

Dirs of Finance – SHAs & PCTs
Chief Executives of SHAs & PCTs (via the CEs Bulletin)
SHA Dental Leads

Dear Colleague

NHS DENTISTRY: PCT INDICATIVE ALLOCATIONS

1. Ministers have made clear that improving access to NHS dentistry is a top priority for the NHS.

Performance Management Framework

2. Specifically, under the Performance Management Framework for NHS dentistry issued on 16 November 2004 (Gateway 4150) PCTs are required to deliver:
 - their share of 2m additional patients treated - the equivalent of 1000 wt dentist equivalents - by 31 October 2005 (including their share of 0.7m additional patients treated – 350 wt dentist equivalents – by 30 April 2005)
 - support for a minimum of 25% of practices to move to PDS by 30 April 2005.
3. To underpin this process, PCTs have been issued with draft indicative allocations based on their share of the nationally available dentistry resources for 2004-5 and 2005-6 (AWP (04-05) PCT 41 and AWP (04-05) PCT 42).

Delivery

4. The Department is committed to ensuring there are sufficient funds available nationally to meet Ministers' aims for NHS dentistry and the targets set out in the Performance Management Framework.
5. In moving to local commissioning, PCTs should therefore use their draft indicative budgets as guidelines but should **not**:
 - hold back any PDS applications from submission for approval to the Department (provided they have been developed in line with guidance :

http://www.dh.gov.uk/PolicyAndGuidance/HealthAndSocialCareTopics/Dental/DentalDocumentsArticle/fs/en?CONTENT_ID=4089518&chk=270y0/)

- refrain from tackling access issues where there is urgent local need, including centrally led international recruitment.
6. The Department will ensure that growth in the national dental budget is aligned with PCTs' capacity increases when PCT budgets are finalised next year.

Review of Allocations

7. As David Hewlett's letter of 17 November 2004 (gateway 4126 – copy attached) explained, the Department will carry out a review of PCTs' dental budgets for 2005-6 in Spring 2005.
8. The review will take account of:
- actual spend on GDS and EDS in 2004-5, and
 - approved PDS pilots established in 2004-5 (adjusted for full-year effect)
 - vocational training appointments made by Deaneries in early 2005 but not coming into effect until Summer 2005.
9. The Department will issue a clear timetable for finalising PDS applications early in 2005 to ensure they are fully taken into account in the review.
10. If a PCT's spend as above exceeds its indicative allocation for 2005-6 (as set out in AWP's PCT 41 and 42), the Department will increase the PCT's 2005-6 allocation to meet these additional commitments. Such increases would be offset by reductions in the dentistry budgets of PCTs which are unable to use their full indicative allocations for NHS dentistry (e.g. because of recruitment problems or other issues).
11. The Department's dental policy team will work with the NHS Financial Issues Group to agree how best to finalise PCTs' dentistry budgets for 2006-7 and 2007-8 and with the NHS Advisory Committee on Resource Allocation (ACRA) on how growth in the dentistry budget nationally should be allocated as part of main allocations from 2008-9.

PDS

12. In finalising PDS schemes PCTs should take account of the guidance at:

http://www.dh.gov.uk/PolicyAndGuidance/HealthAndSocialCareTopics/Dental/DentalDocumentsArticle/fs/en?CONTENT_ID=4089518&chk=270y0/

and in particular the amended requirement that new scheme payment instructions on form PDS 5 should be signed off by the PCT Director of Finance before they are sent to the Dental Practice Board.

13. PCTs are reminded that until permanent PDS regulations are introduced by April 2006, all PDS schemes are set up under piloting arrangements – each of which has to be specifically approved by the departmental PDS team at: john.green@dh.gsi.gov.uk.

Patient Charges

14. The Government is committed to ensuring that any new system for patient charges generates the same proportion of patient charge income as now. The Department will be working with NHS Finance Directors to agree how any potential risk can best be managed. PCTs should not therefore factor potential risk around patient charge income into their dentistry planning for 2005-6 at this stage.

Next Steps

15. The Department plans to:
- feedback analysis from the current validation exercise (including adjustments for PDS schemes agreed before 16 July 2004) - in **January 2005**
 - issue guidance to PCTs on the structure and management of NHS dentistry budgets – in **February 2005**
 - begin the review exercise of PCTs' 2005-6 dentistry budgets – in **May 2005**
 - issue PCTs with final budgets for 2005-6 in line with the process at paragraphs 7-11 above – in time for PCTs to agree final contracts with all practices by April 2006.

Working Together

16. By working together across the service, we should be able to maximise the use of the additional funds Ministers have made available for NHS dentistry to ensure that access problems are tackled, PDS expansion is properly supported and funds are appropriately targeted to service expansion as we jointly manage the transition to local commissioning.
17. Enquiries about the contents of this letter should be addressed to David.P.Roberts@dh.gsi.gov.uk (telephone number: 020 7972 4150)

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