

Joint Commissioning Committee							
Date of Meeting	10/01/2017		Paper Number	11			
Title	Financial Report for month 8						
Sponsoring Director (name and job title)	Richard Chapman, Director of Finance, NHS England South (South Central) Nigel Foster, Director of Finance & Performance (East Berkshire CCGs Collaborative)						
Author(s)	Alan Overton, Finance Analyst, NHS England South (South Central) Richard Buckley, Head of Financial Control and CSU Support (East Berkshire CCGs Collaborative)						
Purpose	To update the committee on the financial position for month 8 of 2016/17 for the primary care joint commissioning budget of the Berkshire East CCGs.						
The Joint Commissioning Committee is required to (please tick)							
Approve	<input type="checkbox"/>	Receive	<input type="checkbox"/>	Discuss	<input type="checkbox"/>	Note	<input checked="" type="checkbox"/>
Risk and Assurance <i>(outline the key risks / where to find mitigation plan in the attached paper and any assurances obtained)</i>	Financial Plans have been prepared in accordance with NHS England planning guidance and assured by the South of England Regional Office						
Legal implications/regulatory requirements	None						
Public Sector Equality Duty	Not Applicable						
Links to the NHS Constitution (relevant patient/staff rights)	None						
Strategic Fit	Not Applicable						
Commercial and Financial Implications <i>(Identify how the proposal impacts on existing contract arrangements and have these been incorporated?)</i> <i>Include date Deputy CFO has signed off the affordability and has this been incorporated within the financial plan. Include details of funding source(s)</i>	As outlined in the report						

<p>Quality Focus <i>(Identify how this proposal impacts on the quality of services received by patients and/or the achievement of key performance targets)</i></p> <p><i>Include date the Director of Nursing has signed off the quality implications)</i></p>	<p>Not Applicable</p>
<p>Clinical Engagement <i>Outline the clinical engagement that has been undertaken</i></p>	<p>Not Applicable</p>
<p>Consultation, public engagement & partnership working implications/impact</p>	<p>Not Applicable</p>
<p>NHS Outcomes <i>Please indicate (highlight) which Domain this paper sits within by highlighting or ticking below: Please note there may be more than one Domain.</i></p>	<p>Domain 1 Preventing people from dying prematurely;</p> <p>Domain 2 Enhancing quality of life for people with long-term conditions;</p> <p>Domain 3 Helping people to recover from episodes of ill health or following injury;</p> <p>Domain 4 Ensuring that people have a positive experience of care; and</p> <p>Domain 5 Treating and caring for people in a safe environment; and protecting them from avoidable harm.</p>
<p>Executive Summary This report sets out the details up to the end of month 8 (November 2016) for the Primary Care Services Joint Commissioning budget across the three Berkshire East CCGs. This includes services commissioned by NHSE and those commissioned locally by the CCGs.</p>	
<p><u>Recommendation(s)</u></p> <p>The Joint Primary Care Commissioning Committee is asked to note the contents of the report.</p>	

Joint Commissioning Primary Medical Services Committee



Report to the Primary Care Joint Commissioning Committee – Berkshire East CCGs

Prepared by: Alan Overton, NHS England South (South Central), Finance Analyst and Richard Buckley, Berkshire East CCGs, Head of Financial Control and CSU support.

Classification: OFFICIAL

The National Health Service Commissioning Board was established on 1 October 2012 as an executive non-departmental public body. Since 1 April 2013, the National Health Service Commissioning Board has used the name NHS England for operational purposes.



1. Introduction

- 1.1. This paper sets out financial position for month 8 of 2016/17 for the primary care services joint commissioning budget of Berkshire East CCGs.

Month 8 Berkshire East CCGs

All figures in £'000s

	Month			Year to Date			Forecast		
	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Actual	Variance
Budgets held by NHS England									
GP Contract Payment	3,103	3,089	13	24,820	24,674	146	37,230	37,230	-
QOF Payments	357	368	(11)	2,857	2,853	4	4,286	4,286	-
PCO Admin	69	54	16	551	615	(64)	827	827	-
GP Drug Payments	26	131	(105)	205	205	(0)	308	308	-
GP Premises	432	391	41	3,455	3,172	283	5,183	5,183	-
GP Enhanced Services	208	310	(102)	1,663	1,676	(13)	2,496	2,496	-
GP Other Items	6	1	5	47	35	12	70	70	-
CCG Prescribing	-	-	-	-	-	-	-	-	-
Collaborative Fees	9	3	6	70	34	35	104	104	-
GP Premises other	29	27	2	231	159	72	345	345	-
GP General Reserves	82	82	-	655	655	-	1,775	1,775	-
Other	-	-	-	-	-	-	-	-	-
Sub-Total	4,321	4,456	(135)	34,554	34,079	475	52,624	52,624	-
Budgets held by CCGs									
Locally Commissioned Schemes	76	140	(64)	608	707	(99)	909	1,204	(295)
GPIT	95	99	(4)	758	868	(110)	1,133	1,273	(140)
Out of Hours	306	289	17	2,448	2,377	71	3,664	3,566	98
GP Extended Access	95	94	1	2,209	2,090	119	2,843	2,843	-
Sub-Total	572	622	(50)	6,023	6,042	(19)	8,549	8,886	(337)
Grand Total	4,893	5,078	(185)	40,577	40,121	456	61,173	61,510	(337)

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2. Commentary on the position

An overview of the month and year to date and forecast outturn position is below:

2.1 Month position

The month position as at month 8 is an adverse variance of £135k on NHSE commissioned services and an adverse variance of £50k on the budgets held by the CCGs.

2.2 Year to Date Position

Overall the YTD position is a favourable variance of £456k. A favourable variance of £475k on NHSE commissioned services and a £19k adverse variance on the CCG commissioned services.

2.3 Forecast Outturn

The actual FOT is on plan, however this assumes that General Reserves will be fully utilised during the year. The actual FOT for CCG commissioned services is an adverse variance of £337k due to overspends on the Locally Commissioned Schemes and Primary Care IT of £295k and £140k respectively this is offset against a favourable variance of £98k on the Out of Hours Budget.

General Reserves include provisions for 1% Headroom and 0.5% contingency in accordance with national planning guidance to provide additional resilience to the NHS system. However, the utilisation of these will be determined at a national level.

Reserves Analysis	
Contingency (0.5% of allocation)	264k
Headroom (1% of allocation)	528k
Other Reserves	983k
Total Reserves	1,775k

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Other Reserves will be required to militate against the following risks:

APMS Contract risk – The Slough Walk In Centre provider has identified a funding gap in current service provision and is currently quantifying this prior to agreeing a contract extension.

Registered patient list growth – Core Contract payments will increase from 1st October 2016 when the new Primary Care Services provider has cleared the backlog of new patient registrations.

Premises Reimbursements – There is a backlog of the triannual rent reviews of GP premises which will increase reimbursements in the second half of the financial year.

QOF Achievement – The planned achievement of 98% is likely to be exceeded based upon achievement for 2015/16 although this is subject to post payment verification.

Minor Surgery – Following the review of PMS contracts practice payments will be based upon actual activity provided rather than the historic fixed sum within their PMS contract.

Locum Reimbursements – Year to date expenditure is currently above plan.

Section 96 Financial Support – This is unbudgeted expenditure. One claim has been received to date which is subject to due diligence.

Contract re-procurement risk – Where a vulnerable practice gives notice to terminate their contract there may be a requirement to use the NHS England South 'Step in' provider framework which although requires service delivery at national GMS prices providers can request transitional funding to stabilise the practice. This is an interim measure and the contract term is limited to 12 months with an option to extend for a further 6 months to allow time for a full competitive tendering of an APMS contract.



3 Assumptions on reporting

The figures have been prepared in accordance with the following national guidance:

Prior year balances/costs will remain with NHS England.

Accruals will be as per accounting standards and will be to the expected year end outturn position.

Individual CCG cost pressures for primary care services will (where possible) be managed at NHS England level (whilst joint commissioning arrangements are in place).

4 Contracting and procurement activity

- Slough Walk in Centre APMS contract has been extended by 18 months to June 2017.
- The Out of Hours contract has been renegotiated and the budget will be updated in month 9 (December 2016).



Bracknell and Ascot CCG

- 1.2. This paper sets out the financial position for month 8 of 2016/17 for the primary care services joint commissioning budget of Bracknell and Ascot CCG.

All figures in £'000s

	Month			Year to Date			Forecast		
	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Actual	Variance
Budgets held by NHS England									
GP Contract Payment	894	893	1	7,148	7,149	(1)	10,723	10,723	-
QOF Payments	114	115	(1)	909	896	13	1,364	1,364	-
PCO Admin	25	17	8	198	226	(28)	297	297	-
GP Drug Payments	9	43	(34)	69	75	(6)	103	103	-
GP Premises	125	111	14	1,002	800	202	1,503	1,503	-
GP Enhanced Services	71	72	(1)	569	529	40	854	854	-
GP Other Items	2	0	2	15	2	13	22	22	-
CCG Prescribing	-	-	-	-	-	-	-	-	-
Collaborative Fees	4	1	3	30	11	19	45	45	-
GP Premises other	20	19	1	159	74	85	238	238	-
GP General Reserves	47	47	-	375	375	-	802	802	-
Other	-	-	-	-	-	-	-	-	-
Sub-Total	1,311	1,318	(7)	10,474	10,137	337	15,951	15,951	-
Budgets held by CCGs									
Locally Commissioned Schemes	27	39	(12)	216	256	(40)	319	400	(81)
GPIT	30	27	3	239	246	(7)	357	387	(30)
Out of Hours	95	96	(1)	760	777	(17)	1,138	1,165	(27)
GP Extended Access	95	85	10	798	679	119	942	942	-
Sub-Total	247	247	-	2,013	1,958	55	2,756	2,894	(138)
Grand Total	1,558	1,565	(7)	12,487	12,095	392	18,707	18,845	(138)

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2.0 Commentary on the position

An overview of the month, year to date and forecast outturn position is below:

2.1 Month position

The month position is an adverse variance of £7k with main variances explained below:

- GP Premises £14k favourable due to timing of payments.
- GP Drugs £34k adverse due to seasonal variation of payments.
- PCO Admin £8k favourable due to timing of payments

The month position is on plan for the CCG commissioned services.

2.2 Year to Date Position

Overall the YTD position is a favourable variance of £337k with main variances explained below:

- GP Premises £202k favourable as the plan includes a provision for increased rent, however, due to the backlog of premises rent reviews this has yet to be utilised.
- PCO Admin £28k adverse due to Locum payments in excess of plan.
- GP Enhanced Services £40k favourable due Extended hours less than plan



Overall the YTD position is a favourable variance on CCG Commissioned Services of £55k due mainly to GP Extended Access expenditure.

2.3 Forecast Outturn

The actual FOT for NHSE Commissioned Services is on plan. The actual FOT for CCG Commissioned Services is above plan due to overspends on Locally Commissioned services, Primary Care IT and Out of Hours service budgets.

3.0 Assumptions on reporting

The figures have been prepared in accordance with the following national guidance:

- Prior year balances/costs will remain within NHS England.
- Accruals will be as per accounting standards and will be to the expected year end outturn position.
- Individual CCG cost pressures for primary care services will (where possible) be managed at NHS England level (whilst joint commissioning arrangements are in place).

4 Contracting and procurement activity

- The Out of Hours contract has been renegotiated and the budget will be updated in month 9 (December 2016).



Slough CCG

- 1.3. This paper sets out financial position for month 8 of 2016/17 for the primary care services joint commissioning budget of Slough CCG.

All figures in £'000s

	Month			Year to Date			Forecast		
	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Actual	Variance
Budgets held by NHS England									
GP Contract Payment	1,238	1,218	19	9,903	9,699	204	14,854	14,854	-
QOF Payments	125	125	(0)	1,001	1,001	(0)	1,502	1,502	-
PCO Admin	21	13	9	170	191	(21)	256	256	-
GP Drug Payments	7	41	(34)	59	65	(6)	89	89	-
GP Premises	141	127	14	1,124	1,102	22	1,687	1,687	-
GP Enhanced Services	66	157	(91)	528	586	(58)	792	792	-
GP Other Items	2	0	2	16	2	14	24	24	-
CCG Prescribing	-	-	-	-	-	-	-	-	-
Collaborative Fees	1	1	(0)	9	11	(3)	13	13	-
GP Premises other	7	7	0	59	58	1	88	88	-
GP General Reserves	(18)	(18)	-	(146)	(146)	-	74	74	-
Other	-	-	-	-	-	-	-	-	-
Sub-Total	1,590	1,672	(82)	12,723	12,570	153	19,379	19,379	-
Budgets held by CCGs									
Locally Commissioned Schemes	16	34	(18)	128	153	(25)	197	277	(80)
GPIT	32	32	-	255	269	(14)	386	412	(26)
Out of Hours	108	87	21	864	807	57	1,290	1,211	79
GP Extended Access	-	12	(12)	683	683	-	963	963	-
Sub-Total	156	165	(9)	1,930	1,912	18	2,836	2,863	(27)
Grand Total	1,746	1,837	(91)	14,653	14,482	171	22,215	22,242	(27)

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2. Commentary on the position

An overview of the year to date and Forecast outturn position is below:

2.1 Month Position

The month position as at month 8 is an adverse variance of £82k.

- GP Contracts £19k favourable
- GP Premises £14k favourable
- GP Drugs £34k adverse
- Enhanced Services £91k adverse

The month position is an adverse variance of £9k for CCG Commissioned Services. Locally Commissioned Schemes and GP Extended Access have adverse variances of £18k and £12k respectively while the Out of Hours budget has a favourable variance of £21k.

2.2 Year to Date Position

Overall the YTD position is a favourable variance of £153k with individual variances explained below:

- GP Contract payment £204k favourable due to Slough Walk in Centre less than plan. Current payments exclude any potential over performance of walk in activity.
- GP Premises £22k favourable
- GP Enhanced Services £58k adverse due to Minor Surgery payments in excess of plan for PMS practices that historically received a fixed sum within their contract but are now paid for actual activity delivered.



Overall the YTD position is a favourable variance on CCG Commissioned Services of £18k. The Out of Hours services have a favourable variance of £57k while Locally Commissioned Schemes and Primary Care IT have adverse variances of £25k and £14k respectively.

2.3 Forecast Outturn

- The actual FOT for NHSE Commissioned Services is on plan. The actual FOT for CCG commissioned Services is above plan by £27k. The Out of Hours Service is forecasting to be underspent by £79k while Locally Commissioned Schemes and Primary Care IT are forecasting overspends of £80k and £26k respectively.

3. Assumptions on reporting

The figures have been prepared in accordance with the following national guidance:

- Prior year balances/costs will remain with NHS England ;
- Accruals will be per accounting standards and will be to the expected year end outturn position;
- Individual CCG cost pressures for primary care services will (where possible) be managed at NHS England level (whilst joint commissioning arrangements are in place)

4. Contracting and procurement activity

- Slough Walk in Centre APMS contract has been extended by 18 months to June 2017.
- The Out of Hours contract has been renegotiated and the budget will be updated in month 9 (December 2016).



5. Windsor, Ascot and Maidenhead CCG

5.1. This paper sets out the financial position for month 8 of 2016/17 for the primary care services joint commissioning budget of Windsor, Ascot and Maidenhead CCG.

All figures in £'000s

	Month			Year to Date			Forecast		
	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Actual	Variance
Budgets held by NHS England									
GP Contract Payment	971	978	(7)	7,769	7,826	(57)	11,653	11,653	-
QOF Payments	118	128	(10)	947	956	(9)	1,420	1,420	-
PCO Admin	23	24	(1)	183	198	(15)	274	274	-
GP Drug Payments	10	47	(37)	77	65	12	116	116	-
GP Premises	166	153	13	1,329	1,270	59	1,993	1,993	-
GP Enhanced Services	71	81	(10)	566	561	5	850	850	-
GP Other Items	2	-	2	16	31	(15)	24	24	-
CCG Prescribing	-	-	-	-	-	-	-	-	-
Collaborative Fees	4	1	3	31	12	19	46	46	-
GP Premises other	2	1	1	13	27	(14)	19	19	-
GP General Reserves	53	53	-	426	426	-	899	899	-
Other	-	-	-	-	-	-	-	-	-
Sub-Total	1,420	1,466	(46)	11,357	11,372	(15)	17,294	17,294	-
Budgets held by CCGs									
Locally Commissioned Schemes	33	67	(34)	264	298	(34)	393	527	(134)
GPIT	33	40	(7)	264	353	(89)	390	474	(84)
Out of Hours	103	106	(3)	824	793	31	1,236	1,190	46
GP Extended Access	-	(3)	3	728	728	-	938	938	-
Sub-Total	169	210	(41)	2,080	2,172	(92)	2,957	3,129	(172)
Grand Total	1,589	1,676	(87)	13,437	13,544	(107)	20,251	20,423	(172)

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2.0 Commentary on the position

An overview of the month, year to date and forecast outturn position is below:

2.1 Month Position

The month position as at month 8 is an adverse variance of £46k.

- GP Drugs £37k adverse
- Enhanced Services £10k adverse

The month position is an adverse variance on CCG Commissioned Services of £41k due mainly to overspend on Locally Commissioned Schemes of £34k.

2.2 Year to Date Position

Overall the YTD position is an adverse variance of £15k with individual variances explained below:

- GP premises £59k favourable due to timing of payments
- PCO Admin £15k adverse due to Locum payments in excess of plan
- GP Contracts £57k adverse due to global sum payments in excess of plan.
- GP Drug payments £12k favourable due to a seasonal variation of costs received which will smooth out during the year when costs change during the autumn/winter flu campaign.



Overall the YTD position is an adverse variance on CCG Commissioned Services of £92k. Locally Commissioned Services and Primary Care IT have adverse variances of £34k and £89k respectively while the Out of Hours Service has a favourable variance of £31k.

2.3 Forecast Outturn

The actual FOT for NHS Commissioned Services is on plan. The actual FOT for CCG Commissioned Services is above plan by £172k. Locally Commissioned Schemes and Primary Care IT are forecasting overspends of £134k and £84k respectively while the Out of Hours Services is forecasting an underspend of £46k.

3.0 Assumptions on reporting

The figures have been prepared in accordance with national guidance:

Prior year balances/costs will remain with NHS England.

Accruals will be as per accounting standards and will be to the expected year end outturn position.

Individual CCG cost pressures for primary care services will (where possible) be managed at NHS England level (whilst joint commissioning arrangements are in place).

4 Contracting and procurement activity

- The Out of Hours contract has been renegotiated and the budget will be updated in month 9 (December 2016).