

Agenda item: 7

Paper no: 7

Title of Report:	SD 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)	Surrey Downs CCG Primary Care Operational Group 23/8/19	
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

Surrey Downs 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	25,795	8,598	8,594	(4)	25,774	(21)
Enhanced Services	305	102	104	2	308	3
Quality Outcomes Framework	3,335	1,112	1,113	2	3,339	5
Premises Reimbursements	4,001	1,334	1,335	2	4,006	5
PCO Administered	1,579	526	589	62	1,684	105
NHSE Managed Contracts	20	7	7	0	20	0
Primary Care Network DES	1,448	483	483	0	1,448	0
Locally Commissioned Services	371	124	124	0	371	0
Primary Care Team	162	54	54	0	162	0
Primary Care Non Pay	67	22	22	(0)	67	0
Contingency	190	63	0	(63)	94	(96)
Surplus / Risk Reserve	636	212	212	0	636	0
	37,909	12,636	12,636	(0)	37,909	0

i. GMS, PMS and APMS Contract Payments

The financial position as at as at month 4 shows a year to date under spend of £4k and a forecast under spend of £21k. This reflects the list size adjustments which have been made in July.

ii. Enhanced Services

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. This is currently forecast to over spend by £3k 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). The month 4 year to date position shows a £2k over spend which represents in year aspiration payments made.

iv. Premises Costs

The position for reimbursable practice costs (rent, rates and water) has been forecast with the information available. There is a small over spend in year which relates to the reimbursement of rates, based upon the claims that have been made by practices to date.

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.

The CCG have made payments in 2019/20 for back dated rent reviews relating to prior years. The reported position assumes that these costs will be recovered from NHS England.

v. PCO Administered Costs

At month 4 there is an over spend of £62k, forecast to increase to £105k by year end. This reflects the current rate of locum reimbursement, but has been partially offset by an under spend on seniority payments.

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

The locally commissioned enhanced services budget includes the £166k 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. The year-end forecast outturn assumes breakeven to reflect the additional schemes for ADHD, Ring Pessary, Ear Irrigation & Micro suction and COPD annual review and price uplift for 24hr BP monitoring and Phlebotomy, as agreed by the Primary Care Co-Commissioning Committee in May 2019.

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 a risk reserve of £636k 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 £89k) and to fund the Clinical Pharmacist role at 100% (maximum £97k).

There is also a requirement, following a direction from NHS England to provide investment in the form of additional locum cover for a 3 month period to prevent a practice closure. The maximum cost of this would be £207k.

Plans are currently being developed to commit the remaining £243k.

In addition the 0.5% contingency reserve of £190k, in accordance with NHSE business rules has been set. £63k has been released into the year to date position and £96k into the forecast outturn to achieve the reported breakeven positions.

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	2,913	971	956	(15)	2,898	(15)
Primary Care Network Support [Core £1.50]	462	154	154	(0)	462	0
Primary Care IT	800	267	282	15	853	53
Clinical Leads	893	298	298	0	893	0
Practice Engagement	136	45	83	37	174	37
Sub-Total	5,204	1,735	1,773	38	5,280	75
Practice Prescribing	37,065	12,407	12,341	(66)	36,994	(71)
Medicines Management	843	281	259	(22)	822	(21)
Primary Care Prescribing	892	297	311	14	889	(3)
Home Oxygen	300	100	91	(9)	291	(9)
Drugs Costs Met Centrally	1,159	388	368	(20)	1,160	0
Out of Hours	1,555	518	518	(0)	1,555	0
Sub-Total	41,815	13,992	13,888	(104)	41,710	(104)
Total	47,019	15,727	15,661	(66)	46,990	(29)

i. Locally Commissioned Services

Costs for locally commissioned services are showing an under spend of £15k due to the release of prior year over accruals.

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.

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. Primary Care IT

The primary care IT budget of £800k is showing an overspend of £15k, this is forecast to be £53k at year end.

iv. Clinical Leads and Practice Engagement

At month 4 clinical leads have been forecast to breakeven. Practice Engagement budgets are forecast to over spend by £37k, which relates to an under accrual from 2018/19.

v. Practice Prescribing

The Practice Prescribing Authority (PPA) data is received two months in arrears so the month 4 position is based upon May data and an estimate for June and July. There is a £66k underspend that relates to April and May 2019.

vi. Medicines Management Team

Medicines Management is currently showing a small underspend, the forecast position is an £21k underspend, this relates to vacant posts.

vii. Primary Care Prescribing

Primary Care Prescribing is currently showing an over spend of £14k, this relates to an under accrual from 2018/19.

viii. Out of Hours

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

4. GPFV

The CCG has received an allocation of £612k in June which along with £1,149k received in baseline allocations is to fund GP extended access. Contracts have been agreed with the three Surrey Downs federations to provide coverage from April 2019, at the increased rate of 45 minutes 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

Primary Care Co-Commissioning Budget Tracker

	Annual Budget	Movement in	Annual budget
	M3	M4	M4
	£000s	£000s	£000s
Global Sum / MPIG	18,662		18,662
GMS Transitional Relief	192		192
PMS Contracts	6,829		6,829
PMS Other	113		113
GMS/PMS and APMS Contract Payments	25,795	0	25,795
Extended Hours	126		126
Learning Disabilities	111		111
Dispensing Quality Scheme	39		39
Violent Patients	28		28
Enhanced Services	304	0	304
Aspiration	2,430		2,430
Achievement	905		905
Quality Outcomes Framework	3,335	0	3,335
Rent	3,130		3,130
Rates	701		701
Water	16		16
Premises Other	97		97
Voids & Subsidies	57		57
Premises Reimbursements	4,001	0	4,001
Seniority	294		294
Locum Payments	207		207
PADM/ Dispensing	192		192
GP Fees Dispensing	602		602
GP Prescriptions Income *	(120)		(120)
GP Retainers	73		73
CQC Fees	192		192
Interpreting Services	21		21
Clinical Waste	119		119
PCO Administered	1,579	0	1,579
Participation Payment	519		519
Extended Hrs to PCNs (July Onwards)	339		339
Clinical Director	159		159
Clinical Pharmacist	227		227
Social Prescribing	205		205
	1,448	0	1,448
Syringes	20		20
Other Costs	20		20
Primary Care Team	162		162
Primary Care Non Pay	67		67
primary Care Team	229	0	229
PMS Premium Release	166		166
Locally Commissioned Services	205		205
0.5% Contingency	190		190
Surplus / Risk Reserve	636		636
Total	37,909	0	37,909

* 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	
Cummulative £	121,144	282,670	450,908	616,909	781,418	822,545	
In Year £	121,144	161,526	168,238	166,000	164,509	41,127	
2019/20			450,908	166,000			616,909
	CCG Core Funding - Locally Commissioned Services			Delegated Co-Commissioning Allocation			