

GMS STATEMENT OF FINANCIAL ENTITLEMENTS FOR 2004/5

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1. Introduction

1.1 The Secretary of State for Health, in exercise of the powers conferred upon him by section 28T and 126(4) of the National Health Service Act 1977¹, and of all other powers enabling him in that behalf, after consulting in accordance with section 28T(4) of the 1977 Act both with the bodies appearing to him to be representative of persons to whose remuneration these directions relate and with such other persons as he thinks appropriate, gives the directions set out in this Statement of Financial Entitlements (“SFE”).

1.2 This SFE relates to the payments to be made by PCTs to a contractor under a GMS contract.

1.3 The directions set out in this SFE are subordinate legislation for the purposes of section 23 of the Interpretation Act 1978, and accordingly, in this SFE, unless the context otherwise requires–

- (a) words or expressions used here and the 1977 Act bear the meaning they bear in the 1977 Act;
- (b) references to legislation (i.e. Acts and subordinate legislation) are to that legislation as amended, extended or applied, from time to time;
- (c) words importing the masculine gender include the feminine gender, and *vice versa* (words importing the neuter gender also include the masculine and feminine gender); and
- (d) words in the singular include the plural, and *vice versa*.

1.4 This SFE is divided into Parts, Sections, paragraphs, sub-paragraphs and heads. A Glossary of some of the words and expressions used in this SFE is provided in Annex A. Words and expressions defined in that Annex are generally highlighted by initial capital letters.

1.5 The directions given in this SFE apply to England only (parallel Statements will be made for Scotland, Wales and Northern Ireland). They were authorised to be given, and by an instrument in writing, on behalf of the Secretary of State for Health, by [Michael Munt], a member of the Senior Civil Service, on [February] 2004, and shall come into force on 1st April 2004.

1.6 This SFE may be revised during the financial year 2004 to 2005, in accordance with section 28T(3)(e) of the 1977 Act. For the most up-to-date information, contact the Department of Health at Room 3N34A, Quarry House,

¹ 1977 c.49. Section 28T was inserted by section 171 of the Health and Social Care (Community Health and Standards) Act 2003 (c.43). Section 126(4) has been amended by section 65(2) of the National Health Service and Community Care Act 1990 (c.19), paragraph 37 of Schedule 4 to the Health Act 1999 (c.8) and paragraph 5(13)(b) of Schedule 5 to the Health and Social Care Act 2001 (c.15).

Quarry Hill, Leeds, LS2 7UE, or visit the following web-page:
www.doh.gov.uk/finman.

PART 1

GLOBAL SUM AND MINIMUM PRACTICE INCOME GUARANTEE

2. Global Sum Payments

2.1. Global Sum Payments are a contribution towards the contractor's costs in delivering essential and additional services, including its staff costs. Although the Global Sum Payment is notionally an annual amount, it is to be revised quarterly and a proportion paid monthly.

Calculation of a contractor's first Initial Global Sum Monthly Payment

2.2 PCTs must calculate for each contractor the first value of its Initial Global Sum Monthly Payment ("Initial GSMP"). This calculation is to be made by first establishing the contractor's Contractor Registered Population (CRP)–

- (a) if the contract takes effect on 1st April 2004 – or is treated as taking effect for payment purposes on 1st April 2004, which will be the case for GMS contracts replacing default contracts – on that date; or
- (b) if the contract takes effect (for payment purposes) after 1st April 2004, on the date the contract takes effect.

2.3 Once the contractor's CRP has been established, this number is to be adjusted by the Global Sum Allocation Formula, a summary of which is included in Annex B of this SFE. The resulting figure, which is the contractor's Contractor Weighted Population for the Quarter, is then to be multiplied by [£50] [this amount will be adjusted after further consideration of the funding of employer's superannuation contributions]. If the PCT is within the area of a London SHA, a London Adjustment is thereafter to be added, which is the contractor's CRP multiplied by [£2.18].

2.4 Then, the PCT will need to add to the total produced by paragraph 2.3 (with or without the London Adjustment, as appropriate), the annual amount of the contractor's Temporary Patients Adjustment. The method of calculating contractors' Temporary Patients Adjustments is set out in Annex C. The resulting amount is then to be divided by twelve, and the resulting amount from that calculation is the contractor's first Initial GSMP.

Calculation of Adjusted Global Sum Monthly Payments

2.5 If the GMS contract stipulates from the outset that the contractor is not to provide one or more of the Additional or Out-of-Hours Services listed in column 1 of the Table in this paragraph, the PCT is calculate an Adjusted GSMP for that contractor as follows. If the contractor is not going to provide–

- (a) one of the Additional or Out-of-Hours Services listed in column 1 of the Table, the contractor's Adjusted GSMP will be its Initial GSMP reduced by the percentage listed opposite the service it is not going to provide in column 2 of the Table;
- (b) more than one of the Additional or Out-of-Hours Services listed in column 1 of the Table, an amount is to be deducted in respect of each service it is not going to provide. The value of the deduction for each service is to be calculated by reducing the contractor's Initial GSMP by the percentage listed opposite that service in column 2 of the Table, without any other deductions from the Initial GSMP first being taken into account. The total of all the deductions in respect of each service is then deducted from Initial GSMP to produce the Adjusted GSMP.

TABLE

<i>Column 1</i>	<i>Column 2</i>
Additional or Out-of-Hours Services	Percentage of Initial GSMP
Cervical Screening Services	1.1
Child Health Surveillance	0.7
Minor Surgery	0.6
Maternity Medical Services	2.1
Contraceptive Services	2.4
Childhood immunisations and pre-school boosters	1.0
Vaccinations and immunisations	2.0
Out-of-Hours Services	6.0

First Payable Global Sum Monthly Payment

2.6 Once the first value of a contractor's Initial GSMP, and where appropriate Adjusted GSMP have been calculated, the PCT must determine the gross amount of the contractor's Payable GSMP. This is its Initial GSMP or, if it has one, its Adjusted GSMP. The net amount of a contractor's Payable GSMP, i.e. the amount actually to be paid each month, is the gross amount of its Payable GSMP minus any monthly deductions in respect of superannuation determined in accordance with Section 22 (see paragraph 22.6).

2.7 The PCT must pay the contractor its Payable GSMP, thus calculated, monthly (until it is next revised). The Payable GSMP is to fall due on the last day of each month. However, if the contract took effect on a day other than the first day of a month, the contractor's Payable GSMP in respect of the first part-month of its contract is to be adjusted by the fraction produced by dividing–

- (a) the number of days during the month in which the contractor was under an obligation under its GMS contract to provide the Essential Services; by
- (b) the total number of days in that month.

Revision of Payable Global Sum Monthly Payment

2.8 The amount of the contractor's Payable GSMP is thereafter to be reviewed—

- (a) at the start of each quarter (when the contractor may have a new Contractor Weighted Population for the Quarter);
- (b) if there are to be new Additional or Out-of-Hours Services opt-outs (whether temporary or permanent); or
- (c) if the contractor is to start or resume providing specific Additional or Out-of-Hours Services that it has not been providing.

2.9 Whenever the Payable GSMP needs to be revised, the PCT will first need to calculate a new Initial GSMP for the contractor (unless this cannot have changed). This is to be calculated in the same way as the contractor's first Initial GSMP (as outlined in paragraphs 2.3 and 2.4 above) but using the most recently established CRP of the contractor (the number is to be established quarterly).

2.10 Any deductions for Additional or Out-of-Hours Services opt-outs are then to be calculated in the manner described in paragraph 2.5. The resulting amount (if there are to be any deductions in respect of Additional or Out-of-Hours Services) is the contractor's new (or possibly first) Adjusted GSMP.

2.11 Once any new values of the contractor's Initial GSMP and Adjusted GSMP have been calculated, the PCT must determine the gross amount of the contractor's new Payable GSMP. This is its (new) Initial GSMP or, if it has one, its (new or possibly first) Adjusted GSMP. The net amount of a contractor's Payable GSMP, i.e. the amount actually to be paid each month, is the gross amount of its Payable GSMP minus any monthly deductions in respect of superannuation determined in accordance with Section 22 (see paragraph 22.6).

2.12 Payment of the new Payable GSMP must (until it is next revised) be made monthly, and it is to fall due on the last day of each month. However, if a change is made to the Additional or Out-of-Hours Services that a contractor is under an obligation to provide and that change takes effect on any day other than the first day of the month, the contractor's Payable GSMP for that month is to be adjusted accordingly. Its amount for that month is to be the total of—

- (a) the appropriate proportion of its previous Payable GSMP. This is to be calculated by multiplying its previous Payable GSMP by the fraction produced by dividing—
 - (i) number of days in the month during which it was providing the level of services based upon which its previous Payable GSMP was calculated, by
 - (ii) the total number of days in the month; and

- (b) the appropriate proportion of its new Payable GSMP. This is to be calculated by multiplying its new Payable GSMP by the fraction produced by dividing–
 - (i) the number of days left in the month after the change to which the new Payable GSMP relates takes effect, by
 - (ii) the total number of days in the month.

2.13 Any overpayment of Payable GSMP in that month as a result of the PCT paying the previous Payable GSMP before the new Payable GSMP has been calculated is to be deducted from the first payment in respect of a complete month of the new Payable GSMP. If there is an underpayment for the same reason, the shortfall is to be added to the first payment in respect of a complete month of the new Payable GSMP.

Conditions attached to Payable Global Sum Monthly Payments

2.14 Payable GSMPs, or any part thereof, are only payable if the contractor satisfies the following conditions–

- (a) the contractor must make available to the PCT any information which the PCT does not have but needs, and the contractor either has or could reasonably be expected to obtain, in order to calculate the contractor's Payable GSMP;
- (b) the contractor must make any returns required of it (whether computerised or otherwise) to the Exeter Registration System, and do so promptly and fully;
- (c) the contractor must immediately notify the PCT if for any reason it is not providing (albeit temporarily) any of the services it is under an obligation to provide under its GMS contract; and
- (d) all information supplied to the PCT pursuant to or in accordance with this paragraph must be accurate.

2.15 If the contractor breaches any of these conditions, the PCT may, in appropriate circumstances, withhold payment of any or any part of a Payable GSMP that is otherwise payable.

2.16 It is also a condition of every contractor's Payable GSMPs that it achieves in respect of the financial year 2004 to 2005 an Achievement Points Total of at least 100. If it breaches this condition, the PCT must withhold from the contractor [£7,500] multiplied by its Contractor Population Index (i.e. for the last quarter) in respect of its Payable GSMPs for the financial year 2004 to 2005 (the contractor will, however, receive an Achievement Payment in respect of the points it does score pursuant to paragraph 5.39).

2.17 However, if the contractor's GMS contract either takes effect after 1st April 2004 or is terminated before 31st March 2005, the amount to be withheld pursuant to paragraph 2.16 is to be adjusted by the fraction produced by dividing the number of days during which the financial year 2004 to 2005 for which its GMS contract had effect by 365.

3. Minimum Practice Income Guarantee

3.1 The Minimum Practice Income Guarantee (MPIG) is based on the historic revenue of a contractor's GPs from a list of Red Book fees and allowances, and is designed to protect income levels in relation to these fees and allowances. A one year aggregate of these fees and allowances is the contractor's Initial Global Sum Equivalent (GSE), is then adjusted to produce first its Adjusted GSE and then its Final GSE.

Calculation of Global Sum Equivalent

3.2 In order to calculate a contractor's GSE, a calculation will first need to be made of its Initial and Adjusted GSE. This is to be done by the PCT–

- (a) on the basis of information obtained by it from the contractor about payments to the contractor (or the GPs comprising the contractor) under the Red Book, and in particular in the year preceding 1st July 2003; and
- (b) in accordance with the Department of Health guidance reproduced in Annex D. Paragraphs 1 – 7 cover the calculation of the Initial GSE, and adjustments to take account, for example, of practice mergers and splits are covered in paragraphs 8 – 19.

3.3 Whether or not any adjustments are in fact necessary to Initial GSE, the final total produced as a result of the calculation in accordance with Annex D is known as the contractor's Adjusted GSE. That amount is then subject to three further adjustments–

- (a) the amount is increased by [2.85%] to bring prices in respect of the year ending 30th June 2003 up to 31st March 2004 levels (i.e. rebasing for the financial year 2003 to 2004); then
- (b) the sub-paragraph (a) amount is adjusted by the contractor's GSE Superannuation Adjustment. This is an adjustment to take account of the increases to the existing costs of employer's superannuation contributions as a result of the Treasury transfer to the Department of Health of the money previously paid by Treasury in respect of NHS employer's superannuation contributions (the method of calculating this Adjustment is still the subject of negotiation); then

- (c) the sub-paragraph (b) amount is increased by [1.47%] to take account of projected price increases in respect of the financial year 2004 to 2005 (i.e. rebasing for the financial year 2004 to 2005).

The resulting amount is the contractor's Final GSE.

Calculation of Correction Factor Monthly Payments

3.4 The contractor's Final GSE is then to be compared to the paragraph 2.3 total in respect of the contractor, taking away from that total both any Historic Opt-Outs Adjustment to which it is entitled and its Global Sum Superannuation Adjustment.

3.5 A contractor is entitled to the Historic Opt-Outs Adjustment if–

- (a) since 1st July 2002 the GPs comprising the contractor have not been providing, within GMS services, services which as far as possible are equivalent to one or more of the Additional or Out-of-Hours Services listed in the Table in paragraph 2.5; and
- (b) the contractor will not be providing those services in the financial year 2004 to 2005.

3.6 The amount of the contractor's Historic Opt-Outs Adjustment is calculated as follows. If the contractor is claiming an Historic Opt-Outs Adjustment in respect of–

- (a) one of the Additional or Out-of-Hours Services listed in column 1 of the Table in paragraph 2.5, the value of the contractor's Historic Opt-Outs Adjustment is the amount by which its paragraph 2.3 total is reduced if it is reduced by the percentage listed opposite that service in column 2 of the Table;
- (b) more than one of the Additional or Out-of-Hours Services listed in column 1 of the Table in paragraph 2.5, the value of the contractor's Historic Opt-Outs Adjustment is to include an amount in respect of each service. The value of the amount for each service is the amount by which the contractor's paragraph 2.3 total is reduced if it is reduced by the percentage listed opposite that service in column 2 of the Table, without any other deductions from the paragraph 2.3 total first being taken into account. The total of all the amounts in respect of each service is then aggregated to produce the final amount of the contractor's Historic Opt-Outs Adjustment.

3.7 The Global Sum Superannuation Adjustment is to be calculated as follows (this is still the subject of negotiation).

3.8 A contractor's paragraph 2.3 total, minus any Historic Opt-Outs Adjustment to which it is entitled, minus its Global Sum Superannuation Adjustment, is its Global Sum Comparator (i.e. the Global Sum Comparator = Initial Global Sum – Temporary Patients Adjustment – any Historic Opt-Outs Adjustment – Global Sum Superannuation Adjustment). If the contractor's Final GSE is less than its Global Sum

Comparator, a Correction Factor is not payable in respect of that contractor. However, if its Final GSE is greater than its Global Sum Comparator, Correction Factor Monthly Payments (“CFMPs”) must be paid by the PCT to the contractor under its GMS contract. The amount of the CFMPs payable is the difference between the contractor’s Final GSE and its Global Sum Comparator, divided by twelve. CFMPs are to fall due on the last day of each month.

3.9 Unless the contractor is subject to a partnership merger or split, the amount of the contractor’s CFMPs is to remain unchanged throughout the financial year 2004 to 2005, even if the amount of the contractor’s Payable GSMP changes.

Practice mergers or splits

3.10 The MPIG calculation is a one-off calculation, which will remain unchanged. It is only to be made in respect of GMS contracts that take effect, or are treated as taking effect, on 1st April 2004. Except as provided for in paragraphs 3.11 to 3.14, a contractor with a GMS contract which takes effect, or is treated as taking effect, after 1st April 2004 will not be entitled to an MPIG.

3.11 If the new contractor comes into existence as the result of a merger between one or more other contractors, and that merger led to the termination of GMS contracts and the agreement of a new GMS contract, the new contractor is to be entitled to a CFMP that is the total of any CFMPs payable under the previous GMS contracts.

3.12 If-

- (a) a new contractor comes into existence as the result of the split of a previous contractor;
- (b) at least some of the members of the new contractor were members of the previous contractor; and
- (c) the split led to the termination of the previous contractor’s GMS contract,

the new contractor will be entitled to a proportion of any CFMP payable under the terminated contract. The proportions are to be worked out on a *pro rata* basis, based upon the number of patients registered with the previous contractor (i.e. immediately before its contract is terminated) who will be registered with the new contractor when its new contract takes effect.

3.13 If a new GMS contract is agreed by a contractor which has split from a previously established contractor, but the split did not lead to the termination of the previously established contractor’s GMS contract, the new contractor will not be entitled to any of the previously established contractor’s CFMP unless, as a result of the split, an agreed number, or a number ascertainable by the PCT(s) for the contractors, of patients have transferred to the new contractor at or before the end of the first full quarter after the new GMS contract takes effect.

3.14 If such a transfer has taken place, the previously established contractor and the new contractor are each to be entitled to a proportion of the CFMP that has been payable under the previously established contractor's GMS contract. The proportions are to be worked out on a *pro rata* basis. The new contractor's fraction of the CFMP will be—

- (a) the number of patients transferred to it from the previously established contractor; divided by
- (b) the number of patients registered with the previously established contractor immediately before the split that gave rise to the transfer.

and the old contractor's CFMP is to be reduced accordingly.

Conditions attached to payment of Correction Factor Monthly Payments

3.15 CFMPs, or any part thereof, are only payable if the contractor satisfies the following conditions—

- (a) the contractor must make available any information which the PCT does not have but needs, and the contractor either has or could reasonably be expected to obtain, in order to calculate the contractor's CFMP; and
- (b) all information supplied pursuant to or in accordance with this paragraph must be accurate.

3.16 If the contractor breaches any of these conditions, the PCT may, in appropriate circumstances, withhold payment of any or any part of a CFMP that is otherwise payable.

Future years

3.17 In future years, Correction Factor Payments will be updated by the same percentage as Global Sum Payments.

PART 2

QUALITY AND OUTCOMES FRAMEWORK

4. Quality Preparation Payments

4.1 Quality Preparation Payments are to fund the initial collection of data to establish the contractor's current position, and to assist contractors in preparing for the Quality and Outcomes Framework ("QOF"), which is Annex E to this SFE.

4.2 Individual practitioners will have received a Quality Preparation Payment during the financial year 2003 to 2004 as a Standard Capitation Fee Supplement. For the financial year 2004 to 2005, as capitation fees have been abolished, the way in which Quality Preparation Payments are paid is to change.

Calculation of Quality Preparation Payments

4.3 The Quality Preparation Payment is an annual amount. In order to calculate it, the PCT must first establish the CRP of the contractor–

- (a) if the contract takes effect on 1st April 2004 – or is treated as taking effect for payment purposes on 1st April 2004, which will be the case for GMS contracts replacing default contracts – on that date; or
- (b) if the contract takes effect (for payment purposes) after 1st April 2004, on the date the contract takes effect.

4.4 From this number, the contractor's Contractor Population Index is to be calculated (which is the number produced by dividing a contractor's most recently established CRP by [5891]). The contractor's CPI is then multiplied by [£3,250] which, unless the contract takes effect after 1st April 2004, is the amount of the contractor's Quality Preparation Payment.

4.5 If the contract takes effect after 1st April 2004, the amount is to be adjusted by the fraction produced by dividing the number of days during the financial year 2004 to 2005 for which the contract is to have effect by 365.

4.6 Once the amount of a contractor's Quality Preparation Payment has been established, the PCT must pay it to the contractor under its GMS contract. The payment is to fall due at the same time as the contractor's first Payable GSMP falls due.

Condition attached to quality preparation payments

4.7 Quality Preparation Payments are only payable in respect of GMS contracts that take effect on or before 1st February 2005 if the contractor agrees an Aspiration Points Total with the PCT for the financial year 2004 to 2005. They are only payable

in respect of GMS contracts agreed after 1st February 2005 if the contractor has agreed to participate in the QOF.

5. Aspiration and Achievement Payments

5.1 Participation in the QOF is voluntary, and if a contractor decides not to participate in the QOF, this Section will not apply to it.

5.2 Aspiration Payments are payments based on the total number of points that a contractor has agreed with a PCT that it is aspiring towards under the QOF during the financial year 2004 to 2005. This total is its Aspiration Points Total. The points available are set out in the QOF indicators in the QOF, which have numbers of points attached to particular performance indicators (negative points totals in relation to indicators are always to be disregarded).

5.3 If a contractor is to have an Aspiration Points Total, this is to be agreed between it and the PCT for when its contract takes effect. However, if the contract is to take effect on or after 2nd February 2005, no Aspiration Points Total is to be agreed for the financial year 2004 to 2005. Contractors which do not have an Aspiration Points Total will nevertheless be entitled to Achievement Payments under the QOF if they participate in the QOF.

5.4 Achievement Payments are payments based on the points total that the contractor achieves under the QOF during the financial year 2004 to 2005 (which is its Achievement Points Total). The payments are to be made in respect of all Achievement Points actually achieved, whether or not the contractor was seeking to achieve those points when its Aspiration Points Total was agreed.

CALCULATION OF POINTS TOTALS

5.5 The QOF is divided into four principal domains, which are: the clinical domain; the organisational domain; the patient experience domain; and the additional services domain.

Calculation of points in the clinical domain

5.6 The clinical domain contains ten clinical areas, for each of which there are a number of indicators set out in tables in Section 2 of the QOF. These indicators contain standards against which the performance of the contractor will be assessed.

5.7 Some of the indicators simply require particular tasks to be accomplished (i.e. the production of disease registers), and the standards contained in the indicators do not have, opposite them in the tables, percentage figures for Achievement Thresholds. The points available in relation to these indicators are only obtainable (and then in full) if the task is accomplished. Guidance on what is required to accomplish these tasks is given in Section 2 of the QOF.

5.8 Other indicators have designated Achievement Thresholds. The contractor's performance against the standards set out in these indicators is assessed by a

percentage – generally of the patients suffering from a particular disease in respect of whom a specific task is to be performed or a specific outcome recorded. Two percentages are set in relation to each indicator–

- (a) a minimum percentage of patients, which represents the start of the scale (i.e. with a value of zero points); and
- (b) a maximum percentage of patients, which is the lowest percentage of eligible patients in respect of whom the task must be performed or outcome recorded in order to qualify for all the points available in respect of that indicator.

5.9 If a contractor has achieved a percentage score in relation to a particular indicator that is between the minimum and the maximum set for that indicator, it achieves a proportion of the points available in relation to that indicator. The proportion is calculated as follows.

5.10 First, a calculation will have to be made of the percentage the contractor actually scores (D). This calculated from the following fraction: divide–

- (a) the number of patients registered with the contractor in respect of whom the task has been performed or outcome achieved (A); by
- (b) the number produced by subtracting from the total number of patients registered with the contractor with the relevant medical condition (B) the number of patients to be excluded from the calculation on the basis of the provisions in the QOF on exception reporting (C).

The provisions on exception reporting are set out in Section 2.2 of the QOF. This fraction is then multiplied by 100 for the percentage score. The calculation can be expressed as: $\frac{A}{(B - C)} \times 100 = D$.

5.11 Once the percentage the contractor actually scores has been calculated (D), subtract from this the minimum percentage score set for that indicator (E), then divide the result by the difference between the maximum (F) and minimum (E) percentage scores set for that indicator, and multiply the result of that calculation by the total number of points available in relation to that indicator (G). This can be expressed as:

$$\frac{(D - E)}{(F - E)} \times G.$$

5.12 The result is the number of points to which the contractor is entitled in relation to that indicator.

Calculation of points in the organisational domain

5.13 This domain is itself split into five further sub-domains: records and information about patients; information for patients; education and training; practice management; and medicines management. Section 3 of the QOF contains a number of

indicators for each of these sub-domains, which in turn contain standards against which the performance of the contractor will be assessed.

5.14 The standards set relate either to a task to be performed or an outcome to be achieved. The points available in relation to these indicators are only obtainable (and then in full) if the task is in fact accomplished or the outcome achieved. Guidance on what is required to accomplish the task or achieve the outcome is given in Section 3 of the QOF.

Calculation of points in the patient experience domain

5.15 This domain, in Section 4 of the QOF, contains essentially two indicators, both of which relate to patient experience: the first is about the length of patient consultations; the second, split into three levels, is about patient surveys.

5.16 The points available in relation to the first indicator will only be obtainable (and then in full) if the relevant outcomes recorded in that indicator are achieved.

5.17 The points are available in relation to the second indicator will only be obtainable if–

- (a) the task set out in the lowest performance level is accomplished, i.e. the contractor has undertaken an approved patient survey; and
- (b) in the course of that survey, at least 25 questionnaires per 1000 patients registered with the contractor have been returned by patients.

For each additional level of performance that is reached, the additional points available in relation to that level are obtainable, so a contractor reaching the highest level of performance achieves the points available for all three levels of performance.

5.18 Guidance on what is required to gain the points set out in this domain is given in Section 4 of the QOF.

Calculation of points in the additional services domain

5.19 The additional services domain relates to the following Additional Services: cervical screening services; child health surveillance; maternity services; and contraceptive services. For each of these services, there are a number of indicators, set out in tables in Section 5 of the QOF, which contain standards against which the performance of the contractor will be assessed.

5.20 The child health surveillance and maternity medical services indicators require particular services to be offered – and the points available in relation to these indicators will only be obtainable (and then in full) if the service is offered to the relevant target population. The contraceptive services indicators and all but one of the cervical screening services indicators require particular tasks to be performed in relation to a target population, and the points available in relation to these indicators will only be obtainable (and then in full) if the task is accomplished. One of the cervical screening services indicators has a designated achievement threshold, and the

method for calculating points in relation to this indicator is the same as the method for calculating points in relation to this type of indicator in the clinical domain. Guidance on what is required to gain the points set out in this domain is given in Section 5 of the QOF and Annex F.

Calculation of points in relation to the Holistic Care Payment

5.21 Contractors will be entitled to a proportion of 100 points as the basis of a Holistic Care Payment. This is a payment designed to recognise breadth of achievement across the clinical domain.

5.22 In order to calculate the points in respect of this Payment, the contractor's points totals in each of the clinical areas in the clinical domain are to be ranked on the basis of the proportion it scores of the points available in that clinical area, the highest proportion being ranked first. The proportion that is third-to-last is the proportion of 100 points to which it is entitled as the basis of its Holistic Care Payment.

Calculation of points in relation to the Quality Practice Payment

5.23 Contractors will also be entitled to a proportion of 30 points as the basis of a Quality Practice Payment, designed to recognise breadth of achievement across the organisational, patient experience and additional services domains.

5.24 In order to calculate the points in respect of this Payment, the contractor's points totals in each of the sub-domains in the organisational, patient experience and additional services domains are to be ranked on the basis of the proportion it scores of the points available in that sub-domain, the highest proportion being ranked first. For these purposes, the sub-domains–

- (a) in the organisational domain are under the headings–
 - (i) records and information about patients,
 - (ii) information for patients,
 - (iii) education and training,
 - (iv) practice management, and
 - (v) medicines management;
- (b) in the patient experience domain are the length of consultations indicator and the patient survey indicator. For the patient survey indicator, the ranked proportion is to be the proportion of the maximum number of points available in relation to this indicator (i.e. if the highest performance level is achieved); and
- (c) in the additional services domain are the four different additional services in that domain.

5.25 The proportion that is ranked third-to-last is the proportion of 30 points to which it is entitled as the basis of its Quality Practice Payment. Additional services which the contractor does not provide must nevertheless be included in the ranking.

Calculation of points in relation to QOF Access Payment

5.26 The relevant access targets are those referred to in paragraph 6.1. Achievement in relation to these targets in the four months from December 2004 to March 2005 inclusive will enable contractors to score up to 8 data points (4 in relation to access to GPs and 4 in relation to access to health care professionals) under the Primary Care Access Survey during that four month period. Practices scoring–

- (a) 6, 7 or 8 data points in respect of achieving these access targets during that period;
- (b) at least 3 data points in relation to access to GPs during that period; and
- (c) at least 3 points in relation to access to health care professionals during that period,

will be entitled to 50 points as the basis of a QOF Access Payment.

CALCULATION OF PAYMENTS

Calculation of Monthly Aspiration Payments

5.27 Aspiration Payments are based on a contractor's Aspiration Points Total. As indicated in paragraph 5.3, if a contractor is to have an Aspiration Points Total for the financial year 2004 to 2005, this is to be agreed between it and the PCT for when its contract takes effect.

5.28 If the PCT and the contractor have agreed an Aspiration Points Total for the contractor, that total is to be divided by three. The resulting figure is to be multiplied by [£75], and then by the contractor's CPI. The resulting amount, which is the annual amount of the contractor's Aspiration Payment, is then to be divided by twelve for the contractor's Monthly Aspiration Payment.

5.29 The PCT must thereafter pay the contractor under its GMS contract its Monthly Aspiration Payment monthly. The Monthly Aspiration Payment is to fall due on the last day of each month. However, if the contractor's contract took effect on a day other than the first day of a month, its Monthly Aspiration Payment in respect of that first part month is to be adjusted by the fraction produced by dividing–

- (a) the number of days during the month in which the contractor was participating in the QOF; by
- (b) the total number of days in that month.

5.30 The amount of a contractor's Monthly Aspiration Payments is thereafter to remain unchanged throughout the financial year 2004 to 2005, even when its CPI changes or if the contractor ceases to provide an Additional Service and as a consequence is less likely to achieve the Aspiration Points Total that has been agreed.

Conditions attached to Monthly Aspiration Payments

5.31 Monthly Aspiration Payments, or any part thereof, are only payable if the contractor satisfies the following conditions–

- (a) the contractor's Aspiration Points Total on which the Payments are based must be realistic, agreed with the PCT and broken down for the PCT by the contractor into a standard format, provided nationally;
- (b) the contractor must make available to the PCT any information which the PCT does not have but needs, and the contractor either has or could reasonably be expected to obtain, in order to calculate the contractor's Monthly Aspiration Payments;
- (b) the contractor must make any returns required of it (whether computerised or otherwise) to the Exeter Registration System, and do so promptly and fully;
- (d) once it is possible for accredited computer systems to generate monthly returns relating to achievement of the standards contained in the indicators in the QOF–
 - (i) contractors utilising accredited computer systems must make available to the PCT anonymised, aggregated monthly returns relating to their achievement of the standards contained in the indicators in the QOF, and in the standard form provided for by such systems, and
 - (ii) contractors not utilising accredited computer systems must make available to the PCT similar monthly returns, in such form as the PCT reasonably requests (for example, PCTs may reasonably request that contractors fill in manually a printout of the standard spreadsheet which is produced by accredited systems in respect of monthly achievement of the standards contained in the indicators in the QOF);
- (e) from December 2004, the contractor must make available to the PCT, under the Primary Care Access Survey, returns relating to its data points scores in relation to the access targets referred to in paragraph 6.1; and
- (e) all information supplied pursuant to or in accordance with this paragraph must be accurate.

5.32 If the contractor breaches any of these conditions, the PCT may, in appropriate circumstances, withhold payment of any or any part of a Monthly Aspiration Payment that is otherwise payable.

Payment of Achievement Payments

5.33 Achievement Payments are to be based on the Achievement Points Total to which a contractor is entitled at the end of the financial year 2004 to 2005, as calculated in accordance with this Section.

5.34 The date in respect of which the assessment of achievement points is to be made is 31st March 2005, subject to the following exceptions–

- (a) as indicated in paragraph 5.26 above, the arrangements for making the assessment in respect of the QOF Access Payment are different. Achievement of the access targets will be assessed over a four month period from December 2004 to March 2005 inclusive;
- (b) if a contractor is under an obligation, under its GMS contract, to provide an additional service for part of the financial year but ceases providing that service before the end of the financial year–
 - (i) permanently, or
 - (ii) temporarily, but does not then resume providing the service before the end of the financial year,

the assessment of the Achievement Points to which it is entitled in respect of that service is to be made in respect of the last date in the financial year on which it was under an obligation, under its GMS contract, to provide that service; and

- (c) if a GMS contract terminates before the end of the financial year, the assessment of the Achievement Points to which it is entitled is to be made in respect of the last date in the financial year on which it was under an obligation, under its GMS contract, to provide essential services.

5.35 In order to make a claim for an Achievement Payment, a contractor must make a return in respect of the information required of it by the PCT in order for the PCT to calculate its Achievement Payment.

5.36 On the basis of that return, but subject to any revision of the Achievement Points total that the PCT may reasonably see fit to make–

- (a) to correct the accuracy of any points total; or
- (b) having regard to any guidance issued by the Department of Health,

the PCT is to calculate the contractor's Achievement Payment as follows.

5.37 The parts of the Achievement Payment that relate to the clinical domain and the additional services domain are calculated in a different way from the parts relating to the other domains. As regards–

- (a) the clinical domain, the Achievement Points total in respect of each disease area is first multiplied by [£75]. It is then multiplied by the Adjusted Practice Disease Factor (which gives each practice a different “pounds per point” figure for each disease area) to produce a cash amount for that disease area for that contractor, and then the cash total in respect of all the disease areas in the domain is to be added together to give the cash total in respect of the domain. A fuller explanation of how the prevalence calculation in respect of this domain is to be made is given in Annex G; and
- (b) the additional services domain, the Achievement Points total in respect of each additional service is to be assessed in accordance with the guidance in Annex F, and a calculation is thereafter to be made of the cash total in respect of the domain in the manner set out in that guidance.

5.38 As regards all the other Achievement Points gained by the contractor, the total number of them is to be multiplied by [£75].

5.39 The cash totals produced under paragraphs 5.37 and 5.38 are then added together and multiplied by the contractor’s CPI at the start of the final quarter of the financial year 2004 to 2005 (or, if its contract has terminated, its CPI immediately before the contract terminated). If the contractor’s GMS contract had effect–

- (a) throughout the financial year 2004 to 2005, the resulting amount is the provisional total for the contractor’s Achievement Payment for the financial year 2004 to 2005;
- (b) for only part of the financial year 2004 to 2005, the resulting amount is to be adjusted by the fraction produced by dividing the number of days during the financial year 2004 to 2005 for which the contractor’s GMS contract had effect by 365, and the result of that calculation is the provisional total for the contractor’s Achievement Payment for the financial year 2004 to 2005.

5.40 From these provisional totals, the PCT needs to subtract the total value of all the Monthly Aspiration Payments made to the contractor under its GMS contract in the financial year 2004 to 2005. The resulting amount (unless it is a negative amount or zero, in which case no Achievement Payment is payable) is the contractor’s Achievement Payment for the financial year 2004 to 2005.

5.41 This Achievement Payment is to be treated for accounting and superannuation purposes as gross income of the contractor in the financial year 2004 to 2005 but is to fall due–

- (a) if the PCT is considering revising the contractor's Achievement Points Total in accordance with paragraph 5.36, on 30th June 2005; and
- (b) in all other cases, on 30th April 2005.

Conditions attached to Achievement Payments

5.42 Achievement Payments, or any part thereof, are only payable if the contractor satisfies the following conditions–

- (a) the contractor must make the return required of it under paragraph 5.35;
- (b) the contractor must ensure that all the information that it makes available to the PCT in respect of the calculation of its Achievement Payment is based on accurate and reliable information, and that any calculations it makes are carried out correctly;
- (c) the contractor must ensure that it is able to provide any information that the PCT may reasonably request of it to demonstrate that it is entitled to each Achievement Point to which it says it is entitled, and the contractor must make that information available to the PCT on request;
- (d) the contractor must make any returns required of it (whether computerised or otherwise) to the Exeter Registration System, and do so promptly and fully;
- (e) the contractor must co-operate fully with any reasonable inspection or review (including the PCT's QOF annual review) that the PCT or another relevant statutory authority wishes to undertake in respect of the Achievement Points to which it says it is entitled; and
- (f) all information supplied pursuant to or in accordance with this paragraph must be accurate.

5.43 If the contractor breaches any of these conditions, the PCT may, in appropriate circumstances, withhold payment of all or part of an Achievement Payment that is otherwise payable.

PART 3

DIRECTED ENHANCED SERVICES

6. Improved Access Scheme

6.1 PCTs are under a duty to establish, operate and, as appropriate, revise an Improved Access Scheme for their area, the underlying purpose of which is to ensure that all patients in their area who are registered with primary care services contractors will, on request, be able to see face-to-face, by the end of–

- (a) the first working day after the day on which the request was made, a health care professional who works with a general practitioner; and
- (b) the second working day after the day on which the request was made, a general practitioner.

6.2 PCTs will endeavour to agree with contractors a plan (“an IAS plan”) for ensuring that these access targets are met. These plans are to cover–

- (a) profiling the demand for face-to-face consultations to be dealt with by the contractor;
- (b) identifying and implementing patient-focused approaches to shaping demand for face-to-face consultations on a daily basis and reducing the backlog of appointments as required;
- (c) collecting data on a monthly basis to demonstrate whether the access targets referred to in paragraph 6.1 are being met;
- (d) exception reporting, which is to cover recording the circumstances where the access targets referred to in paragraph 6.1 have properly been set aside because–
 - (i) the patient subsequently cancels or fails to attend,
 - (ii) the patient is offered a face-to-face consultation within the access targets referred to in paragraph 6.1 but requests a different appointment (possibly for the patient’s own convenience or in order to see a specific GP or health care professional),
 - (iii) the matter is dealt with to the patient’s satisfaction without a face-to-face consultation despite an initial request for one (possibly by telephone or e-mail);

- (e) if appropriate, the participation of practice members or staff in local collaborative enterprises;
- (f) contingency plans to cover circumstances where the access targets referred to in paragraph 6.1 may be in jeopardy (possibly because of sickness or holiday absences); and
- (g) the contractor's precise responsibilities for meeting and maintaining the access targets referred to in paragraph 6.1 (if necessary with dates by which it must meet the targets).

Improved Access Scheme Implementation Payments

6.3 If, as part of a GMS contract, a contractor and a PCT have agreed an IAS plan, the PCT must in respect of the financial year 2004 to 2005 pay to the contractor under its GMS contract an Improved Access Scheme Implementation Payment of [£2,580.50] multiplied by the contractor's CPI. This amount is to fall due–

- (a) if the plan is agreed on or was agreed before 1st April 2004, on 30th April 2004; and
- (b) if the plan is agreed after 1st April 2004, on the first date after the plan is agreed on which one of the contractor's Payable GSMPs falls due.

Improved Access Scheme Reward Payments

6.4 If, as part of a GMS contract a contractor and a PCT have agreed an IAS plan, the PCT must in respect of the financial year 2004 to 2005 pay to the contractor under its GMS contract an Improved Access Scheme Reward Payment if, in the opinion of the PCT, during that financial year the contractor has fulfilled its obligations under that plan. However, to have fulfilled its obligations under that plan, the contractor must have scored–

- (a) 6, 7 or 8 data points in respect of achieving the access targets referred to in paragraph 6.1 during the four months from December 2004 to March 2005;
- (b) at least 3 of those data points in relation to access to GPs during the four months from December 2004 to March 2005; and
- (c) at least 3 of those data points in relation to access to Health Care Professionals during the four months from December 2004 to March 2005.

6.5 If the plan–

- (a) is agreed on or was agreed before 1st April 2004 and has effect for the whole of the financial year 2004 to 2005, the amount payable is[£2,580.50], multiplied by the contractor's CPI at the start of the last quarter;

- (b) has effect for only part of the financial year 2004 to 2005, the amount payable is [£2,580.50], multiplied by–
 - (i) the contractor’s CPI either for the last quarter or, if the plan ceases to have effect before 1st January 2005, for when the plan ceased to have effect, and
 - (ii) the fraction produced by dividing the number of days for which the plan had effect during the financial year 2004 to 2005 by 365.

6.6 The payment is to be treated for accounting and superannuation purposes as gross income of the contractor in the financial year 2004 to 2005 but is to fall due on 30th April 2005.

6.7 Improved Access Scheme Reward Payments, or any part thereof, are only payable if the contractor satisfies the following conditions–

- (a) the contractor must make available to the PCT any information which the PCT does not have but needs, and the contractor either has or could reasonably be expected to obtain, in order to form its opinion on whether the contractor has fulfilled its obligations under the IAS plan. In particular the contractor must ensure that the PCT has available to it the data collected as mentioned in paragraph 6.2(c);
- (b) the contractor must make any returns required of it (whether computerised or otherwise) to the Exeter Registration System, and do so promptly and fully;
- (c) all information supplied pursuant to or in accordance with this paragraph must be accurate.

6.8 If the contractor breaches any of these conditions, the PCT may, in appropriate circumstances, withhold payment of any or any part of an Improved Access Scheme Reward Payment that is otherwise payable.

7. Quality Information Preparation Scheme

7.1 PCTs are under a duty to establish, operate and, as appropriate, revise a Quality Information Preparation Scheme (QuIPS) for their area, the underlying purpose of which is to summarise and improve the quality of medical records held by primary medical services contractors in their area.

7.2 A PCT must, as part of its QuIPS, offer to enter into arrangements with contractors for the purposes of summarising and improving their medical records. Plans setting out those arrangements (“QuIPS plans”) are to include–

- (a) a project for summarising the medical records held by the contractor, which must include–
 - (i) a protocol for how the summarising is to be done, to be agreed (if the contractor is a partnership) by all the members of the contractor, and
 - (ii) the arrangements for the ongoing maintenance of the summarising project; and
- (b) provision for fully trained summarisers, who–
 - (i) must not take medical records away from practice premises,
 - (ii) must have appropriate access to GP performers when they have queries,
 - (iii) must sign a confidentiality agreement, and
 - (iv) must be appropriately supervised.

Quality Information Preparation Scheme Payments

7.3 If, as part of a GMS contract a contractor and a PCT have agreed a QuIPS plan under which payment is due in respect of the financial year 2004 to 2005, the PCT must in respect of the financial year 2004 to 2005 pay to the contractor under the GMS contract a QuIPS Payment. The amount of this payment is to be–

- (a) not less than [£1,000] multiplied by the contractor’s CPI; but
- (b) not more than [£5,000] multiplied by the contractor’s CPI.

7.4 The precise figure is to depend on the amount of work that needs doing, having regard to the fact that QuIPS payments are not intended to cover the full cost of ensuring that contractors’ records are appropriately summarised and edited.

7.5 The payment is to fall due–

- (a) if the plan was agreed on or before 1st April 2004, or takes effect on 1st April 2004, on 30th April 2004; and
- (b) if the plan is agreed after 1st April 2004, on the first date after the plan is agreed on which one of the contractor’s Payable GSMPs falls due.

8. Childhood Immunisations Scheme

8.1 Childhood Immunisation and Pre-school Booster Services are classified as Additional Services. If contractors are providing these services to patients registered with them, PCTs are to seek to agree a Childhood Immunisations Scheme plan with

them, as part of their GMS contract. This plan will be the mechanism under which the payments set out in this Section will be payable.

Childhood Immunisations Scheme plans

8.2 Childhood Immunisations Scheme plans are to require contractors to–

- (a) develop and maintain a register (its “Childhood Immunisations Scheme Register”) of all children up to five years of age for whom the contractor has a contractual duty to provide Childhood Immunisation and Pre-School Booster Services (who may have been immunised, by the contractor or otherwise, or to whom the contractor has offered or needs to offer childhood immunisations);
- (b) develop a strategy for liaising with and informing parents or guardians of young children about the immunisation programme, and providing advice and information on request to parents and guardians of young children about immunisation;
- (c) undertake to immunise children registered in its Childhood Immunisations Scheme Register with the relevant immunisations in accordance with the Green Book; and
- (d) conduct an annual review of the plan.

Target payments in respect of two-year-olds

8.3 PCTs must in respect of the financial year 2004 to 2005 pay to a contractor under its GMS contract a Quarterly Two-Year-Olds Immunisation Payment (“Quarterly TYOIP”) if it qualifies for that payment. A contractor qualifies for that payment if–

- (a) as part of its GMS contract the contractor and the PCT have agreed a Childhood Immunisations Scheme plan; and
- (b) on the first day of the quarter to which the payment relates, at least 70%, for the lower payment, or at least 90%, for the higher payment, of the children aged two (i.e. who have celebrated their second birthday but not yet their third) registered with the contractor have completed the immunisation courses recommended by the Green Book for protection against–
 - (i) (Group 1) diphtheria, tetanus, and poliomyelitis,
 - (ii) (Group 2) pertussis,
 - (iii) (Group 3) measles/mumps/rubella, and
 - (iv) (Group 4) Haemophilus influenzae type B (HiB).

Calculation of Quarterly Two-Year-Olds Immunisation Payment

8.4 PCTs will first need to determine the number of completed immunisation courses recommended by the Green Book that are required over the four disease groups in paragraph 8.3(b) in order to meet either the 70% or 90% target. To do this the contractor will need to provide the PCT with the number of two-year-olds (**A**) whom it is under a contractual obligation to include in its Childhood Immunisations Scheme Register on the first day of the quarter in respect of which the contractor is seeking payment, and then the PCT must make the following calculations–

- (a) $(0.7 \times \mathbf{A} \times 4) = \mathbf{B}^1$ (the number of completed immunisations needed to meet the 70% target);
- (b) $(0.9 \times \mathbf{A} \times 4) = \mathbf{B}^2$ (the number of completed immunisations needed to meet the 90% target).

8.5 PCTs will then need to calculate which, if any, target was achieved. To do this, a PCT will also need from the contractor the sum of the total number of children aged two whom it is under a contractual obligation to include in its Childhood Immunisations Scheme Register and who have completed immunisations in each of the four groups (\mathbf{C}^{1-4}). Only completed immunisation courses (whether or not carried out by the contractor) are to count towards the determination of whether or not the targets are achieved. No adjustment is to be made for exception reporting. A calculation is then to be made of whether or not the targets are achieved–

- (a) if $\mathbf{C}^{1-4} \times \mathbf{B}^1$, then the 70% target is achieved; and
- (b) if $\mathbf{C}^{1-4} \times \mathbf{B}^2$, then the 90% target is achieved.

8.6 Next the PCT will need to calculate the number of the completed immunisations that the contractor can use to count towards achievement of the targets (**D**). To do this, the contractor will need to provide the PCT with a breakdown of how many of the completed immunisation courses in each disease group that were carried out by it, or by another GMS or PMS contractor, within the NHS.

8.7 Once the PCT has that information, (**D**) is to be calculated as follows–

$$\begin{array}{r}
 \mathbf{C}^1 \quad - \quad \mathbf{E}^1 \\
 \mathbf{C}^2 \quad - \quad \mathbf{E}^2 \\
 \mathbf{C}^3 \quad - \quad \mathbf{E}^3 \\
 + \quad \mathbf{C}^4 \quad - \quad \mathbf{E}^4 \\
 \hline
 = \quad \mathbf{D}
 \end{array}$$

For these purposes–

- (a) (\mathbf{E}^x) is the number of completed immunisation carried out other than by a GMS or PMS contractor for the NHS in each group (i.e. Group 1 equals \mathbf{E}^1); and

- (b) in each case the sum of $C^X - E^X$ can never be greater than $C^X \times [0.7]$ or $[0.9]$ (depending on which target achieved). Where it is, it is treated as the result of: $C^X \times [0.7]$ or as the case may be $[0.9]$.

8.8 In the financial year 2004 to 2005, the maximum amounts payable to a contractor will depend on the number of children aged two whom it is under a contractual obligation to include in its Childhood Immunisations Scheme Register on the first day of each quarter compared with the average UK number of such children per 5000 population, which is 59.25. The maximum amounts payable to the contractor (**F**) are therefore to be calculated as follows–

(a) where the 70% target is achieved: $(F^1) = \frac{A}{59.25} \times \text{£}685.25$

(b) where the 90% target is achieved: $(F^2) = \frac{A}{59.25} \times \text{£}2,055.75$

8.9 The Quarterly TYOIP payable to the contractor is thereafter calculated as a proportion of the maximum amounts payable as follows–

$$F^1 \text{ or } F^2 \times \frac{D}{B^1 \text{ or } B^2} = \text{Quarterly TYOIP}$$

8.10 The amount payable as a Quarterly TYOIP is to fall due on the last day of the first month of the quarter to which it relates. However, if the contractor delays providing the information the PCT needs to calculate its Quarterly TYOIP beyond the middle of the quarter, the amount is to fall due at the end of the quarter after the quarter during which the contractor provides the necessary information. No Quarterly TYOIP is payable if the contractor provides the necessary information more than four months after the date to which the information relates.

Conditions attached to Quarterly Two-Year-Olds Immunisation Payments

8.11 Quarterly TYOIPs, or any part thereof, are only payable if the contractor satisfies the following conditions–

- (a) the contractor must meet its obligations under its Childhood Immunisations Scheme plan;
- (b) the contractor must make available to the PCT sufficient information to enable the PCT to calculate the contractor's Quarterly TYOIP. In particular, the contractor must supply the following figures–
 - (i) the number of two-year-olds whom it is under a contractual obligation to include in its Childhood Immunisations Scheme Register on the first day of the quarter,
 - (ii) how many of those two-year-olds have completed each of the immunisation courses recommended by the Green Book for

protection against the disease groups referred to in paragraph 8.3(c), and

- (iii) of those completed immunisation courses, how many were carried out by a GMS or PMS contractor within the NHS; and
- (c) all information supplied pursuant to or in accordance with this paragraph must be accurate.

8.12 If the contractor breaches any of these conditions, the PCT may, in appropriate circumstances, withhold payment of all or part of a Quarterly TYIOP that is otherwise payable.

Target payments in respect of five-year-olds

8.13 PCTs must in respect of the financial year 2004 to 2005 pay to a contractor under its GMS contract a Quarterly Five-Year-Olds Immunisation Payment (“Quarterly FYOIP”) if it qualifies for that payment. A contractor qualifies for that payment if–

- (a) as part of its GMS contract the contractor and the PCT have agreed a Childhood Immunisation Scheme plan; and
- (b) on the first day of the quarter to which the payment relates, at least 70%, for the lower payment, or at least 90%, for the higher payment, of the children aged five (i.e. who have celebrated their fifth birthday but not yet their sixth) registered with the contractor have received the reinforcing doses recommended by the Green Book for protection against diphtheria, tetanus and poliomyelitis.

Calculation of Quarterly Five-Year-Olds Immunisation Payment

8.14 PCTs will need to determine the number of completed immunisation courses recommended by the Green Book that are required in order to meet either the 70% or the 90% target. To do this, the contractor will need to provide the PCT with the number of five-year-olds (**A**) whom it is under a contractual obligation to include in its Childhood Immunisations Scheme Register on the first day of the quarter in respect of which the contractor is seeking payment, and then the PCT must make the following calculations–

- (a) $(0.7 \times \mathbf{A}) = \mathbf{B}^1$ (the number of completed booster courses needed to meet the 70% target; and
- (b) $(0.9 \times \mathbf{A}) = \mathbf{B}^2$ (the number of completed booster courses needed to meet the 90% target).

8.15 PCTs will then need to calculate which, if any, target was achieved. To do this, a PCT will also need from the contractor the sum of the total number of children aged five whom it is under a contractual obligation to include in its Childhood Immunisations Scheme Register and who have completed the booster courses

required (C). Only completed booster courses (whether or not carried out by the contractor) are to count towards the determination of whether or not the target was achieved. No adjustment is to be made for exception reporting. A calculation is then to be made of whether or not the targets are achieved–

- (a) if $C \times B^1$, then the 70% target is achieved; and
- (b) if $C \times B^2$, then the 90% target is achieved.

8.16 Next the PCT will need to calculate the number of the completed booster courses that the contractor can use to count towards achievement of the targets (D). To do this, the contractor will need to provide the PCT with a breakdown of how many of the completed booster courses were carried out by it, or by another GMS or PMS contractor, within the NHS.

8.17 If $D > B^1$ or B^2 (depending on the target achieved), then (D) is adjusted to equal the value of (B^1) or (B^2) as appropriate.

8.18 In the financial year 2004 to 2005, the maximum amounts payable to a contractor will depend on the number of children aged five whom it is under a contractual obligation to include in its Childhood Immunisations Scheme Register on the first day of each quarter compared with the average UK number of such children per 5000 population, which is 61.45. The maximum amounts payable to the contractor (E) are therefore to be calculated as follows–

- (a) where the 70% target is achieved: $E^1 = \frac{A}{61.45} \times \text{£}212.25$
- (b) where the 90% target is achieved: $E^2 = \frac{A}{61.45} \times \text{£}636.75$

8.19 The Quarterly FYOIP payable to the contractor is thereafter calculated as a proportion of the maximum amounts payable as follows–

$$E^1 \text{ or } E^2 \times \frac{D}{B^1 \text{ or } B^2} = \text{Quarterly FYOIP}$$

8.20 The amount payable as a Quarterly FYOIP is to fall due on the last day of the first month of the quarter to which it relates. However, if the contractor delays providing the information the PCT needs to calculate its Quarterly FYOIP beyond the middle of the quarter, the amount is to fall due at the end of the quarter after the quarter during which the contractor provides the necessary information. No Quarterly FYOIP is payable if the contractor provides the necessary information more than four months after the date to which the information relates.

Conditions attached to Quarterly Five-Year-Olds Immunisation Payments

8.21 Quarterly FYOIPs, or any part thereof, are only payable if the contractor satisfies the following conditions–

- (a) the contractor must meet its obligations under its Childhood Immunisation Scheme plan;
- (b) the contractor must supply to the PCT with sufficient information to enable the PCT to calculate the contractor's Quarterly FYOIP. In particular, the contractor must supply the following figures–
 - (i) the number of five-year-olds whom it is under a contractual obligation to include in its Childhood Immunisations Scheme Register on the first day of each quarter,
 - (ii) how many of those five-year-olds have received the complete course of reinforcing doses recommended by the Green Book for protection against diphtheria, tetanus and poliomyelitis, and
 - (iii) of those completed courses, how many were carried out by a GMS or PMS contractor within the NHS; and
- (c) all information supplied pursuant to or in accordance with this paragraph must be accurate.

8.22 If the contractor breaches any of these conditions, the PCT may, in appropriate circumstances, withhold payment of all or part of a Quarterly FYOIP that is otherwise payable.

PART 4

PAYMENTS FOR SPECIFIC PURPOSES

9. Payments for locums covering maternity, paternity and adoption leave

9.1 Employees of contractors will have rights to time off for ante-natal care, maternity leave, paternity leave, adoption leave and parental leave, if they satisfy the relevant entitlement conditions under employment legislation for those types of leave. The rights of partners in partnerships to these types of leave is a matter for their partnership agreement.

9.2 If an employee or partner who takes any such leave is a performer under a GMS contract, the contractor may need to employ a locum to maintain the level of services that it normally provides. Even if the PCT is not directed in this SFE to pay for such cover, it may do so as a matter of discretion. However, if–

- (a) the performer is a GP performer; and
- (b) the leave is ordinary maternity, paternity leave or ordinary adoption leave,

the contractor may be entitled to payment of, or a contribution towards, the costs of locum cover under this SFE.

Entitlement to payments for covering ordinary maternity, paternity and ordinary adoption leave

9.3 In any case where a contractor actually and necessarily engages a locum (or more than one such person) to cover for the absence of a GP performer on ordinary maternity leave, paternity leave or ordinary adoption leave, and–

- (a) the leave of absence is for more than one week (the maximum periods are: 26 weeks for ordinary maternity leave and for ordinary adoption leave for the parent who is the main care provider; and 2 weeks for paternity leave and for adoption leave for the parent who is not the main care provider);
- (b) the performer on leave is entitled to that leave either under–
 - (i) statute,
 - (ii) a partnership agreement or other agreement between the partners of a partnership, or

- (iii) a contract of employment, provided that the performer on leave has been employed for at least three months by the contractor and is entitled under their contract of employment to be paid their full salary by the contractor during their leave of absence;
- (c) the locum is not a partner or shareholder in the contractor, or already an employee of the contractor, unless the performer on leave is a job-sharer; and
- (d) the contractor is not also claiming another payment for locum cover in respect of the performer on leave pursuant to this Part,

then subject to the following provisions of this Section, the PCT must reimburse the contractor under its GMS contract for the actual cost of engaging that locum.

9.4 It is for the PCT to determine whether or not it is or was in fact necessary to engage the locum, or to continue to engage the locum, but it is to have regard to the following principles–

- (a) it should not normally be considered necessary to employ a locum if the PCT has offered to provide the locum cover itself and the contractor has refused that offer without good reason;
- (b) it should not normally be considered necessary to employ a locum if the performer on leave had a right to return but that right has been extinguished; and
- (c) it should not normally be considered necessary to employ a locum if the contractor has engaged a new employee or partner to perform the duties of the performer on leave and it is not carrying a vacancy in respect of another position which the performer on leave will fill on his return.

Ceilings on the amounts payable

9.5 The maximum amount payable under this Section by the PCT in respect of locum cover for a GP performer is [£948.33] per week.

Payment arrangements

9.6 The contractor is to submit claims for costs actually incurred after they have been incurred, at a frequency to be agreed between the PCT and the contractor, or if agreement cannot be reached, within 14 days of the end of month during which the costs were incurred. Any amount payable falls due 14 days after the claim is submitted.

Conditions attached to the amounts payable

9.7 Payments under this Section, or any part thereof, are only payable if the contractor satisfies the following conditions–

- (a) if the leave of absence is maternity leave, the contractor must supply the PCT with a certificate of expected confinement as used for the purposes of obtaining statutory maternity pay, or a private certificate providing comparable information;
- (b) if the leave of absence is for paternity leave, the contractor must supply the PCT with a letter written by the GP performer confirming prospective fatherhood and giving the date of expected confinement;
- (c) if the leave of absence is for adoption leave, the contractor must supply the PCT with a letter written by the GP performer confirming the date of the adoption and the name of the main care provider, countersigned by the appropriate adoption agency;
- (d) the contractor must, on request, provide the PCT with written records demonstrating the actual cost to it of the locum cover;
- (e) once the locum arrangements are in place, the contractor must inform the PCT–
 - (i) if there is to be any change to the locum arrangements, or
 - (ii) if, for any other reason, there is to be a change to the contractor’s arrangements for performing the duties of the performer on leave,

at which point the PCT is to determine whether it still considers the locum cover necessary.

9.8 If the contractor breaches any of these conditions, the PCT may, in appropriate circumstances, withhold payment of any sum otherwise payable under this Section.

10. Payments for locums covering sickness leave

10.1 Employees of contractors will, if they qualify for it, be entitled to statutory sick pay for 28 weeks of absence on account of sickness in any three years. The rights of partners in partnership agreements to paid sickness leave is a matter for their partnership agreement.

10.2 If an employee or partner who takes any sickness leave is a performer under a GMS contract, the contractor may need to employ a locum to maintain the level of services that it normally provides. Even if the PCT is not directed in this SFE to pay for such cover, it may do so as a matter of discretion – and indeed, it may also provide locum support for performers who are returning from sickness leave or for those who are at risk of needing to go on sickness leave. It should in particular consider exercising its discretion–

- (a) where there is an unusually high rate of sickness in the area where the performer performs services; or
- (b) to support contractors in rural areas where the distances involved in making home visits make it impracticable for a GP performer returning from sickness leave to assume responsibility for the same number of patients for which he previously had responsibility.

Entitlement to payments for covering sickness leave

10.3 In any case where a contractor actually and necessarily engages a locum (or more than one such person) to cover for the absence of a GP performer on sickness leave, and–

- (a) the leave of absence is for more than one week;
- (b) if the performer on leave is employed by the contractor, the contractor must–
 - (i) be required to pay statutory sick pay to that performer, or
 - (ii) be required to pay the performer on leave his full salary during absences on sick leave under his contract of employment, and the performer on leave must have been employed for at least three months by the contractor;
- (c) if the GP performer’s absence is as a result of an accident, the contractor must be unable to claim any compensation from whoever caused the accident towards meeting the cost of engaging a locum to cover for the GP performer during the performer’s absence. But if such compensation is payable, the PCT may loan the contractor the cost of the locum, on the condition that the loan is repaid when the compensation is paid unless–
 - (i) no part of the compensation paid is referable to the cost of the locum, in which case the loan is to be considered a reimbursement by the PCT of the costs of the locum which is subject to the following provisions of this Section, or
 - (ii) only part of the compensation paid is referable to the cost of the locum, in which case the liability to repay shall be proportionate to the extent to which the claim for full reimbursement of the costs of the locum was successful;
- (d) the locum is not a partner or shareholder in the contractor, or already an employee of the contractor, unless the performer on leave is a job-sharer; and
- (e) the contractor is not already claiming another payment for locum cover in respect of the performer on leave pursuant to this Part,

then subject to the following provisions of this Section, the PCT must reimburse the contractor under its GMS contract with the amount determined in accordance with this Section as a contribution towards the cost of the locum engaged.

10.4 It is for the PCT to determine whether or not it was in fact necessary to engage the locum, or to continue to engage the locum, but it is to have regard to the following principles–

- (a) it should not normally be considered necessary if the PCT has offered to provide the locum cover itself and the contractor has refused that offer without good reason;
- (b) it should not normally be considered necessary to employ a locum if the performer on leave had a right to return but that right has been extinguished; and
- (c) it should not normally be considered necessary to employ a locum if the contractor has engaged a new employee or partner to perform the duties of the performer on leave and it is not carrying a vacancy in respect of another position which the performer on leave will fill on his return.
- (c) it should not normally be considered necessary for a contractor with two or more GP performers to engage a locum to replace a GP performer, unless the absence of the performer on leave leaves each of the other GP performers (*not including members of the Doctor's Retainer Scheme*) with average numbers of patients as follows–

<i>Absences lasting or expected to last</i>	<i>Full-time GP</i>	<i>Three-quarter-time GP</i>	<i>Half-time GP</i>
Not more than 2 weeks	3600+ patients	2700+ patients	1800+ patients
Not more than 6 weeks	3100+ patients	2325+ patients	1550+ patients
Longer than 6 weeks	2700+ patients	2025+ patients	1350+ patients

- (d) it should normally be considered necessary that a single-handed GP performer or a job-sharer fulfilling the role of a single-handed GP performer will need to be replaced, if they are on sickness leave, by a locum.

Ceilings on the amounts payable

10.5 The maximum amount payable under this Section by the PCT in respect of locum cover for a GP performer is [£948.33] per week.

10.6 However, in any twelve month period, the maximum periods in respect of which payments under this Section are payable in relation to a particular GP performer are–

- (a) 6 months for the full amount of the sum that the PCT has determined is payable; and
- (b) a further 6 months for half the full amount of the sum the PCT initially determined was payable.

Payment arrangements

10.7 The contractor is to submit to the PCT claims for costs actually incurred during a month at the end of that month, and any amount payable is to fall due on the same day of the following month that the contractor's Payable GSMP falls due.

Conditions attached to the amounts payable

10.8 Payments under this Section, or any part thereof, are only payable if the following conditions are satisfied–

- (a) the contractor must obtain the prior agreement of the PCT to the engagement of the locum (but its request to do so must be determined as quickly as possible by the PCT), including agreement as to the amount that is to be paid for the locum cover;
- (b) the contractor must, without delay, supply the PCT with medical certificates in respect of each period of absence for which a request for assistance with payment for locum cover is being made;
- (c) the contractor must, on request, provide the PCT with written records demonstrating the actual cost to it of the locum cover;
- (d) once the locum arrangements are in place, the contractor must inform the PCT–
 - (i) if there is to be any change to the locum arrangements, or
 - (ii) if, for any other reason, there is to be a change to the contractor's arrangements for performing the duties of the performer on leave,

at which point the PCT is to determine whether it still considers the locum cover necessary;

- (e) if the locum arrangements are in respect of a performer on leave who is or was entitled to statutory sick pay, the contractor must inform the PCT immediately if it stops paying statutory sick pay to that employee;

- (f) the performer on leave must not engage in conduct that is prejudicial to his recovery; and
- (g) the performer on leave must not be performing clinical services for any other person, unless under medical direction and with the approval of the PCT.

10.9 If any of these conditions are breached, the PCT may, in appropriate circumstances, withhold payment of any sum otherwise payable under this Section.

11. Payments for locums to cover for suspended doctors

11.1 PCTs have powers to suspend GP performers from their performers' list. They may also, on 1st April 2004, still be considering cases of GP performers who are on but suspended from their performers' lists because prior to 1st April 2004 they were suspended from a medical list or a supplementary list.

11.2 A GP performer who is suspended from a performers' list either–

- (a) on or after 1st April 2004; or
- (b) by virtue of being suspended from a medical list or a supplementary list,

will need to be financially supported. Financial support from PCTs will be covered by a separate determination (and this Section is likely to be revised as a result of that determination).

Eligible cases

11.3 In any case where a contractor–

- (a) is paying a suspended GP performer the full amount of the income to which he was entitled before the suspension (i.e. his normal drawings from the partnership account or his normal salary);
- (b) actually and necessarily engages a locum (or more than one such person) to cover for the absence of the suspended GP performer; and
- (c) the locum is not a partner or shareholder in the contractor, or already an employee of the contractor, unless the absent performer is a job-sharer; and
- (d) the contractor is not also claiming a payment for locum cover in respect of the absent performer under another Section in this Part,

then subject to the following provisions of this Section, the PCT must reimburse the contractor under its GMS contract for the actual cost of engaging that locum.

11.4 It is for the PCT to determine whether or not it is or was in fact necessary to engage the locum, or to continue to engage the locum, but it is to have regard to the following principles–

- (a) it should not normally be considered necessary to employ a locum if the PCT has offered to provide the locum cover itself and the contractor has refused that offer without good reason;
- (b) it should not normally be considered necessary to employ a locum if the absent performer had a right to return but that right has been extinguished; and
- (c) it should not normally be considered necessary to employ a locum if the contractor has engaged a new employee or partner to perform the duties of the absent performer and it is not carrying a vacancy in respect of another position which the absent performer will fill on his return.

Ceilings on the amounts payable

11.5 The maximum amount payable under this Section by the PCT in respect of locum cover for a GP performer is [£948.33] per week.

Payment arrangements

11.6 The contractor is to submit claims for costs actually incurred after they have been incurred, at a frequency to be agreed between the PCT and the contractor, or if agreement cannot be reached, within 14 days of the end of month during which the costs were incurred. Any amount payable falls due 14 days after the claim is submitted.

Conditions attached to the amounts payable

11.7 Payments under this Section, or any part thereof, are only payable if the contractor satisfies the following conditions–

- (a) the contractor must, on request, provide the PCT with written records demonstrating–
 - (i) the actual cost to it of the locum cover, and
 - (ii) that it is continuing to pay the suspended GP performer the full amount of the income to which he was entitled before the suspension (i.e. his normal drawings from the partnership account or his normal salary); and
- (b) once the locum arrangements are in place, the contractor must inform the PCT–

- (i) if there is to be any change to the locum arrangements, or
- (ii) if, for any other reason, there is to be a change to the contractor's arrangements for performing the duties of the absent performer,

at which point the PCT is to determine whether it still considers the locum cover necessary.

11.8 If the contractor breaches any of these conditions, the PCT may, in appropriate circumstances, withhold payment of any sum otherwise payable under this Section.

12. Payments in respect of Prolonged Study Leave

12.1 GP performers may be entitled to take Prolonged Study Leave, and in these circumstances, the contractor for whom they have been providing services under its GMS contract may be entitled to two payments—

- (a) an educational allowance, to be forwarded to the GP performer taking Prolonged Study Leave; and
- (b) the cost of, or a contribution towards the cost of, locum cover.

Types of study in respect of which prolonged study leave may be taken

12.2 Payments may only be made under this Section in respect of Prolonged Study Leave taken by a GP performer where—

- (a) the study leave is for at least 10 weeks but not more than 12 months;
- (b) the educational aspects of the study leave have been approved by the local Director of Postgraduate GP Education, having regard to any guidance on Prolonged Study Leave that Directors of Postgraduate GP Education have agreed nationally; and
- (c) the PCT has determined that the payments to the contractor under this Section in respect of the Prolonged Study Leave are affordable, having regard to the budgetary targets it has set for itself for the financial year 2004 to 2005.

The educational allowance payment

12.3 Where the criteria set out in paragraph 12.2 are met, in respect of each week for which the GP performer is on Prolonged Study Leave, the PCT must pay the contractor an Educational Allowance Payment of [£129.50] per week, subject to the condition that where the contractor is aware of any change in circumstances that may affect its entitlement to the Education Allowance Payment, it notifies the PCT of that change in circumstances.

12.4 If the contractor breaches the condition set out in paragraph 12.3, the PCT may, in appropriate circumstances, withhold payment of any or any part of an Educational Allowance Payment that is otherwise payable.

Locum cover in respect of doctors on Prolonged Study Leave

12.5 In any case where a contractor actually and necessarily engages a locum (or more than one such person) to cover for the absence of a GP performer on Prolonged Study Leave, then subject to the following provisions of this Section, the PCT must reimburse the contractor under its GMS contract with the amount determined in accordance with this Section as a contribution towards the cost of the locum engaged.

12.6 It is for the PCT to determine whether or not it was in fact necessary to engage the locum, or to continue to engage the locum, but it is to have regard to the following principles—

- (a) it should not normally be considered necessary to employ a locum if the PCT has offered to provide the locum cover itself and the contractor has refused that offer without good reason;
- (b) it should not normally be considered necessary to employ a locum if the performer on leave had a right to return but that right has been extinguished; and
- (c) it should not normally be considered necessary to employ a locum if the contractor has engaged a new employee or partner to perform the duties of the performer on leave and it is not carrying a vacancy in respect of another position which the performer on leave will fill on his return.

12.7 The maximum amount payable under this Section by the PCT in respect of locum cover for a GP performer is [£948.33] per week.

Payment arrangements

12.8 The contractor is to submit to the PCT claims for costs actually incurred during a month at the end of that month, and any amount payable is to fall due on the same day of the following month that the contractor's Payable GSMP falls due.

Conditions attached to the amounts payable

12.9 Payments in respect of locum cover under this Section, or any part thereof, are only payable if the following conditions are satisfied—

- (a) the contractor must obtain the prior agreement of the PCT to the engagement of the locum (but its request to do so must be determined as quickly as possible by the PCT), including agreement as to the amount that is to be paid for the locum cover;

- (b) the locum must not be a partner or shareholder in the contractor, or already an employee of the contractor, unless the performer on leave is a job-sharer;
- (c) the contractor must, on request, provide the PCT with written records demonstrating the actual cost to it of the locum cover; and
- (d) once the locum arrangements are in place, the contractor must inform the PCT–
 - (i) if there is to be any change to the locum arrangements, or
 - (ii) if, for any other reason, there is to be a change to the contractor’s arrangements for performing the duties of the performer on leave,

at which point the PCT is to determine whether it still considers the locum cover necessary.

12.10 If any of these conditions are breached, the PCT may, in appropriate circumstances, withhold payment of any sum in respect of locum cover otherwise payable under this Section.

13. Seniority payments

13.1 Seniority payments are payments to a contractor in respect of individual GP providers in eligible posts. They reward experience, based on years of Reckonable Service.

Eligible posts

13.2 Contractors will only be entitled to a Seniority Payment in respect of a GP provider if the GP provider has served for at least two years in an eligible post, or for an aggregate of two years in more than one eligible post – part-time and full-time posts counting the same. The first date after the end of this two year period is the GP provider’s qualifying date. For these purposes, a post is an eligible post–

- (a) in case of posts held prior to 1st April 2004, if the post-holder provided unrestricted general medical services and was eligible for a basic practice allowance under the Red Book; or
- (b) in the case of posts held on or after 1st April 2004, if the post-holder performs primary medical services and is-
 - (i) himself a GMS contractor (i.e. a sole practitioner),
 - (ii) a partner in a partnership that is a GMS contractor, or

- (iii) a shareholder in a company limited by shares that is a GMS contractor.

Service that is Reckonable Service

13.3 Work shall be counted as Reckonable Service if–

- (a) it is clinical service within the NHS or service as a doctor in the health care system of another EEA Member State;
- (b) it is service as a medical officer–
 - (i) in the armed forces of an EEA Member State (including the United Kingdom) or providing clinical services to those forces in a civilian capacity,
 - (ii) in the armed forces under the Crown other than the United Kingdom armed forces or providing clinical services to those forces in a civilian capacity,

if accepted by the PCT or endorsed by the Secretary of State for Health as Reckonable Service;

- (c) it is service with the Foreign and Commonwealth Office as a medical officer in a diplomatic mission abroad, if accepted by the PCT or endorsed by the Secretary of State for Health as Reckonable Service.

Calculation of years of Reckonable Service

13.4 Claims in respect of years of service are to be made to the PCT, and should be accompanied by appropriate details, including dates, of relevant clinical service. Where possible, claims should be authenticated from appropriate records, which may in appropriate circumstances include superannuation records. If the PCT is unable to obtain authentication of the service itself, the onus is on the GP provider to provide documentary evidence to support his claim (although payments may be made while verification issues are being resolved). PCTs should only count periods of service in a calculation of a GP provider's Reckonable Service if they are satisfied that there is sufficient evidence to include that period of service in the calculation.

13.5 In determining a GP provider's length of Reckonable Service–

- (a) only clinical service is to count towards Reckonable Service;
- (b) only clinical service since the date on which the GP provider first became registered (be it temporarily, provisionally, fully or with limited registration) with the General Medical Council, or an equivalent authority in another EEA Member State, is to count towards Reckonable Service;
- (c) periods of part-time and full-time working count the same; and

- (d) generally, breaks in service are not to count towards Reckonable Service, but periods when doctors were taking leave of absence (i.e. they were absent from a post but had a right of return) due to compulsory national service, maternity leave, paternity leave, adoption leave, parental leave, holiday leave, sick leave or study leave, or because of a secondment elective or similar temporary attachment to a post requiring the provision of clinical services, are to count towards Reckonable Service.

13.6 Claims in respect of clinical service in or on behalf of armed forces pursuant to paragraph 13.3(b), are to be considered in the first instance by the PCT, and should be accompanied by appropriate details, including dates and relevant postings. If the PCT is not satisfied that the service should count towards the GP provider's Reckonable Service as a doctor, it is to put the matter to the Secretary of State for Health, together with any comments it wishes to make.

13.7 Before taking his decision on whether or not to endorse the claim, the Secretary of State will then consult the Ministry of Defence or the equivalent authorities of the country in whose, or for whose, armed forces the GP provider served or worked. Generally, the only service that will be endorsed is service where the GP provider undertook clinical duties (whether on military service or in a civilian capacity), and the Secretary of State has received acceptable confirmation of the nature and scope of the clinical duties performed by the GP provider from the relevant authorities.

13.8 Claims in respect of clinical service for or on behalf of diplomatic missions abroad pursuant to paragraph 13.3(c) are to be considered in the first instance by the PCT, and should be accompanied by appropriate details, including dates and relevant postings. If the PCT is not satisfied that the service should count towards the GP provider's Reckonable Service as a doctor, it is to put the matter to the Secretary of State for Health, together with any comments it wishes to make.

13.9 Before taking his decision on whether or not to endorse the claim, the Secretary of State will consult the Foreign and Commonwealth Office. Generally, the only service that will be endorsed is service where the GP provider undertook clinical duties for—

- (a) members of the Foreign and Commonwealth Office and their families;
- (b) members of the Overseas Development Administration and their families;
- (c) members of the British Council and their families;
- (d) British residents, official visitors and aid workers;
- (e) Commonwealth and EEA Member State official visitors;

- (f) staff and their families of other Commonwealth, EEA Member State or friendly State diplomatic missions,

and the Secretary of State has received acceptable confirmation of the nature and scope of the clinical duties performed by the GP provider from the relevant authorities.

Determination of the relevant dates

13.10 Once a GP provider's years of Reckonable Service have been determined, a determination has to be made of two dates–

- (a) the date a GP provider's Reckonable service began, which is the date on which his first period of Reckonable Service started (his "Seniority Date"); and
- (b) the GP provider's qualifying date (see paragraph 13.2).

Calculation of the full annual rate of Seniority Payments

13.11 Once a GP provider has reached his qualifying date, he is entitled to a Seniority Payment in respect of his service as a GP provider thereafter. The amount of his Seniority Payment will depend on two factors: his Superannuable Income Fraction, and his number of years of Reckonable Service.

13.12 At the end of each quarter, the PCT is to make an assessment of the Seniority Payments to be made in respect of individual GP providers working for or on behalf of its GMS contractors. If–

- (a) a GP provider's Seniority Date is on the first date of that quarter, or falls outside that quarter, his Years of Reckonable Service are the number of complete years since his first Seniority Date, and the full annual rate of the Seniority Payment payable in respect of him is the full annual rate opposite his Years of Reckonable Service in the Table below; and
- (b) if the practitioner's Seniority Date falls in that quarter on any date other than the first date of that quarter, the full annual rate of the Seniority Payment payable in respect of him changes on his Seniority Date – and so in respect of that quarter, the full annual rate of the Seniority Payment payable in respect of him is to be calculated as follows–
 - (i) calculate the daily rate of the full annual rate of payment for the first total of Years of Reckonable Service relevant to him (i.e. divide the annual rate by 365), and multiply that daily rate by the number of days in that quarter before his Seniority Date,
 - (ii) calculate the daily rate of the full annual rate of payment for the second total of Years of Reckonable Service relevant to him

(i.e. divide the annual rate by 365), and multiply that daily rate by the number of days in that quarter after and including his Seniority Date,

then add the totals produced by the calculations in heads (i) and (ii) together, and multiply by four.

TABLE

Years of Reckonable Service	Full annual rate of payment per practitioner in 2004-05
0	0
1	0
2	0
3	0
4	0
5	0
6	0
7	600
8	630
9	662
10	695
11	729
12	766
13	804
14	844
15	886
16	3,185
17	3,344
18	3,511
19	3,687
20	3,871
21	4,065
22	6,785
23	6,989
24	7,198
25	7,414
26	7,637
27	7,866
28	8,225
29	8,447
30	8,675
31	8,909
32	9,150
33	9,397
34	9,651
35	9,911
36	10,179
37	10,454
38	10,736
39	11,026
40	11,324
41	11,629
42	11,943

43	12,266
44	12,597
45	12,937
46	13,286
47	13,645

13.13 If, for any GP provider, the full annual rate payable in respect of him, as calculated above, is less than the total amount he was entitled to receive on 31st March 2004 as the full annual rate of—

- (a) his Seniority Payment under the Red Book; plus
- (b) his Delayed Retirement Scheme payment under the Red Book,

that GP provider is entitled to at least that total amount as the full annual rate of his Seniority Payments in the financial year 2004 to 2005.

Superannuable Income Fractions

13.14 In all cases, the full annual rate of a Seniority Payment for a GP provider only payable in respect of a GP provider who has a Superannuable Income Fraction of at least two thirds.

13.15 For these purposes, a GP provider's Superannuable Income Fraction is the fraction produced by dividing—

- (a) his NHS profits from all sources for the financial year 2004 to 2005, excluding—
 - (i) superannuable income which does not appear on his certificate submitted to the PCT in accordance with paragraph 22.10 (i.e. NHS income already superannuated elsewhere), and
 - (ii) any amount in respect of Seniority Payments; by
- (b) the Average Adjusted Superannuable Income.

13.16 The Average Adjusted Superannuable Income is to be calculated as follows (this is still the subject of negotiation)—

- (a) all the NHS profits of the type mentioned in paragraph 13.15(a) of all the GP providers in England who have submitted certificates to a PCT in accordance with paragraph 22.10 by (a date to be agreed) are to be aggregated; then
- (b) this aggregate is then to be divided by the number of GP providers in respect of which the aggregate was calculated; then

- (c) the total produced by sub-paragraph (b) is to be adjusted to take account of the shift towards less than full-time working. The index by which the amount is to be adjusted is to be the same as the index for the financial year 2004 to 2005 by which the uprating factor for pensions is to be adjusted to take account of the shift towards less than full-time working,

and the total produced by sub-paragraph (c) is the Average Adjusted Superannuable Income amount for the calculation in paragraph 13.15.

13.17 If the GP provider has a Superannuable Income Fraction of one third or between one third and two thirds, only 60% of the full annual amount payable in respect a GP provider with his Reckonable Service is payable in respect of him. If he has a Superannuable Income Fraction of less than one third, no Seniority Payment is payable in respect of him.

Amounts payable

13.18 Once a GP provider's full annual rate in respect of a quarter has been determined, and any reduction to be made in respect of his Superannuable Income Fraction has been made, the resulting amount is to be divided by four, and that quarterly amount is the Quarterly Superannuation Payment that the PCT must pay to the contractor under his GMS contract in respect of the GP provider.

13.19 If, however, the GP provider's—

- (a) qualifying date falls in that quarter, the quarterly amount is instead to be calculated as follows: the annual amount (taking account of any reduction in accordance with the GP provider's Superannuable Income Fraction) is to be divided by 365, and then multiplied by the number of days in the quarter after and including his qualifying date; and
- (b) retirement date falls in that quarter, the quarterly amount is instead to be calculated as follows: the annual amount (taking account of any reduction in accordance with the GP provider's Superannuable Income Fraction) is to be divided by 365, and then multiplied by the number of days in the quarter prior to the GP provider's retirement date.

13.20 Payment of the Quarterly Seniority Payment is to fall due on the last day of the quarter to which it relates (but see paragraph 21.8).

Conditions attached to payment of Quarterly Seniority Payments

13.21 A Quarterly Seniority Payment, or any part thereof, is only payable to a contractor if the following conditions are satisfied—

- (a) if a GP provider receives a Quarterly Seniority Payment from more than one contractor, those payments taken together must not amount to more than one quarter of the full annual rate of Seniority Payment in respect of him;

- (b) the contractor must make available to the PCT any information which the contractor does not have but needs, and the contractor either has or could reasonably be expected to obtain, in order to calculate the payment;
- (c) all information provided pursuant to or in accordance with subparagraph (a) must be accurate; and
- (d) a contractor who receives a Seniority Payment in respect of a GP provider must give that payment to that doctor–
 - (i) within one calendar month of it receiving that payment, and
 - (ii) as an element of the personal income of that GP provider subject (in the case of a GP provider who is a shareholder in a contractor that is a company limited by shares) to any lawful deduction of income tax and national insurance.

13.22 If the conditions set out in paragraph 13.21(a) to (c) are breached, the PCT may in appropriate circumstances withhold payment of any or any part of a payment to which the conditions relate that is otherwise payable.

13.23 If a contractor breaches the condition in paragraph 13.21(c), the PCT may require repayment of any payment to which the condition relates, or may withhold payment of any other payment payable to the contractor under this SFE, to the value of the payment to which the condition relates.

14. Golden Hello Scheme

14.1 Under the Golden Hello Scheme, a lump sum “golden hello” payment is made to doctors who are starting out as GP performers in their first eligible post. All eligible doctors receive a standard payment and those starting work in specified PCT areas also receive an additional payment.

Standard payments under the Golden Hello Scheme

14.2 A doctor will be eligible for a standard payment under the Golden Hello Scheme if, after 1st April 2004, he takes up a post as a GP performer and–

- (a) the post is as a GP performer employed or engaged by a contractor (including a member of the Flexible Careers Scheme);
- (b) the post, if part-time–
 - (i) involves a working commitment that generates a Time Commitment Fraction of at least one fifth,

- (ii) and any other post held by the doctor that also entails performing primary medical services together involve working commitment that generates a Time Commitment Fraction of at least one fifth;
- (c) if the doctor is an employee of the contractor, he is on a contract–
- (i) for an indefinite period (but not a fixed number of sessions), or
 - (ii) for a fixed term of more than two years,
- unless he is a member of the Flexible Careers Scheme and he has given the PCT a written undertaking that he will remain in general practice at the end of his membership of the Flexible Careers Scheme;
- (d) subject to paragraph 14.3, prior to starting work in that post, he has not–
- (i) been included in the performers list or medical list of any Health Authority or PCT (unless this was because of temporary arrangements made by a PCT for the provision of general medical services or the performance of primary medical services following the suspension of a doctor),
 - (ii) been employed or engaged (except as a locum) by a GP principal to assist, as a medical practitioner, in the provision of general medical services, or worked (except as a locum) as a GP performer–
 - (aa) either full-time, or part-time with a working commitment generating a Time Commitment Fraction of at least one quarter, if he took up post before 29th November 2002, or at least one fifth if he took up post on or after 29th November 2002, and
 - (bb) under a contract for an indefinite period (but not for a fixed number of sessions) or for a fixed term of more than two years, or
 - (iii) been engaged (except as a locum) as a pilot scheme provider or an employee of a pilot scheme provider, or worked (except as a locum) as a medical practitioner performing primary medical services under a PMS contract–
 - (aa) either full-time, or part-time with a working commitment generating a Time Commitment Fraction of at least one quarter, if he took up the post before 29th November 2002 or at least one fifth, if he took up the post on or after 29th November 2002, and

- (bb) under a contract for an indefinite period (but not for a fixed number of sessions) or for a fixed term of more than two years,

unless he only comes within heads (i) to (iii) because of his participation in the GP Retainer Scheme and the claim pursuant to this Section relates to his first post after leaving the GP retainer scheme; and

- (e) subject to the provisions in this Section for making further payments because of new commitments, he has not previously received a standard payment under–
 - (i) this Section,
 - (ii) paragraph 38 of the Red Book,
 - (iii) the Golden Hello Scheme under a PMS contract, or
 - (iv) Schedule 1 to the New Entrant, Delayed Retirement and Flexible Careers Schemes (Personal Medical Services) (England) Directions 2003.

14.3 Paragraph 14.2(d) shall not apply to a GP performer who did not perform general medical services or personal medical services between 24th June 2002 and 24th September 2002 (except as a locum).

Additional payments under the Golden Hello Scheme

14.4 If–

- (a) a doctor is eligible for a standard payment under paragraph 14.2; and
- (b) the post to which his claim pursuant to this Section relates was with a contractor whose sole or main surgery is, when he takes up the post, within the area of a PCT included in Annex H,

the doctor is potentially eligible for an additional payment under the Golden Hello Scheme. To be eligible for such a payment, the doctor's working commitment to the post to which the claim for an additional payment relates must generate a Time Commitment Fraction of at least one fifth.

Calculation of standard and additional payments under the Golden Hello Scheme

14.5 Subject to the following provisions of this Section, PCTs must pay to contractors, in respect of doctors –

- (a) who are eligible for standard or additional payments under the Golden Hello Scheme, and

- (b) whose eligibility arises because of a work commitment that relates to the primary medical services that the contractor has undertaken to provide under its GMS contract,

any standard or additional payment for which that doctor is eligible, and at the following rates–

<i>Standard Payment</i>	
Full-time, or part-time with a Time Commitment Fraction of at least ½	[£5,000]
Part-time with a Time Commitment Fraction of less than ½	[£3,000]
<i>Additional payment</i>	
Full-time, or part-time with a Time Commitment Fraction of at least ½	[£7,000]
Part-time with a Time Commitment Fraction of less than ½	[£4,200]

Further payments for new commitments

14.6 If, under the Golden Hello Scheme (whether under this Section or the other provisions listed in paragraph 14.2(e)), the lower level of the standard payment has been paid to or in respect of a doctor, or a standard payment was made to or in respect of the doctor but either no additional payment or the lower level of the additional payment was paid, the contractor may be entitled to a further payment from the PCT under his GMS contract in if, after 1st April 2004, the doctor’s work commitment changes, and–

- (a) this is within two years of the doctor taking up the post that made him eligible for a standard payment under the Golden Hello Scheme (“the eligible post”); or
- (b) the doctor took up the post that made him eligible for the standard payment while he was a member of the Flexible Careers Scheme, and the change to his work commitment is within two years of leaving that Scheme.

14.7 In these circumstances, if–

- (a) the doctor increases his time commitment to the contractor, whether in the eligible post or by moving to a new post or by taking on an additional post; or
- (b) with or without an increased time commitment, the doctor moves from a post that did not attract an additional payment to a post that would (for a new entrant) attract an additional payment,

he will be eligible for the further payments set out in paragraphs 14.8 and 14.9.

14.8 In a case where the doctor increases his time commitment–

- (a) if work relating to the new time commitment starts–

- (i) within six months of the doctor taking up the eligible post, or
- (ii) as regards a doctor who is in or has left the Flexible Careers Scheme, within two years of him leaving that Scheme,

the further payment for which he is eligible is the difference between the standard (and where applicable additional) payment the doctor would have received if the new time commitment had been the doctor's time commitment when he first took up the eligible post and the standard (and where applicable additional) payment already awarded to him under the Golden Hello Scheme; or

(b) if–

- (i) work relating to the new time commitment starts within two years of the doctor taking up the eligible post, but more than six months after he took up the post, and
- (ii) the doctor is not and has not been in the Flexible Careers Scheme,

the further payment for which he is eligible is half the difference between the standard (and where applicable additional) payment the doctor would have received if the new time commitment had been the doctor's time commitment when he first took up the eligible post and the standard (and where applicable additional) payment already awarded to him under the Golden Hello Scheme.

14.9 In a case where the doctor–

- (a) moves from a post that did not attract an additional payment to a post that would (for a new entrant) attract an additional payment; or
- (b) takes on an extra post that would (for a new entrant) attract an additional payment,

the further payment is to be the additional payment that the doctor would have received if the new work commitment (also taking into account any additional time commitment) had been the doctor's work commitment when he first took up the eligible post.

14.10 Subject to the following provisions of this Section, PCTs must pay to contractors, in respect of doctors –

- (a) who are eligible for further payments under the Golden Hello Scheme, pursuant to paragraphs 14.6 to 14.9, and
- (b) whose eligibility arises because of a work commitment that relates to the primary medical services that the contractor has undertaken to perform under its GMS contract,

any further payment for which that doctor is eligible.

Conditions attached to payments under the Golden Hello Scheme

14.11 Payments under this Section, or any part thereof, are only payable if the following conditions are satisfied—

- (a) applications for standard, additional and further payments under the Golden Hello Scheme must be made—
 - (i) in the case of standard or additional payments, within 12 months of the date on which the doctor took up the eligible post,
 - (ii) in the case of an additional payment, within 12 months of the date on which the new work commitment starts;
- (b) a contractor who receives a payment under the Golden Hello Scheme in respect of a doctor must give that payment to that doctor—
 - (i) within one calendar month of it receiving that payment, and
 - (ii) as an element of the personal income of that doctor, subject to any lawful deduction of income tax, national insurance and superannuation contributions,

once it has secured from the doctor an enforceable undertaking that he will repay to the contractor any amount repayable by the contractor to the PCT under this Section in respect of him;

- (c) if, within two years of starting in an eligible post giving rise to a standard payment (and any related additional payment) under this Section, the doctor in respect of whom the payment was made ceases to practise as a medical practitioner anywhere in the United Kingdom, the contractor that received the standard payment (and any related additional payment) must repay to the PCT—
 - (i) the whole of the standard payment (and any related additional payment) paid to the contractor, if the doctor ceases to practise within 6 months of him starting in the eligible post, or
 - (ii) half the standard payment (taken together with any related additional payment) paid to the contractor, if the doctor ceases to practise within two years of him starting in the eligible post but more than six months after him starting in that post;
- (d) if within two years of starting in an eligible post giving rise to an additional payment (or a further payment in place of an additional payment) under this Section, the doctor in respect of whom the

payment is made ceases to practise as a medical practitioner anywhere in the United Kingdom or moves to a post which would not, for a new entrant, attract an additional payment, the contractor that received the additional payment (or further payment in place of an additional payment) must repay to the PCT–

- (i) the whole of the additional payment (or further payment) paid to the contractor, if the move takes place or the doctor ceases to practise within 6 months of the doctor starting in the post that gave rise to the payment, or
- (ii) half of the additional payment (or further payment), if the move takes place or the doctor ceases to practise within two years of him starting in the post that gave rise to the payment but more than six months after him starting in that post.

14.12 For the purposes of calculating the time periods referred to in paragraphs 14.11(c) and (d), the following periods are discounted–

- (a) periods of maternity, paternity, adoption or parental leave, if the doctor–
 - (i) in the case of–
 - (aa) ordinary or additional maternity, paternity or adoption leave, gives an undertaking that he will return to general practice after not more than two years' absence, or
 - (bb) extended maternity, paternity or adoption leave, or parental leave, agrees the leave with the PCT and undertakes to return to general practice at the end of the agreed period of leave, and
 - (ii) honours that undertaking;
- (b) periods of absence due to exceptional personal circumstances known to and endorsed by the PCT.

14.13 If the condition in paragraph 14.11(a) is breached, the payment to which the application relates is not payable.

14.14 If the condition in paragraph 14.11(b) is breached, the PCT may require repayment of the payment paid to the contractor, or may withhold payment of any other payment payable to the contractor under this SFE, to the value of the payment paid.

14.15 The conditions in paragraph 14.11(c) and (d) are breached because the doctor ceases to practise because of–

- (a) death; or

- (b) forced early retirement because of illness or injury,

then no amount is repayable, but otherwise, the PCT may require repayment of the payment paid, or the excess amount paid, or may withhold payment of any other payment payable to the contractor under this SFE, to the value of the payment or excess amount paid.

14.16 Where, pursuant to paragraph 14.14, a contractor is required to repay any or any part of a standard, additional or further payment under this Section, the arrangements by which the contractor may seek to enforce the undertaking referred to in paragraph 14.10(b) as a consequence of that repayment are a matter for the contractor.

15. Returners' Scheme

15.1 This is an established Scheme designed to facilitate the return of qualified GPs to the NHS. It is managed locally by Postgraduate Deaneries, each of which has a local Return Co-ordinator responsible for admitting doctors to the Scheme.

Returners' Scheme Doctor Payments

15.2 If a GP performer has been employed or engaged by a contractor, and that GP performer is a doctor who is a member of the Returners' Scheme (RS), the PCT must, in respect of that doctor, pay to the contractor an RS Doctor Payment of [£1,050].

15.3 If–

- (a) a RS doctor's membership of the RS ceases during a year of membership; or
- (b) a RS doctor moves to new employer during a year of membership of the RS, or becomes a partner or shareholder in a different contractor, but remains a member,

the amount of the RS Doctor Payment payable to the contractor is to be adjusted as follows. Multiply the amount of the payment otherwise payable by the following fraction: the number of days for which the RS doctor is contracted to work for the contractor divided by 365.

15.4 Payments under this Section to the contractor are to fall due–

- (a) if the doctor joins the RS on or after 1st April 2004 on the last day of the month during which the date on which he joins the scheme falls; and

- (b) if the doctor joined the RS before 1st April 2004, on the last day of the month during which the anniversary of the date on which he joined the scheme falls.

Conditions attached to Returners' Scheme Doctor Payments and overpayments

15.5 RS Doctor Payments, or any part thereof, are only payable if the following conditions are satisfied–

- (a) a contractor who receives a RS Doctor Payment in respect of a GP performer must give that payment to that GP performer–
 - (i) within one calendar month of it receiving that payment, and
 - (ii) as an element of the personal income of that doctor, subject to any lawful deduction of income tax, national insurance and superannuation contributions,

once it has secured from the doctor an enforceable undertaking that he will repay to the contractor any amount repayable by the contractor to the PCT under this Section in respect of him;
- (b) the contractor must inform the PCT if the GP performer in respect of whom the payment is made ceases to be a member of the RS.

15.6 If a contractor breaches these conditions, the PCT may require repayment of the payment paid, or may withhold payment of any other payment payable to the contractor under this SFE, to the value of the payment paid.

15.7 If as a result of a doctor leaving the RS, the PCT has paid a larger amount to the contractor in respect of that doctor's RS Doctor Payment than the amount to which the contractor is entitled under this Section, the PCT may require repayment of the excess paid, or may withhold payment of any other payment payable to the contractor under this SFE, to the value of the excess paid.

15.8 Where, pursuant to paragraph 15.6 or 15.7, a contractor is required to repay any or any part of a RS Doctor Payment, the arrangements by which the contractor may seek to enforce the undertaking referred to in paragraph 15.5(a) as a consequence of that repayment are a matter for the contractor.

16. Flexible Careers Scheme

16.1 This is an established Scheme for certain part-time doctors. It is managed locally by Postgraduate Deaneries and is for employed doctors only. Contractors are eligible for contractor payments under this Scheme, but will also receive payments to be forwarded to doctors.

Flexible Careers Scheme Contractor Payments

16.2 A PCT must pay to a contractor under its GMS contract a Flexible Career Scheme (FCS) Contractor Payment if–

- (a) it employs a part-time doctor who is a member of the FCS;
- (b) that FCS doctor performs primary medical services under its GMS contract, as a medical practitioner, with a working commitment that generates a Time Commitment Fraction of at least one fifth but not more than five ninths, except that the doctor may also work–
 - (i) an additional 28 hours of funded education time for personal and professional development, and
 - (ii) a limited amount of additional time in the National Health Service, with the approval of his local Director of Postgraduate GP Education.

16.3 For the purposes of the calculation of time commitment in paragraph 16.2(b), the following periods of leave are discounted–

- (a) annual leave up to a maximum of six weeks *pro rata* (compared to full-time);
- (b) maternity, paternity, parental or adoption leave endorsed by the PCT;
- (c) sickness leave endorsed by the PCT;
- (d) special leave in an emergency, which is granted in accordance with employment law and guidance issued by the Department of Trade and Industry; and
- (e) other special leave for pressing personal or family reasons, endorsed by the PCT.

Amount of FCS Contractor Payments

16.4 PCTs will need to obtain from the contractor at the end of each quarter a return of the actual cost to the contractor, rounded to the nearest pound, of it employing the FCS doctor while he is a member of the scheme. This is–

- (a) to include salary, national insurance contributions and NHS pension scheme contributions;
- (b) not to include costs relating to any additional work the FCS doctor is permitted, with the approval of his local Director of Postgraduate GP Education, to undertake outside the FCS.

16.5 A percentage of that amount is then payable as the contractor's FCS Contractor Payment, as calculated (subject to the following provisions of this Section) in accordance with the following table–

TABLE

In respect of doctors whose applications to join the FCS have been received by their local Director of Postgraduate GP Education before 1st January 2004 and who join the scheme before 1st April 2004

Year 1	50%
Year 2	50%
Year 3	25%
Year 4	10%

In respect of other FCS doctors

Year 1	50%
Year 2	25%
Year 3	10%

16.6 For these purposes–

- (a) the qualifying date for the first payment, and so the start of the doctor's first year in the Scheme, is the date the doctor joins the Scheme; and
- (b) if, in relation to any period of leave referred to in paragraph 16.3 the local Director of Postgraduate GP Education reasonably determines that, for exceptional reasons, the year of membership of the FCS in which the period of leave started should be extended, that year of membership shall not be taken to have elapsed until a full year has elapsed from the start of that year of membership, discounting the period of leave, and his qualifying date for payments must be adjusted accordingly;
- (c) if the quarterly return relates to costs incurred in respect of different years of membership of the FCS, the contractor must specify which costs relate to which year of membership of the scheme.

Amount of FCS Doctor Payments

16.7 Subject to the following provisions of this Section, if a contractor is eligible for a FCS contractor payment, the PCT must also pay to the contractor under its GMS contract, in respect of the doctor who is a member of the FCS, a FCS Doctor Payment of [£1,050].

Payments in respect of part years

16.8 If–

- (a) an FCS doctor's membership of the FCS ceases during a year of membership; or
- (b) an FCS doctor moves to new employer during a year of membership of the FCS but remains a member of the scheme,

the amount of the FCS Doctor Payment payable to the contractor is to be adjusted by multiplying the amount of the payment otherwise payable by the following fraction: the number of days for which the FCS doctor is contracted to work for the contractor divided by 365.

Payments in respect of educational sessions

16.9 In respect of each of up to eight educational sessions attended in a year of membership of the FCS by an FCS doctor, and on the basis of a return from the contractor at the end of each quarter, the PCT must reimburse the contractor who employs the FCS doctor under its GMS contract for–

- (a) the actual cost of employing the FCS doctor during those sessions (to be determined in accordance with paragraph 16.5 above); and
- (b) any expenses claimed by and paid to the FCS doctor by the contractor to cover the cost of his actual travel and subsistence in attending those sessions, if these costs are reasonable in the opinion of the PCT.

Payment arrangements

16.10 FCS Doctor Payments to the contractor are to fall due on the last day of the month during which his qualifying date falls, taking account of any adjustment of his qualifying date in accordance with paragraph 16.6.

16.11 The other payments under this Section are to fall due on the last day of the month following the quarter in respect of the quarterly return is made.

Conditions attached to Flexible Career Scheme payments and overpayments

16.12 FCS Contractor Payments and payments under paragraph 16.9(a), or any part thereof, are only payable if the contractor satisfies the following conditions–

- (a) the contractor must make available to the PCT any information which the PCT does not have but needs, and the contractor either has or could reasonably be expected to obtain, in order to calculate the payment. In particular, the contractor must, on request, provide the PCT with written records demonstrating the actual costs it is seeking to recover; and
- (b) all information supplied pursuant to or in accordance with this paragraph must be accurate.

16.13 FCS Doctor Payments, or any part thereof, are only payable if the following conditions are satisfied–

- (a) a contractor that receives an FCS Doctor Payment in respect of a doctor must give that payment to that doctor–
 - (i) within one calendar month of it receiving that payment, and
 - (ii) as an element of the personal income of that doctor, subject to any lawful deduction of income tax, national insurance and superannuation contributions,

once it has secured from the doctor an enforceable undertaking that he will repay to the contractor any amount repayable by the contractor to the PCT under this Section in respect of him;

- (b) the contractor must inform the PCT if the doctor in respect of whom the payment is made ceases to be a member of the FCS.

16.14 Payments in respect of expenses under paragraph 16.9(b) are only payable if the following conditions are satisfied–

- (a) the contractor must make available to the PCT any information which the PCT does not have but needs (including receipts), and the contractor either has or could reasonably be expected to obtain in order to calculate the payment;
- (b) all information provided pursuant to or in accordance with subparagraph (a) must be accurate; and
- (c) a contractor who receives an expenses payment in respect of a doctor must give that payment to that doctor–
 - (i) within one calendar month of it receiving that payment, and
 - (ii) as an element of the personal income of that doctor, subject to any lawful deduction of income tax and national insurance.

16.15 If a contractor breaches the conditions set out in paragraph 16.12 or 16.14(a) or (b), the PCT may in appropriate circumstances withhold payment of any or any part of a payment to which the conditions relate that is otherwise payable.

16.16 If a contractor breaches the conditions in paragraph 16.13 or 16.14(c), the PCT may require repayment of any payment paid to which the condition relates, or may withhold payment of any other sum payable to the contractor under this SFE, to the value of the payment paid.

16.17 If as a result of the doctor leaving the FCS, the PCT has paid a larger amount to the contractor in respect of a FCS Doctor Payment than the amount to which the contractor is entitled, the PCT may require repayment of the excess paid, or may

withhold payment of any other sum payable to the contractor under this SFE, to the value of the excess paid.

16.18 Where, pursuant to paragraph 16.16 or 16.17, a contractor is required to repay any or any part of a RS Doctor Payment, the arrangements by which the contractor may seek to enforce the undertaking referred to in paragraph 16.13(a) as a consequence of that repayment are a matter for the contractor.

17. Doctors' Retainer Scheme

17.1 This is an established Scheme designed to keep doctors who are not working in general practice in touch with general practice. If the doctor is a suspended doctor, the payment arrangements in respect of him will be covered by a separate determination (but this Section may be revised as a result of that determination).

Payments in respect of sessions undertaken by members of the Scheme

17.2 Where—

- (a) a contractor who is considered as a suitable employer of members of the Doctors' Retainer Scheme by the Regional Dean employs or engages a member of the Doctors' Retainer Scheme; and
- (b) the service sessions for which the member of the Doctors' Retainer Scheme is employed or engaged by that contractor have been arranged by the local Director of Postgraduate GP Education,

the PCT must pay to that contractor under its GMS contract [£57.33] in respect of each full session that the member of the Doctors' Retainer Scheme undertakes for the contractor in any week, up to a maximum of four sessions per week.

Payment conditions

17.3 Payments under this section are to fall due at the end of the month in which the session to which the payment relates takes place. However, the payments, or any part thereof, are only payable if the contractor satisfies the following conditions—

- (a) the contractor must inform the PCT of any change to the member of the Doctors' Retainer Scheme's working arrangements that may affect the contractor's entitlement to a payment under this section; and
- (b) the contractor must inform the PCT if the doctor in respect of whom the payment is made ceases to be a member of the Doctors' Retainer Scheme, or if it ceases to be considered a suitable employer of members of the Doctors' Retainer Scheme by the Regional Dean.

17.4 If a contractor breaches any of these conditions, the PCT may, in appropriate circumstances, withhold payment of any payment otherwise payable under this Section.

18. Dispensing

18.1 Some contractors are authorised or required to provide dispensing services to specific patients. The arrangements for this are set out in Part 3 of Schedule 6 to the 2004 Regulations. Under these arrangements, dispensing services may only be provided by a medical practitioner who is employed or engaged by the contractor.

Costs in respect of which reimbursement is payable

18.2 Where drugs and appliances are provided by a medical practitioner—

- (a) in accordance with the terms relating to the provision of dispensing services set out in paragraph [47] in Part 3 of Schedule 6 to the 2004 Regulations (or related transitional arrangements); or
- (b) either for immediate treatment or for personal administration, in accordance with paragraph [50] in Part 3 of Schedule 6 to the 2004 Regulations,

then subject to the following provisions of this Section, the PCT must pay to the contractor under its GMS contract the payments listed in paragraph 18.3, as calculated in accordance with this Section.

18.3 The payable payments in relation to the provision of drugs and appliances are—

- (a) the basic price of the drug or appliance, which is the price as defined in Part II, Clauses 8 and 11, of the Drug Tariff, less a discount calculated in accordance with Part 1 of Annex I;
- (b) an on-cost allowance of 10.5% of the basic price of the drug or appliance before the deduction of the discount referred to in sub-paragraph (a);
- (c) a container allowance of [3.8p] per prescription;
- (d) the appropriate dispensing fee, as set out in Part 2 of Annex I (in respect of contractors authorised or required to provide dispensing services in accordance with Part 3 of Schedule 6 to the 2004 Regulations) or Part 3 of Annex I (in respect of all other contractors);
- (e) unless the contractor is registered with Customs and Excise for VAT purposes, an allowance to cover the VAT payable on the purchase of drugs, appliances and containers. The allowance is to be calculated as a percentage of—
 - (i) the basic price of the drug or appliance before the deduction of the discount referred to in sub-paragraph (a), and
 - (ii) the container allowance referred to in sub-paragraph (c),

and for these purposes, the rate payable shall be equivalent to the percentage rate of VAT in force on the first day of the quarter in which the items were dispensed; and

- (f) exceptional expenses, as provided for in Part II, clause 12, of the Drug Tariff.

Personally administered drugs and appliances, and those used for diagnosis

18.4 A contractor who is providing services under a GMS contract may, whether or not the contractor is authorised or required to provide dispensing services to specific patients, be entitled to the payments listed in paragraph 18.3. This applies only in relation to the following products—

- (a) vaccines, anaesthetics and injections;
- (b) the following diagnostic reagents: Dick Test; Schick Test; Protein Sensitisation Test Solutions; and Tuberculin Tests (i.e. Koch Test, Mantoux Test, Patch Test and Diagnostic Jelly);
- (c) intrauterine contraceptive devices (including drug-releasing IUCDs, contraceptive caps and diaphragms);
- (d) pessaries which are appliances; and
- (e) sutures (including skin closure strips).

18.5 In respect of these products, subject to the provisions of this Section, the PCT must pay to all contractors under their GMS contracts the payments listed in paragraph 18.3, as calculated in accordance with this Section – if the products are provided in accordance with paragraph 50(a) or (b) in Part 3 of Schedule 6 to the 2004 Regulations.

Products not covered by this Section

18.6 No payments are payable under this Section in respect of the following products (which are centrally supplied vaccines): HiB (Haemophilus influenzae type B); MMR (Measles, Mumps and Rubella); BCG (Bacillus Calmette-Guérin); Diphtheria Vaccine Adsorbed (Child); Low dose Diphtheria vaccine for adults (adsorbed); D/T (Diphtheria/Tetanus); D/T/P (Diphtheria/Tetanus/ Pertussis); D/T/P-HiB (Diphtheria/Tetanus/Pertussis and Haemophilus influenzae type B combined product for administration as one injection); Td ampoule presentation (Tetanus combined with Diphtheria Vaccine for adults); Pertussis; oral Polio; inactivated Polio; Tuberculin Purified Protein Derivative; Meningococcal C conjugate vaccine (for children under 5 and persons entering the first year of higher education); and Meningococcal A& C polysaccharide vaccine (for persons entering the first year of higher education).

18.7 If a medical practitioner issues a prescription for a drug or appliance instead of supplying it himself, no payments are payable in respect of that drug or appliance under this Section.

Oxygen and oxygen therapy equipment

18.8 The payments listed in paragraph 18.3 do not apply in respect of the supply of oxygen and oxygen therapy equipment. These are covered by separate arrangements set out in Part 4 of Annex I.

Deductions in respect of charges

18.9 Payment in respect of prescriptions shall be subject to any deduction required to be made under the National Health Service (Charges for Drugs and Appliances) Regulations in respect of charges required to be made and recovered by the dispensing practitioner.

Contractors unable to obtain discounts

18.10 If a contractor satisfies the PCT that, by reason of the remoteness of the contractor's practice premises, the contractor is unable to obtain any discount on the basic price of drugs and appliances for which a payment is payable by the PCT under this section (and the PCT must consult the Local Medical Committee, if there is one, before being so satisfied), the PCT must approve an exemption for that contractor from the application of the discount scale. The exemption shall be granted for a period of up to one year, and may be renewed thereafter for further periods, each not exceeding one year, if the contractor is able to satisfy the PCT that it is still unable to obtain any discount on the basic price of drugs and appliances for which a payment is payable under this section.

18.11 Where a PCT approves such an exemption, it must inform the Prescription Pricing Authority (PPA) of the exemption and of the period for which it is to apply.

Contractors that are to receive special payments

18.12 If a contractor satisfies the PCT that –

- (a) by reason of the remoteness of the contractor's practice premises or the small quantities of drugs and appliances that the contractor needs to buy, the contractor has had to pay more than the basic price for drugs and appliances it orders; and
- (b) its payments under paragraph 18.3(a) should be calculated at special payment levels rather than basic price levels,

(and the PCT must consult the Local Medical Committee, if there is one, before being so satisfied), the PCT must agree reimburse the contractor on the basis of the special payment levels, instead of the basic price levels, of the drugs and appliances it supplies, as set out in the table below–

<i>Where on average the price paid by the contractor (excluding VAT) has been:</i>	<i>Special payment price level</i>
in excess of 5% and up to 10% over the basic price	5% over the basic price
in excess of 10% and up to 15% over the basic price	10% over the basic price
in excess of 15% and up to 20% over the basic price	15% over the basic price
in excess of 20% over the basic price	20% over the basic price

18.13 However–

- (a) the VAT allowance (see paragraph 18.3(f)) shall be calculated on the basis of the basic price; and
- (b) the on-cost allowance (see paragraph 18.3(b)) shall be calculated on the basis of the basic price (with no discount deducted).

18.14 Agreement to reimburse on the basis of special payment levels shall be granted for a period of up to one year, and may be renewed thereafter if the contractor is still able to satisfy the PCT that its payments under paragraph 18.3(a) should be calculated at special payments levels rather than basic price levels.

Preconditions before payments under this Section are payable

18.15 The payments listed in paragraph 18.3 are only payable if the contractor has–

- (a) noted, counted and sent all the prescriptions in respect of drugs or appliances in respect of which it wishes to claim reimbursement to the PPA, Bridge House, 152 Pilgrim Street, Newcastle-upon-Tyne, NE1 6SN, not later than the 5th of the month following the month to which the prescriptions relate; and
- (b) included all the claims under cover of a single claim form, and divided all the prescriptions into two bundles (for the calculation of the dispensing fee), and–
 - (i) one of these two bundles must be of prescription forms in respect of which no charge is payable, because–
 - (aa) the patient is entitled to an exemption,
 - (bb) the drugs or appliances were no-charge contraceptives, or
 - (cc) the drugs or appliances were personally administered items, and are in the list in paragraph 18.4, and

- (ii) the other of these two bundles must be of prescription forms in respect of which a charge is payable, whether or not the charge has been collected (if the prescription form is for more than one item, at least one of which is chargeable, it should be included in this bundle),

and if the claim is in respect of the following high-volume personally administered vaccines – influenza, typhoid, hepatitis A, hepatitis B, Pneumococcal, and Meningococcal – it must be made in the form of bulk entries on the claim form.

Payment arrangements

18.16 Where a contractor has satisfied the conditions in paragraph 18.15, the PCT must pay to the contractor under its GMS contract–

- (a) on the first day of the month after the month on which the contractor submitted its claim to the PPA, an amount that represents 80% of the amount that the PCT reasonably estimates is likely to be due to the contractor in respect of the claim, once the PPA has certified the amount due in respect of the claim (having taken into account the charges that are required to be made and recovered), although the PCT may pay less than 80% if the contractor’s claims each month in respect of prescriptions vary significantly; and
- (b) on the first day of the second month after the month on which the contractor submitted its claim to the PPA, the balance of the amount due in respect of the claim, having had that amount certified by the PPA, and taking into account–
 - (i) the charges that are required to be made and recovered, and
 - (ii) the amount already paid out in respect of the claim pursuant to sub-paragraph (a).

Accounting obligations

18.17 It is a condition of the payments payable under this section that the payments are only payable under this section if the contractor ensures that–

- (a) its actual expenditure on drugs and appliances (i.e. the amount it pays its suppliers) is shown “gross” on its practice accounts, and
- (b) its payments from PCTs pursuant to this section, and collected from patients in accordance with the National Health Service (Charges for Drugs and Appliances Regulations, are brought “gross” into its contractor accounts as “income”.

PART 5

CERTAIN PREMISES AND I.T. COSTS

There are other premises costs payable under GMS contracts which are dealt with in the Primary Medical Services (Premises Costs) (England) Directions 2004. These include payments in respect of new premises development and improvement projects, and payments in respect of recurring premises costs such as mortgage repayments, rent payments and notional rent payments.

19. Existing premises development and improvement commitments

Existing commitments

19.1 Where PCTs have already committed themselves, prior to 1st April 2004, to provide financial assistance in the financial year 2004 to 2005–

- (a) towards the building of new premises to be used for providing medical services;
- (b) towards the purchase of premises to be used for providing medical services;
- (c) towards the development of premises which are used or are to be used for providing medical services; or
- (d) in the form of premises improvement grants,

in accordance with the arrangements for funding capital investment in premises set out in the Red Book, then subject to the provisions of this Section, those commitments are to be met.

19.2 As regards any such capital investment project, a PCT must pay to a contractor under its GMS contract any amount that the PCT agreed before 1st April 2004 to pay to the contractor (or to the practice for which the contractor is now responsible) during the financial year 2004 to 2005, subject to the following conditions–

- (a) the contractor must comply with any conditions to which the agreement to make the payment was subject. For these purposes, it shall be deemed that the specifications for the project which are set out in the project proposal, and any standards to be met during construction or development work which are set out in the project proposal, are all conditions of the agreement to make the payment; and

- (b) the project must not change significantly (in the PCT's view) from the version of the project in respect of which the PCT agreed to make the payments.

19.3 If any of these conditions are breached, the PCT may in appropriate circumstances withhold payment of any or any part of any payment that is otherwise payable under paragraph 19.2. If the breach arises because the project has changed significantly, and additional costs will be incurred as a consequence, any claim for PCT funding in respect of those additional costs is to be determined in accordance with the arrangements for funding new capital investment set out in the Primary Medical Services (Premises Costs) (England) Directions 2004.

19.4 If it was agreed before 1st April 2004 that the amount of payments payable in respect of the project plan would be reviewed in the financial year 2004 to 2005, the payments payable under this Section are subject to the outcome of that review and any revised amount agreed in accordance with that review becomes the amount payable under this Section. If a dispute as to the amounts payable arises as a result of that review, resolution of that dispute shall be resolved in accordance with–

- (a) any dispute resolution procedure (for resolution of disputes between the PCT and the contractor) agreed in respect of the project plan; or
- (b) if no such procedure was agreed, the NHS dispute resolution procedures – or by the courts (see Part 7 of Schedule 6 to the 2004 Regulations).

20. I.T. expenses

20.1 In due course PCTs, rather than contractors, will become responsible for the purchase, maintenance, future upgrades and running costs of integrated IM &T systems for providers of services under GMS contracts, as well as for telecommunications links within the NHS.

20.2 Pending the transfer of these responsibilities, PCTs must in respect of the financial year 2004 to 2005 pay to contractors under their GMS contracts amounts representing the reasonable costs of contractors in respect of IT maintenance and minor upgrades. For these purposes–

- (a) “maintenance” means routine support that is normally provided under annual contracts by GP clinical system suppliers or third parties. For the purposes of determining whether maintenance costs are reasonable, PCTs should review and consolidate existing maintenance contracts to ensure that they represent value for money and provide the required levels of support; and
- (b) “minor upgrades” means upgrades required to ensure that existing clinical systems continue to perform efficiently (for example: memory

or hard disk upgrades, and replacement of broken or defective items such as printers, screens and back-up devices).

20.3 Payments under this Section are not to cover the cost of system replacements or significant upgrades (such as the purchase of new hardware). Payment in respect of these items of expenditure is not covered in this SFE.

PART 6

SUPPLEMENTARY PROVISIONS

21. Administrative Provisions

Overpayments

21.1 Without prejudice to the specific provisions elsewhere in this SFE relating to overpayments of particular payments, if a PCT makes a payment to a contractor under its GMS contract pursuant to this SFE and—

- (a) the contractor was not entitled to receive all or part thereof, whether because it did not meet the entitlement conditions for the payment or because the payment was calculated incorrectly;
- (b) the PCT was entitled to withhold all or part of the payment because of a breach of a condition attached to the payment, but is unable to do so because the money has already been paid; or
- (c) the PCT is entitled to repayment of all or part of the money paid,

the PCT may recover the money paid by deducting an equivalent amount from any other payment payable pursuant to this SFE, and where no such deduction can be made, it is a condition of the payments made pursuant to this SFE that the contractor must pay to the PCT that equivalent amount.

Underpayments and late payments

21.2 Without prejudice to the specific provisions elsewhere in this SFE relating to underpayments of particular payments, if the full amount of a payment that is payable pursuant to this SFE has not been paid before the date on which the payment falls due, then unless—

- (a) this is with the consent of the contractor; or
- (b) the amount of, or entitlement to, the payment, or any part thereof, is in dispute,

once it falls due, it must be paid promptly (see regulation [22] of the 2004 Regulations).

21.3 If the contractor's entitlement to the payment is not in dispute but the amount of the payment is in dispute, then once the payment falls due, pending the resolution of the dispute, the PCT must—

- (a) pay to the contractor, promptly, an amount representing the amount that the PCT accepts that the contractor is at least entitled to; and

- (b) thereafter pay any shortfall promptly, once the dispute is finally resolved.

21.4 However, if a contractor has—

- (a) not claimed a payment to which it would be entitled pursuant to this SFE if it claimed the payment; or
- (b) claimed a payment to which it is entitled pursuant to this SFE but a PCT is unable to calculate the payment until after the payment is due to fall due because it does not have the information or computer software it needs in order to calculate that payment (all reasonable efforts to obtain the information, or make the calculation, having been undertaken),

that payment is (instead) to fall due at the end of the month during which the PCT obtains the information or computer software it needs in order to calculate the payment.

21.5 Furthermore, for the first quarter to which this SFE relates, if a PCT is unable to calculate any payment payable pursuant to this SFE that falls due before the end of that quarter because it does not have the information or computer software it needs in order to calculate that payment (all reasonable efforts to obtain the information, or make the calculation, having been undertaken), that payment is instead to fall due at the end of that quarter.

Payments on account

21.6 Where the PCT and the contractor agree (but the PCT's agreement may be withdrawn where it is reasonable to do so and if it has given the contractor reasonable notice thereof), the PCT must pay to a contractor on account any amount that is—

- (a) the amount of, or a reasonable approximation of the amount of, a payment that is due to fall due pursuant to this SFE; or
- (b) an agreed percentage of the amount of, or a reasonable approximation of the amount of, a payment that is due to fall due pursuant to this SFE,

and if that payment results in an overpayment in respect of the payment, paragraph 21.1 applies.

21.7 However, during the first quarter to which this SFE relates, if—

- (a) a PCT is unable to calculate a payment payable pursuant to this SFE that is due to fall due before the end of that quarter because it does not have the information or computer software it needs in order to calculate that payment (all reasonable efforts to obtain the information, or calculate the payment, having been undertaken); and

- (b) it cannot reach agreement with the contractor on a payment on account in respect of the payment pursuant to paragraph 21.6,

it must nevertheless pay to the contractor on account a reasonable approximation of the amount of the payment, on or before the unrevised due date for payment of that payment (i.e. before it is revised in accordance with paragraph 21.5). If that payment results in an overpayment in respect of the payment, paragraph 21.1 applies.

21.8 PCTs will not be able to calculate the correct amount of GP providers' Seniority Payments during the financial year 2005 to 2005 because it will not be possible to calculate the correct value of the GP provider's Superannuable Income Fraction until—

- (a) the Average Adjusted Superannuable Income for the financial year 2004 to 2005 has been established; and
- (b) the GP provider's own NHS superannuable profits from all sources for the financial year 2004 to 2005, excluding—
 - (i) superannuable income which does not appear on his certificate submitted to the PCT in accordance with paragraph 22.10, and
 - (ii) any amount in respect of Seniority Payments,have been established.

If a PCT cannot reach agreement with a contractor on a payment on account in respect of a Quarterly Seniority Payment pursuant to paragraph 21.6, it must nevertheless pay to the contractor on account a reasonable approximation of the Quarterly Seniority Payment, on or before the unrevised due date for payment of that payment (i.e. before it is revised in accordance with paragraph 21.4). If that payment results in an overpayment in respect of the Quarterly Seniority Payment, paragraph 21.1 applies.

Default contracts

21.9 If—

- (a) a contractor's GMS contract was agreed after 1st April 2004 but the contract takes effect for payment purposes on 1st April 2004; and
- (b) that contractor has received payments under a default contract that are in place of payments pursuant to this SFE,

the payments that the contractor has received under the default contract in place of payments pursuant to this SFE must be set off, equitably, against the payments that the contractor is entitled to receive under its GMS contract pursuant to this SFE.

21.10 In these circumstances, the payments that a contractor is entitled to receive under its GMS contract pursuant to this SFE that are or were due to fall due before the end of the first quarter are instead to fall due at the end of that quarter, unless—

- (a) the GMS contract is agreed between 1st June 2004 and 1st September 2004, in which case they are instead to fall due at the end of the second quarter, as are all the payments that are or were due to fall due pursuant to this SFE in the second quarter;
- (b) the GMS contract is agreed between 1st September and 1st December 2004, in which case they are instead to fall due at the end of the third quarter, as are all the payments that are or were due to fall due pursuant to this SFE in that quarter or in the second quarter;
- (c) the GMS contract is agreed between 1st December 2004 and the end of the financial year, in which case they are to fall due at the end of the financial year, as are all the other payments that are or were due to fall due pursuant to this SFE before the end of the financial year.

Effect on periodic payments of termination of a GMS contract

21.11 If a GMS contract under which a periodic payment is payable pursuant to this SFE is terminated before the date on which the payment falls due, a proportion of that payment is to fall due on the last day on which the contractor is under an obligation under its GMS contract to provide essential services. The amount of the periodic payment payable is to be adjusted by the fraction produced by dividing–

- (a) the number of days during the period in respect of which the payment is payable for which the contractor was under an obligation under its GMS contract to provide essential services; by
- (b) the total number of days in that period.

This is without prejudice to any arrangements for the recovery of money paid under the GMS contract that is recoverable as a result of the contract terminating or any breach thereof.

Time limitation for claiming payments

21.12 Payments under this SFE are only payable if claimed within six years of the date on which they would have fallen due, if a claim for the payment had been submitted in advance of the first date on which the payment could have fallen due (albeit that the due date has changed pursuant to paragraph 20.4 or 20.5).

Dispute resolution procedures

21.13 Any dispute arising out of or in connection with this SFE between a PCT and a contractor (except one to which paragraph 19.4(a) applies) is to be resolved as a dispute arising out of or in connection with the contractor's GMS contract, i.e. in accordance with the NHS dispute resolution procedures or by the courts (see Part 7 of Schedule 6 to the 2004 Regulations).

21.14 The procedures require the contractor and the PCT to make every reasonable effort to communicate and cooperate with each other with a view to resolving the dispute between themselves before referring it for determination. Either the contractor or the PCT may, if it wishes to do so, invite the Local Medical Committee to participate in these discussions.

Protocol in respect of locum cover payments

21.15 Part 4 sets out a number of circumstances in which PCTs are obliged to pay a maximum amount of [£948.33] for locum cover in respect of an absent performer. However, even where a PCT is not directed pursuant to this SFE to make payments in respect of such cover, it has powers to do so as a matter of discretion – and may also decide, as a matter of discretion, to make top-up payments in cases where the [£948.33] maximum directed amount is payable.

21.16 As a supplementary measure, PCTs are directed to adopt a protocol, which they must take all reasonable steps to agree with any relevant Local Medical Committee, setting out in reasonable detail–

- (a) how they are likely to exercise their discretionary powers to make payments (including top-up payments) in respect of locum cover, having regard to the budgetary targets they have set for themselves, where they are not obliged to make such payments; and
- (b) where they are obliged to make payments in respect of locum cover pursuant to Part 4, the circumstances in which they are likely to make payments in respect of locum cover of less than the maximum amount payable (for example to take account of less than full-time working).

Where a PCT departs from that protocol in any individual case and refuses an application for funding in respect of locum cover, this must be duly justified to the unsuccessful applicant.

Adjustment of Contractor Registered Populations

21.17 The starting point for the determination of a contractor's Contractor Registered Population is the number of patients recorded in the Exeter Registration System as being registered with the contractor, initially when its GMS contract takes effect and thereafter at the start of each quarter, when a new number must be established.

21.18 However, in respect of any quarter, this number may be adjusted as follows (this is still the subject of negotiation)–

- (a) if a contractor satisfies a PCT that a patient who registered with it before the start of a quarter was not included in the number of patients recorded in the Exeter Registration System as being registered with it at the start of that quarter, and the PCT received notification of the new registration within 48 hours of the start of that quarter, that patient–

- (i) is to be treated as part of that contractor's Contractor Registered Population at the start of that quarter, and
 - (ii) is not to be treated as part of any other contractor's Contractor Registered Population at the start of that quarter (and the PCT must notify any other PCT that will need to adjust another contractor's Contractor Registered Population accordingly);
- (b) if, included in the number of patients recorded in the Exeter Registration System as being registered with a contractor at the start of a quarter, there are patients who—
- (i) transferred to another contractor in the quarter before the previous quarter (or earlier), but
 - (ii) notification of that fact was not received by the PCT until after the second day of the previous quarter,
- those patients are not to be treated as part of the contractor's Contractor Registered Population at the start of that quarter;
- (c) if a patient is not recorded in the Exeter Registration System as being registered with a contractor at the start of a quarter, but that patient—
- (i) had been removed from a contractor's patient list in error, and
 - (ii) was reinstated in the quarter before the previous quarter (or earlier),
- that patient is to be treated as part of the contractor's Contractor Registered Population at the start of that quarter.

2.19 If a contractor wishes its Contractor Registered Population to be adjusted in accordance with paragraph 2.18, it must—

- (a) within 10 days of receiving from the PCT a statement of its patient list size for a quarter, request in writing that the PCT makes the adjustment; and
- (b) within 21 days of receiving that statement, provide the PCT with the evidence upon which it wishes to rely in order to obtain the adjustment.

22. Superannuation contributions

PCT's responsibility in respect of paying GPs' employer's and employee's superannuation contributions

22.1 Under the NHS Pension Scheme Regulations, contractors are responsible for paying employer's superannuation contributions of practice staff who are members of the NHS Pension Scheme, and collecting and forwarding to the NHS Pensions Agency both employer's and employee's superannuation contributions in respect of their practice staff.

22.2 Employer's superannuation contributions in respect of GP Registrars – who are subject to separate funding arrangements from those in respect of other GP performers – are the responsibility of PCTs, which act as their employer for superannuation purposes.

22.3 PCTs are also responsible for paying the employer's superannuation contributions of a contractor's members of the NHS Pension Scheme who are–

- (a) GP performers who are not GP Registrars,
- (b) non-practising GP partners and non-GP partners, if the contractor is a partnership,
- (c) non-practising GP shareholders and non-GP shareholders, if the contractor is a company limited by shares,

in respect of their NHS superannuable profits from all sources – unless superannuated for the purposes of the NHS Pension Scheme elsewhere – whether or not these earnings are derived from payments under this SFE. In this Section, the three categories of people set out in sub-paragraphs (a) to (c) are referred to as “partner/GPs”.

22.4 The cost of paying partner/GPs' employer's and employee's superannuation contributions relating to the income of partner/GPs which is derived from the revenue of a GMS contract has been or will be included in the national calculations of the levels of the payments in respect of services set out in this SFE. It is also to be assumed that–

- (a) any other arrangements that the contractor has entered into to provide medical services to the NHS, whether or not under its GMS contract, will have included provision for all the payable superannuation contributions in respect of its partner/GPs in the contract price; and
- (b) the payments from the PCT to the contractor in respect of services under the GMS contract, together with the contract price of any other contract to provide medical services to the NHS that the contractor has entered into, also cover the cost of any additional voluntary contributions that the PCT is obliged, as its partner/GPs' employer for superannuation purposes, to make to the NHS Pensions Agency or an Additional Voluntary Contributions Provider on the partner/GPs' behalf.

22.5 Accordingly, the costs of paying the employer's and employee's superannuation contributions of a contractor's partner/GPs under the NHS Pensions Scheme in respect of their NHS superannuable profits from all sources – unless

superannuated for the purposes of the NHS Pension Scheme elsewhere – are all to be deducted by the PCT from the money the PCT pays to the contractor pursuant to this SFE.

Monthly deductions in respect of superannuation contributions

22.6 The deductions are to be made in two stages. First, PCTs must, as part of the calculation of the net amount (as opposed to the gross amount) of a contractor's Payable GSMPs, deduct an amount that represents a reasonable approximation of a monthly proportion of–

- (a) the PCT's liability for the financial year 2004 to 2005 in respect of the employer's superannuation costs under the NHS Pension Scheme relating to any of the contractor's partner/GPs who are members of the Scheme;
- (b) those partner/GPs' related employee's superannuation contributions; and
- (c) any payable additional voluntary contributions in respect of those partner/GPs.

Before determining the monthly amount to be deducted, the PCT must take all reasonable steps to agree with the contractor what that amount should be, and it must duly justify the amount that it does determine as the monthly deduction.

22.7 An amount equal to the monthly amount that the PCT deducts must be remitted to NHS Pensions Agency and any relevant Additional Voluntary Contributions Providers no later than the 19th day of the month after the month in respect of which the amount was deducted.

End-year adjustments

22.8 Then, after the end of the financial year, the final amount of each partner/GP's superannuable income in respect of the financial year will need to be determined.

22.9 For these purposes, the superannuable income of–

- (a) a salaried GP who is an employee of the contractor, or of a partner/GP who is a shareholder in a contractor that is a company limited by shares, will be–
 - (i) his earnings – less expenses, bonuses or overtime – from his contract of employment with the contractor, and
 - (ii) his income from any Golden Hello Payment, Returners' Scheme Doctor Payment, Flexible Career Scheme Doctor Payment or Seniority Payment paid in respect of him to the contractor pursuant to Part 4; or

- (b) any other partner/GP will be–
 - (i) in the case of a sole practitioner, his NHS profits from all sources, and
 - (ii) in the case of a partner in a partnership, his share of the partnership’s NHS profits, together with his income from any Golden Hello Payment, Returner’s Scheme Payment or Seniority Payment paid in respect of him to the contractor pursuant to Part 4.

22.10 As regards contractors that are partnerships, sole practitioners or companies limited by shares, it is a condition of all the payments payable pursuant to Parts 1 to 3 of this SFE – if any of the contractor’s partner/GPs are members of the NHS Pension Scheme – that the contractor ensures that its partner/GPs prepare, sign and forward to the PCT within what, in all the circumstances, is a reasonable time an accurate certificate, in the standard format provided nationally, which provides the following information–

- (a) the contractor’s NHS superannuable profits in respect of the financial year 2004 to 2005 (i.e. for the tax year, which may be different from the contractor’s own accounting year);
- (b) in the case of–
 - (i) a partner in a partnership, his own share of those profits, or
 - (ii) a shareholder in a company limited by shares, his earnings – less expenses, bonuses or overtime – from his contract of employment with the contractor; and
- (c) his NHS profits from all other sources, if these are not superannuated (for the purposes of the NHS Pension Scheme) elsewhere.

22.11 Seniority Payments have to be separately identifiable in the certificate for the purposes of the calculation of Average Adjusted Superannuable Income, which is necessary for the determination of the amount of GP providers’ Seniority Payments. Seniority Payment figures in the certificates forwarded to PCTs will necessarily be provisional (unless they are submitted too late for the information they contain to be included in the Average Adjusted Superannuation Income calculation), but the forwarding of certificates must not be delayed simply because of this.

22.12 Once a contractor’s partner/GPs’ superannuable earnings in respect of the financial year 2004 to 2005 have been agreed, the PCT must–

- (a) pay any outstanding NHS Pension Scheme employer’s and employee’s superannuation contributions due in respect of those earnings to the NHS Pensions Agency or any relevant Additional Voluntary Contributions Provider (having regard to the payments it has already

made on account in respect of those partner/GPs for the financial year 2004 to 2005); and

- (b) if its deductions from the contractor's Payable GSMPs during the financial year 2004 to 2005 relating to the superannuation contributions in respect of those earnings–
 - (i) did not cover the cost of all the employer's and employee's superannuation contributions that are payable by the PCT or the partner/GPs in respect of those earnings–
 - (aa) deduct the amount outstanding from any payment payable to the contractor under its GMS contract pursuant to this SFE (and for all purposes the amount that is payable in respect of that payment is to be reduced accordingly), or
 - (bb) obtain payment (where no such deduction can be made) from the contractor of the amount outstanding, and it is a condition of the payments made pursuant to this SFE that the contractor must pay to the PCT the amount outstanding, or
 - (ii) were in excess of the amount payable by the PCT and the partner/GP to the NHS Pensions Agency or an relevant Additional Voluntary Contributions Provider in respect of those earnings, repay the excess amount to the contractor promptly.

Locums

22.13 There are different arrangements for superannuation contributions of locums, and these are not covered by this SFE.

ANNEX A

GLOSSARY

PART 1

ACRONYMNS

The following acronyms are used in this document:

CFMP – Correction Factor Monthly Payment
CPI – Contractor Population Index
CRP – Contractor Registered Population
CWP – Contractor Weighted Population
FCS – Flexible Careers Scheme
FYOIP – Five-Year-Olds Immunisation Payment
GMS – General Medical Services
GSE – Global Sum Equivalent
GSMP – Global Sum Monthly Payment
IAS – Improved Access Scheme
LMC – Local Medical Committee
MPIG – Minimum Practice Income Guarantee
NHS – National Health Service
PCT – Primary Care Trust
PPA – Prescription Pricing Authority
QOF – Quality and Outcomes Framework
QuIPS – Quality Information Preparation Scheme
RS – Returners’ Scheme
SHA – Strategic Health Authority
TYOIP – Two-Year-Olds Immunisation Payment

PART 2

DEFINITIONS

Unless the context otherwise requires, words and expressions used in this SFE and the 2004 Regulations bear the meaning they bear in the 2004 Regulations.

The following words and expressions used in this SFE have, unless the context otherwise requires, the meanings ascribed below.

“The 1977 Act” means the National Health Service Act 1977. This Act was significantly amended (for the purposes of this SFE) by the Health and Social Care (Community Health and Standards) Act 2003.

“The 2003 Order” means the General and Specialist Medical Practice (Education, Training and Qualifications) Order 2003.

“The 2004 Regulations” means the National Health Service (General Medical Services Contracts) Regulations 2004.

“Additional Services”, in the context of the additional services domain, means the following services: cervical screening services, child health surveillance, maternity medical services and contraceptive services. In other contexts, it also includes: minor surgery, childhood immunisations and pre-school boosters, and vaccinations and immunisations.

“Additional or Out-of Hours Services” means all the services listed in the definition of Additional Services above, together with out-of-hours services.

“Adjusted Global Sum Equivalent” is to be construed in accordance with paragraphs 3.2 and 3.3.

“Adjusted Global Sum Monthly Payment” is to be construed in accordance with paragraphs 2.5 and 2.10.

“Contractor” means a person entering into, or who has entered into, a GMS contract with a PCT.

“Contractor Population Index” is the number produced by dividing a contractor’s most recently established CRP by [5891].

“Contractor Registered Population”, in relation to a contractor, means – subject to any adjustment made in accordance with paragraph 21.16 – the number of patients recorded in the Exeter Registration System as being registered with the contractor, initially when its GMS contract takes effect and thereafter at the start of each quarter, when a new number must be established.

“Contractor Weighted Population for the Quarter” is a figure set for each contractor arrived at by the Global Sum Allocation Formula in Annex B.

“Correction Factor Monthly Payment” is to be construed in accordance with paragraph 3.7.

“Default contract” means a contract under section 176(3) of the Health and Social Care (Community Health and Standards) Act 2003.

“Employed or engaged”, in relation to a medical practitioner’s relationship with a contractor, includes–

- (a) a sole practitioner who is the contractor;
- (b) a medical practitioner who is a partner in a contractor that is a partnership; and
- (c) a medical practitioner who is a shareholder in a contractor that is a company limited by shares.

“Final Global Sum Equivalent” is to be construed in accordance with paragraph 3.4

“Full-time” means, in relation to a performer of primary medical services with a contract of employment, a contractual obligation to work for at least 37½ hours per normal working week. In relation to a performer without a contract of employment (which is only relevant in the context of Golden Hello payments), it means an equivalent working commitment of at least 37½ hours per normal working week. The hours total may be made up surgeries, clinics, administrative work in connection with the performance of primary medical services, or management activities and other similar duties which enhance the performance of the contractor as a provider of primary medical services but do not directly relate to the performance of primary medical services.

“General Practitioner” means–

- (a) on the coming into force of article 10 of the 2003 Order, a medical practitioner whose name is included in the General Practitioner Register otherwise than by virtue of paragraph 1(d) of Schedule 6 to that Order; and
- (b) until the coming into force of the said article 10, a medical practitioner who is either–
 - (i) until the coming into force of paragraph 22 of Schedule 8 to the 2003 Order, suitably experienced within the meaning of section 31(2) of the 1977 Act, section 21 of the National Health Service (Scotland) Act 1978 or Article 8(2) of the Health and Personal Social Services (Northern Ireland) Order 1978, or
 - (ii) upon the coming into force of paragraph 22 of Schedule 8 to the 2003 Order, an eligible general practitioner pursuant to that paragraph other than by virtue of an acquired right under paragraph 1(d) of Schedule 6 to the 2003 Order.

“GP performer” means a general practitioner–

- (a) whose name is included in a performers’ list of a Primary Care Trust; and
- (b) who performs medical services under a GMS contract, and who is–
 - (i) himself a GMS contractor (i.e. a sole practitioner); or
 - (ii) an employee of, a partner in or a shareholder in the contractor.

“GP provider” means a GP who is–

- (a) himself a GMS contractor (i.e. a sole practitioner);

- (b) a partner in a partnership that is a GMS contractor, or
- (b) a shareholder in a company limited by shares that is a GMS contractor.

“GMS contract” means a general medical services contract under section 28Q of the 1977 Act.

“Global Sum Equivalent” is to be construed in accordance with paragraph 3.1.

“Green Book” means ‘Immunisation Against Infectious Diseases’, published by HMSO, as updated on <http://www.doh.gov.uk/greenbook>.

“Historic Opt-Outs Adjustment” is to be construed in accordance with paragraphs 3.5 and 3.6.

“Improved Access Scheme plan” is to be construed in accordance with paragraph 6.2.

“Initial Global Sum Equivalent” is to be construed in accordance with paragraphs 3.2 and 3.3.

“Initial Global Sum Monthly Payment” is to be construed in accordance with paragraphs 2.4 and 2.9.

“London Adjustment” is to be construed in accordance with paragraph 2.3.

“Minimum Practice Income Guarantee” is to be construed in accordance with paragraph 3.1

“NHS Pension Scheme Regulations” means the National Health Service Pension Scheme Regulations 1995, as amended.

“Non-GP partner” means a partner in a contractor that is a partnership who is not a GP.

“Non-GP shareholder” means a shareholder in a contractor that is a company limited by shares who is not a GP.

“Non-practising GP partner” partner means a partner in a contractor that is a partnership who is a GP but who does not perform medical services under the contractor’s GMS contract.

“Non-practising GP shareholder” means a shareholder in a contractor that is a company limited by shares who is a GP but who does not perform medical services under the contractor’s GMS contract.

“Partner/GPs” means–

- (a) GP performers who are not GP Registrars,

- (b) non-practising GP partners and non-GP partners in a contractor that is a partnership, if they are members of the NHS Pension Scheme;
- (c) non-practising GP shareholders and non-GP shareholders in a contractor that is a company limited by shares, if they are members of the NHS Pensions Scheme.

“Part-time” means, in relation to a performer of primary medical services with a contract of employment, a contractual obligation to work for less than 37½ hours per normal working week. In relation to a performer without a contract of employment (which is only relevant in the context of Golden Hello payments), it means an equivalent working commitment which is less than 37½ hours per normal working week. The hours total may be made up surgeries, clinics, administrative work in connection with the performance of primary medical services, or management activities and other similar duties which enhance the performance of the contractor as a provider of primary medical services but do not directly relate to the performance of primary medical services.

“Payable Global Sum Monthly Payment” is to be construed in accordance with paragraphs 2.6 and 2.11.

“Quality and Outcomes Framework” is the guidance reproduced at Annex E (published separately).

“Quarter” means a quarter of the financial year.

“Red Book” means the Statement of Fees and Allowances under regulation 34 of the National Health Service (General Medical Services) Regulations 1992, as it had effect on 31st March 2004.

“Sole practitioner” means a GP performer who is himself a contractor.

“Time Commitment Fraction” is the fraction produced by dividing a performer of primary medical services’ actual working commitment by 37½ hours. The hours total may be made up surgeries, clinics, administrative work in connection with the performance of primary medical services, or management activities and other similar duties which enhance the performance of the contractor as a provider of primary medical services but do not directly relate to the performance of primary medical services.

“Unregistered Patients Adjustment” is to be construed in accordance with paragraph 2.4 and Annex C.

ANNEX B

THE GLOBAL SUM ALLOCATION FORMULA

Introduction

B.1 The global sum will be allocated using the new Global Sum Allocation Formula. This formula aims to ensure that resources reflect more accurately the contractor's workload and the unavoidable costs of delivering high quality care to the local population.

B.2 The new formula consists of the following components:

- € An adjustment for the age and sex structure of the population;
- € An adjustment for the additional needs of the population, relating to morbidity and mortality;
- € An adjustment for list turnover;
- € A nursing and residential homes index;
- € Adjustments for the unavoidable costs of delivering services to the population, including a Market Forces Factor and rurality index.

Age and sex adjustment

B.3 The analysis supporting the new formula estimates the relative workload, weighted by staff input cost, of providing general medical services to males and females of a number of age groups. The table below, based on analysis of the General Practice Research Database, shows these indices (expressed relative to a male patient aged 5-14), including an adjustment for the higher workload of treating patients through home visits.

Table C1: Age-sex workload indices (males aged 5-14 = 1). England, Wales and N.I.

	0-4	5-14	15-44	45-64	65-74	75-84	85+
Male	3.97	1	1.02	2.15	4.19	5.18	6.27
Female	3.64	1.04	2.19	3.36	4.9	6.56	6.72

B.4 Therefore, each male patient on a contractor's list aged over 85 will attract 6.27 times the resources for a male patient aged 5-14.

Nursing and Residential Homes

B.5 Patients in nursing and residential homes generate more workload than patients with otherwise similar characteristics who are not in homes. A factor of 1.43 is applied to each patient in a nursing or residential home.

Needs adjustment

B.6 As well as the impact on contractors' workload generated by differing age and sex groups, the effect of indicators of mortality and morbidity on consultation frequency has been estimated, using the Health Survey for England.

B.7 Of all the variables tested by the supporting analysis, Standardised Limited Long-Standing Illness (SLLI) and the Standardised Mortality Ratio for those aged under 65 (SMR<65) were found to be best at explaining variations in workload.

B.8 The Global Sum Allocation Formula relates these variables to workload by the following formula:

$$\text{Practice list} * (48.1198 + (0.26115 * \text{SLLI}) + (0.23676 * \text{SMR}<65)).$$

List turnover adjustment

B.9 Areas with high list turnover often have higher workload, as patients in their first year of registration in a practice tend to have more consultations than other patients.

B.10 Analysis of the workload implications revealed 40-50% more workload, as measured by aggregate consultation times, within the first year of registration. An average uplift factor, of 1.46, will be applied through the formula for all new registrants in their first year of registration.

Unavoidable costs adjustment

B.11 Contractors are also likely to face differing costs of delivering primary care, particularly caused by geographic location. The global sum allocation formula reflects these costs through an explicit adjustment for 'market forces' and rurality (there is also an 'off-formula' adjustment for contractors whose PCT is within the area of a London SHA).

Staff Market Forces

B.12 The staff MFF has been informed by analysis of the New Earnings Survey, and reflects the geographical variation in contractors' staff costs. The estimation methodology is the same as that used for general NHS allocations.

B.13 This element of the formula has been given a weighting of 48%, as this is the average proportion of the global sum accounted for by staff expenses.

Rurality

B.14 The cost of delivering services is likely to be affected by the rurality of the area the practice serves. Two measures designed to reflect rurality were used: population density (as measured by persons per hectare in the wards from which a contractor draws its patients) and population dispersion (as measured by the average distance from patients to practice). If a practice has more than one surgery, the

average distance is assessed from the practice's principal surgery, which is defined as the surgery which the greatest number of the practice's patients could reasonably be expected to attend.

B.15 Using analysis of the Inland Revenue information on GP expenses, rurality is linked to cost through the following adjustments to the formula:

$$\text{Practice list} * ((0.05 * \log \text{ average distance}) - (0.06 * \log \text{ population density}))$$

B.16 This adjustment is applied only to the expenses element of GMS expenditure, and therefore given an overall weighting of 58%.

Normalising the adjustments

B.17 At each stage of the calculation, the weighted practice populations are normalised (scaled back) to the PCT normalised weighted population. This is done as follows:

$$\text{Normalised weighted population} = \text{Weighted population} * \frac{\text{PCT normalised weighted population}}{\text{Sum of practice weighted populations}}$$

B.18 Normalisation is carried out so that each of the adjustments carries an appropriate weight. The normalised weighted population for each adjustment is then divided by the raw practice list, to generate a practice index for each adjustment.

Combining the adjustments

B.19 Each of the six indices are then applied simultaneously to the practices raw list, as follows:

$$\text{Practice list} * \text{age/sex index} * \text{nursing and residential homes index} * \text{list turnover index} * \text{additional need index} * \text{MFF index} * \text{rurality index}.$$

B.20 This practice weighted population is then normalised to the PCT's normalised weighted population. The result of this calculation is the contractor's Contractor Weighted Population for the Quarter.

B.21 PCTs will have the use of software that will enable them to calculate the contractor weighting for each contractor, provided the necessary raw data have been collated.

ANNEX C

TEMPORARY PATIENTS ADJUSTMENT

C.1 The need for this arises because of GPs' obligations to provide emergency treatment to people who are not registered with their practice and to provide treatment to temporary residents. Previously, this treatment was paid for by the temporary residents fees, emergency treatment fees and immediately necessary treatment fees under the Red Book, but these fees have been discontinued. The Temporary Patients Adjustment will be calculated as follows.

C.2 All contractors are to receive a payment for unregistered patients as an element in their global sum allocation. The amount each contractor receives in respect of such patients is generally to be based on the average amount that, historically, the contractor's practice has claimed in respect of treating such patients each year under the Red Book prior to 1st April 2004.

C.3 In a case where that practice has been providing general medical services for five years or more, prior to 1st April 2003, the annual amount which is to be the basis of its Temporary Patients Adjustment is to be calculated as the average annual amount claimed in respect of treating unregistered patients over the most recent five years (i.e. the aggregate of the five yearly totals divided by five). For the purposes of the calculation, the amounts claimed are to be uprated by the following amounts—

€ claims in respect of the financial year 1998/1999:	[V]%
€ claims in respect of the financial year 1999/2000:	[W]%
€ claims in respect of the financial year 2000/1:	[X]%
€ claims in respect of the financial year 2001/2:	[Y]%
€ claims in respect of the financial year 2002/3:	[Z]%

C.4 However, there may be exceptional cases where a calculation pursuant to paragraph C.3 produces an amount that is clearly inappropriate as the basis for a payment in the financial year 2004 to 2005. This may occur, for example, where the practice has faced a significant increase or decrease in the numbers of unregistered patients requiring treatment from it. In these cases, the PCT is instead to determine for the contractor, as the basis for its Temporary Patients Adjustment, a reasonable annual amount which is an appropriate rate for the area where the practice is located.

C.5 If a contractor does not have five years' worth of data, the PCT is instead to determine for the contractor, as the basis for its Temporary Patients Adjustment, a reasonable annual amount (having taken into account whatever historic data the contractor does have in respect of temporary residents fees, emergency treatment fees and immediately necessary treatment fees) which is an appropriate rate for the area where the practice is located.

C.6 The amount calculated in accordance with paragraphs C.3 to C.5 is the annual amount of the contractor's Temporary Patients Adjustment, which is the amount to be included in its Initial GSMP calculation.

C.7 Once a Temporary Patients Adjustment has been determined, it remains unchanged for the financial year 2004 to 2005.

ANNEX D

MPIG GUIDANCE

Calculation of GSE

D.1 The calculation of GSE is based on expenditure for the last three quarters of 2002-03 plus the first quarter of 2003-04. This will be subject to an uplift to 2004-05 prices by national uplifts in accordance with paragraph 3.3.

D.2 The GSE will also be adjusted to take account of changes in list size. The Initial GSE for the baseline period (July 2002 – June 2003) will be divided by the average CRP for the period, and then multiplied by the CRP on 1st April 2004. This is to take account of growing or shrinking practices.

D.3 The GSE covers the following expenditure¹–

- (i) Basic practice allowance
- (ii) Night consultation fees
- (iii) Night annual payments
- (iv) Capitation fees
- (v) Health promotion annual payments (excluding chronic disease management)
- (vi) Contraceptive services fees (excluding intrauterine device fees)
- (vii) Maternity medical services fees (excluding intra partum care)
- (viii) Deprivation payments
- (ix) New registration fees
- (x) Minor surgery fees (part)
- (xi) Child health surveillance fees
- (xii) Vaccinations and immunisations item-of-service fees (excluding influenza, and childhood immunisation and pre-school booster target payments)
- (xiii) Arrest of dental haemorrhage fees
- (xiv) Rural practice payments
- (xv) Postgraduate education allowance
- (xvi) Telephone advice fees
- (xvii) Cervical cytology target payments (part)
- (xviii) Anaesthetic administration fees
- (xix) Inducement payments
- (xx) Practice staff reimbursements (including employer's NI)
- (xxi) GP superannuation payments (i.e. paid by employer PCTs in the baseline period)

¹ PCTs should note that, contrary to what was originally intended, temporary residents fees, emergency treatment fees and immediately necessary treatment fees do not feature in the list. They should also note the special treatment of maternity medical services fees, minor surgery fees and cervical cytology target payments in the text below and in the appendix.

D.4 **Appendix A** maps the constituents of the GSE to the relevant lines in the PFR1 financial return and the FIMS(FHS)4 return.

D.5 GSE payments for these periods should be available from the Exeter Payments System.

D.6 Cash payments for the first quarter of 2003-04 should be at 2002-03 prices. This is because the 2003-04 pay deal, including the general uplift to fees and allowances, did not become effective until October and the backdated arrears are being recorded as a separate lump sum.

D.7 PCTs should note the following about certain constituents of the GSE:

- (a) *maternity medical services fees (excluding intra partum care)*
the GSE excludes expenditure on intra partum care. This expenditure is not separately identified in the accounts. Identification of these payments is to be agreed by the PCT and the contractor, as the level of expenditure will differ between practices;
- (b) *minor surgery fees (part)*
this should be based on one-third of the contractor's minor surgery fees income on the basis that one-third of expenditure on minor surgery is included in the GSE; and
- (c) *cervical cytology target payments (part)*
this should be based on one-half of the contractor's cervical cytology lower and higher target payments on the basis that one-half of expenditure on cervical cytology is included in the GSE.

Treatment of unusual practices

D.8 The configuration of practices is not static. This means that there will be cases where expenditure data will not be readily available for the practices as currently configured. In such cases PCTs will need to map GSE payments according to the guidance below.

GP vacancies during the baseline period

D.9 Calculation of the GSE will take account of GP vacancies during the baseline period. There are two separate criteria for assessing whether a vacancy adjustment should be made. These are–

- (a) where the practice has a PCT-approved vacancy overlapping the baseline period at any time; or
- (b) where the practice loses one or more principals during the baseline period at any time, and where approval for replacement has been agreed.

D.10 In such cases the adjustment will be made on a per day, per vacancy basis for each day during the baseline period. PCTs should count vacancies from the day they occur and not from the day they were approved.

D.11 Where the vacancy is full-time the full-time rate will apply. As per the current Standard Fees and Allowances (SFA) rules, where it is three-quarter-time, 83.5% of the full rate should apply, where it is half-time, 62.5% should apply, and where it is one-quarter-time, 41.5% should apply. The absence of a job-sharer should be calculated *pro rata* to that absent job-sharer's availability.

D.12 The full-time vacancy cost factor is [£19,931].

Staff vacancies during the baseline period

D.13 PCTs may add in an adjustment in respect of staff vacancies, or new staff posts, where appropriate.

Practices that merged during the period covered by the data collection (between 1 July 2002 and 30 June 2003)

D.14 Some practices may have merged during the baseline period. In these circumstances, the GSE should be the sum of the constituent practices' GSE income in the part of the year before they merged, plus the new practice's GSE income for the rest of the year. For example–

Practices A and B merge to form Practice C on 1 April 2003

GSE for Practice A (up to end March)	=	£200k
GSE for Practice B (up to end March)	=	£150k
GSE for Practice C (April to end June)	=	£120k
Full year GSE for Practice C	=	£470k

Practices that split during the period covered by the data collection (between 1 July 2002 and 30 June 2003)

D.15 Some practices in existence during the first quarter of 2003-04 will have previously been part of another practice. For the part of the year where data are available for the new practices this should be used.

D.16 For the part of the year before the practice split, the GSE for the new practices will have to be based on the GSE of the old practice. GSE income for the new practices will be calculated *pro rata* to the practice list size at the time of the split. For example–

Practice X splits into Practice Y and Practice Z on 31 March 2003

Practice X GSE (1 July 2002 to 31 March 2003)	=	£400k
Practice X list size	=	2,500
Practice Y list size	=	1,000

Practice Y GSE (1 April to 30 June 2003)	=	£50k
Practice Y GSE (1 July 2002 to 31 March 2002)	=	£160k
Practice Y full year GSE	=	£210k
Practice Z list size	=	1,500
Practice Z GSE (1 April to 30 June 2003)	=	£65k
Practice Z GSE (1 July 2002 to 31 March 2002)	=	£240k
Practice Z full year GSE	=	£305k

Practices that formed during the period covered by the data collection (between 1 July 2002 and 30 June 2003)

D.17 If a practice formed during the baseline period, the GSE should be calculated on any part-year data that are available and then grossed up to the full-year figure.

Practices that merge after the period covered by the data collection (quarter 1 2003-04) but before 1 April 2004

D.18 Some practices that existed up to the first quarter of 2003-04 will have subsequently merged with others during 2003-04. In these circumstances, the GSE for the new practice should be the sum of the GSEs for the constituent practices before the merger.

Practices that split after the period covered by the data collection (quarter 1 2003-04) but before 1 April 2004

D.19 Some practices that existed up to first quarter 2003-04 will have subsequently split and formed different practices during 2003-04. In these circumstances, the GSE for the new practices will be based on the old practice's GSE shared pro-rata on a list size basis.

New practices in 2003-04

D.20 Practices forming in 2003-04 will be eligible for an MPIG. It will be based on the funding for the GSE items for the months in which they have been in existence, increased *pro rata* to a full year.

Appendix A to Annex D: Constituents of the global sum equivalent mapped to financial returns

GSE constituent	Description in financial returns	PFR1 code	FIMS(FHS)4 code
Basic practice allowance	Basic practice allowance	141	1141
Night consultation fees	Night consultation fee	167	1167
Night annual payment	OOH Allowance	168	1168
Capitation fees	Capitation fees under 65	150	1150
	Capitation fees 65-74	151	1151
	Capitation fees over 75	152	1152
Health promotion annual payment (excluding chronic disease management)	Sessional fees for health promotion	180	11810
Contraceptive services fees (excluding intrauterine device fees)	Contraceptive service – ordinary	175	1175
Maternity medical services fees (excluding intra partum care) ¹	Maternity medical services	185	1185
Deprivation payments	Ward based deprivation payment – higher	145	1145
	Ward based deprivation payment – medium	146	1146
	Ward based deprivation payment – lower	147	1147
	Enumeration district based deprivation payment - band 1	148a	11491
	Enumeration district based deprivation payment - band 2	148b	11492
	Enumeration district based deprivation payment - band 3	148c	11493
	Enumeration district based deprivation payment - band 4	148d	11494
New registration fees	Registration fees	160	1160
Minor surgery fees (part) ²	Minor surgery sessional payments	230	1230
Child health surveillance fees	Child health surveillance fees	155	1155
Vaccinations and immunisations item-of-service fees (excluding influenza, and childhood immunisations and pre-school booster target payments)	MMR2	169	1171
	Vaccination/immunisation	170	1170
	Immunisation against group C meningococcal disease - 2,3,4 month routine vaccines	172a	1172
	Immunisation against group C meningococcal disease - 5 under 11 months catch up	172b	11721
	Immunisation against group C meningococcal disease - 12 months – under 5 years	172c	11722
	Immunisation against group C meningococcal disease - university students	172d	11723
	Immunisation against group C meningococcal disease - persons aged 15-17 not in full time education	172e	11724
Arrest of dental haemorrhage fees	Arrest of dental haemorrhage	205	1205

GSE constituent	Description in financial returns	PFR1 code	FIMS(FHS)4 code
Rural practice payments	Rural practice payments - total cost of units	235	1235
	Rural practice allowance - non units	236	1236
Post graduate education allowance	PGEA - full	215	1215
	PGEA - level 4	216	1216
	PGEA - level 3	217	1217
	PGEA - level 2	218	1218
	PGEA - level 1	219	1219
Telephone advice fees	Telephone advice for temporary residents and emergency treatment compensation payments	197	1197
Cervical cytology target payments (part) ³	Cervical cytology target payments - higher	111	1111
	Cervical cytology target payments - lower	112	1112
Anaesthetic administration fees	Service as an anaesthetist	200	1200
Inducement payments	Inducement payments	120	1120
Practice staff reimbursements	Practice staff	603	1605
	Salaried doctors under para 52 of SFA	605	1607
	Payments made in respect of replacement doctors (SFA 52.41 and 42 salaried doctors)	605A	16071
GP superannuation	Superannuation contributions (employers share)	250	1290+1291

¹ The GSE excludes expenditure on *intra partum* care. This expenditure is not separately identified in the accounts. Identification of these payments is to be agreed by the PCT and the contractor, as the level of expenditure will differ between practices.

² The GSE should include one-third of the contractor's minor surgery payments on the basis that only one-third of expenditure on minor surgery is covered by the GSE.

³ The GSE should include one-half of the contractor's cervical cytology lower and higher target payments on the basis that only one-half of expenditure on cervical cytology is covered by GSE.

ANNEX E

QUALITY AND OUTCOMES FRAMEWORK

(PUBLISHED SEPARATELY)

ANNEX F

CALCULATION OF ADDITIONAL SERVICES ACHIEVEMENT POINTS

F.1 The additional services indicators do not apply to all of the contractor's registered population. The Child Health Surveillance and Maternity Medical Services indicators require particular services to be offered to particular target populations, and assessment of achievement in relation to the Cervical Screening Services indicators is also limited to achievement in relation to a particular target population. The relevant target populations are–

€ Cervical screening services:	females aged 25 to 64 years
€ Child health surveillance:	children of both sexes aged 0 to 5 years
€ Maternity medical services:	females aged under 55 years
€ Contraceptive services	females aged under 55 years

F.2 For example, to meet the requirements of the child health surveillance indicator, child health development checks will only need to be offered to the practice's registered population of children aged 0 to 5 years.

F.3 Once a points total has been determined in respect of each additional service, that total is then to be multiplied by [£75] to produce the initial total in respect of the additional service (**X**).

F.4 For each of the additional services mentioned in paragraph F.1, this amount is then to be adjusted by an index produced by the following calculation–

- (a) first the number of patients registered with the contractor in the relevant target population at the start of the final quarter (**A**) is to be divided by the contractor's CRP at the start of the final quarter (**B**);
- (b) then the number of patients registered with all contractors in England in the relevant target population at the start of the final quarter (**C**) is to be divided by the total number of patients registered in England (according to the Exeter Registration System) at the start of the final quarter (**D**); and
- (c) the number produced by the calculation in paragraph (a) is then to be divided by the number produced by the calculation in paragraph (b) to produce the index for the additional service in question. This is then to be multiplied by the cash total produced to produce the adjusted cash total in respect of the additional service (**Y**).

F.5 This calculation could be expressed as–

$$\frac{(A \div B) \times X}{(C \div D)} = Y$$

F.6 If the contractor has not been under an obligation to provide an additional service for any period during the financial year 2004 to 2005 when the contractor's contract had effect, the adjusted total for that particular additional service to be further adjusted by the fraction produced by dividing—

- (a) the number of days in the financial year during which the contract had effect and the contractor was under an obligation to provide the additional service; by
- (b) the number of days in the financial year during which the contract had effect.

F.7 The resulting cash amounts, in respect of each additional service (adjusted, as appropriate, in accordance with paragraphs F.4 and F.6) are then to be added together for the total amount in respect of the additional services domain.

ANNEX G

ADJUSTED PRACTICE DISEASE FACTOR CALCULATIONS

G.1 The calculation involves three steps:

- € first, the calculation of the practice's Raw Practice Disease Prevalences. There will be a Raw Practice Disease Prevalence in respect of each disease area for which the contractor is seeking to obtain Achievement Points;
- € secondly, making an adjustment to give an Adjusted Practice Disease Factor (APDF);
- € thirdly, applying the factor to the pounds per point figure for each disease area.

G.2 These steps are explained below.

G.3 The Raw Practice Disease Prevalence is calculated by dividing the number of patients on the relevant disease register by the contractor's CRP for the last quarter.

G.4 The adjusted practice disease factor is calculated by:

- (a) calculating the national range of Raw Practice Disease Prevalences in England and applying a 5% cut-off at the bottom of the range. Practices below this will be treated as having the same prevalence as the cut-off point;
- (b) once the cut-off has been applied, making a square root transformation to all the practice prevalence figures. This means that the prevalence distribution will be compressed to a narrower range. It will prevent financial destabilisation of those with the lowest prevalence;
- (c) after the transformation, rebasing the practice figures around the new national English mean to give the Adjusted Practice Disease Factor (APDF). For example, an ADPF of 1.2 indicates a 20% greater prevalence than the mean, in the adjusted distribution. The rebasing ensures that the average practice (i.e. one with an ADPF of 1.0) receives [£75] per point, after adjustment;
- (e) thus, adjusting via the factor the practice's average pounds per point for each disease, rather than the practice's points score. For example, a practice with an APDF of 1.2 for CHD will receive [£90] per point scored on the CHD indicators.

G.5 As a result of this calculation, each practice will have a different 'pounds per point' figure for each disease area, and it will then be possible to use these figures to calculate a cash total in relation to the points scored in each disease area.

G.6 This national prevalence figure and range of practice prevalence will be calculated on an England-only basis.

ANNEX H

LIST OF PCT AREAS FOR WHICH ADDITIONAL PAYMENTS ARE PAYABLE UNDER THE GOLDEN HELLO SCHEME

(This is the 03/04 list, which is due to be updated for 04/05)

PCT	PCT Code
ADUR (SHOREHAM & LANCING)	4GT30
ARUN (LITTLEHAMPTON RUSTINGTON)	4MP35
ASHFIELD	4ME54
ASHFORD	4MV09
ASHTON	4MX32
BARKING	4EL02
BARNSELY WEST	4FL43
BARROW	4KC44
BASILDON NEW TOWN	4MR97
BASSETLAW	4ED35
BATTERSEA	4KV96
BEACON	4TV71
BECKENHAM & PENGE	4KP68
BEDFORD	4AA24
BEXHILL AND ROTHER	4VE09
BEXLEY	4FL76
BIRKENHEAD	4GH03
BIRMINGHAM 12 (HALL GREEN)	4LM56
BIRMINGHAM 2 (PERRY BARR)	4EX08
BIRMINGHAM 3 (NORTH EAST)	4KK88
BIRMINGHAM 4 (LADYWOOD)	4YG60
BIRMINGHAM 5 (SMALL HEATH)	4LH99
BIRMINGHAM 6 (HODGE HILL)	4GT20
BIRMINGHAM 8 (GREATER SPARBROOK)	4FD21
BIRMINGHAM 9 (GREATER YARDLEY)	4YN06
BLACKBURN WITH DARWEN	4XH63
BLACKMORE VALE	4QJ48
BLACKPOOL	4NC42
BLYTH VALLEY,NORTHUMBERLAND	4YD40
BOLTON NORTH EAST	4JR87
BOLTON SOUTH EAST	4QL75
BOOTLE & LITHERLAND	4JY10
BOSTON & SKEGNESS	4CC82
BRADFORD CITY	4LL24
BRECKLAND	4PM31
BRENT CENTRAL	4JC46
BRIERLEY HILL & KINGSWINFORD	4PD40
BRIGHTON & HOVE	4YA80
BRISTOL EAST	4DP34
BROXTOWE & HUCKNALL	4GM13

BURNLEY	4PG13
BURY SOUTH	4GR95
BURY ST EDMUNDS	
CALDERDALE	4VE92
CANNOCK CHASE	4MF52
CANTERBURY	4RA95
CASTLE	4EH75
CASTLE POINT	
CENTRAL & EAST GATESHEAD	4ML84
CENTRAL & SOUTH KNOWSLEY	4YY24
CENTRAL CHESHIRE	
CENTRAL CROYDON	4DN04
CENTRAL DERBY	4TX35
CENTRAL DONCASTER	4YF25
CENTRAL MANCHESTER	
CENTRAL STOKE	4YG88
CENTRAL(WANSBECK & MORPETH)	4YA87
CHANNEL	4TR73
CHESTERFIELD	4ML64
CHICHESTER & CHICHESTER RURAL	4JW97
CHORLEY & SOUTH RIBBLE	4XV70
CITY & HACKNEY	
CITY WEST-LEICESTER	4CV35
CORBY	
COVENTRY EAST	4MR58
COVENTRY NORTH	4TA74
CRAWLEY	4YW18
CREWE & DISTRICT	4HM87
CROSBY & MAGHULL	4PW70
CROYDON SOUTH	
DAGENHAM	4VA42
DALES	4YW85
DARLINGTON	4GN78
DERBY WEST	4CP91
DERBYSHIRE DALES & SOUTH	4MY29
DERBYSHIRE	
DERWENTSIDE	4ND46
DURHAM & CHESTER-LE-STREET	4KF02
EASINGTON	4EE45
EAST DERBY	4EM47
EAST DEVON	4KR87
EAST DONCASTER	4HK72
EAST LINDSEY	4YH38
EAST MERTON & FURZEDOWN	4RA46
EAST STAFFORDSHIRE	
EAST YORKSHIRE	4TG10
EASTBOURNE DOWNS	4LH11
EASTERN BARNSELY	4NP19
EASTERN HULL	4XC94
EASTERN LEICESTER	
EASTERN WAKEFIELD	
EDMONTON	4YJ26
EREWASH	4HY32
EXETER	4HF57
FENLAND	4KG23

FULHAM	
FYLDE	4YE54
GEDLING	4QV83
GOSPORT	4FQ87
GREAT YARMOUTH	4GT33
GREATER DERBY	
GREENWICH	4NV06
HALESOWEN	4HQ02
HARBOROUGH/MELTON/RUTLAND	4XH88
HARINGEY	
HARTLEPOOL	4FC32
HASTINGS AND ST LEONARD'S	4YX18
HAVERING	
HEYWOOD & MIDDLETON	4AG79
HOUNSLOW	4FW03
HUDDERSFIELD CENTRAL	4GW14
HYNDBURN	4LE25
IPSWICH	4JQ63
KETTERING	4EK58
KIRKBY	4ET87
LAMBETH NORTH	4YY42
LAMBETH SOUTH	4FW44
LANCASTER	4CM24
LANGBAURGH	4XA29
LEIGH	4EM45
LEWISHAM NORTH	
LEWISHAM SOUTH	4DF54
LIVERPOOL CENTRAL WEST	4YX24
LIVERPOOL SOUTH	4DH51
LOWESTOFT	4NY10
LUTON	4NP98
MANSFIELD DISTRICT	4NT23
MARYLEBONE	4QE51
MERSEYLIVE	4YN89
MIDDLESBROUGH & ESTON	4DD23
NENE VALLEY	4QH13
NEWARK & SHERWOOD	4GA33
NEWCASTLE	
NEWCASTLE UNDER LYME	4VT04
NEWHAM	4QT28
NEWTON & HAYDOCK	4AK23
NORTH CORNWALL	4NQ86
NORTH CROYDON	4NJ22
NORTH EAST DERBYSHIRE	4MV03
NORTH EAST LINCOLNSHIRE	4CN32
NORTH ISLINGTON	4TE61
NORTH KIRKLEES	4JX21
NORTH LINCOLNSHIRE	4NK73
NORTH MANCHESTER	4NR32
NORTH NORFOLK	4LN71
NORTH PETERBOROUGH	4KK12
NORTH SHEFFIELD	4QW43
NORTH SOLIHULL	4GK35
NORTH STOCKPORT	4KK55
NORTH STOKE	4VX02

NORTH TEES	4QP36
NORTH TYNESIDE	
NORTH WALSALL	4CX64
NORWICH CITY	4EP84
NOTTINGHAM CITY:CENTRAL	4CC42
NOTTINGHAM CITY:NORTH & WEST	4EA27
NOTTINGHAM CITY:SOUTH & EAST	4VW19
NUNEATON & BEDWORTH	4KR35
OCTAGON	4RF96
OLDBURY & SMETHWICK	4AY32
OLDHAM EAST	4GL55
OLDHAM WEST	4VT37
PENDLE	4TA20
POOLE BAY	4MT65
PRESTON	4MJ30
PUTNEY & ROEHAMPTON	
RAINHAM AND GILLINGHAM	4DD48
REDBRIDGE	4PK31
REGIS (BOGNOR AND ARUNDEL)	4VR34
RESTORMEL	4CN11
RIDGEWAY DOWNS	4DL78
ROCHDALE	4XR10
ROCHESTER AND STROOD	
ROCHFORD	4TQ56
ROSSENDALE	4DK34
ROTHER VALLEY	4RY67
ROTHERHAM CENTRAL	4NC36
ROWLEY REGIS & TIPTON	4AF58
RUNCORN	4AV55
SALFORD EAST	4HA75
SALFORD WEST	4YM62
SEDFIELD	4KQ91
SHEPWAY	4HF31
SHREWSBURY & ATCHAM	
SLOUGH	4GJ76
SOUTH CAMDEN	4PJ16
SOUTH EAST SHEFFIELD	4JQ95
SOUTH HOLLAND	4NT19
SOUTH KENSINGTON,CHELSEA AND WESTMINSTER	4HM68
SOUTH LEEDS	4FR10
SOUTH MANCHESTER	4PA23
SOUTH PETERBOROUGH	4LA06
SOUTH STOKE	4QA70
SOUTH TYNESIDE	4NJ39
SOUTH WALSALL	4KX45
SOUTH WAVENEY	4QK54
SOUTHALL & WEST EALING	4LF60
SOUTHEND ON SEA	4KH89
SOUTHPORT & FORMBY	4EG75
SOUTHWARK NORTH	4PQ79
SOUTHWARK SOUTH	
ST HELEN'S NORTH	4GT59
ST.HELEN'S SOUTH	4PF18
STAFFORDSHIRE MOORLANDS	
STOURBRIDGE	4FF73

SUNDERLAND NORTH	4QW35
SUNDERLAND SOUTH	4CR53
SUNDERLAND WEST	4QD65
SURREY THAMES	4XR92
SUTTON	4MD87
SWALE	4AG53
TAMESIDE WITH GLOSSOP	4AE02
TAMWORTH	4VP71

TEDDINGTON TWICKENHAM & HAMPTONS TEIGNBRIDGE	4GN07
TELFORD & WREKIN	4FQ86
TENDRING	4FE05
THANET	4QJ84
THURROCK	4RQ27
TORBAY	
TOWER HAMLETS	4GC50
TRAFFORD NORTH	4PC56
TRAFFORD SOUTH	4FK56
WALSALL WEST	4MK43
WALTHAMSTOW LEYTON & LEYTONSTONE	4RL47
WARRINGTON NORTH EAST/SOUTH	4NH25
WARRINGTON NORTH WEST/CENTRAL	4RN72
WARWICK DISTRICT	4CV72
WEDNESBURY & WEST BROMWICH	4LJ52
WENTWORTH	4PN61
WEST DONCASTER	4GR46
WEST GATESHEAD	4YD54
WEST HULL	4LP07
WEST LANCASHIRE	4AM58
WEST LEEDS	4NE33
WEST LINCOLNSHIRE	
WEST OF CORNWALL	
WESTON SUPER MARE	4LJ99
WESTWAY	4HV86
WIDNES	4TW78
WIGAN	4NE66
WITHAM, BRAINTREE & HALSTEAD	4MH24
WOLVERHAMPTON - NORTH EAST	4EP39
WOLVERHAMPTON - SOUTH EAST	4ME36
WOLVERHAMPTON - SOUTH WEST	4GD64
WORCESTER CITY	4DW85
WYRE	4YP47

ANNEX I DISPENSING PAYMENTS

PART 1 DISCOUNT SCALE

<i>Total basic price per month - £ bandwidth</i>	<i>New discount rate (%)</i>
1 –2000	3.17
2001 – 4000	5.93
4001 – 6000	7.21
6001 – 8000	8.06
8001 – 10 000	8.68
10 001 – 12 0000	9.19
12 001 – 14 000	9.60
14 001 – 16 000	9.97
16 001 – 18 000	10.29
18 001 – 20 000	10.57
20 001 – 22 000	10.82
22 001 – 24 000	11.03
24 001 and above	11.18

PART 2 DISPENSING FEESCALE FOR CONTRACTORS THAT ARE AUTHORISED OR REQUIRED TO PROVIDE DISPENSING SERVICES

(NB THESE ARE THE CURRENT RATES AND HAVE NOT YET BEEN
UPDATED)

<i>Total prescriptions in bands</i>	<i>Prices per prescription in pence</i>
Up to 400	124.9
401 – 500	123.6
501 – 600	120.9
601 – 700	116.3
701 – 800	112.8
801 – 900	110.1
900 – 1250	107.8
1251 – 1750	107.3
1751 – 2000	106.5
2001 – 2500	104.3
2501 – 3000	103.1
3001 – 3500	101.7
3501 – 4000	99.4
4001 and over	98.2

PART 3
DISPENSING FEESCALE FOR CONTRACTORS THAT ARE NOT
AUTHORISED OR REQUIRED TO PROVIDE DISPENSING SERVICES

(NB THESE ARE THE CURRENT RATES AND HAVE NOT YET BEEN
UPRATED)

<i>Total prescriptions in bands</i>	<i>Prices per prescription in pence</i>
Up to 400	120.5
401 – 500	119.3
501 – 600	116.8
601 – 700	112.4
701 – 800	109.0
801 – 900	106.4
900 – 1250	104.2
1251 – 1750	103.7
1751 – 2000	103.0
2001 – 2500	100.9
2501 – 3000	99.7
3001 – 3500	98.3
3501 – 4000	96.2
4001 and over	95.1

PART 4
OXYGEN AND OXYGEN EQUIPMENT

Rental payments in respect of oxygen equipment

I.1 If a contractor is authorised or required to provide dispensing services to specific patients, the PCT must pay to it under its GMS contract a monthly amount, which is to fall due on the last day of the month, in respect of each oxygen set or stand that the contractor is authorised to hold by the PCT. The amounts payable are as follows–

- (a) for a lightweight (single unit) set as specified in the Drug Tariff, including one plastic mask: [£1.94] per month; and
- (b) for a stand for use with a 1360 litre oxygen cylinder: [43p] per month.

I.2 Any contractor wishing to be authorised to hold oxygen sets or stands, or increase the number of oxygen sets or stands it is authorised to hold, should make a written application to its PCT stating the number of oxygen sets or stands, or the number of additional oxygen sets or stands, it wishes to hold. Before authorising any increase in the number of oxygen sets or stands held by a contractor, the PCT must satisfy itself, after consultation with the LMC (if there is one), that the current holding of oxygen sets or stands by the contractor is insufficient to provide an adequate

oxygen therapy service in the light of the current and foreseeable demands upon the contractor.

I.3 If the PCT is satisfied that a new authorisation, or an increase to the number of oxygen sets or stands held under an existing authorisation, is justified, it must immediately notify the PPA at Bridge House, 152 Pilgrim Street, Newcastle-upon-Tyne, NE1 6SN, informing it of the number of sets or stands (or the new number of sets or stands) that it has authorised the contractor to hold.

Conditions attached to rental payment in respect of oxygen equipment

I.4 The monthly payments under paragraph I.1 are only payable if the contractor notifies both the PCT and the PPA each month, as regards the sets and cylinders that it is authorised to hold of–

- (a) which sets and cylinders, in the month to which the payment relates, have been out on loan; and
- (b) the date on which, if a set or cylinder has been out on loan, the loan commenced.

I.5 If the contractor breaches the condition set out in paragraph I.4, the PCT may, in appropriate circumstances, withhold payment of any or any part of a payment that is otherwise payable under paragraph I.1.

Payments in respect of prescriptions for oxygen and masks

I.6 If a contractor has been granted the right to secure the provision of dispensing services, and a medical practitioner who has been employed or engaged by that contractor supplies oxygen or a mask for oxygen as part of those services, the PCT must pay to the contractor under its GMS contract–

- (a) for the supply of–
 - (i) a mask, the basic price for that mask, as specified in the Drug Tariff, Part X, item 4b(ii), and
 - (ii) Oxygen BP, the basic price for that oxygen, as specified in the Drug Tariff, Part X, item 4b(ii); and
- (b) exceptional expenses, as provided for in Part II, clause 12, of the Drug Tariff.

I.7 However, payment in respect of prescriptions for oxygen, or masks for oxygen, shall be subject to any deduction required to be made under the National Health Service (Charges for Drugs and Appliances) Regulations in respect of charges required to be made and recovered by a dispensing practitioner.

Condition attached to payments in respect of prescriptions for oxygen and masks

I.8 The payments listed in paragraph I.6 are only payable if the contractor has noted, counted and sent all the prescriptions in respect of which it wishes to claim reimbursement to the PPA, Bridge House, 152 Pilgrim Street, Newcastle-upon-Tyne, NE1 6SN, not later than the 5th of the month following the month to which the prescriptions relate.

Value Added Tax

I.9 Unless the contractor is registered with Customs and Excise for VAT purposes, the PCT must pay to the contractor under its GMS contract an allowance to cover the VAT payable on the purchase of oxygen, cylinders and masks, if it is being reimbursed in respect of those items pursuant to this Annex. The allowance is to be calculated as a percentage of the basic price, and for these purposes, the rate payable shall be equivalent to the percentage rate of VAT in force on the first day of the quarter in which the items were dispensed.

Professional fees

I.10 Where—

- (a) as part of a contractor’s dispensing services, a medical practitioner visits a patient to deliver or collect an oxygen set or cylinders (and makes that visit solely for that purpose); and
- (b) the contractor submits a claim in respect of that visit within a reasonable period of time after that visit was undertaken,

the PCT must pay to the contractor under its GMS contract a professional fee in respect of the visit, calculated – as set out in the table below – on the basis of the length of the return journey to make that visit—

		<i>Nature of journey</i>	<i>0-3 miles £</i>	<i>3-5 miles £</i>	<i>5-10 miles £</i>	<i>Over 10 miles £</i>
(a)		<i>Delivery of set and cylinders or of replacement set, or return visit to check and remedy set (but not cylinder) malfunction</i>				
	(i)	except on public holidays: between 8am and 7pm, Mondays to Fridays, and 8am to 1pm on Saturdays	17.84	24.55	26.41	33.95
	(ii)	except on public holidays: between 7pm and 11pm, Mondays to Fridays, and 1pm to 11pm on Saturdays	28.64	35.35	37.21	44.75
	(iii)	between 11pm and 8am, Mondays to Saturdays, and throughout Sundays and public holidays	31.04	37.75	39.61	47.15
(b)		<i>Delivery of cylinders (when not in conjunction with a set)</i>				

		<i>Delivery of masks (when not in conjunction with set or cylinders)</i>				
		<i>Delivery of replacement cylinder when original cylinder found to be faulty</i>				
		<i>Ineffective first delivery journey of set and/or cylinder</i>				
	(i)	except on public holidays: between 8am and 7pm, Mondays to Fridays, and 8am to 1pm on Saturdays	16.06	22.81	24.67	32.24
	(ii)	except on public holidays: between 7pm and 11pm, Mondays to Fridays, and 1pm to 11pm on Saturdays	26.86	33.61	35.47	43.04
	(iii)	between 11pm and 8am, Mondays to Saturdays, and throughout Sundays and public holidays	29.26	36.01	37.87	45.44
(c)		<i>Collection of sets and cylinders at the end of treatment</i>				
		at any time	16.06	22.81	24.67	32.24

I.11 Where–

- (a) as part of a contractor’s dispensing services, a medical practitioner visits a patient –
 - (i) to deliver or collect an oxygen set or cylinders to a patient, but
 - (ii) the visit is also made for another purpose; or
- (b) in connection with a contractor’s dispensing service, someone (e.g. a relative or friend) visits the contractor’s practice premises to collect or return an oxygen set, cylinders or masks,

and the contractor submits a claim in respect of that visit within a reasonable period of time after that visit was undertaken, the PCT must pay to the contractor under its GMS contract a professional fee in respect of the visit, calculated – as set out in the table below – on the basis of each visit–

		<i>Items delivered/returned</i>	<i>Fee claimed per visit £</i>
(a)		<i>Sets and cylinders or a replacement set</i>	
	(i)	except on public holidays: between 8am and 7pm, Mondays to Fridays, and 8am to 1pm on Saturdays	8.81
	(ii)	except on public holidays: between 7pm and 11pm, Mondays to Fridays, and 1pm to 11pm on Saturdays	24.10

	(iii)	between 11pm and 8am, Mondays to Saturdays, and throughout Sundays and public holidays	27.10
(b)		<i>Cylinders only (when not in conjunction with a set)</i>	
	(i)	except on public holidays: between 8am and 7pm, Mondays to Fridays, and 8am to 1pm on Saturdays	7.91
	(ii)	except on public holidays: between 7pm and 11pm, Mondays to Fridays, and 1pm to 11pm on Saturdays	23.21
	(iii)	between 11pm and 8am, Mondays to Saturdays, and throughout Sundays and public holidays	26.21
(c)		<i>Masks only (when not in conjunctions with a set or cylinders)</i>	
	(i)	except on public holidays: between 8am and 7pm, Mondays to Fridays, and 8am to 1pm on Saturdays	0.31
	(ii)	except on public holidays: between 7pm and 11pm, Mondays to Fridays, and 1pm to 11pm on Saturdays	15.61
	(iii)	between 11pm and 8am, Mondays to Saturdays, and throughout Sundays and public holidays	16.82

I.12 However, as regards the delivery, collection or return of cylinders, expenses are only payable–

- (a) in respect of the actual number of visits; or
- (b) on the basis of one fee in respect of every three cylinders, or the balance of an order,

whichever is the lower of sub-paragraph (a) or (b).