

# \*Taxpayers investment used to maximum effect

An additional £20.5bn to address current financial pressures. demand growth and new priorities

|        | 19-20 | 20-21 | 21-22 | 22-23 | 23-24 | Ave  |
|--------|-------|-------|-------|-------|-------|------|
| Growth | 3.6%  | 3.1%  | 3.0%  | 3.0%  | 4.1%  | 3.4% |

Plan sets out five key commitments

1. The NHS (including providers) will return to financial balance
  - Continue to balance NHS books at aggregate level
  - Provider sector to balance by 20/21
  - Reduce number of orgs in deficit by >50% in 19/20 and completely by 23/24
2. Cash releasing productivity growth of minimum 1.1% per annum
3. Reduce growth in demand through better integration and prevention
4. Reduce unwarranted variation in performance – standardised evidence based pathways
5. Better use of existing assets and capital investment to drive transformation

# Key deliverables in 19/20

The Long Term Plan highlights **nine key priorities** that are fundamental to achieving further progress in transforming services. The operational planning guidance sets out key deliverables in 19/20 as follows:

- 1. Emergency Care** - STPs/ICSs should review assumptions for demand growth to ensure they reflect recent local trends, adjusting as appropriate for demand management and other efficiency schemes that have been agreed within the system, and to reflect delivery of national priorities.
- 2. RTT** – patient waiting > 6 months to be offered the option of care at an alternative provider. March 2019 waiting lists expected to be maintained at March 2018 level, and reduced during 2019/20. •No patient will wait more than 52 weeks for treatment and no more than 1% of patients should wait > 6 weeks for a diagnostic test. Implement agreed standards as set out in the Clinical Standards Review to be published in spring 2019.
- 3. Cancer** - all eight cancer waiting times standards remains a priority – need to increase capacity; encourage effective, cross –organisational working; and broker agreements between providers to balance supply and demand more effectively across the system.
- 4. MH – Maintain MHIS plus** additional funding investment in CCG allocations for transformation and expansion of services. CCG must, in association with STPs and ICSs, commission services that deliver improved services set out in the plan such as community mental health teams for people with Severe Mental Illness (SMI), enhanced crisis services for adults and for children and young people, and perinatal mental health services.
- 5. LD and Autism** ensure the ambitions set out in 'Building the Right Support' are met and sustained.

# Key deliverables in 19/20 continued

- 6. Primary Care and community health** – real terms investment in primary medical and community services should grow faster than CCGs overall revenue growth to deliver new service models set out in the LTP to increase resilience and sustainability at a practice level and transform the care and services provided to their local population.  
Building on the £3/head CCG investment in 2017/18 and 2018/19, CCGs must commit a recurrent £1.50/head recurrently to developing and maintaining primary care networks so that the target of 100% coverage is achieved by 30 June 2019.

STPs/ICSs must include a primary care strategy as part of the system strategy in Autumn 2019 setting out how they will ensure the sustainability and transformation of primary care and general practice as part of their overarching strategy to improve population health.

STPs/ICSs must ensure that Primary Care Networks are provided with primary care data analytics for population segmentation and risk stratification, according to a national data set, complemented with local data indicator requirements, to allow Primary Care Networks to understand in depth their populations' needs for symptomatic and prevention programmes including screening and immunisation services

- 7. Workforce – Focus on** productivity and transformation - new roles, new ways of working, bank first, eliminate unnecessary agency staff, reduce shift prices for temporary staffing, offer FT employment for qualifying nurses
- 8. Data and technology** – data submissions and to expand the Global Digital Exemplar and Local Health and Care Record Exemplar programmes with more organisations and localities coming on-stream and in 2019. Mandation of core standards (across interoperability, cyber security, design, commercial etc.) for all technology across the NHS and introducing additional controls to ensure that all new technology and systems meet these mandated standards.
- 9. Personal health budgets** - by March 2021, 50,000 to 100,000 people should have a PHB

# CCG allocation formula

## CCG Target Formula

Statistical formula (advised by ACRA) is used to derive fair shares of resources to commissioners in order to reflect local healthcare needs and reduce health inequalities - using this method, more resources are directed to areas estimated to have higher health needs, or where health inequalities can be reduced by providing health services - larger populations, more older people, worse health and higher levels of deprivation. Additional funds also support services delivered in high cost areas, due to relative costs of staff and buildings, or unavoidable costs – for example, due to remoteness.

## Changes to the Target formula for 19/20 (ACRA recommended)

- **Population and other demographic data** – continue to be based on GP registered lists with future projections based on ONS guides but moving to annual average for the most recent year rather than fixed point
- **Community services formula introduced** – previously based on G&A services but now informed by new CS Dataset which reflects a very different needs distribution for District Nursing services from G&A. Applied to 50% of all community services spend with balance on G&A
- **Mental Health and LD services** – refreshed formula taking account of IAPT activity and linking to GP registration and HES diagnosis
- **Health inequalities and unmet need** – changes to the way SMR<75 for small areas is aggregated to an overall CCG weighting
- **Updated expenditure weights** - combining the different elements of the CCG core target formula to better reflect the services covered by MH formula and to reflect movement of a proportion of PSF funding into CCG allocations
- **Market Forces Factor** – updated method and data for calculating MFF values to be implemented over 5 years (applies to all services except prescribing).

**Pace of change applied to overall target allocations, including changes resulting from the updated MFF**

# CNE impact of changes to allocation formula

**Allocation formula changes increases the CNE share of national allocations by 0.76% to 6.14%.**

|   |              |
|---|--------------|
| CNE 19-20 target share of core allocations      | 6.14%        |
| CNE 18-19 target share of core allocations      | 6.09%        |
| CNE Change in target share                      | <b>0.76%</b> |
| <b>Comprises:</b>                               |              |
| G&A, Maty, presc weighted population update     | 0.28%        |
| Year 1 revised MFF index                        | 0.33%        |
| Revised MH/LD model                             | 0.32%        |
| Revised approach to health inequalities SMR <75 | 0.11%        |
|   | <b>1.04%</b> |
| Revised expenditure weights                     | -0.15%       |
| New community services model                    | -0.13%       |
|   | <b>0.76%</b> |

| Change to CCG core services target allocation 2018/19 to 2019/20 |  |  |   |  |   |   |   |                                       |  |  |
|--|--|--|---|--|---|---|---|---------------------------------------|--|--|
| Code   | CCG, STP, Region name                          | A  | B   | C  | D   | E   | F   | G                                     | H                                      | I  |
|  |  | 2019/20 target share of total CCG core allocations | 2019/20 target allocation for CCG core services | Change in target share, from 2018/19 to 2019/20                    | Impact of moving from previous target share (2018/19) to new target share (2019/20), (population, methodological and formula updates) |   |   |                                       |  |  |
|  |  |  |   | Impact of G&A, Maternity & Prescribing Weighted population updates |   | Impact of revised MFF index (year 2019/20 based on glidepath) | Impact of revised Mental Health and Learning Disability model | Impact of revised expenditure weights | Impact of new Community Services model | Impact of revised approach to health inequalities (SMR<75) |
| 00C  | NHS Darlington CCG                             | 0.199%   | 156,211   | -2.14%   | 0.03%   | 0.47%   | -2.35%  | -0.07%                                | -0.02%                                 | -0.19%   |
| 00D  | NHS Durham Dales, Easington and Sedgefield CCG | 0.593%   | 465,842   | 0.00%  | -0.18%  | 0.40%   | -0.22%  | -0.11%                                | 0.06%                                  | 0.05%  |
| 03D  | NHS Hambleton, Richmondshire and Whitby CCG    | 0.244%   | 191,453   | -0.50%   | 0.27%   | 0.25%   | -0.71%  | -0.63%                                | 0.42%                                  | -0.09%   |
| 00K  | NHS Hartlepool and Stockton-on-Tees CCG        | 0.568%   | 445,526   | 1.22%  | -0.13%  | 0.23%   | 0.40%   | -0.14%                                | -0.43%                                 | 1.28%  |
| 13T  | NHS Newcastle Gateshead CCG                    | 0.958%   | 752,458   | -0.22%   | -0.43%  | 0.32%   | -0.02%  | 0.17%                                 | -0.33%                                 | 0.09%  |
| 01H  | NHS North Cumbria CCG                          | 0.608%   | 477,289   | 0.58%  | 0.03%   | 0.45%   | 0.28%   | -0.34%                                | 0.33%                                  | -0.17%   |
| 00J  | NHS North Durham CCG                           | 0.457%   | 358,546   | -0.79%   | 0.06%   | 0.45%   | -0.78%  | -0.23%                                | -0.29%                                 | 0.00%  |
| 99C  | NHS North Tyneside CCG                         | 0.417%   | 327,026   | 0.81%  | -0.52%  | 0.28%   | 1.99%   | -0.27%                                | -0.55%                                 | -0.10%   |
| 00L  | NHS Northumberland CCG                         | 0.626%   | 491,467   | 1.56%  | 0.35%   | 0.27%   | 1.66%   | -0.40%                                | -0.08%                                 | -0.23%   |
| 00M  | NHS South Tees CCG                             | 0.586%   | 460,428   | 0.09%  | -0.20%  | 0.22%   | -0.12%  | 0.10%                                 | -0.07%                                 | 0.15%  |
| 00N  | NHS South Tyneside CCG                         | 0.323%   | 253,926   | 1.78%  | -0.41%  | 0.30%   | 1.95%   | -0.07%                                | -0.02%                                 | 0.03%  |
| 00P  | NHS Sunderland CCG                             | 0.562%   | 440,836   | 5.30%  | 4.55%   | 0.34%   | 0.63%   | -0.22%                                | -0.15%                                 | 0.16%  |
| <b>QHM</b>   | <b>Cumbria and North East STP</b>              | <b>6.141%</b>                                      | <b>4,821,010</b>                                | <b>0.76%</b>   | <b>0.28%</b>  | <b>0.33%</b>  | <b>0.32%</b>  | <b>-0.15%</b>                         | <b>-0.13%</b>                          | <b>0.11%</b>   |
| Y63  | North East and Yorkshire                       | 15.959%  | 12,528,663                                      | 1.17%  | 0.05%   | 0.21%   | 0.93%   | -0.10%                                | -0.04%                                 | 0.13%  |
| Y62  | North West                                     | 13.884%  | 10,899,380                                      | -0.19%   | -0.10%  | 0.14%   | -0.14%  | -0.06%                                | -0.34%                                 | 0.31%  |
| Y60  | Midlands                                       | 18.569%  | 14,577,954                                      | -0.05%   | -0.04%  | 0.20%   | -0.18%  | -0.11%                                | 0.11%                                  | -0.04%   |
| Y61  | East of England                                | 11.155%  | 8,757,252                                       | -0.45%   | -0.04%  | -0.05%  | -0.08%  | -0.27%                                | 0.10%                                  | -0.13%   |
| Y56  | London   | 15.617%  | 12,260,516                                      | -0.07%   | 0.09%   | -0.52%  | -0.30%  | 0.92%                                 | -0.17%                                 | -0.10%   |
| Y59  | South East                                     | 14.976%  | 11,756,762                                      | -1.01%   | -0.01%  | -0.12%  | -0.56%  | -0.26%                                | 0.05%                                  | -0.11%   |
| Y58  | South West                                     | 9.840%   | 7,724,745                                       | 0.68%  | 0.04%   | 0.15%   | 0.48%   | -0.31%                                | 0.41%                                  | -0.09%   |
| ENG  | England  | 100.000%   | 78,505,272                                      | 0.00%  | 0.00%   | 0.00%   | 0.00%   | 0.00%                                 | 0.00%                                  | 0.00%  |

# Pace of change

**Pace of change formula** prevents movements in target allocations leading to significant volatility in terms of final allocations.  
Key objectives underpinning pace of change approach:

- **No area will be >5% under target by 19/20 or thereafter**
- **Areas close to target receive equal funding growth per head** – this applies to all CCGs between:  
-2.5% and +5% in 2019/20 (4.85%)  
0% and +5% from 20/21
- **Areas >5% above target receive lower growth, tapering to floor growth for those more than 10% above**
- **CCGs >10% above target will receive floor growth = to average growth per head less 1.5%**
- **PC >10% above target will receive floor growth = to average growth per head less 1.25% (contract limitations)**
- **An absolute floor of GDP deflation overall funding of 3.6% (i.e. not per head of population)**
- **0.1% of CCG programme and PC allocations are distributed on a place based basis**

# Draft CCG programme growth and running costs

**Overall CCG national programme** cash growth is 5.73% in 19/20.

Without the increase in UEC prices and 2018/19 pay deal, overall programme growth would be 3.4%

|                                  | 2019/20<br>% | Notes  |
|----------------------------------|--------------|--|
| Activity                         | 2.17%        | Activity in all PODs including acute, mental health, community etc                 |
| Efficiency programmes            | -0.22%       | CHC, Evidence Based Interventions  |
| Mental health additional funding | 0.23%        | To deliver FYFV and LTP commitments  |
| Price (excl. 2018/19 pay)        | 1.23%        | Excludes 18/19 pay and other adjustments detailed separately below                 |
| 2018/19 pay catch-up             | 1.08%        | AfC and doctors  |
| Emergency prices                 | 1.23%        | Transfer of PSF to prices (CCG element)  |
| Litigation                       | -0.42%       | CNST within tariff prices has been reduced compared to 17/19 tariff                |
| Non-tariff medicines             | 0.29%        | Prescribing net of efficiencies (over the counter, low value meds), excluded drugs |
| Transfers within tariff          | -0.10%       | Per tariff planning prices e.g. adjustment for other cancer MDTs                   |
| Transfers of funding             | 0.08%        | Ambulance winter resilience and paramedic banding                                  |
| Other                            | 0.02%        | HSCN funding, AfC uplift on programme costs, non-tariff centralised procurement    |
| Benefit of reduced CSF           | 0.16%        | Reduction in CSF transferred to general uplift                                     |
| <b>Total</b>                     | <b>5.73%</b> |  |

Of the 5.73%, 5.65% is influenced by pace of change, with 0.08% allocated direct to CCG baselines for Ambulance paramedic re-banding and winter monies

|                                      | 2019/20<br>% | Notes   |
|--------------------------------------|--------------|---|
| Total growth in quantum              | 5.73%        | As above  |
| Remove transfers applied outside PoC | -0.08%       | Ambulance transfers added after pace of change in 2019/20 |
| <b>CCG growth as allocations</b>     | <b>5.65%</b> | <b>As per CCG allocation sheets</b>                       |

**Running cost allowances** - in 2019/20 individual CCG running cost allowances have been maintained in cash terms at the same level as 2018/19, after AfC adjustments. In 20/21 allowances are 20% lower in real terms than in 17/18 after AfC. RCA have not been adjusted for population changes.

# Draft CCG core allocations 19/20

**CNE actual growth 5.14%, £240m relative to national average of 5.65% when pace of change rules applied**

|      |   | 2018-19           | 2019-20   | 2019-20                      | 2019-20          | 2019-20      | 2019-20      | 2019-20                 | 2019-20                | 2019-20           |
|------|---|-------------------|---|------------------------------|------------------|--------------|--------------|-------------------------|------------------------|-------------------|
|      |   | Adjusted baseline | Final allocation after place-based pace of change | GP Access /Ambulance funding | Total allocation | Final growth | Final growth | Final per capita growth | Opening DfT per capita | Final closing DfT |
| Code |   | £'000             | £'000   | £'000                        | £'000            | £'000        | %            | %                       | %                      | %                 |
| 00C  | NHS Darlington CCG                            | 150,656           | 158,262   | 744                          | 159,006          | 7,606        | 5.05%        | 5.01%                   | 2.10%                  | 1.47%             |
| 00D  | NHS Durham Dales, Easington and Sedgfield CCG | 458,160           | 483,146   | 2,154                        | 485,300          | 24,986       | 5.45%        | 5.12%                   | 4.41%                  | 3.88%             |
| 03D  | NHS Hambleton, Richmondshire and Whitby CCG   | 188,560           | 197,838   | 959                          | 198,797          | 9,278        | 4.92%        | 4.96%                   | 4.19%                  | 3.50%             |
| 00K  | NHS Hartlepool and Stockton-on-Tees CCG       | 412,170           | 434,076   | 2,123                        | 436,199          | 21,906       | 5.31%        | 5.02%                   | -1.83%                 | -2.42%            |
| 13T  | NHS Newcastle Gateshead CCG                   | 730,791           | 769,411   | 3,791                        | 773,202          | 38,620       | 5.28%        | 4.85%                   | 3.20%                  | 2.41%             |
| 01H  | NHS North Cumbria CCG                         | 457,978           | 480,262   | 739                          | 481,001          | 22,284       | 4.87%        | 5.00%                   | 1.41%                  | 0.78%             |
| 00J  | NHS North Durham CCG                          | 353,910           | 372,716   | 1,697                        | 374,413          | 18,806       | 5.31%        | 5.03%                   | 4.73%                  | 4.12%             |
| 99C  | NHS North Tyneside CCG                        | 322,026           | 338,607   | 1,518                        | 340,125          | 16,581       | 5.15%        | 4.85%                   | 4.50%                  | 3.70%             |
| 00L  | NHS Northumberland CCG                        | 467,627           | 491,193   | 2,295                        | 493,488          | 23,566       | 5.04%        | 5.02%                   | 0.71%                  | 0.10%             |
| 00M  | NHS South Tees CCG                            | 429,655           | 451,372   | 2,260                        | 453,632          | 21,717       | 5.05%        | 4.95%                   | -1.15%                 | -1.81%            |
| 00N  | NHS South Tyneside CCG                        | 250,598           | 263,465   | 1,161                        | 264,626          | 12,867       | 5.13%        | 5.03%                   | 4.54%                  | 3.92%             |
| 00P  | NHS Sunderland CCG                            | 447,968           | 469,621   | 2,100                        | 471,721          | 21,653       | 4.83%        | 4.75%                   | 7.63%                  | 6.70%             |
| QHM  | Cumbria and North East STP                    | 4,670,099         | 4,909,969   | 21,542                       | 4,931,511        | 239,870      | 5.14%        | 4.96%                   | 2.69%                  | 2.01%             |
| Y63  | North East and Yorkshire                      | 12,045,901        | 12,696,622  | 35,879                       | 12,732,501       | 650,721      | 5.40%        | 5.08%                   | 2.06%                  | 1.50%             |
| Y62  | North West                                    | 10,327,568        | 10,898,739  | 19,468                       | 10,918,207       | 571,171      | 5.53%        | 5.11%                   | 0.68%                  | 0.15%             |
| Y60  | Midlands                                      | 13,538,271        | 14,323,913  | 33,722                       | 14,357,635       | 785,642      | 5.80%        | 5.17%                   | -1.13%                 | -1.59%            |
| Y61  | East of England                               | 8,205,094         | 8,678,050   | 12,716                       | 8,690,766        | 472,956      | 5.76%        | 4.98%                   | -0.11%                 | -0.75%            |
| Y56  | London  | 11,766,160        | 12,446,075  | 13,418                       | 12,459,493       | 679,915      | 5.78%        | 4.77%                   | 2.54%                  | 1.67%             |
| Y59  | South East                                    | 11,095,289        | 11,715,944  | 29,760                       | 11,745,704       | 620,655      | 5.59%        | 4.93%                   | 0.50%                  | -0.19%            |
| Y58  | South West                                    | 7,206,902         | 7,613,638   | 23,437                       | 7,637,075        | 406,736      | 5.64%        | 4.93%                   | -0.59%                 | -1.28%            |
| ENG  | England                                       | 74,185,184        | 78,372,981  | 168,401                      | 78,541,382       | 4,187,797    | 5.65%        | 4.99%                   | 0.62%                  | -0.01%            |



# Core CCG growth and DfT 2019/20 to 2023/24

CNE growth is consistently below national average over 5 year period due to distance from target and population growth rate.

|      |  | 2019-20      | 2020-21      | 2021-22      | 2022-23      | 2023-24      | 2019-20      | 2020-21      | 2021-22      | 2022-23      | 2023-24      | 2019-20           | 2020-21           | 2021-22           | 2022-23           | 2023-24           |
|------|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|      |  | Final growth | Final growth | Final growth | Final growth | Final growth | Final growth | Final growth | Final growth | Final growth | Final growth | Final closing DfT | Final closing DfT | Final closing DfT | Final closing DfT | Final closing DfT |
| Code |  | £'000        | £'000        | £'000        | £'000        | £'000        | %            | %            | %            | %            | %            | %                 | %                 | %                 | %                 | %                 |
| OOP  | NHS Sunderland CCG                             | 21,653       | 16,470       | 16,819       | 16,412       | 15,703       | 4.83%        | 3.50%        | 3.46%        | 3.26%        | 3.02%        | 6.70%             | 6.21%             | 5.79%             | 5.34%             | 4.89%             |
| OOJ  | NHS North Durham CCG                           | 18,806       | 14,081       | 13,883       | 13,749       | 13,444       | 5.31%        | 3.78%        | 3.59%        | 3.43%        | 3.24%        | 4.12%             | 3.49%             | 2.92%             | 2.32%             | 1.77%             |
| OON  | NHS South Tyneside CCG                         | 12,867       | 9,554        | 9,619        | 9,329        | 8,939        | 5.13%        | 3.62%        | 3.52%        | 3.30%        | 3.06%        | 3.92%             | 3.57%             | 3.25%             | 2.89%             | 2.47%             |
| OOD  | NHS Durham Dales, Easington and Sedgefield CCG | 24,986       | 19,018       | 19,214       | 18,762       | 18,066       | 5.45%        | 3.93%        | 3.82%        | 3.60%        | 3.34%        | 3.88%             | 3.44%             | 3.02%             | 2.61%             | 2.24%             |
| 99C  | NHS North Tyneside CCG                         | 16,581       | 12,158       | 12,468       | 12,336       | 11,817       | 5.15%        | 3.59%        | 3.55%        | 3.39%        | 3.14%        | 3.70%             | 3.12%             | 2.65%             | 2.25%             | 1.76%             |
| O3D  | NHS Hambleton, Richmondshire and Whitby CCG    | 9,278        | 6,922        | 6,801        | 6,555        | 6,184        | 4.92%        | 3.50%        | 3.32%        | 3.10%        | 2.83%        | 3.50%             | 2.70%             | 1.91%             | 1.12%             | 0.25%             |
| 13T  | NHS Newcastle Gateshead CCG                    | 38,620       | 27,988       | 27,446       | 26,904       | 26,248       | 5.28%        | 3.64%        | 3.44%        | 3.26%        | 3.08%        | 2.41%             | 1.98%             | 1.54%             | 1.11%             | 0.73%             |
| OOC  | NHS Darlington CCG                             | 7,606        | 5,617        | 5,610        | 5,682        | 5,639        | 5.05%        | 5.05%        | 5.05%        | 5.05%        | 5.05%        | 1.47%             | 0.74%             | 0.02%             | -0.50%            | -0.90%            |
| O1H  | NHS North Cumbria CCG                          | 22,284       | 16,147       | 16,152       | 16,430       | 16,442       | 4.87%        | 3.36%        | 3.25%        | 3.20%        | 3.11%        | 0.78%             | 0.11%             | -0.59%            | -1.14%            | -1.57%            |
| OOL  | NHS Northumberland CCG                         | 23,566       | 17,924       | 18,679       | 18,952       | 19,080       | 5.04%        | 3.65%        | 3.67%        | 3.59%        | 3.49%        | 0.10%             | -0.53%            | -0.97%            | -1.27%            | -1.46%            |
| OOM  | NHS South Tees CCG                             | 21,717       | 17,034       | 17,418       | 17,310       | 16,854       | 5.05%        | 3.77%        | 3.72%        | 3.56%        | 3.35%        | -1.81%            | -1.85%            | -1.85%            | -1.81%            | -1.72%            |
| OOK  | NHS Hartlepool and Stockton-on-Tees CCG        | 21,906       | 18,325       | 18,899       | 18,831       | 18,506       | 5.31%        | 4.22%        | 4.17%        | 3.99%        | 3.77%        | -2.42%            | -2.29%            | -2.07%            | -1.86%            | -1.57%            |
| QHM  | Cumbria and North East STP                     | 239,870      | 181,237      | 183,008      | 181,252      | 176,922      | 5.14%        | 3.69%        | 3.59%        | 3.43%        | 3.24%        | 2.01%             | 1.57%             | 1.18%             | 0.83%             | 0.53%             |
| Y63  | North East and Yorkshire                       | 650,721      | 484,249      | 487,648      | 480,350      | 467,919      | 5.40%        | 3.81%        | 3.70%        | 3.51%        | 3.31%        | 1.50%             | 1.20%             | 0.95%             | 0.72%             | 0.51%             |
| Y62  | North West                                     | 571,171      | 422,855      | 426,759      | 418,464      | 405,782      | 5.53%        | 3.88%        | 3.77%        | 3.56%        | 3.33%        | 0.15%             | -0.01%            | -0.15%            | -0.28%            | -0.40%            |
| Y60  | Midlands                                       | 785,642      | 620,855      | 629,525      | 625,217      | 614,463      | 5.80%        | 4.33%        | 4.21%        | 4.01%        | 3.79%        | -1.59%            | -1.61%            | -1.61%            | -1.59%            | -1.57%            |
| Y61  | East of England                                | 472,956      | 379,939      | 385,264      | 380,924      | 371,252      | 5.76%        | 4.38%        | 4.25%        | 4.03%        | 3.78%        | -0.75%            | -0.60%            | -0.43%            | -0.28%            | -0.12%            |
| Y56  | London   | 679,915      | 527,338      | 519,334      | 496,100      | 468,696      | 5.78%        | 4.23%        | 4.00%        | 3.67%        | 3.35%        | 1.67%             | 2.06%             | 2.35%             | 2.65%             | 2.88%             |
| Y59  | South East                                     | 620,655      | 486,018      | 489,597      | 480,217      | 466,325      | 5.59%        | 4.14%        | 4.01%        | 3.78%        | 3.54%        | -0.19%            | -0.13%            | -0.07%            | -0.04%            | -0.01%            |
| Y58  | South West                                     | 406,736      | 326,098      | 328,898      | 328,842      | 325,623      | 5.64%        | 4.28%        | 4.14%        | 3.97%        | 3.78%        | -1.28%            | -1.38%            | -1.47%            | -1.57%            | -1.63%            |
| ENG  | England  | 4,187,797    | 3,247,351    | 3,267,025    | 3,210,114    | 3,120,060    | 5.65%        | 4.14%        | 4.00%        | 3.78%        | 3.54%        | -0.01%            | -0.01%            | -0.01%            | 0.00%             | 0.00%             |

# Other Primary Care allocations

PC Medical allocations for 19/20 for CNE average 6.1% (6.59% nationally)

|            |   | 0   | 1              | 2              | 3              | 4              | 5              | 6            | 7            | 8            | 9            | 10           | 11                | 12                | 13                | 14                | 15                |
|------------|---|---|----------------|----------------|----------------|----------------|----------------|--------------|--------------|--------------|--------------|--------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|            |   | 2019-20   | 2019-20        | 2020-21        | 2021-22        | 2022-23        | 2023-24        | 2019-20      | 2020-21      | 2021-22      | 2022-23      | 2023-24      | 2019-20           | 2020-21           | 2021-22           | 2022-23           | 2023-24           |
|            |   | Final allocation after place-based pace of change | Final Growth   | Final Growth   | Final Growth   | Final Growth   | Final Growth   | Final growth | Final growth | Final growth | Final growth | Final growth | Final closing DfT | Final closing DfT | Final closing DfT | Final closing DfT | Final closing DfT |
| Code       |   | £000  | £'000          | £'000          | £'000          | £'000          | £'000          | %            | %            | %            | %            | %            | %                 | %                 | %                 | %                 | %                 |
| 00C        | NHS Darlington CCG                            | 15,380  | 823            | 567            | 718            | 544            | 618            | 5.65%        | 3.69%        | 4.50%        | 3.26%        | 3.59%        | 1.53%             | 1.16%             | 0.62%             | 0.15%             | 0.00%             |
| 00D        | NHS Durham Dales, Easington and Sedgfield CCG | 46,460  | 2,423          | 1,700          | 2,300          | 1,824          | 1,920          | 5.50%        | 3.66%        | 4.78%        | 3.61%        | 3.67%        | 6.75%             | 6.16%             | 5.72%             | 5.40%             | 5.18%             |
| 03D        | NHS Hambleton, Richmondshire and Whitby CCG   | 22,803  | 1,193          | 829            | 1,083          | 829            | 854            | 5.52%        | 3.64%        | 4.58%        | 3.35%        | 3.34%        | 3.75%             | 3.14%             | 2.55%             | 1.96%             | 1.38%             |
| 00K        | NHS Hartlepool and Stockton-on-Tees CCG       | 43,129  | 2,410          | 1,828          | 2,398          | 1,942          | 2,033          | 5.92%        | 4.24%        | 5.33%        | 4.10%        | 4.12%        | -1.91%            | -1.77%            | -1.55%            | -1.29%            | -0.98%            |
| 13T        | NHS Newcastle Gateshead CCG                   | 73,270  | 5,056          | 4,063          | 4,781          | 3,572          | 3,227          | 7.41%        | 5.55%        | 6.18%        | 4.35%        | 3.77%        | -3.12%            | -1.73%            | -0.58%            | 0.03%             | 0.07%             |
| 01H        | NHS North Cumbria CCG                         | 49,303  | 2,554          | 1,686          | 2,206          | 1,658          | 1,825          | 5.46%        | 3.42%        | 4.33%        | 3.12%        | 3.33%        | 1.89%             | 1.42%             | 0.88%             | 0.35%             | 0.03%             |
| 00J        | NHS North Durham CCG                          | 36,495  | 2,038          | 1,430          | 1,840          | 1,467          | 1,547          | 5.91%        | 3.92%        | 4.85%        | 3.69%        | 3.75%        | 3.96%             | 3.69%             | 3.49%             | 3.32%             | 3.19%             |
| 99C        | NHS North Tyneside CCG                        | 29,807  | 2,144          | 1,783          | 1,915          | 1,332          | 1,367          | 7.75%        | 5.98%        | 6.06%        | 3.98%        | 3.92%        | -2.48%            | -0.77%            | 0.05%             | 0.12%             | 0.11%             |
| 00L        | NHS Northumberland CCG                        | 47,016  | 2,482          | 1,631          | 2,339          | 1,850          | 1,954          | 5.57%        | 3.47%        | 4.81%        | 3.63%        | 3.70%        | 1.11%             | 0.40%             | 0.07%             | -0.20%            | -0.42%            |
| 00M        | NHS South Tees CCG                            | 47,011  | 2,516          | 1,708          | 2,280          | 1,783          | 1,867          | 5.65%        | 3.63%        | 4.68%        | 3.50%        | 3.54%        | -0.14%            | -0.34%            | -0.51%            | -0.59%            | -0.61%            |
| 00N        | NHS South Tyneside CCG                        | 23,176  | 1,259          | 873            | 1,152          | 898            | 933            | 5.74%        | 3.77%        | 4.79%        | 3.56%        | 3.57%        | 0.97%             | 0.83%             | 0.72%             | 0.61%             | 0.46%             |
| 00P        | NHS Sunderland CCG                            | 43,304  | 2,516          | 1,796          | 2,300          | 1,786          | 1,798          | 6.17%        | 4.15%        | 5.10%        | 3.77%        | 3.66%        | 3.62%             | 3.88%             | 4.07%             | 4.17%             | 4.14%             |
| <b>QHM</b> | <b>Cumbria and North East STP</b>             | <b>477,154</b>                                    | <b>27,414</b>  | <b>19,894</b>  | <b>25,312</b>  | <b>19,485</b>  | <b>19,943</b>  | <b>6.10%</b> | <b>4.17%</b> | <b>5.09%</b> | <b>3.73%</b> | <b>3.68%</b> | <b>0.96%</b>      | <b>1.07%</b>      | <b>1.13%</b>      | <b>1.09%</b>      | <b>1.00%</b>      |
| Y63        | North East and Yorkshire                      | 1,303,971   | 75,147         | 52,657         | 67,368         | 52,733         | 54,720         | 6.12%        | 4.04%        | 4.97%        | 3.70%        | 3.71%        | 1.93%             | 1.82%             | 1.68%             | 1.54%             | 1.40%             |
| Y62        | North West                                    | 1,080,068   | 65,875         | 46,407         | 58,096         | 45,459         | 47,261         | 6.50%        | 4.30%        | 5.16%        | 3.84%        | 3.84%        | 0.06%             | 0.15%             | 0.15%             | 0.11%             | 0.07%             |
| Y60        | Midlands                                      | 1,558,740   | 91,661         | 66,353         | 85,429         | 68,915         | 71,912         | 6.25%        | 4.26%        | 5.26%        | 4.03%        | 4.04%        | 0.34%             | 0.19%             | 0.08%             | 0.04%             | 0.02%             |
| Y61        | East of England                               | 939,464   | 57,243         | 42,419         | 54,370         | 43,679         | 45,226         | 6.49%        | 4.52%        | 5.54%        | 4.22%        | 4.19%        | -0.12%            | -0.18%            | -0.21%            | -0.29%            | -0.35%            |
| Y56        | London  | 1,365,908   | 85,173         | 60,538         | 76,912         | 61,742         | 63,227         | 6.65%        | 4.43%        | 5.39%        | 4.11%        | 4.04%        | 1.83%             | 1.62%             | 1.43%             | 1.36%             | 1.24%             |
| Y59        | South East                                    | 1,241,898   | 79,347         | 58,508         | 72,422         | 58,760         | 60,259         | 6.83%        | 4.71%        | 5.57%        | 4.28%        | 4.21%        | -1.21%            | -1.04%            | -0.98%            | -0.93%            | -0.93%            |
| Y58        | South West                                    | 779,579   | 57,179         | 38,871         | 47,932         | 39,274         | 41,117         | 7.92%        | 4.99%        | 5.86%        | 4.53%        | 4.54%        | -3.67%            | -3.28%            | -2.93%            | -2.66%            | -2.36%            |
| <b>ENG</b> | <b>England</b>                                | <b>8,269,628</b>                                  | <b>511,625</b> | <b>365,753</b> | <b>462,529</b> | <b>370,562</b> | <b>383,722</b> | <b>6.59%</b> | <b>4.42%</b> | <b>5.36%</b> | <b>4.07%</b> | <b>4.05%</b> | <b>0.11%</b>      | <b>0.10%</b>      | <b>0.07%</b>      | <b>0.04%</b>      | <b>0.01%</b>      |

# Specialised Commissioning allocations

Specialised allocations for 19/20 for CNE average 7.64% (8.14% nationally) – reserves held nationally for certain drugs/treatments

|      |   | 0   | 1            | 2            | 3            | 4            | 5            | 6            | 7            | 8            | 9            | 10           | 11                | 12                | 13                | 14                | 15                |
|------|---|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|      |   | 2019-20   | 2019-20      | 2020-21      | 2021-22      | 2022-23      | 2023-24      | 2019-20      | 2020-21      | 2021-22      | 2022-23      | 2023-24      | 2019-20           | 2020-21           | 2021-22           | 2022-23           | 2023-24           |
|      |   | Final allocation after place-based pace of change | Final growth | Final growth | Final growth | Final growth | Final growth | Final growth | Final growth | Final growth | Final growth | Final growth | Final closing DfT | Final closing DfT | Final closing DfT | Final closing DfT | Final closing DfT |
| Code |   | £000  | £000         | £000         | £000         | £000         | £000         | %            | %            | %            | %            | %            | %                 | %                 | %                 | %                 | %                 |
| 00C  | NHS Darlington CCG                            | 29,377  | 2,049        | 1,822        | 1,988        | 2,281        | 2,525        | 7.50%        | 6.20%        | 6.37%        | 6.87%        | 7.12%        | -3.38%            | -3.92%            | -4.45%            | -4.95%            | -5.45%            |
| 00D  | NHS Durham Dales, Easington and Sedgfield CCG | 74,647  | 5,403        | 4,847        | 5,331        | 6,100        | 6,761        | 7.80%        | 6.49%        | 6.71%        | 7.19%        | 7.44%        | -7.85%            | -8.11%            | -8.38%            | -8.62%            | -8.85%            |
| 03D  | NHS Hambleton, Richmondshire and Whitby CCG   | 42,593  | 2,944        | 2,643        | 2,882        | 3,310        | 3,673        | 7.43%        | 6.21%        | 6.37%        | 6.88%        | 7.14%        | 5.37%             | 4.75%             | 4.12%             | 3.55%             | 2.99%             |
| 00K  | NHS Hartlepool and Stockton-on-Tees CCG       | 78,648  | 5,664        | 5,045        | 5,518        | 6,320        | 6,998        | 7.76%        | 6.41%        | 6.59%        | 7.08%        | 7.33%        | -7.28%            | -7.63%            | -7.97%            | -8.32%            | -8.66%            |
| 13T  | NHS Newcastle Gateshead CCG                   | 157,230   | 11,519       | 10,202       | 11,039       | 12,670       | 14,109       | 7.91%        | 6.49%        | 6.59%        | 7.10%        | 7.38%        | -2.16%            | -2.41%            | -2.74%            | -3.05%            | -3.35%            |
| 01H  | NHS North Cumbria CCG                         | 91,908  | 6,269        | 5,524        | 6,051        | 6,954        | 7,707        | 7.32%        | 6.01%        | 6.21%        | 6.72%        | 6.98%        | -0.44%            | -1.10%            | -1.72%            | -2.33%            | -2.89%            |
| 00J  | NHS North Durham CCG                          | 64,643  | 4,647        | 4,143        | 4,497        | 5,203        | 5,822        | 7.75%        | 6.41%        | 6.54%        | 7.10%        | 7.42%        | -7.03%            | -7.39%            | -7.74%            | -8.07%            | -8.34%            |
| 99C  | NHS North Tyneside CCG                        | 64,261  | 4,631        | 4,139        | 4,543        | 5,213        | 5,786        | 7.77%        | 6.44%        | 6.64%        | 7.15%        | 7.40%        | -5.88%            | -6.26%            | -6.64%            | -7.02%            | -7.40%            |
| 00L  | NHS Northumberland CCG                        | 90,549  | 6,300        | 5,590        | 6,129        | 7,044        | 7,810        | 7.48%        | 6.17%        | 6.38%        | 6.89%        | 7.14%        | -4.79%            | -5.43%            | -6.03%            | -6.59%            | -7.13%            |
| 00M  | NHS South Tees CCG                            | 98,813  | 6,950        | 6,119        | 6,675        | 7,683        | 8,496        | 7.57%        | 6.19%        | 6.36%        | 6.88%        | 7.12%        | -3.95%            | -4.35%            | -4.75%            | -5.12%            | -5.51%            |
| 00N  | NHS South Tyneside CCG                        | 46,188  | 3,248        | 2,891        | 3,174        | 3,644        | 4,045        | 7.56%        | 6.26%        | 6.47%        | 6.97%        | 7.24%        | -6.16%            | -6.65%            | -7.14%            | -7.56%            | -7.98%            |
| 00P  | NHS Sunderland CCG                            | 79,874  | 5,607        | 4,971        | 5,453        | 6,266        | 6,942        | 7.55%        | 6.22%        | 6.43%        | 6.94%        | 7.19%        | -4.32%            | -4.72%            | -5.10%            | -5.46%            | -5.82%            |
| QHM  | Cumbria and North East STP                    | 918,731   | 65,231       | 57,936       | 63,280       | 72,688       | 80,674       | 7.64%        | 6.31%        | 6.48%        | 6.99%        | 7.25%        | -4.11%            | -4.54%            | -4.96%            | -5.37%            | -5.75%            |
| Y63  | North East and Yorkshire                      | 2,497,491   | 180,560      | 161,045      | 175,920      | 201,893      | 224,252      | 7.79%        | 6.45%        | 6.62%        | 7.12%        | 7.39%        | -3.66%            | -3.97%            | -4.28%            | -4.58%            | -4.86%            |
| Y62  | North West                                    | 2,386,900   | 175,048      | 156,900      | 171,615      | 196,560      | 218,069      | 7.91%        | 6.57%        | 6.75%        | 7.24%        | 7.49%        | 2.14%             | 1.98%             | 1.84%             | 1.69%             | 1.55%             |
| Y60  | Midlands                                      | 3,188,368   | 239,199      | 215,676      | 236,257      | 270,848      | 300,734      | 8.11%        | 6.76%        | 6.94%        | 7.44%        | 7.69%        | -0.79%            | -0.92%            | -1.04%            | -1.14%            | -1.23%            |
| Y61  | East of England                               | 1,851,051   | 141,307      | 128,103      | 140,629      | 160,950      | 178,664      | 8.26%        | 6.92%        | 7.11%        | 7.59%        | 7.83%        | -1.31%            | -1.18%            | -1.04%            | -0.90%            | -0.75%            |
| Y56  | London  | 3,340,220   | 261,964      | 237,145      | 258,438      | 293,817      | 324,343      | 8.51%        | 7.10%        | 7.22%        | 7.66%        | 7.85%        | 1.42%             | 1.81%             | 2.18%             | 2.50%             | 2.78%             |
| Y59  | South East                                    | 2,634,035   | 198,317      | 179,244      | 196,482      | 225,160      | 250,098      | 8.14%        | 6.80%        | 6.98%        | 7.48%        | 7.73%        | 1.83%             | 1.90%             | 2.00%             | 2.10%             | 2.21%             |
| Y58  | South West                                    | 1,622,971   | 123,029      | 111,769      | 121,519      | 139,474      | 155,268      | 8.20%        | 6.89%        | 7.01%        | 7.51%        | 7.78%        | 0.04%             | -0.03%            | -0.12%            | -0.22%            | -0.27%            |
| ENG  | England                                       | 17,521,036  | 1,319,424    | 1,189,882    | 1,300,860    | 1,488,702    | 1,651,428    | 8.14%        | 6.79%        | 6.95%        | 7.44%        | 7.68%        | 0.00%             | 0.00%             | 0.00%             | 0.00%             | 0.00%             |

# Total place based commissioning allocations

Aggregate of CCG Core allocations, PC Medical Services and Specialised Commissioning allocations

|            |   | 0  | 1                | 2                | 3                | 4                | 5                | 6            | 7            | 8            | 9            | 10           | 11                | 12                | 13                | 14                | 15                |
|------------|---|--|------------------|------------------|------------------|------------------|------------------|--------------|--------------|--------------|--------------|--------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|            |   | 2019-20                                  | 2019-20          | 2020-21          | 2021-22          | 2022-23          | 2023-24          | 2019-20      | 2020-21      | 2021-22      | 2022-23      | 2023-24      | 2019-20           | 2020-21           | 2021-22           | 2022-23           | 2023-24           |
|            |   | Final allocation including other funding | Final Growth     | Final Growth     | Final Growth     | Final Growth     | Final Growth     | Final growth | Final growth | Final growth | Final growth | Final growth | Final closing DfT | Final closing DfT | Final closing DfT | Final closing DfT | Final closing DfT |
| Code       |   | £000                                     | £000             | £000             | £000             | £000             | £000             | %            | %            | %            | %            | %            | %                 | %                 | %                 | %                 | %                 |
| 00C        | NHS Darlington CCG                            | 203,763                                  | 10,478           | 8,005            | 8,316            | 8,507            | 8,783            | 5.44%        | 3.94%        | 3.94%        | 3.88%        | 3.85%        | 0.74%             | 0.06%             | -0.64%            | -1.17%            | -1.59%            |
| 00D        | NHS Durham Dales, Easington and Sedgfield CCG | 606,408                                  | 32,812           | 25,565           | 26,845           | 26,687           | 26,748           | 5.74%        | 4.23%        | 4.26%        | 4.06%        | 3.91%        | 2.48%             | 2.02%             | 1.58%             | 1.16%             | 0.76%             |
| 03D        | NHS Hambleton, Richmondshire and Whittby CCG  | 264,193                                  | 13,415           | 10,394           | 10,766           | 10,694           | 10,710           | 5.37%        | 3.95%        | 3.93%        | 3.76%        | 3.63%        | 3.82%             | 3.07%             | 2.33%             | 1.61%             | 0.83%             |
| 00K        | NHS Hartlepool and Stockton-on-Tees CCG       | 557,976                                  | 29,980           | 25,198           | 26,815           | 27,093           | 27,536           | 5.70%        | 4.53%        | 4.61%        | 4.46%        | 4.33%        | -3.10%            | -3.06%            | -2.94%            | -2.84%            | -2.69%            |
| 13T        | NHS Newcastle Gateshead CCG                   | 1,003,702                                | 55,195           | 42,253           | 43,266           | 43,146           | 43,584           | 5.84%        | 4.22%        | 4.15%        | 3.97%        | 3.86%        | 1.25%             | 0.97%             | 0.65%             | 0.30%             | -0.06%            |
| 01H        | NHS North Cumbria CCG                         | 622,212                                  | 31,108           | 23,358           | 24,409           | 25,042           | 25,975           | 5.27%        | 3.76%        | 3.78%        | 3.74%        | 3.74%        | 0.69%             | 0.03%             | -0.65%            | -1.21%            | -1.67%            |
| 00J        | NHS North Durham CCG                          | 475,552                                  | 25,491           | 19,653           | 20,220           | 20,419           | 20,813           | 5.69%        | 4.15%        | 4.10%        | 3.97%        | 3.89%        | 2.43%             | 1.84%             | 1.29%             | 0.72%             | 0.20%             |
| 99C        | NHS North Tyneside CCG                        | 434,194                                  | 23,356           | 18,080           | 18,926           | 18,881           | 18,970           | 5.71%        | 4.18%        | 4.20%        | 4.02%        | 3.88%        | 1.72%             | 1.31%             | 0.91%             | 0.50%             | 0.01%             |
| 00L        | NHS Northumberland CCG                        | 631,053                                  | 32,348           | 25,145           | 27,147           | 27,846           | 28,844           | 5.42%        | 4.00%        | 4.15%        | 4.09%        | 4.07%        | -0.56%            | -1.21%            | -1.69%            | -2.05%            | -2.33%            |
| 00M        | NHS South Tees CCG                            | 599,456                                  | 31,183           | 24,861           | 26,374           | 26,776           | 27,218           | 5.51%        | 4.16%        | 4.24%        | 4.13%        | 4.03%        | -2.05%            | -2.16%            | -2.26%            | -2.32%            | -2.35%            |
| 00N        | NHS South Tyneside CCG                        | 333,989                                  | 17,373           | 13,319           | 13,944           | 13,872           | 13,916           | 5.51%        | 4.00%        | 4.03%        | 3.85%        | 3.72%        | 2.19%             | 1.80%             | 1.43%             | 1.02%             | 0.57%             |
| 00P        | NHS Sunderland CCG                            | 594,898                                  | 29,775           | 23,237           | 24,572           | 24,464           | 24,443           | 5.29%        | 3.92%        | 3.99%        | 3.82%        | 3.67%        | 4.84%             | 4.39%             | 3.98%             | 3.54%             | 3.08%             |
| <b>QHM</b> | <b>Cumbria and North East STP</b>             | <b>6,327,396</b>                         | <b>332,515</b>   | <b>259,068</b>   | <b>271,600</b>   | <b>273,426</b>   | <b>277,539</b>   | <b>5.57%</b> | <b>4.11%</b> | <b>4.13%</b> | <b>4.00%</b> | <b>3.90%</b> | <b>0.99%</b>      | <b>0.58%</b>      | <b>0.19%</b>      | <b>-0.17%</b>     | <b>-0.51%</b>     |
| Y63        | North East and Yorkshire                      | 16,533,961                               | 906,427          | 697,952          | 730,936          | 734,980          | 746,892          | 5.81%        | 4.23%        | 4.25%        | 4.10%        | 4.00%        | 0.72%             | 0.42%             | 0.14%             | -0.12%            | -0.37%            |
| Y62        | North West                                    | 14,385,176                               | 812,095          | 626,163          | 656,471          | 660,482          | 671,112          | 5.99%        | 4.36%        | 4.38%        | 4.22%        | 4.11%        | 0.47%             | 0.34%             | 0.21%             | 0.09%             | -0.01%            |
| Y60        | Midlands                                      | 19,104,738                               | 1,116,497        | 902,884          | 951,212          | 964,981          | 987,109          | 6.22%        | 4.73%        | 4.76%        | 4.61%        | 4.51%        | -1.30%            | -1.35%            | -1.37%            | -1.38%            | -1.38%            |
| Y61        | East of England                               | 11,481,282                               | 671,507          | 550,458          | 580,264          | 585,551          | 595,141          | 6.22%        | 4.80%        | 4.83%        | 4.65%        | 4.51%        | -0.79%            | -0.67%            | -0.51%            | -0.38%            | -0.25%            |
| Y56        | London  | 17,165,624                               | 1,027,055        | 825,022          | 854,688          | 851,661          | 856,265          | 6.37%        | 4.81%        | 4.75%        | 4.52%        | 4.35%        | 1.64%             | 1.98%             | 2.24%             | 2.51%             | 2.73%             |
| Y59        | South East                                    | 15,621,637                               | 898,319          | 723,771          | 758,502          | 764,138          | 776,681          | 6.11%        | 4.64%        | 4.65%        | 4.47%        | 4.35%        | 0.06%             | 0.14%             | 0.21%             | 0.27%             | 0.32%             |
| Y58        | South West                                    | 10,039,626                               | 586,944          | 476,739          | 498,350          | 507,590          | 522,008          | 6.22%        | 4.76%        | 4.75%        | 4.61%        | 4.54%        | -1.26%            | -1.31%            | -1.37%            | -1.43%            | -1.45%            |
| <b>ENG</b> | <b>England</b>                                | <b>104,332,044</b>                       | <b>6,018,845</b> | <b>4,802,989</b> | <b>5,030,424</b> | <b>5,069,383</b> | <b>5,155,208</b> | <b>6.13%</b> | <b>4.61%</b> | <b>4.61%</b> | <b>4.44%</b> | <b>4.33%</b> | <b>0.00%</b>      | <b>0.00%</b>      | <b>0.00%</b>      | <b>0.00%</b>      | <b>0.00%</b>      |

# Payment reform and national tariff (consultation)

- National Tariff uplift 3.8% for 2019/20, including AFC pay awards paid directly to relevant providers in 2018/19

| Tariff       | Estimate | Cost weight   | Wtd estimate |  |             |
|--------------|----------|---------------|--------------|--|-------------|
| Pay*         | 5.0%     | 66.9%         | 3.4%         | <i>Pay*</i>                                    |             |
| Drugs        | 0.6%     | 3.7%          | 0.0%         | <i>18/19 AfC</i>                               | <i>1.6%</i> |
| Capital      | 1.8%     | 6.9%          | 0.1%         | <i>Non AfC above national tariff allowance</i> | <i>0.3%</i> |
| CNST         | -1.0%    | 2.5%          | 0.0%         | <i>Anticipated 19/20 pressures</i>             | <i>3.1%</i> |
| Other        | 1.8%     | 20.0%         | 0.4%         | <i>Total</i>                                   | <i>5.0%</i> |
| <b>Total</b> |          | <b>100.0%</b> | <b>3.8%</b>  |  |             |

- 3.8% excludes:
  - Tariff efficiency for 2019/20 will be 1.1% (material reduction from 2% from 16/17)
  - £1bn PSF transfer into national prices (NEL/XBD tariffs)
  - £330m CNST adjustment (maternity pathways)
  - 1.25% CQUIN transfer (national and local prices)
  - -0.36% impact of centralised procurement overheads (national and local prices)
  - Updated Market Forces Factor (MFF) for 2019/20, implemented over five years (revenue impact to be reflected in provider CTs for 19/20). Full impact of changes to the MFF should not immediately or automatically affect local prices
  - 19/20 Pensions impact
- Default payment approach where UEC activity > £10m - covering NEL admissions, A&E and ambulatory/same day emergency care. Fixed element based on locally agreed planned activity levels taking account of the effects of demographic pressures as well as a realistic assessment of the impact of system efforts to reduce demand; and a variable element, set at 20% of tariff prices. A 'break glass' clause will apply if actual activity is significantly different from the planned level. If unable to agree locally, STP will support and finally national dispute resolution process will apply. NHSE/I will look to resolve disagreements before entering arbitration via the national Independent Arbitration Panel.
- The marginal rate emergency tariff (MRET) and the 30day readmission rule will be abolished as national rules for 2019/20, on a financially neutral basis between providers and commissioners. The contract value will be reduced by the agreed 17/18 values.
- Propose to make the maternity pathway tariffs non-mandatory, but still expect these prices to be used for contracting in 2019/20.

# Efficiency and productivity

The NHS has consistently improved productivity over time and in recent years these improvements have outpaced the wider economy however there remains significant variation in efficiency both within and across the different types of services that the NHS provides. All systems should develop robust efficiency plans taking account of the opportunities identified in the Model Hospital, GIRFT and Rightcare.

Providers and commissioners should work together to deliver transformation, improve clinical effectiveness and accelerate ongoing productivity opportunities. The minimum efficiency ask of the NHS in the next five years is 1.1% per year. Efficiency plans should be appropriately phased and not back-loaded. Delivering at least 1.1% efficiency per year will require a renewed and intensified focus on:

## Staffing

- Greater staff productivity - improve the availability and deployment of clinical workforce, including a significant increase in effective implementation of e-rostering and e-job planning standards. Bank first, reducing locum costs and hourly rates, skill mix etc.

## Digital/Estate

- Transformative models of delivering services to patients including new digital technology and wider infrastructure
- Improve quality and productivity of services delivered in the community, across physical and mental health, by making mobile devices and digital services available to a significant proportion of staff
- Improving utilisation of NHS estate through the development and delivery of robust, affordable local estates strategies that include delivery of agreed surplus land disposal ambitions. Make best use of the estate including improvements to energy efficiency, clinical space utilisation in hospitals and implementation of modern operating models for community services

## Prescribing

- CCGs to implement NHSE guidance on 18 items which should not be routinely prescribed in primary care – saving up to £114 million per year by 2020/21 compared to 2017/18
- CCGs to implement NHSE guidance on over the counter items should not be routinely prescribed in primary care – savings up to £93 million per year compared to 2017/18.
- Secure value from medicines and pharmacy, including implementation of electronic prescribing, removal of low value prescribing and greater use of biosimilars

## Procurement

- Accelerate the pace of procurement savings by increasing standardisation and aggregation, making use of collective purchasing powers.

## Corporate services

- Improve corporate services, including commissioners and providers working together to simplify the contracting processes and reducing the costs of transactional services. Commissioning at scale and rationalising provider back office functions.

# Efficiency and productivity

## Rightcare and demand management

- CCGs to implement NHSE guidance on published evidence based Interventions: 17 clinical interventions that are divided into two categories: Four Category 1 interventions not to be commissioned by CCGs or performed unless a successful Individual Funding Request (IFR) and Thirteen Category 2 interventions not to be commissioned by CCGs or performed unless specific clinical criteria are met
- Implement national priority Rightcare initiatives for cardiovascular and respiratory conditions in 2019/20. They will also be expected to address variation and improve care in at least one additional pathway outside of the national priority initiatives.
- CCGs to implement a High Intensity User support offer for demand management in urgent and emergency care
- CCGs to continue using RightCare data to identify opportunities and outliers and increase the focus on the development of primary care service to further reduce referrals and follow ups.
- Work across the STPs/ICSs to develop proposals to transform outpatient services by introducing digitally-enabled operating models to substantially reduce the number of patient visits

## Other

- Providers to consider opportunities outlined in GIRFT reports and Lord Carter's reviews of operational productivity, performance and variations in English NHS acute hospitals: mental health and community health services'; and NHS ambulance trusts:
- Support and accelerate rollout of pathology and imaging networks
- In addition to efficiency savings, providers have opportunities to grow their external (non-NHS) - is expected that the NHS will work towards securing the benchmarked potential for commercial income growth and overseas visitor cost recovery identified in the Model Hospital.