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To all GPs - England

**Chairman of the General
Practitioners Committee**

Our Ref: LB/GN/kd

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Dear Colleague

In recent weeks there have been several important developments in a number of areas affecting GPs in different ways in each of the four countries and I am writing to update GPs in England on these matters.

Implementation of the recommendations of the Doctors' and Dentists' Review Body 2008

As you will be aware, the Review Body recommended that GPs be given an increase of 2.7% on only one part of their funding (the Global Sum), with no increase in payments for the Quality and Outcomes Framework or for providing existing enhanced services. However, the Review Body made it clear that there should be an equal decrease in correction factor payments, explaining:

'most practices will not receive any increase in payments as a result of this increase in global sum. Their MPIG [Minimum Practice Income Guarantee] will continue to be higher than the increased global sum, and the increase will simply reduce their correction factor payments... We estimate that the effect of this recommendation will be to increase expenditure under the global sum by approximately 0.2 per cent.'

The General Practitioners Committee was extremely concerned that this recommendation demonstrated a major misunderstanding around the interpretation of the correction factor. The Statement of Financial Entitlements (SFE) made it explicit that the operation of the MPIG requires that any uplifts to the global sum should be matched by an equal rise in the correction factor. Implementation of the Review Body's recommendation is consequently not possible without a legal change to the SFE.

The BMA therefore stressed to the government that it could not merely implement the recommendation in full, as there had to be a full and proper consultation with the Association on changing the SFE to allow the 2.7% uprating to the global sum as recommended by the DDRB and accepted by the Department of Health.

In response to this challenge, the Secretary of State acknowledged that a consultation would be undertaken. The formal consultation on the implementation of the recommendations of the DDRB began in mid June and we are engaged in responding to that consultation. Furthermore, after we had pressed them on a number of issues, the Department has taken steps to close some legal loopholes about which we had considerable concerns. Rather than implement the changes to the SFE retrospectively which we have been advised would be illegal, the Department is consulting on implementation of the changes to the global sum and correction factor with effect from 1 October. For practices which would lose because of this delay, a one-off payment would be made to compensate for the loss of income.

If the proper consultation procedures are followed, the Department can unilaterally implement changes to the SFE although any changes can not apply retrospectively. As the Department has acted further to the concerns we have raised with them and, provided the Department continues to follow a process which we are advised is legally correct, we are advised that there are no further grounds on which we can mount a legal challenge.

We will issue further information as soon as we have more final details, but practices can expect to receive the changed payments with effect from 1 October 2008.

GP pensions

At the March Judicial Review hearing instigated by the BMA to challenge the government's action in renegeing on how GP pensions would be calculated for the years 2004-06, it was judged that the government behaved unlawfully in 2006 when the Secretary of State for Health retrospectively introduced a limit on the amount retiring GPs could receive in their NHS pensions. The BMA was awarded its legal costs and the Department of Health was granted leave to appeal.

Since the Judicial Review outcome, the Secretary of State wrote to the chairman of Council notifying the Association that the Department had decided not to appeal the JR decision. The rates for the dynamising factor for the years 2004-05 and 2005-06 are now being calculated by the Technical Steering Committee and GPs will be advised as soon as this has been determined. However, this is unlikely to be until the autumn and outstanding payments by the Pensions Agency are likely to take some time. Late payments will however be paid with interest.

Under the judgement, the Secretary of State is free to re-determine the calculation of dynamising factors for the two years 2006/08. It is understood that the Secretary of State intends to replace the previous determination made for 2006/07 and 2007/08, which will be likely to result in a DF for both years of 1. It is expected confirmation of the details of this method and its implications will be clarified in due course.

Negotiations for 2009/10

Negotiations with NHS Employers on possible changes to the contract and the pay uplift for 2009/10 have now begun.

In conducting these negotiations, the GPC negotiating team are intent on ensuring that matters are concluded in plenty of time for the DDRB to recommend on the level of uplift. Joint work is to begin on modelling changes to the MPIG arrangements to provide funding to practices in accordance with the nGMS contract's aim for a formulaic allocation based on workload. If there are to be any changes, the GPC negotiators believe that a number of critical conditions need to be met, including that there should be no new losers in any changes to funding for essential services. To avoid destabilising practices and the services they currently provide for their patients, we believe every practice should receive some increase in resources.

We have stressed that the profession would not be able to accept significant changes to the contract without additional resources. Furthermore if there are to be major changes to the contract, which would include changes to the MPIG, any final deal would have to be subject to the agreement of the profession.

Clinical DESs in England

Payment for the new clinical DESs is intended to make up the shortfall between the national pay uplift and 1.5% which was an integral part of the extended hours option A package. Therefore these DESs have been in abeyance while implementation of the DDRB recommendations is resolved.

Despite this uncertainty about the implementation of the DESs, as part of a May Day holiday announcement about strengthening family doctor services, the Secretary of State formally announced an investment of £50 million in additional clinical services, which are the new DESs, plus a further £50 million in improving access. The press notice indicated that there would be consultation with the BMA.

This consultation is also underway. To ensure that there can be swift implementation depending upon the outcome of the legal issues, the negotiators have continued to discuss the detail of the clinical DESs, and they are close to a final form.

In outline, the DESs will cover the following:

- enhanced treatment of heart failure – improving both the quality and length of life for patients with left ventricular dysfunction through appropriate use of beta blockers
- osteoporosis – identifying and treating women with osteoporosis and a history of fragility fracture appropriately
- health checks for patients with severe learning disabilities – an annual health check to include physical examination and medication review
- harmful drinking – aimed at newly registered patients aged 16 and over identified as having problem drinking and delivering an evidence based brief intervention to those identified as drinking at hazardous or harmful levels
- more comprehensive ethnicity recording of patients over a two year period.

The changes to the SFE to implement the new DESs will also come into effect from October, although work from 1 April towards the DESs will be taken into account. GPC guidance on the DESs will be available on the BMA website once there has been further progress in the consultation.

Support Your Surgery Campaign becomes UK wide

During the three weeks of the Support Your Surgery Campaign, 1,236,085 signatures were collected, calling for the government to invest in existing local GP services and halt its plans for increased commercialisation of primary care in England. This demonstrates a phenomenal level of public support for NHS general practice and strong opposition to Government health policy in England, and I was proud to be a member of the group that delivered these to 10 Downing Street.

We are immensely grateful to GPs and their staff who have worked so hard in ensuring the campaign's overwhelming success.

We are keen to capitalise on the momentum built up during phase 1 of the campaign, and, are developing a follow-up UK wide campaign. We will provide you with further details about this shortly.

The next few months will be very difficult as the threats to UK general practice become more explicit. Your negotiators will do their best to keep you fully informed as matters develop. I realise that the majority of GPs would prefer as little change as possible, but the UK government is determined to press ahead with its current policies. We will do our utmost to explain to those who plan the health service what their ideas may do to our services.

Yours sincerely



LAURENCE BUCKMAN