

Agenda item: 16

Paper no: 15

Title of Report:	North West Surrey CCG Finance Report Month 12 (March 2019)	
Status:	FOR INFORMATION	
Committee:	Primary Care Commissioning Committees in Common Part One	Date: 10/05/2019
Venue:	Cedar and Hazel Room, First Floor, SD CCG, Cedar Court, Guildford Road, Leatherhead, Surrey, KT22 9AE	

Presented by:	Claire Fuller, Deputy Chief Finance Officer	
Executive Lead sign off:	Claire Fuller, Deputy CFO	Date: 26/04/2019
Author(s):	Mandeep Singh, Primary Care Finance Manager	

Governance:

Conflict of Interest: The Author considers:	None identified	✓
Previous Reporting: (relevant committees/ forums this paper has previously been presented to)	North West Surrey CCG Primary Care Operational Group 26 th April 2019	
Freedom of Information: The Author considers:	Open – no exemption applies	✓

Executive Summary:

The financial position as reported to NHS England at Month 12 for delegated co-commissioning budgets is an underspend of £223k.

Implications:

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

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

Recommendation(s):

The Primary Care Co-Commissioning Committee in Common is asked to:

- (1) Note the risks and assumptions described within the report
- (2) Note the forecast position as reported to NHSE at Month 12

Next Steps:

The Committee will continue to receive regular financial updates.

North West Surrey CCG
Primary Care Finance Report March 19 (Month 12 2018/19)

1. Overview of Month 12 Financial Position

1.1. The purpose of this paper is to update the Primary Care Co-Commissioning Committee in Common on the Month 12 (end of March) financial position for delegated co-commissioning allocations.

2. Co-Commissioning Budgets

2.1. The CCG reported a £223k underspend for delegated co-commissioning budgets at year end positions. This represented the release of the nationally mandated contingency fund (0.5% of allocation). Appendix A shows a detailed breakdown of Co-Commissioning budgets.

2.2. A detailed 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	30,733	30,733	31,053	319	31,053	319
Enhanced Services	678	678	709	31	709	31
Quality Outcomes Framework	4,090	4,090	4,049	(41)	4,049	(41)
Premises Reimbursements	3,697	3,697	3,981	284	3,981	284
PCO Administered	1,397	1,397	1,336	(61)	1,336	(61)
NHSE Managed Contracts	44	44	50	5	50	5
Locally Commissioned Services	767	767	984	217	984	217
Primary Care Team	305	305	209	(96)	209	(96)
Primary Care Non Pay	35	35	1,650	1,615	1,650	1,615
Contingency	446	446	0	(446)	0	(446)
Surplus / Risk Reserve	2,051	2,051	0	(2,051)	0	(2,051)
	44,243	44,243	44,020	(223)	44,020	(223)

i. GMS, PMS and APMS Contract Payments

2.3. The financial position as at Month 12 shows a Month 12 overspend of £319k, which included the GP Pay award uplift backdated to April 2018 (£352k) which was not funded by NHS England.

ii. Enhanced Services

2.4. The enhanced services budget funds 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. There was an overspend of £31k at Month 12 based on a revised list of practices carrying out the Extended Hours Service and learning and disabilities payments.

iii. Quality Outcomes

- 2.5. Payments relating to the Quality Outcomes Framework are automatically calculated by the Calculating Quality Reporting Service (CQRS). The Month 12 position shows an underspend of £41k after the release of a prior year accrual.
- 2.6. An aspiration payment has been made to practices, however the final outturn will not be known until May 2019, when data is available.

iv. Premises Costs

- 2.7. The position for reimbursable practice costs (rent, rates and water) has been forecast with the information available. At month 12 there is an over spend of £284k which has been driven predominantly by rent and rates revaluations. However, it should be noted that NHS Property Services have provided their “true up” position for 2017/18 within which we are still finding errors. Charging schedules for 2018/19 have still not been confirmed.
- 2.8. Work continues with those practices in NHS Property Services premises to reconcile the 2016/17 and 2017/18 non-reimbursable costs. Progress has made with some multi occupancy sites in agreeing the percentage occupancies and the CCG is awaiting final confirmation.

v. PCO Administered Costs

- 2.9. At month 12, there is an underspend of £61k, driven mostly by seniority payment adjustments being made by Capita.

vi. NHSE Managed Budgets

- 2.10. Under delegated co-commissioning arrangements, a small number of services continued to be managed by NHSE on a Surrey / Sussex wide basis at April 2018, namely, interpreting, and occupational health. There was a small overspend of £5k at Month 12
- 2.11. Clinical waste management transferred to the CCG from the 1st April, and the interpreting services were transferred to the CCG at 1st October 2018.

vii. Locally Commissioned Services

- 2.12. The locally commissioned services budget includes the £84k that has been released following the PMS review and reflects savings generated from practices converting to GMS from 1st July 2016, net of the transitional funding provided. This was overspent by £217k at Month 12. As in year the committee approved new Locally Commissioned services from reserves.

viii. Primary Care Team

- 2.13. The costs of the Primary Care team have been charged against the co-commissioning budget. These costs have been reconciled and allocated to budgets within Guildford and Waverley and North West Surrey respectively. At month 12 this left an underspend of £96k.

ix. Reserves

- 2.14. The CCG has an indicative budget surplus of £2,051k 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.
- 2.15. In approving the financial framework, it was agreed that proposals would be presented to the PCCC meeting on how the indicative budget surplus of £2,051k would be committed in 2018/19.
- 2.16. After a review to determine the priorities for investment, PCCC have agreed a plan totalling £1.382m which covered:
- Equipment for practices to support delivery of locally commissioned services. This is non-recurrent investment and includes ECGs, Spirometry and Blood Pressure monitors **(£934k)**.
 - Technology to support service transformation to address issues of demand and capacity, new models of working and different modes of contact with primary care. This included EMIS Analytics, Pathfinder (demand and capacity tool) and Health Unlocked (directory of services) **(£272k)**.
 - New Locally Commissioned Services covering mental health SMI, dermatology and care home visiting **(£176k)**.
- 2.17. Practices have confirmed their expression of interest in the offered equipment in January. These have been reviewed and agreed, and practices are now in the process of ordering equipment and submitting invoices to the CCG for reimbursement.
- 2.18. In addition, there is a 1% contingency reserve of £446k (0.5%) set in accordance with NHSE business rules. £223k of this was released at Month 12.

2.19. Appendix A.

Primary Care Co-Commissioning Budget Tracker

	Annual Budget	Movement to	Annual Budget	Narrative
	M11	M12	M12	
	£000s	£000s	£000s	
Global Sum / MPIG	29,825		29,825	
GMS Transitional Relief	276		276	
PMS Contracts	238		238	
PMS Other	8		8	
GP Indemnity (Now Reserve)	385		385	Moved from GP Indemnity in PCO Administered
GMS/PMS and APMS Contract Payments	30,733	0	30,733	
Learning Disabilities	120		120	
Violent Patients	5		5	
Extended Hrs	553		553	
Enhanced Services	678	0	678	
Aspiration	2,863		2,863	
Achievement	1,227		1,227	
Quality Outcomes Framework	4,090	0	4,090	
Rent	2,532		2,532	
Rent Reserve & Voids	426		426	
Rates	515		515	
Water	33		33	
Clinical Waste	191		191	
Premises Reimbursements	3,697	0	3,697	
Locums	475		475	
Seniority	347		347	
Retainers	36		36	
Prof Fees Dispensing	47		47	
Prescription Income	(21)		(21)	
PADM	230		230	
GP Sessions - Safeguarding	50		50	
GP Indemnity	0		0	Indemnity budget now moved to GMS/PMS Reserve
CQC Fees	232		232	
PCO Administered	1,397	0	1,397	
Interpreting	32		32	
Syringes	12		12	
NHSE Managed Contracts	44	0	44	
Primary Care Team	305		305	
Primary Care Non Pay	35		35	
Primary Care Team	340	0	340	
Locally Commissioned Services	767	0	767	
Indemnity/GPFV (Training, Imp Access, Online)	0	0	0	Transferred into CCG Programme Allocation in M3
Contingency	446	0	446	
Surplus / Risk Reserve	2,051	0	2,051	
Total	44,243	0	44,243	

Appendix B.

Primary Care Network Development Fund (£1 per Head)

Network	April 2018 Population	Payable To	70p	Date Paid	30p	Date Paid
Claims Received:						
COCO	41,614	NICS	£29,130	18/02/2019	£12,484	
West Byfleet Primary Care Network	29,833	Network	£20,883	10/01/2019	£8,950	
Weybridge & Hersham	45,143	Hersham Surgery	£31,600	04/02/2019	£13,543	
Spelthorne Network	39,100	St Davids Surgery	£27,370	04/02/2019	£11,730	
BNM	40,534	NICS	£28,374	21/03/2019	£12,160	
SASSE Network 1	51,038	Sunbury Health Centre	£35,727	01/04/2019	£15,311	
WISE PCN	102,761	NICS	£71,933	18/04/2019	£30,828	
Claims Pending:						
WPC	20,932		£14,652		£6,280	
Total	370,955		£259,669		£111,287	

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.

GP Transformation Funding (£1.50 per Head)

Network	April 2018 Population	Amount	
Claims Received:			
NICS	370,955	£315,312	Paid 18/12/2018
NICS	370,955	£241,121	Paid 21/03/2019
Total		£556,433	

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