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- To: • ICB:
- Primary Care Leads
  - Chief Executives
  - Regional:
    - Directors
    - Directors of Commissioning
    - Directors of Primary Care and Public Health
    - Heads of Primary Care

**24 April 2023**

Dear colleagues

## Update to the GP contract agreement 2023/24: Financial Implications

The letter of 6 March outlined the changes to the 2023/24 GP contract. That letter is available [here](#).

### Additional funding allocations

ICB Primary Medical Care baseline allocations have been uplifted to take account of the additional funding shown in the table below. The detailed Primary Medical Care local allocation adjustments by ICB are attached at Appendix A. The column shaded in grey is for information only and not additional allocations.

**Table 1**

	<b>2022/23</b>	<b>2023/24</b>
	<b>£m</b>	<b>£m</b>
<b>Allocations as published 17/07/19</b>	<b>9,194</b>	<b>9,675</b>
Plus Care Home Premium funding	<b>55</b>	<b>55</b>
Plus practice funding increase from the 2020/21 contract agreement	<b>20</b>	<b>20</b>
New QOF indicators from 2021/22 – Severe Mental Illness and V&I	<b>82</b>	<b>82</b>
Plus IIF (full allocation for 2022/23 and 2023/24)	<b>225</b>	<b>300</b>
Move PCN cash support (£1.50 per head) from core to PMC allocations	<b>91</b>	<b>92</b>
<b>Revised Allocations (per Letter 31/3/22 for 2022/23)</b>	<b>9,667</b>	<b>10,224</b>
Recurrent transfers 2020/21	(1)	(1)
Recurrent transfers 2022/23	5	5
<b>Total</b>	<b>9,671</b>	<b>10,228</b>
Add: Improving Access - from £6 /head for full year		
From ICB CCG core allocations	165	172
From SDF	211	212
<b>Total updated PMC allocations at 01/01/2023</b>	<b>10,047</b>	<b>10,612</b>

Additional funding available to commissioners to support the contract arrangements is as follows:

**Table 2**

<b>Additional ICB allocations</b>	<b>2023/24</b>
<b>Details</b>	<b>£m</b>
Weight Management Enhanced Service	<b>7</b>
PCN Leadership and Management Costs	<b>43</b>
Additional IIF Funding – Early Cancer Diagnosis	<b>5</b>
<b>Total</b>	<b>55</b>

A summary of what these amounts are intended to fund is set out below.

- The £7m funding for the Weight Management Enhanced Service (WMES) is to support the continuation of the service into 2023/24. The allocations included in Appendix A are based on share of recurrent allocations and are indicative only at this stage. The updated Weight Management Enhanced Service Specification is due for publication shortly and final allocations for this Enhanced Service will be issued later in the year. For planning purposes, commissioners should assume a full spend against these indicative allocations.
- The £43m for PCN Leadership and Management, which is included in the Primary Care Transformation bundle, is in addition to the £45m in ICB Primary Medical Care Allocations for PCN Clinical Directors, giving a total of £88m for PCN Leadership and Management.
- The IIF in 2023/24 will be worth £305m, including an additional £5m for Early Cancer Diagnosis in Table 2 above for allocation during the year. In order to free up workforce capacity, there will be changes to the IIF - with the number of indicators reduced from 36 to five (worth £59 million). These will focus on a small number of key national priorities: two indicators related to flu vaccinations, learning disability health checks, early cancer diagnosis and a 2-week access indicator.

The remainder of the IIF will now be worth £246m and will be entirely focused on improving patient experience of contacting their practice and receiving a response with an assessment and/or be seen within the appropriate period. (For example, same day - or within 2 weeks where appropriate, depending on urgency). 70% of the total funding, equating to £172.2m, will be provided as a monthly payment to PCNs during 2023/24, via the Capacity and Access Support Payment.

The remaining 30% of the total funding, the Capacity and Access Improvement Payment - equating to £73.8m, will be assessed against an access improvement plan agreed with the commissioner in quarter 1 of 2023/24. At the end of March 2024, ICBs will assess for demonstrable and evidenced improvements in access for patients and then award funding. ICBs will be provided with guidance to assist in determining the appropriate payment.

## The Additional Roles Reimbursement Scheme (ARRS)

The ARRS is intended to deliver 26,000 extra staff by 2023/24. Recruitment through the scheme has been strong, and as of 31 December 2022 stands at 25,262 additional FTE. PCNs are on track to meet the 26k target for March 2024 over a year early.

Additional resources to those originally agreed in 2019/20 continue to be available for the ARRS as shown at row (B) of the table below to give total funding of £1,412m in 2023/24.

<b>£ millions</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
Original ARRS funding (A)	110	257	415	634	891
Additional ARRS funding (B)		173	331	393	521
<b>Revised total (A + B)</b>	<b>110</b>	<b>430</b>	<b>746</b>	<b>1027</b>	<b>1412</b>

The original ARRS funding, at row (A) in the table, continues to be included in published ICB [Primary Care Medical allocations](#) <sup>1</sup>. In 2023/24, this funding is worth £891m across England, which is around 63% of the £1,412m total available.

The additional ARRS funding, shown at row (B) of the table, which is worth £521m in 2023/24, will, in the first instance, be held by NHSE and not added to the revised local Primary Care Medical allocations.

As in 2022/23, PCNs claim ARRS reimbursement in 2023/24 from ICBs' in accordance with current guidance. At an ICB level, once the funding in row (A) has been claimed by PCNs and they continue to claim reimbursement over those amounts, ICBs will be able to draw down additional allocations - on the basis of need - from the centrally-held additional funding shown in row (B).

The details of these draw down arrangements for 2023/24 will be based on current guidance. PCNs must make timely claims for their ARRS workforce via the [mandatory online claim form](#) and ICBs will be eligible to draw down additional funding, providing they submit evidence that PCNs have made claims via this process to a level beyond the ICB's initial allocation. The value of the funding in row (B) for each ICB is included in Appendix A to this letter and will also be in the SDF Guidance.

Yours sincerely,



**Emily Henderson**

Deputy Director, General Practice

Contract

NHS England

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<sup>1</sup> These were [originally published on 17 July 2019](#) and updated version aligned to [current published allocations](#).