

The Rowleys GP Financial Snapshot

2023



Introduction

The 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.

2022-23 has been a financially challenging period for many practices. This was partly due to Covid related funding ceasing in 2021-22 and a below-inflation uplift to core funding, with most enhanced services receiving no increase at all.

Average profit per session reduced by 15% for our practices and whilst this was not unexpected, it is difficult to balance this against an increase in workload and patient demand.

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 - emma@rowleys.biz



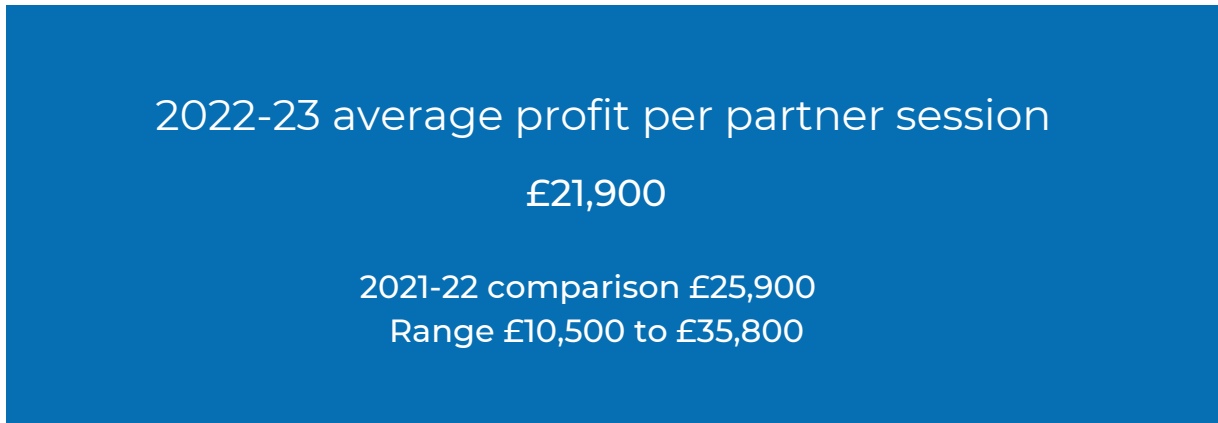
Emma Smith
Medical Team Manager

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.
- Salaried GP and locum sessions are an estimate based on cost for the year.

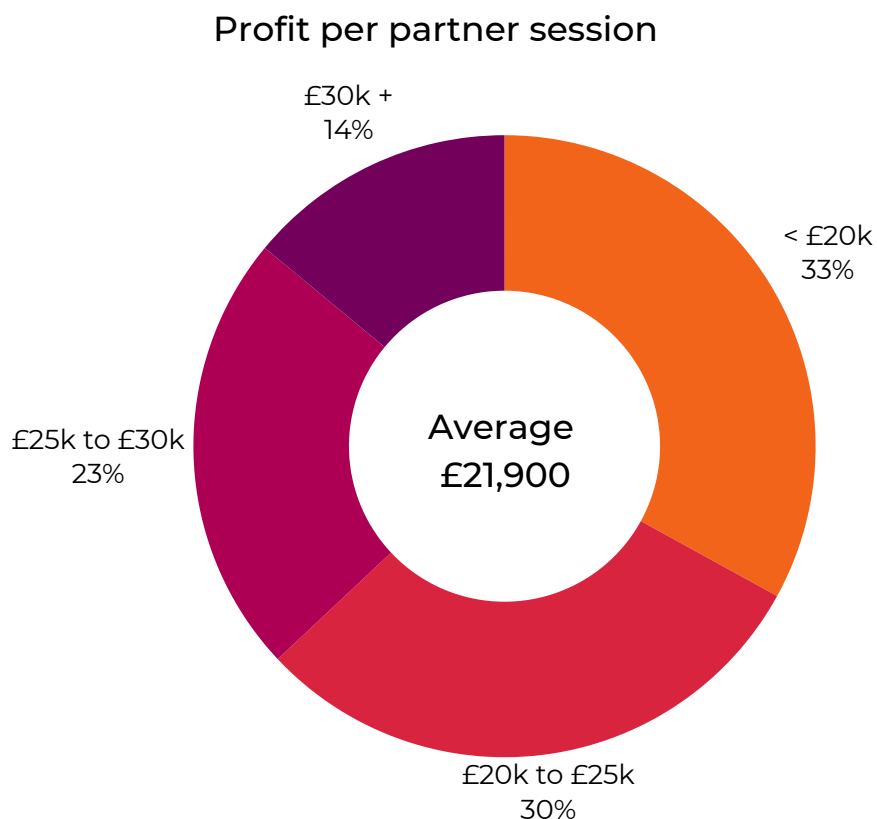
Profit per session

A good way to compare profit across practices is to look at profit per partner session.



Profit per partner reduced by 15% from 2021-22, due to primarily non-recurrent income streams, mainly around Covid support monies and a reduction in the Covid vaccination programme as well as an increase in general practice overheads and staff costs.

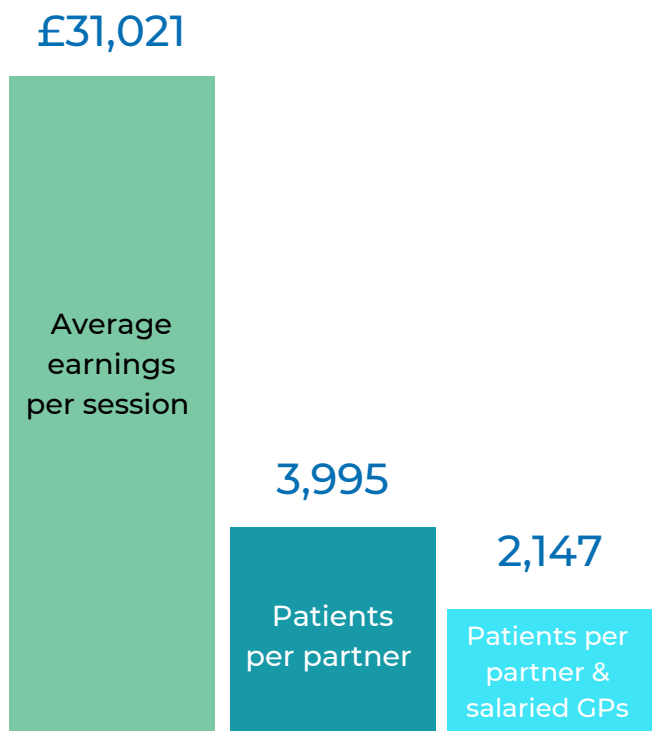
Although this is a significant reduction, for many practices profit per partner session remains slightly higher than pre-pandemic levels.



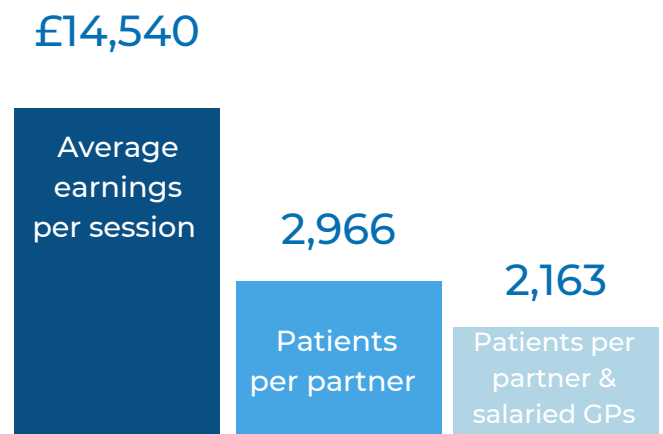


Partners will make decisions about how much profit per session they want to aim for taking into account a number of factors including work / life balance and appetite to take on additional services, however for those who are considering how to increase profits there is a clear correlation between a small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

Highest 20% earners



Lowest 20% earners



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.

	2022-23
Average number of patients per partner	3,091
Average number of patients per GP including salaried	2,064
Average number of patients per GP including salaried and locums	1,901

Assumes 1 WTE GP works 8 sessions

The number of patients per permanent GP hasn't changed significantly. Many practices are making additional use of ARRS budgets as we head towards the end of the PCN Network DES. We are also seeing practices being successful in fulfilling salaried positions as many GPs move away from locum work.

Income & expenditure

Change in Income Down 3%

Change in Expenditure Up 5%

With non- recurrent funding coming to an end in 2021-22 and a reduction in the Covid vaccination programme, practices have had to look at new opportunities to maintain their income levels. However, with limited resources, both with staff and premises, this is difficult to do without adding further pressure to the practice team.

Rising staff and premise costs have had a significant impact on profits and whilst we may be starting to see a reduction in inflation, planned increases to the National Minimum wage are likely to exceed any uplift in the Global Sum.

What does a typical LLR practice look like?

Based on our clients, an average practice looks like...

Actual list size	11,080
Partners (wte)	3.75
Total GPs including locums (wte)	5.8
Patients per GP (wte)	1,910

These are some common factors of our highest 20% earning practices:

High-earning practices

- 10k – 14k list size
- One site
- No particular locality
- Training Practices – both registrars and undergraduate
- Less use of locums
- Managed staff costs well in 2022-23

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: emma@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 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.

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