

**CCG allocations – historical trends in funding  
Outer North East London Health Overview and Scrutiny Committee  
15 December 2020**

This paper is intended to indicate the relative levels of funding growth across London and specifically within north east London and Barking and Dagenham, Havering and Redbridge over the last five years.

Despite a prevailing climate of governmental financial restraint over the past five years reasonable cash increases have been seen in the NHS, although the extent to which such increases have kept pace with system cost pressures remains a topic of some debate.

Across England this inflow amounts to c.£16.6bn in total place-based allocation. Or c.£11.5bn in direct core CCG allocation growth. Figures 1 & 2 below illustrate both the increase in funding using 2016/17 as a baseline year.

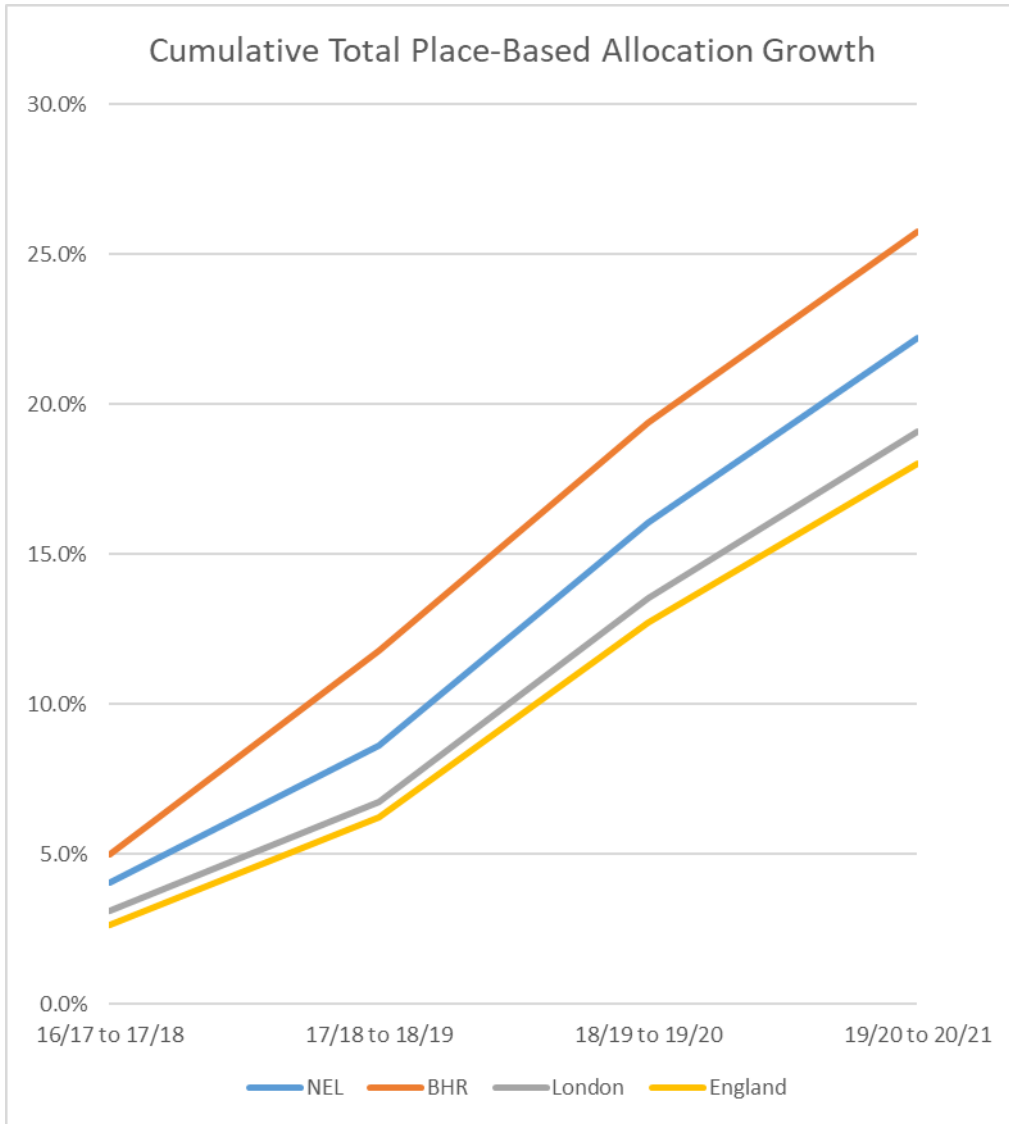


Figure 1 - Cumulative Total Place-Based Allocation Growth

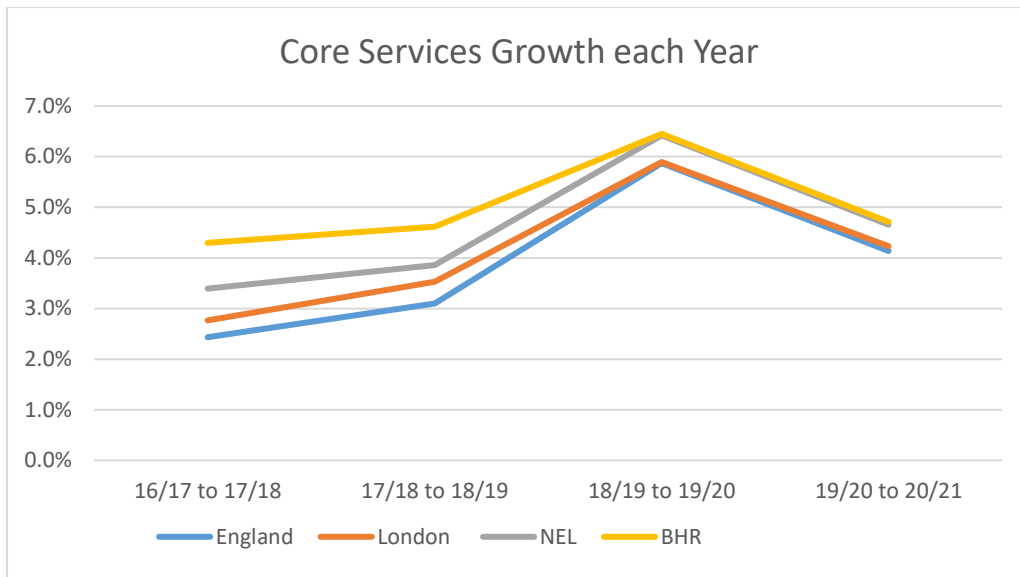


Figure 2 - Annual Core CCG Allocation Growth

Such funding allocations have applied nationwide providing funding growth to all CCGs, however it has been more focussed on those CCGs which have historically been below their calculated target funding amount.

For some time the BHR CCGs had received funding settlements below their calculated level of need, with subsequent impacts on the availability and diversity of services. Therefore this area was targeted for increased funding to catch up with funding increases above the national and regional average.

This is illustrated in Figure 3 below showing a modest funding increase to BHR CCGs in 2017/18, followed by a much more significant in 2018/19 moving BHR CCGs allocation above the targeted funding level.

In line with much of London, and consistent with the policy desire not to reduce cash allocations in any year, the excess allocation above target will continue to increase in both 2019/20 and 2020/21.

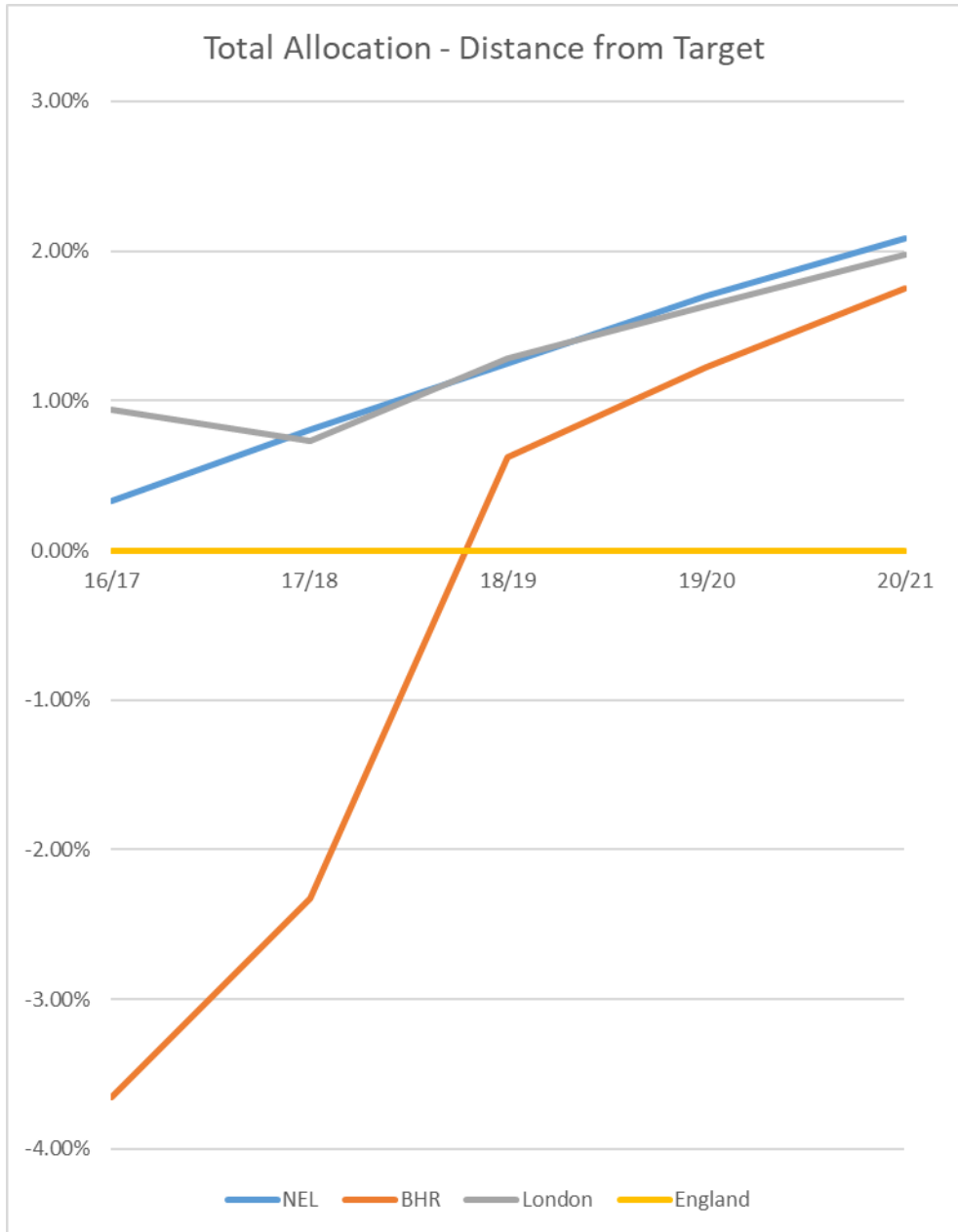


Figure 3 – Distance from funding target

CCG/Area	16/17	17/18	18/19	19/20	20/21
NEL	£ 10,783	£ 27,038	£ 43,724	£ 63,210	£ 81,474
BHR	-£ 45,935	-£ 30,240	£ 8,399	£ 17,451	£ 26,196
London	£ 140,497	£ 112,383	£ 204,595	£ 276,082	£ 348,857
England	£ -	£ -	£ -	£ -	£ -

Figure 5 - Distance from Target in Cash Terms

The cash equivalent of these distances from target allocation are shown in the table below.

To help to illustrate the cumulative benefit to the BHR system from the above average increases in allocation changes it is useful to consider a comparison against the average English funding increase.

**December 2020**