

# Read all about it

## The new GP Contract

The 2006/17 GP Contract came into effect on 1 April 2016. Accountant James Gransby looks at the detail behind the headlines

**Y**ou may have seen the headlines about the new 2016/17 GP contract, which was agreed in February this year.<sup>1</sup> What do the changes mean on the ground and what else can be found in the 165-page guidance? Essentially, it depends on whereabouts in the UK you are located, so variations by country are also addressed below.

### The headlines

- 1% increase in pay for GPs
- Vaccination fee rise from £7.64 to £9.80 (28% increase)
- The value of a Quality and Outcomes Framework (QOF) point increases in value (from £160.15 to £165.18)
- Locum rate cap introduced (see below)
- Recording of data on evening and weekend opening (half yearly)
- Named GP scheme to be discussed further
- Enhanced services (ES)
- Dementia ES stopped
- Avoiding Unplanned Admissions ES continues an extra year
- Extended hours and Learning Disabilities ES unchanged for coming year.

The £220m investment in the core contract, when divided by the total number of registered patients across GP practices in England of 57.54m (at 31 December 2015), amounts to a total of £3.82 per patient.

### Quality and Outcomes Framework

#### England

The QOF is essentially unchanged from 2015/16. The quantity of points, together with

indicators and thresholds are unchanged. The value of a point rises to £165.18. Although no indicators have been retired for this year, it is expected that practices will continue to undertake work and code activity as clinically appropriate in relation to those indicators no longer in QOF.

The GPC has announced that it has agreed with NHS Employers that negotiations for 2017/18 will explore, among other possibilities, the end of the QOF in England.

#### Wales

A reduction of 102 points (from 669 to 567) is in effect for the two-year 2015/2017 contract period. The most recent point value is recorded at £160.40.

#### Northern Ireland

The point value is currently set at £159 and any announcement on changes is awaited.

#### Scotland

The biggest change is here as the QOF is dismantled, with the remaining points retired and the funding moved to the global sum.

In the same vein, no QOF data will be extracted for payment purposes (but is available for practices for their own internal processes). This means that June 2016 will be the last time when Scottish practices receive the balance of their 2015/16 QOF achievement payment. From April 2016 the monthly figures will be the full amount (ie one-twelfth of the yearly total) and so any practices that have been accustomed to receiving the balancing payment in June will need to watch out for this in 2017 – particularly as this cash arrives around the time of the second personal tax payment on account due in July.



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**Table 1. Superannuation rates from 1 April 2016**

England, Wales and Northern Ireland		Scotland	
Threshold	Rate	Threshold	Rate
To £15,431	5%	To £16,128	5.2%
£15,432 to £21,477	5.6%	£16,129 to £21,817	5.8%
£21,478 to £26,823	7.1%	£21,818 to £27,360	7.3%
£26,824 to £47,845	9.3%	£27,361 to £50,466	9.5%
£47,846 to £70,630	12.5%	£50,467 to £72,050	12.7%
£70,631 to £111,376	13.5%	£72,051 to £112,490	13.7%
Over £111,377	14.5%	Over £112,491	14.7%
<b>Employer rate</b>	<b>14.3%</b>	<b>Employer rate</b>	<b>14.9%</b>

## Locum doctors cap

This is a rather controversial change, which will be watched with interest. Practices must disclose instances where they have paid a locum doctor above a certain rate, the level of which is to be determined by NHS England. It is understood that the rate will include a degree of regional variation and that the data will be reported via the electronic declaration system.

We will have to wait and see how it will work when a practice is short of doctors and the locum rates are set by the market forces of supply and demand. Will locums choose to cap their rates at the prescribed maximums or will practices breach the rules and report themselves?

## Enhanced services

The Dementia ES moves into core funding at around £0.73 per patient. As enhanced services are relatively unchanged, this is welcome from a planning perspective as things can carry on largely as before at practice level.

## Superannuation rates

Table 1 shows the contribution rates effective from 1 April 2016. The thresholds will change each year, but the percentage rates hold until 2019. Note the rate applies to the full amount of the earnings. This means that a pension scheme member in England earning £48,000 will pay £6,000 in employee contributions (at 12.5%) compared to £4,445 (at 9.3%) for someone earning £47,800, just £200 less.

So a £200 pay rise or a Christmas bonus at this level will cost an extra in £1,555 in extra pension contributions and actually reduce this person's net take-home pay.

## Other changes

- **Seniority:** For GP partners eligible for and in receipt of seniority until March 2020, when payments will cease, the overall seniority 'pot' is reducing by 15% per year. The changes to seniority payments as a result of this change in mechanism commenced in December 2015.
- **Patient online services:** some targets have been set (e.g. aiming to have 80% of referrals by e-referral and 10% of patients using online services by 31 March 2017). Information-sharing via online systems will be improved and cyber security requirements will be put into place.
- **Premises:** In England, £250m per year is to be invested in GP premises for the period 2016/17–2018/19. Funding for moving practices or constructing new buildings is likely to be considered. In Northern Ireland £10m will be invested in a premises and infrastructure loan fund.

## Summary

There is certainly enough in the contract changes to keep practice managers busy. With a 1% overall pay uplift factored into the figures, it will be those practices that recognise and adapt to the changes that will feel any sort of benefit from this modest uplift. **PM**

## Reference

- 1 British Medical Association, NHS Employers, NHS England (2016) 2016/17 General Medical Services (GMS) contract: Guidance for GMS contract 2016/17. [www.nhsemployers.org/~media/Employers/Documents/Primary%20care%20contracts/GMS/2016-17%20GMS%20guidance.pdf](http://www.nhsemployers.org/~media/Employers/Documents/Primary%20care%20contracts/GMS/2016-17%20GMS%20guidance.pdf) (accessed 13 April 2016)