

VWV BRISTOL STRATEGY CONFERENCE  
18 OCTOBER 2022  
ACCOUNTANCY UPDATE AND BENCHMARKING



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## LENTELLS HEALTHCARE DIRECTORS

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- Jo Fursman FCCA



- Ed Paull FCCA





- Shirley Whittle FCCA



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## LENTELLS HEALTHCARE DIRECTORS

- Robert Wegner FCCA 
- Tracey Turner FCCA 



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## LENTELLS HEALTHCARE TEAM

- Act for over 200 GP practices
- Throughout West Country & beyond
- Large team based in Chard



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## INTRODUCTION

- Contract finance update
- Staffing costs
- Benchmarking



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## CORE CONTRACT CHANGES 2022/2023

- Baseline increase £96.78 to £99.70
- 3% uplift
- Intended to allow 2.1% pay rise
- Net increase for 11,300 patients £31,429



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## QOF

- Maximum points still 635
- Overall rate unchanged
- No Covid protection



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## EXTENDED HOURS

- £1.44 per patient until 30 September 2022
- Worth £16,272 for 11,300 patients
- 1 October 2022 to PCN to fund extended access
- Extended access payable to practice?



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## DIRECTED ENHANCED SERVICES

- Vaccinations and immunisations remain at £10.06
- Weight management continues
- No other changes
- Loss of Covid protection
- 6 in 1 vaccination income < previous quarterly targets



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## PCN INCOME

- No change to core income:
  - Participation £1.761 WP
  - Core funding £1.50 WP
  - Clinical director £0.736 RP
  - Care home premium £120 per bed



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## PCN INCOME (CONTINUED)

- ARRS increase £12.314 WP to £16.852 WP
- PCN leadership/management £0.707 WP
- Extended access £3.73 RP from October 2022 (£7.46 for full year)



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## IMPACT AND INVESTMENT FUND

	2022/2023	2021/2022
Points	1,153	666
£ per point	£200	£200
Maximum funding (50,000 patients)	£230,600	£133,200

How much will flow to practices?



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## CALCULATING STAFFING COSTS

- Gross pay
- Employer superannuation
- Employer National Insurance
- Other costs – subscriptions, training, uniform etc



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## NATIONAL INSURANCE HOKEY COKEY EMPLOYERS

First £9,100 – Nil  
Above £9,100 – 15.05% until 5 November 2022  
- 13.8% from 6 November 2022



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## NATIONAL INSURANCE HOKEY COKEY EMPLOYEES

Calculated before deducting superannuation

	6/4/22 – 5/7/22	6/7/22 – 5/11/22	6/11/22 onwards
Nil rate band	£9,880	£12,570	£12,570
Standard rate to £50,270	13.25%	13.5%	12.0%
Higher rate above £50,270	3.25%	3.25%	2.0%



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## NATIONAL INSURANCE EXCLUSIONS

- Employees under 21
- Apprentices under 25
- Veterans in first civilian role (12 months)



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## STAFF COST TO PRACTICE (FROM 6 November 2022)

	£	£	£
Gross	15,000	25,000	40,000
Employers superannuation	2,157	3,595	5,752
Employers NIC	814	2,194	4,264
TOTAL	17,971	30,789	50,016
On cost as %	19.8%	23.2%	25.04%



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## OTHER COSTS

- Subscriptions – pay direct/include in pay?
- Events – up to £150 per year
- Uniform – need embroidered logo
- Training & recruitment fees – consider clawback if leave?



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## NATIONAL MINIMUM WAGE

	2022/2023	2021/2022	INCREASE
	£	£	%
16 – 17	4.81	4.62	4.1
18 – 20	6.83	6.56	4.1
21 – 22	9.18	8.36	9.8
23 and over	9.50	8.91	6.6
Apprentices	4.81	4.30	11.9



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## OTHER RISING COSTS

- Light and heat (capped for October 2022 to March 2023)
- Cleaning – driven by wages
- Bank interest
- Service charges – request breakdown
- Other general price rises



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## MANAGING FINANCIAL PRESSURES

- Budget and compare to actual
- Ensure paid for all work done
- Review private fee rates
- Project cashflow



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## KEY AREAS TO MONITOR

- Staff costs – particularly overtime
- Drugs and reimbursements
- Locums
- Repairs



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## LENTELLS BENCHMARKING

- 200 practices – mainly South West
- WTE 8 sessions
- Salaried GP costs added and included in WTE
- Raw list
- Dispensing/non dispensing
- Partners' employer superannuation is expense



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## LENTELLS BENCHMARKING 2021

	2021	2020
List per WTE	1,885	1,932
Profit per WTE (excluding dispensing)	136,764	120,818
Income per patient	155.72	148.58



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## KEY BENCHMARKING PER PATIENT

Amounts per patient	2021	2020
Global sum/PMS	86.07	85.85
QOF	13.58	13.34
Flu	3.50	2.62
Training	2.22	2.19
PA drugs	3.88	3.97
Profit	56.85	48.01
Wages cost – non dispensing	62.37	58.46
Wages cost – dispensing	14.52	13.10
Total wages cost	76.89	71.56
Locum cost	6.63	7.00
Nurse cost	16.95	16.54
Additional clinical staff	6.09	6.45



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## DISPENSARY TRADING RESULTS

	2021	2020
Number of patients dispensed to	4,069	3,836
Dispensing profits per patient dispensed to	45.00	34.00
Dispensary profit/(loss) per WTE GP	43,736	32,412
Dispensing profit/(loss) margin	19.88%	15.65%
Dispensing margin on drugs	13.91%	9.38%
Dispensing staff costs as a % of drugs dispensed	17.34%	17.99%



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## REASONS FOR VARIABLE STAFF COSTS

Multiple sites

Rates

Under/over staffed

Use of ANPs

Employment of ARRS staff, Covid vaccination staff etc

High Staff absence

Use of locums



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## ANY QUESTIONS?

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