is expected that the SHA can utilise rooms free of charge when reasonably required and available. Any catering costs incurred by the SHA whilst on Service Provider Organisation sites will be paid for separately.

3.2 Inflation uplift will be at the discretion of the SHA with consideration being given to national NHS pay and price inflation uplifts. Further details can be provided on request from the key finance contact listed in 1.2.

3.3 Specialty training study leave funding is currently outside of the LDA. Specialty schools curricula delivery continues to be in a transitional phase, therefore the study leave funding given to Service Provider Organisations will be outside of this agreement until further notice.

3.4 Appointees to Heads of Specialty School posts, Specialty School Training Programme Director posts (both for core and specialty trainees) and Associate Postgraduate Dean posts are subject to a tripartite secondment agreement signed off by the employing Service Provider Organisation, the secondment host organisation (the East Midlands Healthcare Workforce Deanery Transitional Provider Unit) and the secondee. They are currently treated as salary recharges outside of the LDA.

3.5 Service provider organisations shall support the SHA in meeting Department of Health and Audit financial data collection requirements on postgraduate medical training within the agreed timescales.

4. Postgraduate Medical Training Recruitment Support

4.1 From 2011/12 Post Graduate Medical Trainee recruitment support provided by the Service Provider Organisations will be removed from the LDA. The East Midlands Healthcare Workforce Deanery Transitional Provider Unit will negotiate a form of partnership working with each Service Provider Organisation for Post Graduate Medical trainee recruitment. This will follow a process of discussing and agreeing the support required on an annual basis which incorporates and defines the delivery outcomes and financial arrangements.

5. Postgraduate Medical Training Primary Care Admin Support

5.1 Primary care administration support provided by service provider organisations, where applicable, is now shown separately on the finance schedules and is funded in addition to the local post tariffs. This is to facilitate performance management by the East Midlands Healthcare Workforce Deanery Transitional Provider Unit for the devolved service arrangements in these areas. See Schedule 4e for further details. The number of posts funded remains at 2008-09 levels. This payment is shown in Schedule 2d of this Agreement.

5.2 Inflation uplift will be at the discretion of the SHA with consideration being given to national NHS pay and price inflation uplifts.

6. Non Medical Training Salary Support

6.1 The planned numbers of trainees are to be agreed between the Service Provider Organisation and the SHA prior to the start of the financial year through the training needs analysis process within the framework of the education commissioning plan.

The actual numbers of employees seconded into education will be reviewed and agreed between the SHA and employing Service Provider Organisation on an ongoing basis throughout the year, leading to changes in payments made to date and for the remainder of the financial year.

6.2 The rates of pay and level of salary support received per post will be as per the SHA NMET A-Z guide which can be found on the website at http://www.eastmidlands.nhs.uk/education-commissioning-unit/education-commissioning-unit-wider-workforce/ (accessed on 17 February 2011). Inflation uplift will be at the discretion of the SHA with consideration being given to nationally agreed pay award percentage uplifts.

7. Non Medical Training Placement Support

7.1 This educational activity is planned by student placement weeks in accordance with a non medical clinical placement plan produced by each of the Education Providers prior to the start of the financial year.

7.2 A reconciliation of planned and actual placement activity will take place in the final quarter of the financial year.

8. Non Medical Training Local Health Community Teams

8.1 Staff appointed to Local Health Community management teams are subject to a separate service level agreement and so are outside of the LDA.

9. Undergraduate Medical Training Placement Support

9.1 This educational activity is planned by student placement weeks in accordance with a clinical placement plan produced by each of the University Medical Education Units and agreed with the Service Provider Organisation in the Autumn prior to the start of the financial year.

9.2 The former Trent SHA, with the Nottingham Medical School, introduced a SIFT tariff based upon “a fair share” using a formula approach. During 2007/08, the Leicester Medical School working with SHA finance reached agreement with Service Provider Organisations for an evidence-based tariff, based upon accountability reporting over preceding years, using a similar formula to Nottingham Medical School, with additional funding for hub costs. The placement and facilities rates per student placement week provided continue to be based on this approach. Hub arrangements relating to Leicester Medical School will continue to be funded for financial year 2011/12 but will be subject to ongoing reviews in light of the national MPET funding review.

9.3 In light of the national MPET funding review and the real terms reduction to the national SIFT allocation next year, secondary care placement week rates will be reduced by 3.6% in 2011-12.

9.4 Placement and facilities rates per student placement week and hub arrangements inflation uplift will be at the discretion of the SHA with consideration being given to national NHS pay and price inflation uplifts.

10 Funding for Bands 1-4 and apprentice education

10.1 Funding for the Service Provider organisation will be allocated according to headcount of Bands 1-4 of the organisation as at 31st January 2011 and determined by SHA ESR records.

10.2 Funding for training and education of Bands 1-4 staff and apprentices will fund the following:

10.2.1 Foundation Degrees
10.2.2 NVQ or equivalent
10.2.3 English for Speakers of Other Languages
10.2.4 Apprenticeships (training element)
10.2.5 Accredited qualifications

10.3 Non-accredited qualifications may be funded if Service Provider Organisations make a business case to the LHC JIF leads and agreement of the whole of the LHC is sought.

10.4 Funding cannot be used for salary costs.

10.5 Reporting on planned and actual activity will take place quarterly as determined in Schedule 4F. The SHA will allow expenditure to be moved between headings.

10.6 Reconciliation of allocated funding and actual/forecast expenditure for the financial year will be undertaken at 31st January each year. Any forecast under spends will be returned to the SHA and utilised on a list of additional spend priorities agreed between the SHA, LHC and Service Provider Organisations.

10.7 No overspend will be supported by SHA funding and will be the responsibility of the Service Provider Organisations.

11 Payment Terms and Arrangements

11.1 Payment Terms

11.1.1 The agreed annual contract values are shown in each finance activity schedule.

11.1.2. Any payment made by the SHA will be dependent upon acceptance by the SHA of the services, to which the invoices relate, complying with the terms of this Agreement.

11.1.3 Where the annual contract value exceeds £100,000, payment will be made in monthly instalments as given on the payment schedules provided, on receipt of appropriate monthly invoices in arrears from the Service Provider Organisation. Invoices are to be sent to the SHA by the 15th day of each month end.

11.1.4 Where the annual contract value is £100,000 or less, payment will be made in quarterly instalments as given on the payment schedules provided, on receipt of appropriate quarterly invoices in arrears from the Service Provider Organisation. Invoices are to be sent to the SHA by the 15th day of the quarter end.

11.1.5 Where the annual contract value is £20,000 or less, payment is to be annually as given on the payment schedules provided, on receipt of an appropriate annual invoice. Invoices are to be sent to the SHA by 30 September.

11.1.6 The finance values shown in the schedules are for the identified financial year only.

11.1.7 The activity and financial values will be reviewed each year and adjusted for any agreed activity changes and inflation factor. Financial values will not normally be amended during the year for changes in inflation. Values may be amended for finally agreed pay awards if the nationally determined pay scales are not available at the time the finance summary is agreed. The inflation factor will be determined by reference to inflationary pressures identified by the SHA and the Department of Health in calculating budgets centrally.

11.2 Payment Arrangements

11.2.1 The SHA uses a financial shared services provider. Invoices should be sent to the shared services provider, not the SHA, at the following address:

East Midlands SHA
Q33 Payable 6785
Phoenix House
Topcliffe Lane
Wakefield
West Yorkshire
WF3 1WE

11.2.2 Invoices should contain the narrative as agreed with the SHA. As a minimum the invoices should contain the following references:

- Name of person at the SHA the invoice is for the attention of
- The area of education and training the invoice relates to e.g. SIFT placement weeks
- The financial year the charge relates to
- The month/quarter of the financial year the charge relates to

Please find attached at Appendix 3 the SBS Good Invoicing Guide

11.2.3 The SHA will pay invoices within 30 days of receiving and registering the invoice providing no queries arise.

11.2.4 Activities and payments shall be discussed and agreed at the LDA review meetings between the SHA and Service Provider Organisation at least annually.