

The Rowleys GP Financial Snapshot

2022



Introduction

The debut Rowleys GP Financial Snapshot provides some useful insights into the financial position of a typical GP practice in Leicester, Leicestershire and Rutland.

Rowleys specialist medical team act for a variety of GP practices and individual GP partners across Leicester, Leicestershire and Rutland (LLR). Our team has used their extensive knowledge and experience, combined with some independent research to collate a series of interesting insights for GP practices.

The Rowleys GP Financial Snapshot, shares the key highlights from our research to provide a picture of the financial position of a typical GP practice in LLR.

The highlights include:

The number of patients each GP has to look after continues to rise as a result of the shortage of GPs and the move towards using alternative clinical roles to fill the gaps.

Overall profits were up 13% from the previous year which is a significant increase, however we know a proportion of this was due to funding made available to help deliver the covid 19 vaccine programme.

Whilst this report only shares the key highlights, the information we have gathered also allows us to benchmark individual practices, providing useful information that can assist you with:

- A better understanding of your income and profits and how you compare to your peers
- Information to help with planning for the future
- Where to target resources to improve financial performance

If you would like more information, or would like to see how your practice compares, please get in touch - kate.hunter@rowleys.biz



A handwritten signature in black ink that reads "K Hunter".

Kate Hunter
Medical Practice Consultant

Research notes

- Adjustments are made to profits to remove notional rent, this enables comparisons to be made between property owning and non property owning practices.
- Further adjustments are made to remove other costs and income appropriated to individual partners to account for abnormal income and expenditure when making comparisons.
- The levelling up payments have been split between historical FDR, former CBS services and actual levelling up payments where received to provide year on year comparisons.
- Salaried GP and locum sessions are an estimate based on cost for the year.
- Per patient averages are calculated using weighted patients for GMS income and QoF and registered patients for enhanced services.

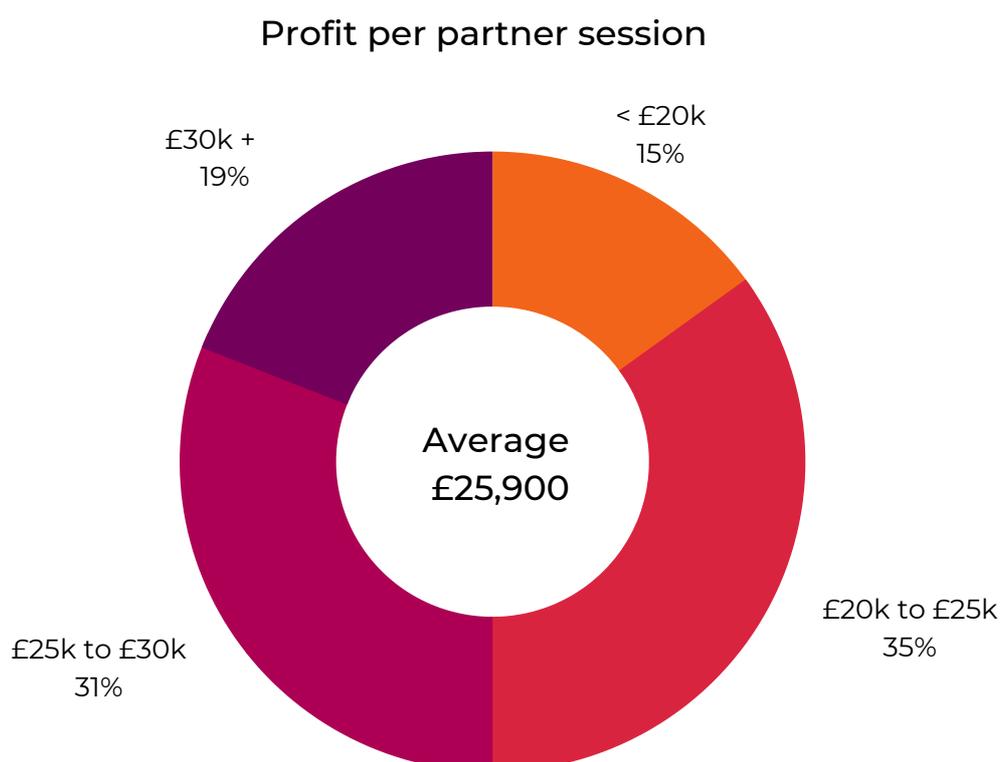
Profit per session

The easiest way to compare profit across practices is to look at profit per partner session.



Profit per session is up 15% from 2020-21 reflecting the additional investment made to enable practices to manage during the covid 19 pandemic and the covid vaccination programme together with the investment made through the Fairer Funding Model.

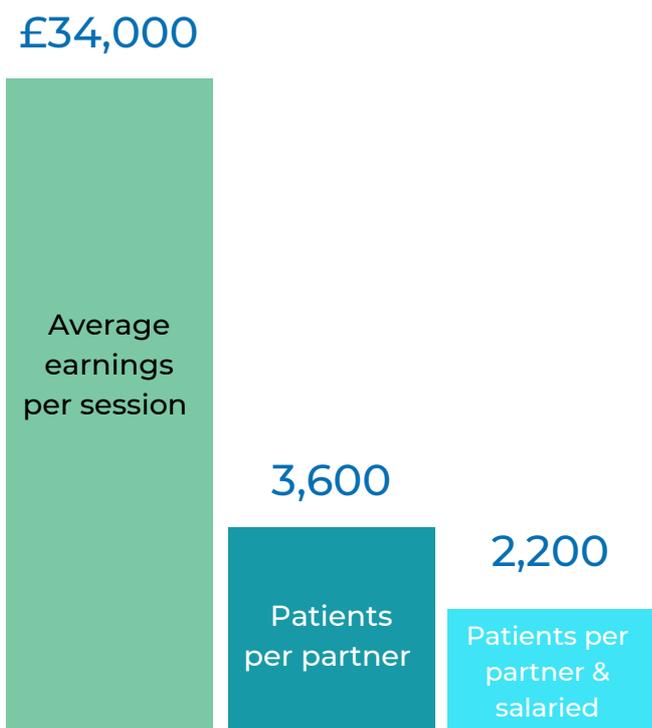
It also highlights a general trend towards fewer partners and more salaried and locum GPs.



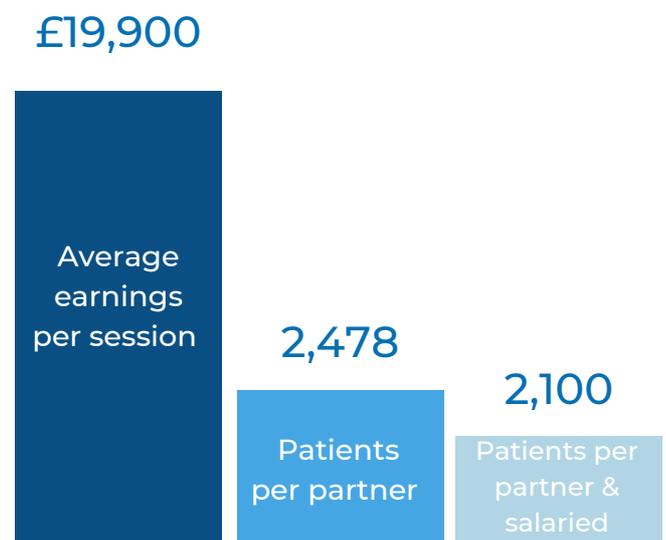


Partners will make decisions about how much profit per session they want to aim for taking into account a number of factors including work / life balance and appetite to take on additional services, however for those who are considering how to increase profits there is a clear correlation between a small number of partners supported by salaried GPs and higher profits.

Highest 20% earners



Lowest 20% earners



These figures demonstrate that the ratio of patients to doctors is similar, but those practices with fewer partners and more salaried GPs have higher profit.

Patients per GP

Registered patients per GP is a good indicator of workload and can be used as a baseline for decision making on recruitment. Of course, most practices now use different roles to cover some of the work previously undertaken by doctors so GP numbers alone may not reveal the whole picture.

Average number of patients per partner	3,149 up 3%
Average number of patients per GP including salaried	2,155 up 4%
Average number of patients per GP including salaried and locums	1,968 no change

Increase from 2020-21 to 2021-22
Assumes 1 WTE GP works 8 sessions

The number of patients per permanent GP has increased and the figures suggest that this additional workload is being picked up by locums, an expensive option for practices and an indication of the difficulty practices have in recruiting permanent doctors.

Income & expenditure

Income and expenditure have both increased from 2020-21 to 2021-22.

Change in Income Up 15%

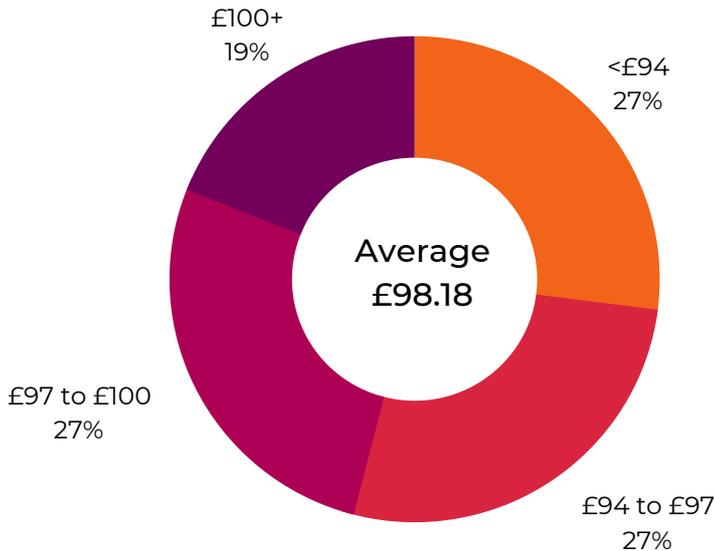
Change in Expenditure Up 16%

So, while practices have seen a healthy increase in income, expenses have also increased. It is likely that the income increase was non recurrent due to the investment during the pandemic whereas some of the increase in expenditure will be recurrent cost pressures.

Average income per patient

We are able to analyse average income for the three recurrent contractual streams, GMS, QoF and enhanced services. All have risen from 2020-21 to 2021-22 with a 7% increase to GMS and QoF and a 10% increase to enhanced service income.

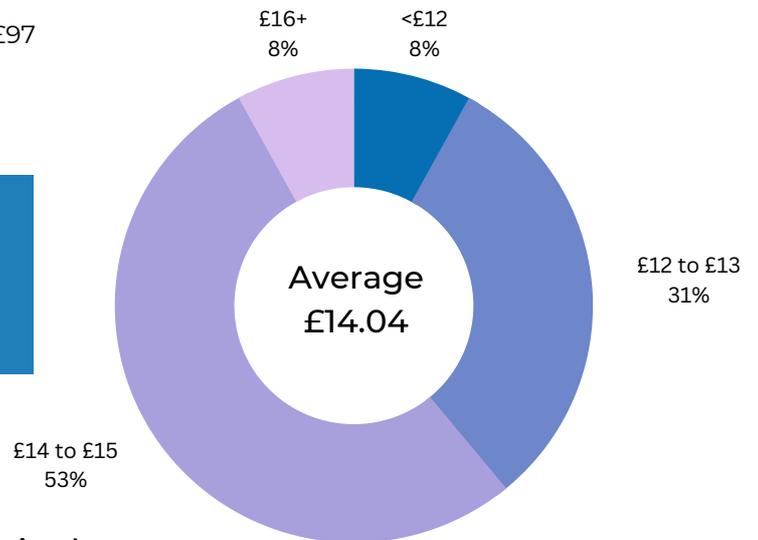
GMS (including Fairer Funding)



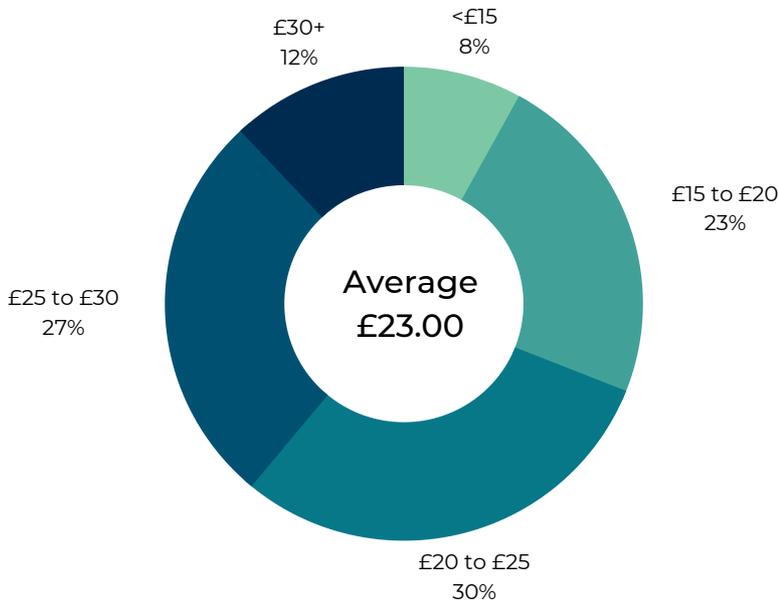
Practices do not have control over this, however it is interesting to see where individual practices fall.

Practices can improve their performance by increasing prevalence and understanding where to target their resources to maximise earnings.

QoF



Enhanced services (exc Covid vaccine)



Practices need to understand the profit margin on each service and ensure they are delivering services efficiently and effectively.

How does your practice compare?

Rowleys are able to provide practices across LLR with a bespoke analysis of their current financial position to:

- Better understand income streams and profitability
- Plan for the future
- Target resources to improve financial performance

If you would like more information, or would like to arrange a meeting for one of our team to explain more about our findings, please do not hesitate to contact: kate.hunter@rowleys.biz

Rowleys medical team

Rowleys medical team specialises in providing support for GP practices.

Our team works with practices across the Midlands. Some of the team have worked in General Practice for many years and truly understand the challenges that practices are facing.

As GP specialists we can do much more than complete your accounts. As we know the sector so well, we provide a comprehensive service, which includes tax, pensions, payroll, general management support and training.



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About Rowleys

As one of the leading independent firms of accountants in Leicester and the East Midlands we provide all of the audit, accounting, advisory and tax services you'd expect.

We also offer a level of expertise and experience that easily rivals anything a larger firm can offer, we are more agile due to our size and independence, and deliver it with a quality of service larger firms struggle to match.

65+ staff

8 medical specialists

35+ GP practices

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