

Clinical Commissioning Group allocations 2014/15 and 2015/16

Following the NHS England Board meeting on 17th December and the decisions regarding allocation policy, we published the headline CCG allocations for 2014-15 and 2015-16 at <http://www.england.nhs.uk/2013/12/18/ccg-fund-allocs/>. We are now publishing a more extensive set of information that includes target allocations, population estimates and the resulting allocations per head. A full technical package, including the calculation of the target allocations and running cost allocations will be published in the New Year.

The attached table follows the logical sequence of calculating the allocation. It starts with 2013-14 baselines, in both total and per capita terms. For 2014-15, it then shows the fair shares target position – expressed in per head terms – and how far the baseline resources are from this position (the distance from target). In turn this is converted, through the agreed-pace-of-change policy, to the actual growth. The estimated registered population and the total allocation is then shown.

Similar analysis is then shown for 2015-16, along with the additional allocation for the Better Care Fund.

Please contact england.finance@nhs.net if you have a query regarding the information contained in the table.

Baseline position

Column 1 shows the baseline allocation, which has been taken from the month 6 financial returns. This is the starting point for our assessment of whether any particular approach provides CCGs with a stable funding stream. This is followed in column 2 by the registered population of the CCG, based on data from NHS IT systems (formerly NHAIS), downloaded in October 2013. Column 3 gives the ratio of these two: the baseline per head.

2014-15 target

The next part of the table, columns 4-10, focuses on how the allocation for 2014-15 are calculated.

In column 4 we show the fair share per head. This is based on the target allocation formula agreed on 17 December, and includes both the met need and unmet need or inequalities component. It is based on the total available resources before any growth is applied. Column 5 then shows the difference between this and the baseline per head: the distance-from-target. It is this distance-from-target that drives the subsequent pace-of-change policy, which links distance-from-target to the actual growth received. As the population of England as a whole has grown between 2013-14 and 2014-15, the target position of England as a whole is 0.89% above target.

Pace-of-change

The distance-from-target in column 5 is then used to drive the pace of change policy, which in turn generates the growth in column 6, and hence the actual allocation per head in column column 7. The board selected 'option 4' from the board paper, which in means in 2014-15:

- the most under target CCGs see 2.64% per head growth;
- this reduces progressively to 1.22% for those less far below target;
- all CCGs see total allocation growth of 2.14%; and
- the most over target CCGs have their total growth limited to 2.14% even if their population is growing rapidly.;

The resulting total allocation and growth is shown in columns 9 and 10.

The closing target

Columns 11 and 12 show the closing position for 2014-15; it is an estimate of how far above or below target the CCG's financial position after the growth in resources. Unlike the opening target the target position of England as a whole is zero. This means it is not easily comparable with the opening position.

2015-16 and the closing target

These steps are repeated for 2015-16 in columns 13-21.

An impression of the progress made in moving towards target during can be found by comparing the two opening targets (columns 4 and 13) or the two closing targets (columns 12 and 21).

Better Care Fund

Column 22 shows the additional allocation CCGs will receive in 2015-16 to support their investment in the Better Care Fund. Similar resources will be directly invested in local authorities by NHS England during 2014-15. Column 23 shows the total of the recurrent allocation and the Better Care Fund allocation.

Finally column 24 shows the minimum total amount that CCGs will be expected to contribute to their partner local authorities' Better Care Funds. This is included in the total allocation at column 23 and not additional. How this breaks down between specific local authorities can be found on the allocations spreadsheet at <http://www.england.nhs.uk/ourwork/part-rel/transformation-fund/bcf-plan/>.