

Agenda item: 7

Paper no: 5

Title of Report:	NHS G&W CCG Finance Report July 2019 Month Four	
Status:	FOR INFORMATION	
Committee:	Primary Care Co-Commissioning Committees in Common Part One	Date: 13/09/2019
Venue:	Board Room, Third Floor, NHS G&W CCG, Dominion House, Woodbridge Road, Guildford, Surrey, GU1 4PU	

Presented by:	Andy Law, Associate Director of Finance, NWS CCG	
Executive Lead sign off:	Claire Fuller, Deputy Chief Finance Officer	Date: 13/08/2019
Author(s):	Andy Law, Associate Director of Finance, NWS CCG	

Governance:

Conflict of Interest: The Author considers:	None identified	✓
Previous Reporting: (relevant committees/ forums this paper has previously been presented to)	G&W CCG Primary Care Operational Group 30/8/2019	
Freedom of Information: The Author considers:	Open – no exemption applies	✓

Executive Summary:

The financial position as reported to NHS England at Month 4 for delegated co-commissioning budgets is a breakeven position for year to date and forecast outturn.

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 4

Next Steps:

N/A

Guildford & Waverley CCG
Primary Care Finance Report July 19 (Month 4 2019/20)

1. Overview of Month 4 Financial Position

The purpose of this paper is to update the Primary Care Co-Commissioning Committee on the Month 4 (end of July) financial position for delegated co-commissioning allocations and other primary care budgets.

2. Co-Commissioning Budgets

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.

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	18,870	6,290	6,284	(6)	18,857	(13)
Enhanced Services	163	83	91	8	171	8
Quality Outcomes Framework	2,462	595	605	11	2,473	11
Premises Reimbursements	2,715	886	889	3	2,722	7
PCO Administered	1,607	536	521	(15)	1,594	(13)
NHSE Managed Contracts	18	6	6	0	18	0
Primary Care Network DES	1,032	199	199	(0)	1,032	0
Locally Commissioned Services	287	72	72	0	287	0
Primary Care Team	159	53	53	(1)	159	(1)
Primary Care Non Pay	67	22	23	1	68	1
Contingency	139	1	0	(1)	139	0
Surplus / Risk Reserve	301	100	100	0	301	0
	27,821	8,843	8,842	(0)	27,821	(0)

i. GMS, PMS and APMS Contract Payments

The financial position as at month 4 shows a year to date under spend of £6k and £13k at year end. This reflects the adjustment to list sizes which have been made in July.

ii. Enhanced Services

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 over spend by £8k at year end due to learning disability health check payments.

iii. Quality Outcomes

Payments relating to the Quality Outcomes Framework are automatically calculated by the Calculating Quality Reporting Service (CQRS). An aspiration payment based on 2018/19 achievement has been made to practices in June. The month 4 position is showing an over spend of £11k which reflects an under accrual in 2018/19, which has been maintained into the forecast outturn.

iv. Premises Costs

The position for reimbursable practice costs (rent, rates and water) has been forecast to over spend by £7k. This is due to back dated rent reviews relating to previous years which have been paid in 2019/20.

Charging schedules for 2019/20 have now been received from NHS Property Services and the CCG is working with practices to ensure reimbursement for rent from August where these values are agreed.

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

As at month 4 there is a year to date and forecast year end under spend of £13k. This is driven mostly by a reduction in seniority payments made in year.

vi. NHSE Managed Budgets

Under delegated co-commissioning arrangements syringe costs are managed by NHSE on a Surrey/Sussex wide basis. These are forecast to be on budget year to date and in the forecast outturn.

vii. Locally Enhanced Services

Quarter 1 claims have been received from practices and paid in July. Backdated payments relating to the outcome of the LCS review and standardisation of payments across Surrey Heartlands will be made to practices alongside quarter 2 claims.

viii. Primary Care Team

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 and Surrey Downs respectively. Month 4 shows a break even position for year end.

ix. Reserves

The CCG has an indicative budget surplus of £301k for primary care co-commissioning, being the difference between the 'top-down' allocation it received and the 'bottom-up' budgets set based on the 2019/20 GMS contract and informed by historic spend.

Against this reserve the Primary Care Co-Commissioning Committee in July approved the decision to fund a number of priority areas. These were to top up funding under the PCN DES for the Clinical Director role including 12 months admin support, set-up costs and support towards legal fees (totalling £49k) and to fund the Clinical Pharmacist role at 100% (maximum £65k).

There will be an additional requirement to fund the practice dispersal policy relating to the closure of New Inn Medical Practice, which would cost a maximum of £61k.

This leaves £126k of the reserve as uncommitted.

In addition, the 0.5% contingency reserve of £139k, in accordance with NHSE business rules has been set.

3. Other Primary Care Budgets

The financial position for other Primary Care budgets at Month 4 is as follows;

	Annual Budget	YTD Budget	YTD Spend	YTD Variance	YE Forecast	YE Variance
	£000s	£000s	£000s	£000s	£000s	£000s
Locally Commissioned Services	2,422	807	807	0	2,422	0
Primary Care Network Support [Core £1.50]	355	118	118	0	355	0
Primary Care IT	667	222	222	0	667	0
Clinical Leads	306	102	119	17	318	12
Practice engagement	0	0	0			
Sub-total	3,750	1,249	1,266	17	3,762	12
Practice Prescribing	27,687	9,229	9,237	8	27,687	0
Prescribing PDS	108	36	36	0	108	0
Primary Care Prescribing / Other prescribing	1,435	478	468	(11)	1,435	0
Medicines Management	794	265	241	(24)	794	0
Home Oxygen	339	113	112	0	339	0
Drugs Costs Met Centrally	836	279	279	0	836	0
Out of Hours	1,140	380	380	0	1,140	0
Sub-Total	32,339	10,780	10,753	(27)	32,339	0
Total	36,089	12,029	12,019	(10)	36,101	12

i. Locally Commissioned Services

Costs for locally commissioned services are shown in line with plan. Quarter 1 2019/20 claims have been received and paid in July. It has been assumed that costs will be in line with budget by year end.

ii. Primary Care Network Support [Core £1.50]

The month 4 position shows a break even position in both the year to date and year end positions. These payments form part of the Primary Care Network DES but are not funded from delegated allocations. Payments have been made to networks from July in line with guidance, backdated to April 2019.

iii. Practice Prescribing

The Practice Prescribing Authority (PPA) data is received two months in arrears so this position is based upon May 2019 data. This shows a £8k over spend year to date.

iv. Medicines Management Team

There is a year to date under spend of £24k at month 4 due to maternity leave within the team. The budget is forecast to break even at year end.

iv Out of Hours

At month 4 the Out of Hours budget is forecast to break even at year end.

4. GPFV

The CCG has received an allocation of £1,279k in June to fund GP extended access services. Contracts are in place with the Federation (Procare) to provide coverage from April 2019 at the increased rate of 45 minutes' consultation time per 1,000 population.

Additionally, North West Surrey CCG has received the following GPFV allocations on behalf of all Surrey Heartlands CCGs:

- GP Retention £181k
- Practice Resilience £114k
- Reception & Clerical £152k
- On-line Consultation £242k
- Primary Care Networks £625k
- Workforce Training Hubs £143k
- Fellowships Core Offer £129k
- Fellowships Aspiring Leaders £165k

Plans are being drawn up on commitments against these schemes on a Surrey Heartlands wide basis.

Appendix A

	Annual Budget M3	Movement in M4	Annual budget M4
	£000s		
Global Sum / MPIG	13,982		13,982
GMS Transitional Relief	57		57
PMS Contracts	4,756		4,756
PMS Other	75		75
GMS/PMS and APMS Contract Payments	18,870	0	18,870
Extended Hours	51		51
Learning Disabilities	63		63
Dispensing Quality Scheme	46		46
Violent Patients	3		3
Enhanced Services	163	0	163
Aspiration	1,784		1,784
Achievement	679		679
Quality Outcomes Framework	2,462	0	2,462
Rent	2,221		2,221
Rates	404		404
Water	33		33
Premises Other	57		57
Premises Reimbursements	2,715	0	2,715
Seniority	260		260
Locum Payments	321		321
PADM / Dispensing	147		147
GP Fees Dispensing	604		604
GP Prescriptions Income *	(167)		(167)
GP Retainers	78		78
CQC Fees	140		140
Interpreting Services	28		28
Clinical Waste	197		197
PCO Administered	1,607	0	1,607
Participation Payment	379		379
Extended Hrs to PCNs (July Onwards)	249		249
Clinical Director	117		117
Clinical Pharmacist	151		151
Social Prescribing	136		136
	1,032	0	1,032
Syringes	18		18
Other Costs	18		18
Primary Care Team	159		159
Primary Care Non Pay	67		67
primary Care Team	226	0	226
PMS Premium Release	70		70
Locally Commissioned Services	217		217
0.5% Contingency	139		139
Surplus / Risk Reserve	301		301
Total	27,821	0	27,821

* This relates to dispensing practices only. It is the prescription charge income that practices receive from patients at the point of dispensing, and offsets the income that practices receive for the cost of drugs prescribed which is reimbursed at full cost. The cost to the CCG of the drugs reimbursement to practices is charged against the prescribing budget and not delegated commissioning.

Appendix B

PMS Release Funds

	Year 1 2016/2017 Premium Release After Additional Support	Year 2 2017/2018 Premium Release After Additional Support	Year 3 2018/2019 Premium Release After Additional Support	Year 4 2019/2020 Premium Release After Additional Support	Year 5 2020/2021 Premium Release After Additional Support	Year 6 2021/2022 Premium Release After Additional Support	2019/20 Total Premium Release	
	2016	2017	2018	2019	2020	2021		
Cumulative £	52,627	122,796	192,965	263,134	333,303	350,845		
In Year £	52,627	70,169	70,169	70,169	70,169	17,542		
2019/20 £		122,796		140,338			263,134	
	CCG Core Funding - Locally Commissioned Services		Delegated Co-Commissioning Allocation					