

Is GPDF Defending GPs?

Background:

The General Practitioners Defence Fund (GPDF) is a company limited by guarantee, consisting of members who are nominated from LMCs across Great Britain. Governed by a Board of Directors, the majority of whom are or have been GPs and elected by the GPDF membership, that is, LMCs. A minority of Directors are appointed for their skills or experience in other sectors. (ie non-medical).

Day to day management is provided by an Executive Team, headed by the Chair and supported by a Director of Operations and the Company Secretary. Until 2018, GPDF was very closely linked to the General Practitioners Committee of the BMA. This is no longer the case and the GPDF is completely independent in structure and responsibility from the GPC and BMA. The GPDF's primary purpose is supporting general practice across England, Scotland, and Wales via the resourcing of national representation. The GPDF is funded by a voluntary "quota" or Levy from LMCs, which is currently 3p per head of patient population. All LMCs in England, Scotland and Wales pay the same per capita quota, except for those who choose not to pay the Levy. Those non-paying LMCs were stated to owe GPDF £450k at the 2022 AGM. Northern Ireland manages its own GPDF from its 4 LMCs.

Relationship with the BMA:

The BMA's remuneration policy for representatives only compensates committee members after they have attended 12 meetings in any one year and then only to the amount of approx. £250 per day. Because historically GPs have needed backfill to cover their absence from practice, the GPDF has historically provided additional funding to resource national GP representation to the tune of £525 per day. This has been historically necessary because GPs, as independent contractors, are not entitled to paid trade union leave by virtue of employment.

Historically, the GPDF was closely linked to the GPC, with the members of GPDF being members of GPC. When this was the case, the GPDF was responsible for the payment of honoraria and expenses for GPC meetings which were paid directly to GPC members. In return, the BMA would provide staffing and premises for meetings, and a financial contribution toward the cost of GPC which was intended to be equitable with what the BMA spends on other large Branch of Practice Committees. This included the BMA paying for the travel and subsistence expenses of 4 of the then 10 annual GPC meetings, as well as contributing 10% of the cost of the LMC Conference.

During the mid-2010's, some LMCs expressed dissatisfaction with the value for money of GPC and GPDF. This resulted in the "Meldrum Report" which proposed a suite of reforms to the GPC and GPDF structure, most importantly including:

- 1) Transfer of ownership of GPDF to LMCs, in that the "members" of the company were now a nominee from each LMC rather than a member of GPC
- 2) Transfer of responsibility for all honoraria and expenses from the GPDF to the BMA

In order to introduce these reforms, extensive negotiations were undertaken between GPDF and the BMA with the objective of agreeing how much the GPDF would contribute to the BMA toward GP national representation. Agreement was reached in 2019 and:

- 1) The BMA agreed to pay the GPDF £2.593 million spread over 3 years in resolution of a dispute between the two organisations of monies already owed
- 2) The GPDF agreed to a Deed of Grant in which they would pay a gradually reducing amount to the BMA in order to cover the costs of national representation over and above the costs of other Branches of Practice
 - a. The full details of the Deed of Grant have never been disclosed to LMCs
 - b. The quantity paid under the Deed of Grant has been:
 - i. **2019:** £1,385,280
 - ii. **2020:** £1,379,000
 - iii. **2021:** £1,307,500
 - c. The term of the Deed of Grant expires in June 2023

Changes Made During the Reforms:

- Before the reforms, GPC met 10 times per year and was a UK wide committee, although the devolved nations other than England had national committees. After the reforms, “GPC England” was formed and meets 4 times a year
- “The Negotiators” who lead contract negotiation previously consisted of a larger team of 8 individuals: GPC chair, a GPC deputy chair, the chair of GPC Scotland, the Welsh GPC Chair, the Northern Ireland GPC chair, and three negotiators. Now the GPC England Exec or “The Executive” consists of just four individuals including the chair.
- GPC previously had “subcommittees” chaired by an elected GPC rep with a deputy, each responsible for a specific area, eg, Contracts & Regs, Premises, IT, Practice Finance, Representation, Commissioning etc, with funding for meetings taking place 4 half days a year, and funding for workstreams between meetings. Now, each area is headed by an appointed “Policy Lead,” and there are far fewer groups, with no funding for wider meetings.

Comparison Between National GPCs:

	GPC England	GPC Scotland	GPC Wales
Number of Reps	67	39	23
Pt. population per rep	835,522	139,846	136,347
Number of Meetings per year	4	5	4
Size of Executive	4	9	2
Rep Days per year ¹	268	195	92
Share of Representation ²	48.3%	35.1%	16.6%
Share of Population (levy) ³	86.7%	8.4%	4.9%
Representation/Levy Ratio ⁴	0.55	4.18	3.39

¹ The “Rep Days” is calculated by no. of reps x number of meetings per year. This can be found on the BMA website

² Share or representation is calculated by number of rep days as a % of total number of rep days across England, Scotland and Wales

³ Share of levy is calculated as a % of the population out of the whole population of England, Scotland and Wales

⁴ The “Representation/Levy ratio” is a ratio of share of representation to share of levy

Comparison Between Cities in England:

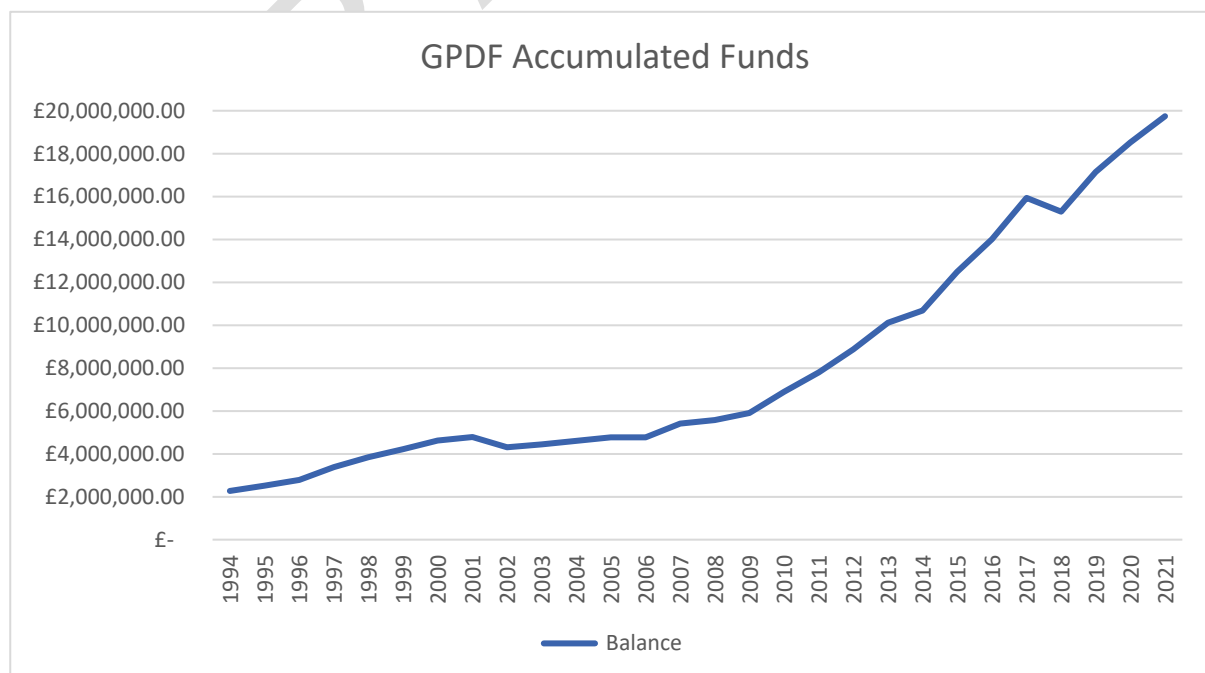
	Greater Manchester	Greater London	B'ham/Solihull
Number of Reps	2	5	1
Pt. population per rep	1.5 million	1.8 million	2 million
Rep Days per year	8	20	4
Share of Representation	1.4%	3.6%	0.7%
Share of Population (levy)	4.6%	13.8%	3.1%
Representation/Levy Ratio	0.30	0.26	0.23

- The above tables show the inequity in representative funding between England and the other nations and between different parts of England
- The ratio of Representation/Levy is nearly eight times higher in Scotland than it is in England
- By the same measure, the ratio is sixteen times higher in Scotland than it is in London and is eighteen times higher than Birmingham and Solihull
- It can be suggested that GP levies across large English conurbations are predominantly subsidising GPC reps in other nations

The Current State of GPDF:

Accumulated Reserves:

The detailed accounts of GPDF can be scrutinised as far back as 1994 under public domain documentation held with Companies House,⁵ and also as far back as 5 years on the GPDF website.⁶ Between 1994 and 2006, the accumulated reserves gradually increased from circa £2.3 million to circa £4.8 million. After this, the reserves have continued to rise with only one small dip (due to the Deed of Grant) such that they are now £19.743 million as of 31st December 2021.



⁵ Companies House, <https://find-and-update.company-information.service.gov.uk/company/01508388>

⁶ GPDF, <https://www.gpdf.org.uk/how-gpdf-is-funded/>

Cost of Running GPDF:

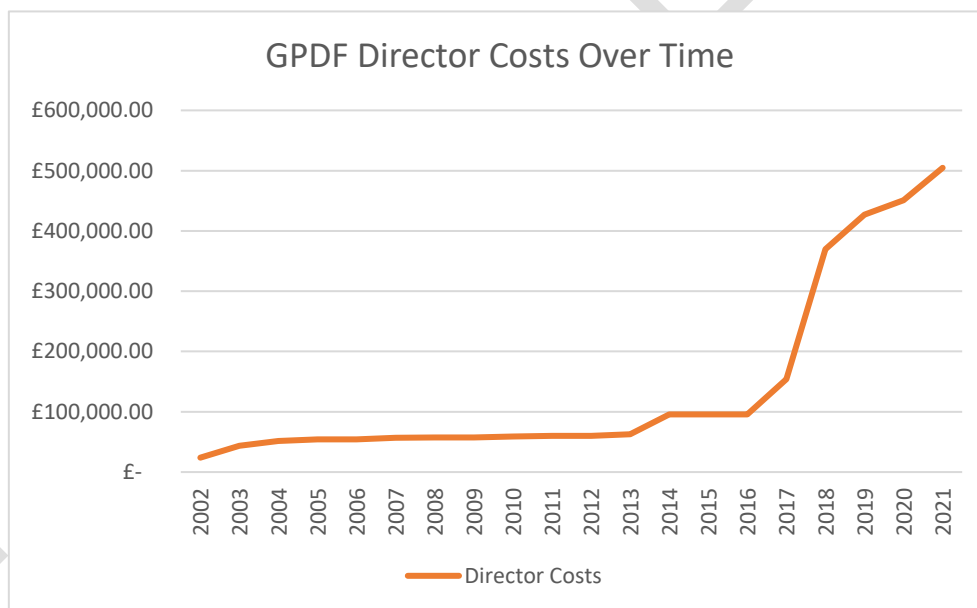
The cost of the Board of GPDF for 2021 was £504,723, which is over 26% of all income received from LMC levies.

Of this amount, the remuneration to the Chair not including NI or pension is reported as £117,350. It was reported at the 2022 AGM that the “independent remuneration committee” had resolved to increase the remuneration of the Chair to £140,000.

By comparison, in 2015 before the reforms, the Chair of GPDF received £15,283; a pay rise of over 900% in 7 years.

Of the £504,723 mentioned above, only £250,143 is accounted for in remuneration of the 9 Directors on the Board on page 26. Even accounting for Employer National Insurance and pension contributions (not included in the report), this appears to leave almost £200,000 unaccounted for which is presumably being used to fund the “Management Team.”

However, detail on this is lacking as the report from the “Independent Remuneration Committee,” omits any detail of the remuneration package of the Director of Operations or the Company Secretary.



The overall cost of Directors and Management has drastically increased over the past 20 years by 2100%.

In addition, a further £226,561 is listed as “administrative expenses” which according to note 6 includes legal and accountancy fees.

£81,515 of administration costs is listed as “other” and shows an increase from £16,776 in 2020. These “other” administrative expenses were explained at the 2022 AGM to be broken down as the cost of insurance, but also £15,500 of travel expenses, and £10,000 in recruitment costs to recruit “independent directors” to the company.

Based on the frequency of Board meetings, these independent directors, on the face of it, appear to be paid anywhere between £1,500 and £2,400 per meeting.⁷ Over £73,000 per year is spent on the expertise of independent directors.

Significant GPDF funds are also spent on “research,” the breakdown of which is not shared. The total spent on “research” over the past 5 years is £875,518.

By comparison, £553,625 has been spent on supporting LMCs in the same period.

Value For Levy:

The total amount received by the GPDF in quotas (levies) for 2021 was £1,946,375 with a total expenditure of £2,505,142. This shortfall is made up for by the GPDF’s extensive investments. The use of this money can be broken down into the following areas:

Item	Amount	% of Levy	% of Expenditure
Payments to GPC	£1,307,500	67.2%	52.2%
Board/Management Costs	£508,850	26.1%	20.3%
Support for LMCs ⁸	£273,469	14.0%	10.9%
Administration	£246,081	12.6%	9.8%
“Research & Communication”	£87,798	4.5%	3.5%
LMC Conferences	£71,444	3.7%	2.9%
The Cameron Fund	£10,000	0.5%	0.4%

Transparency & Governance:

The GPDF itself admits,⁹ as does the Meldrum Report,¹⁰ that a lack of transparency or clarity has led to dissatisfaction amongst LMCs. This does not appear to have demonstrably improved.

At AGMs, and at occasional workshops held by GPDF, questions may be limited to specified topics, locations can be remote, and remote meetings require unique logins. Questions may be responded to with pre-prepared answers read out. For example, when questions were asked at the 2022 AGM about the level of remuneration to directors and the Chair, the Chair referred members to the report by the “Independent Remuneration Committee” and did not disclose any further information. The independence of the “Independent Remuneration Committee” is unclear. There is a lack of clarity on how much the members of this committee are paid, although the GPDF has spent £10,000 in recruitment costs.

It is also noted that the two members of the “Management Team,” the Director of Operations and the Company Secretary, have been in post for a significant length of time. The Director of Operations has been in a position of control for 22 years: 16 years as a Director; and another 6 years in this employed role. The Company Secretary has been in post for 19 years.

Whilst the latest Articles of Association enacted in 2020 limit Directors to a term of

⁷ Based on 13 meetings shown on p5 and the remuneration of directors shown on p26 of the 2022 GPDF Report

⁸ However, only 18% of this figure was spent directly on LMCs (see note 5 to the 2022 Financial Statement)

⁹ GPDF, *Annual Report 2018*, pp.2,4,5

¹⁰ BMA, *Meldrum Report*, pp.6,22,34

office of no more than 9 years, no limits are in place for the Management Team, who have significant control over the company and significant interest in it. Furthermore, the remuneration of these roles has never been shared.

Key Points:

- The amount the GPDF spends on the people who run GPDF is in excess of half a million pounds per year, a 2,100% increase in 7 years, and is over a quarter of all levies sent to GPDF
- GPDF spends 10 x more on the 12 people running GPDF than it does on “LMC development”
- The Chair of GPDF was given a 19.6% pay rise in 2022, and the remuneration of this role has increased 900% in 7 years
- According to information given at the AGM and Annual Report, the GPDF spends £24,412 on travel & expenses¹¹
- The two unelected members of the Management Team have been in post for circa 20 years each. Their remuneration is unknown to members of the company
- The current amount the GPDF contributes toward national GP representation is far less than it was prior to the reforms and could be implied to have created significant problems for English representation in particular
- Under the current system, GPs in England (especially in large Cities) are subsidising the meetings of reps in other countries at the expense of England

Summary:

The GPDF accounts suggest the provision of a comfortable income stream for Directors. The office of chair has enjoyed a 900% pay rise since 2015.

Its Company Secretary and Director of Operations have a combined presence of 41 years on GPDF, but their income remains a mystery.

In recent years GPDF has amassed significant reserves. In the context of the collapse of General Practice, particularly in England, this is a position that could be described as indefensible.

The current state of national GP representation in the form of the GPC is in total disarray. There is currently no chair of GPC UK, no funding for secretarial support and there have been no meetings this year.

GPC England is “dysfunctional” and its meetings are less than 50% frequency compared with GPC prior to the Meldrum Reforms which are widely considered to have been a catastrophic failure.

Have the significant cuts in funding representation had an impact on how effective GPC England is? Have insufficient funding streams from GPDF been a reason for poor contractual outcomes in England which have led increasing numbers of GPs to leave partnership and in some cases hand back their contracts?

¹¹ Made up of £15,500 explained at AGM plus £4,127 fares & subsistence (p15) plus £4,785 expenses (p26) of 2022 report

The GPDF's slogan is "listening influencing supporting." It does not appear to listen. Its influence does not appear to benefit GPs and it does not appear to be supportive. Criticism is taken overtly defensively and there appears to be a lack of insight into how GPs and LMCs would want it to function. The GPDF name is GP Defence Fund. Is it funding? Is it defending?

Possible Questions for LMCs:

Q: What would happen if an LMC paused voluntary levy payments in light of the above information?

A: An LMC may choose to consider whether it wishes to suspend its quota contributions, at least until the GPDF begins to satisfactorily serve the interests of the profession with regard to national representation and direct support for LMCs. Such withheld quotas could be reinitiated if and when such change happens.

Q: Is a root and branch reform of GPDF required to put the monies of generations of GPs given in good faith to guard against and protect the profession at its time of greatest need to good use?

A: Only LMCs can determine this.

FOR ALL LMCs