

Agenda item: 16

Paper no: PCCCiC 28-19

<b>Title of Report:</b>	<b>G&amp;W CCG Finance Report Month 10 (January 2019)</b>	
<b>Status:</b>	<b>FOR INFORMATION</b>	
<b>Committee:</b>	<b>PCCCiC Part One</b>	<b>Date:</b> 08/03/2019
<b>Venue:</b>	G&W CCG, Dominion House, Woodbridge Road, Guildford, GU1 4PU.	

<b>Presented by:</b>	Claire Fuller, Deputy CFO North West Surrey CCG and Surrey Downs CCG	
<b>Executive Lead sign off:</b>	Claire Fuller, Deputy CFO North West Surrey CCG and Surrey Downs CCG	<b>Date:</b> 19/02/2019
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**Governance:**

<b>Conflict of Interest:</b> The Author considers:	None identified	✓
<b>Previous Reporting:</b> (relevant committees/ forums this paper has previously been presented to)	None	
<b>Freedom of Information:</b> The Author considers:	Open – no exemption applies	✓

**Executive Summary:**

The financial position as reported to NHS England at Month 10 for delegated co-commissioning budgets is a breakeven position for year to date and forecast outturn.

**Implications:**

What is the <b>health impact/ outcome</b> and is this in line with the <b>CCG's strategic objectives</b> ?	Primary Care development	
What is the <b>financial/ resource</b> required?	As set out in this report	
What <b>legislation, policy or other guidance</b> is relevant?	n/a	
Is an <b>Equality Analysis</b> required?	n/a	

**Working together as the Surrey Heartlands Clinical Commissioning Groups**  
 Guildford and Waverley CCG | North West Surrey CCG | Surrey Downs CCG

Any <b>Patient and Public Engagement/</b> consultation required?	n/a
Potential <b>risk(s)</b> ? (including reputational)	All risks have been identified within the report

**Recommendation(s):**

The Primary Care Commissioning Committee is asked to:

- (1) Note the risks and assumptions described within the report
- (2) Note the forecast position as reported to NHSE at Month 10

**Next Steps:**

N/A

**Guildford & Waverley CCG**  
**Primary Care Finance Report January 19 (Month 10 2018/19)**

**1. Overview of Month 10 Financial Position**

1.1. The purpose of this paper is to update the Primary Care Co-Commissioning Committee on the Month 10 (end of January) financial position for delegated co-commissioning allocations and other primary care budgets.

**2. Co-Commissioning Budgets**

2.1. The CCG is currently reporting a break even position for delegated co-commissioning budgets in both the year to date and year end positions. A detailed breakdown of delegated co-commissioning budgets is detailed in Appendix A.

2.2. An analysis of the financial position is provided below;

	Annual Budget	YTD Budget	YTD Spend	YTD Variance	YE Forecast	YE Variance
	£000s	£000s	£000s	£000s	£000s	£000s
GMS/PMS and APMS Contract Payments	18,540	15,450	15,593	144	18,708	169
Enhanced Services	368	280	244	(36)	320	(48)
Quality Outcomes Framework	2,340	1,419	1,419	(0)	2,340	(0)
Premises Reimbursements	2,938	2,402	2,462	60	3,002	64
PCO Administered	1,248	1,015	1,104	89	1,325	77
NHSE Managed Contracts	40	33	35	2	40	0
Locally Commissioned Services	70	58	16	(42)	70	0
Primary Care Team	187	156	129	(26)	152	(35)
Primary Care Non Pay	35	29	7	(22)	35	0
Contingency	133	110	0	(110)	133	0
Surplus / Risk Reserve	540	450	393	(57)	313	(227)
	<b>26,438</b>	<b>21,402</b>	<b>21,402</b>	<b>0</b>	<b>26,438</b>	<b>(0)</b>

**i. GMS, PMS and APMS Contract Payments**

2.3. The financial position as at as at Month 10 shows a year to date overspend of £144k, which now includes the GP Pay award uplift backdated to April 2018 (£213k) which will not be funded by NHS England. This is forecast to overspend by £169k at year end due to the list size adjustment for quarter three being underspent against reserve.

**ii. Enhanced Services**

2.4. The enhanced services budget fund services that the CCG is required to offer to contractors and is linked to national priorities (extended hours, learning disabilities and violent patients). This distinguishes these services from any locally commissioned enhanced services that may also be offered. This is currently forecast to underspend by 48k at year end due to a release of an accrual for a practice no longer offering the extended hours service.

**iii. Quality Outcomes**

2.5. Payments relating to the Quality Outcomes Framework are automatically calculated by the Calculating Quality Reporting Service (CQRS). An aspiration payment based on 17/18 achievement is being made to practices, however the final outturn will not be known until May 2019. The month 10 position assumes a forecast breakeven.

- 2.6. In May 2018, the CCG paid the achievement payment for 2017/18. NHSE have been recharged for these prior year costs.

**iv. Premises Costs**

- 2.7. The position for reimbursable practice costs (rent, rates and water) has been forecast as overspent by £60k at month 10 and forecast to be overspent by £64k at year end. This is due to rent reviews. However, it should be noted that NHS Property Services were yet to confirm their “true up” position for 2017/18 or charges for 2018/19 at M10 reporting. Subsequently the CCG now has “true up” information from NHSPS and once worked through the forecast to be updated accordingly.
- 2.8. An additional allocation was received by the CCG from NHSE in October relating to NHSPS premises costs. This increases the overall premises budget by £153k. This budget has been committed year to date until “true up” and 2018/19 invoicing are finalised.
- 2.9. Work continues with those practices in NHS Property Services (NHSPS) premises to reconcile the 2016/17 and 2017/18 non-reimbursable costs.

**v. PCO Administered Costs**

- 2.10. As at month 10 there is a forecast year end overspend of £89k. This is based on the current rate of locum reimbursement and additional GPs being accepted upon the GP Retainer Scheme.

**vi. NHSE Managed Budgets**

- 2.11. Under delegated co-commissioning arrangements, a small number of services continue to be managed by NHSE on a Surrey / Sussex wide basis, namely, interpreting, occupational health, all forecast on budget.
- 2.12. Clinical waste management transferred to the CCG from the 1<sup>st</sup> April, and the transfer of interpreting services from 1<sup>st</sup> October 2018.

**vii. Locally Enhanced Services**

- 2.13. The locally commissioned enhanced services budget relates to the £70k that has been released following the PMS review and reflects savings generated from practices converting to GMS from 1<sup>st</sup> July 2016, net of the transitional funding provided. The year-end forecast outturn assumes breakeven as this has been committed to fund the Spirometry LCS. The year to date spend is the actual payments made in quarter 1 and 2. Reconciliation is due to be completed ahead of year end.

**viii. Primary Care Team**

- 2.14. The estimated costs of the Primary Care team have been charged against the co-commissioning budget. A reconciliation of full actual costs has been carried out which has led to the year to date underspend of £26k which is forecast to be £35k at year end.

#### **ix. DDRB Award**

- 2.15. The financial outcome of the 2018/19 Contract Agreement was not finalised when allocations were published, as the DDRB (Doctors' and Dentists' Review Body) Award was delayed.
- 2.16. The recent announcement means a further 1% has been added to the contract, backdated to April 1<sup>st</sup> 2018. This will mean the Global Sum increased from £87.92 to £88.96 and the Out of Hours deduction will remain at 4.87%.
- 2.17. The financial impact of this uplift has been calculated to be £213k for 2018/19. It has been confirmed that NHSE will not be providing additional funding and the cost has been committed against the GMS/PMS Global Sum budget, and funded through an underspend on the surplus/reserve.

#### **x. Reserves**

- 2.18. The CCG has an indicative budget surplus of £540k for primary care co-commissioning, being the difference between the 'top-down' allocation it received and the 'bottom-up' budgets set based on the 2018/19 GMS contract and informed by historic spend.
- 2.19. In addition the 0.5% contingency reserve of £133k, in accordance with NHSE business rules has been set and the £230k for GPFV allocations has been transferred to the CCG programme allocation.
- 2.20. The PCCC agreed to fund the Locally Commissioned Service (LCS) for Mental Health (SMI) checks which was due to commence from October and the shared care ADHD LCS from the reserve. In addition it was agreed that the caps upon the 12 Lead ECG and Spirometry LCS's are to be lifted. These have been funded from the budget surplus.
- 2.21. The balance of reserves will be required to fund the DDRB pay award cost pressure and the impact of any additional estates costs from NHSPS 'true-up' exercise.

### **3. Other Primary Care Budgets**

- 3.1. The financial position for other Primary Care budgets at Month 10 is as follows;

	Annual Budget	YTD Budget	YTD Spend	YTD Variance	YE Forecast	YE Variance
	£000s	£000s	£000s	£000s	£000s	£000s
<b>Local Enhanced Services</b>	2,276	1,897	1,897	0	2,276	0
Primary Care IT	541	451	451	0	541	0
Clinical Leads	254	212	214	2	274	20
<b>Sub-Total</b>	<b>3,071</b>	<b>2,559</b>	<b>2,561</b>	<b>2</b>	<b>3,091</b>	<b>20</b>
<b>Practice Prescribing</b>	27,247	22,706	23,302	596	28,081	834
Prescribing PDS	108	90	90	0	108	0
Primary Care Prescribing	852	710	750	40	807	(45)
Medicines Management	802	668	617	(51)	758	(44)
Home Oxygen	323	269	256	(13)	309	(14)
Drugs Costs Met Centrally	1,044	870	686	(184)	826	(218)
Out of Hours	1,569	1,308	1,133	(175)	1,401	(168)
<b>Sub-Total</b>	<b>31,945</b>	<b>26,621</b>	<b>26,834</b>	<b>214</b>	<b>32,290</b>	<b>345</b>
<b>Total</b>	<b>35,016</b>	<b>29,180</b>	<b>29,396</b>	<b>216</b>	<b>35,381</b>	<b>365</b>

### i. Locally Commissioned Services

3.2. Costs for locally commissioned services are shown in line with plan, as per quarter one to three claims.

### ii. Practice Prescribing

3.3. The Practice Prescribing Authority (PPA) data is received two months in arrears so this report is based upon actual spend for the first eight months and budgeted spend for the second two months. This shows a net overspend of £596k against budget. There is a benefit from the month 12 2017/18 final position against the accrual made, which has been released into the forecast position.

3.4. A QIPP plan of £1.5m has been set for Medicines Management. Performance against the programme is currently on plan and forecast to deliver in full for the year.

### iii. Medicines Management Team

3.5. Due to vacant posts in the team there is a year to date under spend of £51k at month 10 which is forecast to underspend by £44k at year end.

### 3.6. Drugs Costs Met Centrally

3.7. Drugs Costs met Centrally are under spent by £184k year to date £218k in the forecast outturn. These costs are top sliced centrally by NHS England and are outside of the control of the CCG.

### iv. Out of Hours

3.8. At month 10 the Out of Hours budget is forecast to underspend by £168k at year end.

## 4. GPFV

4.1. NHS England's General Practice Forward View (GPFV) sets out the plans and investment to support sustainable transformation of primary care for the future. In support of this the CCG is expecting to receive a number of allocations in 2018/19 as detailed in the table below:

	Included within Delegated Allocation	CCG Baseline Funding	In Year Allocation Received	Total
	£000	£000	£000	£000
Improving Access to General Practice	116		591	707
Locality Transformation Scheme		336		336
Online Consultations	75			75
Reception and Clerical Training	38			38
GPFV Implementation Capacity			19	19
<b>Total GP Forward View Funding</b>	<b>230</b>	<b>336</b>	<b>610</b>	<b>1,176</b>

\* The £230k originally included within delegated commissioning budgets was transferred into the CCG's programme allocation in month 3.

### i. Improving Access to General Practice

The allocation of £0.7m is to enable the CCG to commission and fund extra capacity to ensure everyone has access to GP services, including sufficient routine, same day, evening and weekend appointments to meet local demand.

It has been agreed that the CCG will award an interim contract to provide extended access services to the Federation under a Single Tender Action for a period of up to two years during which the CCGs will undertake a formal procurement process in order to meet legal requirements.

A contract has been issued to Procure and the extended access service began in August 2018. There will be a phased approach to the delivery of appointments offered each month with the nationally prescribed target of a minimum of 30 minutes additional consultation capacity per 1,000 head of population being achieved by October 2018.

### ii. Locality Transformation Scheme

The CCG is required to budget for £3 per head, non-recurrently across 2017-2019 for practice transformation. This was split equally between 2017/18 and 2018/19 at £1.50 per year. The Locality Transformation Scheme will be allocated on fair shares against a menu of opportunities to be agreed. In addition practices will receive funding to support the development of Primary Care networks. Appendix B details the claims received against these schemes.

### iii. Online Consultations

An allocation of £75k has been received to contribute towards the cost of online consultation systems to improve access and make best use of clinician's time. A project team has been set up across Surrey Heartlands which will work with GP practices and other stakeholders to

evaluate the current pilot (using e-consult) and to manage the future procurement and deployment of online consultation systems.

**iv. Reception and Clerical Training**

An allocation of £38k has been received to train reception and clerical staff in both clinical administration tasks and in signposting patients to the most appropriate source of help in order to free up GP time from administrative tasks.

**v. Implementation Capacity**

A Heartlands wide allocation of £76k for 2018/19 to support the implementation of the GPFV has been invoiced to NHSE by North West Surrey CCG. The Guildford & Waverley CCG share of this would be £19k but the funds will be utilised to provide Heartlands wide support to the GPFV programme.



## Appendix A

### Primary Care Co-Commissioning Budget Tracker

	Annual Budget (M9)	Movement	Annual Budget (M10)
	£000s	£000s	£000s
Global Sum / MPIG	13,685		13,685
GMS Transitional Relief	107		107
PMS Contracts	4,608		4,608
PMS Other	140		140
<b>PMS Premium Release</b>	0		0
GMS/PMS and APMS Contract Payments	18,540	0	18,540
Extended Hours	253		253
Learning Disabilities	66		66
Dispensing Quality Scheme	46		46
Violent Patients	3		3
Enhanced Services	368	0	368
Aspiration	1,703		1,703
Achievement	637		637
Quality Outcomes Framework	2,340	0	2,340
Rent	2,373		2,373
Rates	371		371
Water	23		23
Clinical Waste	115		115
Premises Other	56		56
Premises Reimbursements	2,938	0	2,938
Seniority	307		307
Locum Payments	203		203
PADM / Dispensing	132		132
GP Fees Dispensing	597		597
GP Prescriptions Income	(167)		(167)
GP Retainers	37		37
<b>CQC Fees</b>	139		139
PCO Administered	1,248	0	1,248
Interpreting Services	23		23
Syringes	17		17
<b>CQC Fees</b>	0		0
NHSE Managed Contracts	40	0	40
Primary Care Team	187		187
Primary Care Non Pay	35		35
Primary Care Team	222		222
<b>Locally Commissioned Services</b>	70		70
<b>Indemnity/GPFV (Training, Imp Access, Online)</b>	0		0
0.5% Contingency	133		133
Surplus / Risk Reserve	540		540
<b>Total</b>	<b>26,438</b>	<b>0</b>	<b>26,438</b>

## Appendix B.

### Primary Care Network Development Fund (£1 per Head)

Network	List Size	Amount Due 70p	Amount Claimed 70p	Amount Due 30p	Amount Claimed 30p
East Waverley	60,045	£42,032	£42,032	£18,014	
West of Waverley	46,757	£32,730	£32,730	£14,027	
North Guildford	60,706	£42,494	£42,494	£18,212	
Guildford East	57,798	£40,459	£40,459	£17,339	
<b>Total</b>	<b>225,306</b>	<b>£157,714</b>	<b>£157,714</b>	<b>£67,592</b>	<b>£0</b>

The above table shows the claims made by networks for the first £0.70 per head of population of the £1 per head PCN development funds. The final £0.30 can be claimed in March.

### GP Transformation Funding (£1.50 per Head)

Network	List Size	Amount Due	Amount Claimed
East Waverley	60,045	£83,439	
West of Waverley	46,757	£64,387	£64,387
North Guildford	60,706	£84,381	£84,381
Guildford East	57,798	£80,339	
<b>Total</b>		<b>£312,546</b>	<b>£148,768</b>

The table above shows claims made against the 2018/19 £1.50 per head GP transformation funds.