

Primary Care Commissioning Committee							
Date of Meeting	11/07/2018	Paper Number	8				
Title	Financial Report for month 2						
Sponsoring Director (name and job title)	Debbie Fraser, Deputy Director of Finance						
Author(s)	Aysha Hussain, Finance Analyst, NHS England South (South Central) Richard Buckley, Head of Financial Control and CSU Support						
Purpose	To update the committee on the financial position for month 2 of 2018/19 for the primary care commissioning budgets of NHS East Berkshire CCG.						
The Primary Care Commissioning Committee is required to (please tick)							
Approve	<input type="checkbox"/>	Receive	<input type="checkbox"/>	Discuss	<input type="checkbox"/>	Note	X
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 2 (May 2018) for the Primary Care Services Commissioning budgets.</p>	
<p><u>Recommendation(s)</u></p> <p>The Primary Care Commissioning Committee is asked to note the contents of the report.</p>	

Primary Care Commissioning Committee



Report to the Primary Care Commissioning Committee – East Berkshire CCGs

Prepared by: Aysha Hussain, NHS England South (South Central), Finance Analyst and Richard Buckley, East Berkshire CCG, 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 2 of 2018/19 for the primary care services delegated commissioning budget of East Berkshire CCG.

All figures in £'000s

	Month			Year to Date			Forecast		
	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Actual	Variance
GP Services 2017-18									
GP Contract Payment	3,350	3,350	-	6,700	6,700	-	40,198	40,198	-
QOF Payments	370	431	(61)	740	800	(60)	4,441	4,441	-
GP Seniority and Locums	117	83	34	235	201	34	1,410	1,410	-
GP Drug Payments	25	21	4	50	46	4	301	301	-
GP Premises	453	404	49	906	857	49	5,437	5,437	-
GP Enhanced Services	125	125	-	250	250	-	1,502	1,502	-
GP Other Items	6	6	-	12	12	-	71	71	-
Prior Year Balance	-	-	-	-	-	-	-	-	-
CCG Prescribing	-	(1)	1	-	(1)	1	-	-	-
Collaborative Fees	9	8	1	17	17	-	104	104	-
GP Premises other	4	4	-	7	7	-	44	44	-
GP General Reserves	-	-	-	-	-	-	2,998	2,998	-
Sub-Total	4,459	4,431	28	8,917	8,889	28	56,506	56,506	-
Other Primary Care Budgets									
Locally Commissioned Schemes	212	212	-	425	425	-	2,551	2,551	-
GPIT	173	173	-	346	346	-	2,074	2,074	-
Out of Hours	406	377	29	812	783	29	4,875	4,699	176
GP Extended Access	172	172	-	345	345	-	2,067	2,067	-
Vulnerable Practices Pilot Funding	-	-	-	1	1	-	4	4	-
General Practice Resilience Funding	-	-	-	-	-	-	-	-	-
GP Development Programme - Reception and Clerical Training	-	-	-	-	-	-	-	-	-
Sub-Total	963	934	29	1,929	1,900	29	11,571	11,395	176
Grand Total	5,422	5,365	57	10,846	10,789	57	68,077	67,901	176

2.0 Budget 2018/19

Allocation

The overall South Central allocation includes 2.3% growth for 2017/18 and 2018/19; however this varies at individual CCG level with East Berkshire CCG receiving 4.08% and 3.14% respectively.

Surplus Position

A 1% surplus requirement against Primary Care Co-Commissioning allocation is not required.

Planning Assumptions

- GP contract changes in 2018/19 are to be implemented through a 3.07% change in the global sum rate per weighted patient (see Table 1 and 2 below).
- Demographic growth of 0.72% on contract payments in 2018/19.
- MPIG and seniority phased reductions as per national guidance.
- Premises included at FOT level with 1.6% growth for 2018/19
- NHSP/CHP premises impact of the change to market rate charging is factored into the position.
- Benefit from reduction in rateable values is being factored into the position.
- QOF assumption (based 97% achievement)
- Detailed practice level budgets are based on prior year outturn.

Reserves

Reserves include 0.5% contingency as per national planning guidance and Other Reserves to balance planned expenditure to the CCG delegated budget allocation.

Budget Changes in Month 2

None.

2.1 Commentary on the position

An overview of the month, year to date and 2018/19 forecast outturn position is below:

2.2 Month position

The month position at month 2 is £28k below plan.

2.3 Year to Date Position

Overall the YTD position is a favourable variance of £57k with main variances explained below:

<ul style="list-style-type: none"> • QOF Payments 	<p>£ 60k overspend</p>	<p>QOF Aspiration overspend caused by estimated payments in Month 1 and 2, until prior year QOF achievement upon which they are based is finalised. A review will be carried out in month 3 to compare planned expenditure to actual payments due, based on actual prior year QOF achievement.</p>
<ul style="list-style-type: none"> • GP Seniority and Locums (Inc. CQC Fees) 	<p>£34k underspend</p>	<p>Underspend on Locum Mat/Pat is £6k and Sickness £19k, PCO underspent by £5k and Sterile Products is underspent by £4k.</p>
<ul style="list-style-type: none"> • GP Drug Payments 	<p>£4k underspend</p>	<p>Seasonal variation.</p>
<ul style="list-style-type: none"> • GP Premises 	<p>£49k underspend</p>	<p>YTD rent actuals include the planning provision for 1.6% growth that is currently underutilised, however there are a number of rent reviews due during the year.</p>
<ul style="list-style-type: none"> • CCG Prescribing 	<p>£1k underspend</p>	<p>Required to mitigate in year net risks and year end provisions for outstanding commitments.</p>
<ul style="list-style-type: none"> • GP General Reserves 	<p>On plan</p>	<p>Budget adjustment required as incorrectly includes amount for NHS 111, to be corrected Month 3.</p>
<ul style="list-style-type: none"> • Out of Hours 	<p>£29k underspend</p>	

2.4 Forecast Outturn

The forecast outturn for 2018/19 is a favourable variance of £176k.

3 Assumptions on reporting

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

- Pre delegation costs will remain with NHS England.
- Accruals will be as per accounting standards and will be to the expected year end outturn position.

4 Contracting and procurement activity

None

5 Allocations, Reserves, Risks and Opportunities

Allocations

Allocations Received In Year	£'000's
Training Care Navigators and Medical Assistants	78
Online Consultations	152
Improving access to General Practice	465
Totals	695

Risks

- Indemnity Fees Inflation- A new CNST style scheme is being negotiated for 18/19 which should reduce fees and negates fee inflation; however, there is uncertainty over the implementation date and if this slips whether national funding will be available. Following national guidance the funding set aside within the delegated budget for fee inflation will non-recurrently be re-badged as CCG Core resource for GPFV initiatives.
- CQC have revised their fee scale formula which increases fees significantly. NHS England have raised this with the central team as it is not within the nationally negotiated pay award to enquire if any central funding will be available.
- Population Growth – Impact on Contract Payments of growth in excess of the planning assumption.
- Section 96 support for practices in financial difficulty.
- Increased Premises reimbursements for premises developments/rent reviews in excess of planning assumption.

- Locums cover (Parental/Sickness Leave).
- GP Retainer Scheme - nationally funded incentives are increasing the no. of GP's in post.

Opportunities

- Enhanced Services slippage e.g. <100% sign up for Extended Hours Des included with reported position.
- Premises Rate Rebates following national appeal process.
- Unutilised Prior Year balances.

Net Risk will be quantified for Month 3 reporting.

Net Risks will be funded from reserves.

Reserves

Reserves	£'000's
0.5% Contingency	284
Other Reserves	2,714
Total Reserves	2,998

Approved Primary Care investments	£'000's	
Pre-Diabetes patient care for prevention of diabetes	40	Started in April 2018
LCS for Anticipatory Care Planning	227	Started in June 2018
Additional 10% on referral management - support 2WW implementation	132	
INR move to Level 4	80	Practices to request move to level 4
Lower Limb Wound care	258	Service to commence in September 2018
Homeless - improved access to Primary care.		
Continuing to point of evaluation and exit/commissioning plan		
Totals	737	

Risks -Potential Commitments against Other Reserves	£'000's
Indemnity Fees	0
CQC Fees	0
Contract Payments - Population Growth	0
Section 96 support	0
Premises reimbursements	0
Locum cover (Parental/Sickness Leave)	0
GP Retainer Scheme	0
Totals	0

Potential Slippage/Opportunities	£'000's
Enhanced Services	0
Premises Rates Rebate	0
Unutilised Prior Year Accruals	0
Totals	0

Net Risk to be mitigated by reserves	0
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Reserves balance	2,261
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