

Primary Care Commissioning Committee							
Date of Meeting	08/01/2018	Paper Number	Item 8				
Title	Financial Report for month 8						
Executive Lead	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 8 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	<input checked="" type="checkbox"/> 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			
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>				Not Applicable			

<p><i>Include date the Director of Nursing has signed off the quality implications)</i></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 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 8 of 2018/19 for the primary care services delegated commissioning budget of East Berkshire CCG.

<i>All figures in £'000s</i>	Month			Year to Date			Forecast		
	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Actual	Variance
GP Services 2018-19									
GP Contract Payment	3,290	3,423	(133)	27,052	26,976	76	40,579	40,579	-
QOF Payments	370	370	-	2,960	2,960	-	4,441	4,441	-
GP Seniority and Locums	80	119	(39)	641	757	(116)	962	962	-
GP Drug Payments	25	25	-	201	201	-	301	301	-
GP Premises	453	419	34	3,624	3,501	123	5,437	5,437	-
GP Enhanced Services	125	170	(45)	1,001	925	76	1,502	1,502	-
GP Other Items	6	6	-	48	48	-	71	71	-
Prior Year Balance	-	-	-	-	-	-	-	-	-
CCG Prescribing	-	-	-	-	(2)	2	-	-	-
Collaborative Fees	9	9	-	69	69	-	104	104	-
GP Premises other	4	4	-	29	29	-	44	44	-
GP General Reserves	58	(268)	326	(268)	(268)	-	2,598	2,076	522
Sub-Total	4,420	4,277	143	35,357	35,196	161	56,039	55,517	522
Other Primary Care Budgets									
Locally Commissioned Schemes	956	974	(18)	2,816	2,974	(158)	4,227	4,460	(233)
GPIT	150	150	-	1,177	1,058	119	2,074	1,954	120
Out of Hours	392	392	-	3,133	3,133	-	4,699	4,699	-
GP Extended Access	218	96	122	1,764	1,597	167	2,636	2,636	-
Vulnerable Practices Pilot Funding	-	-	-	3	-	3	4	4	-
Primary Care Investments	-	-	-	-	128	(128)	-	130	(130)
Primary Care Networks	(55)	17	(72)	(55)	(87)	32	(165)	-	(165)
Sub-Total	1,661	1,629	32	8,838	8,802	36	13,475	13,883	(408)
Grand Total	6,081	5,906	175	44,195	43,998	197	69,514	69,400	114

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.

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 8 is £58k below plan.

2.3 Year to Date Position

Overall the YTD position is a favourable variance of £81k with main variances explained below:

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|--|--|--|
| <ul style="list-style-type: none"> • GP Contract Payment | <ul style="list-style-type: none"> £76k underspend | <p>Global sum below plan by £32k due to list growth below demographic planning assumption. APMS contract is £116k below plan. PMS Premium payments £66k above plan due to the payment profile differing from the budget profile.</p> |
| <ul style="list-style-type: none"> • GP Seniority and Locums | <ul style="list-style-type: none"> £117k overspend | <p>Current overspends on Seniority payments of £55k, Locum Mat/Pat by £50k and PCO other £13k.</p> |
| <ul style="list-style-type: none"> • GP Premises | <ul style="list-style-type: none"> £123k underspend | <p>YTD rent actuals include the planning provision for 1.6% growth that is currently underutilised and there is slippage on the ETTF scheme of £97k.</p> |
| <ul style="list-style-type: none"> • GP Enhanced Services | <ul style="list-style-type: none"> £75k underspend | <p>Extended Hours Access not all practices have signed up result resulting in a £85k underspend. Minor Surgery is above plan by £10k.</p> |
| <ul style="list-style-type: none"> • GPIT | <ul style="list-style-type: none"> £120k underspend | <p>Release of prior year accruals £120k.</p> |
| <ul style="list-style-type: none"> • GP Extended Access | <ul style="list-style-type: none"> £51k underspend | <p>Prescribing underspent by £51k.</p> |
| <ul style="list-style-type: none"> • Primary Care investments | <ul style="list-style-type: none"> £183k overspend | <p>Spend on investments funded from GP General Reserves. Support for 2WW implementation £103k, Pre Diabetes LCS £6k, Estates Consultancy £19k and Lower Limb Wound care £55k.</p> |

- Primary Care Networks £87k underspend Income of £131k has been received for Primary care Networks this is offset by spend of £44k.

2.4 Forecast Outturn

The forecast outturn at month 8 is a favourable variance of £114k. GP General Reserves forecasting underspend of £522k for investments included in locally commissioned schemes overspend of £227k and primary care investments of £295k. GPIT release of prior year accruals £120k.

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 Reserves, Risks and Opportunities

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). This will be kept under review.
- GP Retainer Scheme - nationally funded incentives are increasing the no. of GP's in post.

Opportunities

- Contract Payments – Slough Walk in Centre. The proposed contract payments are £174k within the current year budget.
- 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 – these are still subject to further review.

Net Risks will be funded from reserves.

The table overleaf shows reserves as at the end of November 2018.

Reserves as at end of November 2018

Reserves	£'000's	
0.5% Contingency	284	
Other Reserves	2,314	
Total Reserves	2,598	
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. (Full year £258k. Part year Effect £165k.)	165	Service to commence in September 2018
SAS / Violent Patient Service	20	
Physician Associate (PA) placement funding	10	
Senior Commissioning Manager	51	
Additional Support for Primary Care networks	93	
Winter/Seasonal Pressures	369	
Homeless - improved access to Primary care.		
Continuing to point of evaluation and exit/commissioning plan		
Total	1,187	
Risks -Potential Commitments against Other Reserves	£'000's	
Indemnity Fees	0	
CQC Fees	56	
Section 96 support	0	
Premises reimbursements	0	
Locum cover (Parental/Sickness Leave)	0	
GP Retainer Scheme	0	
Total	56	
Potential Slippage/Opportunities	£'000's	
APMS Contract Payments	174	
Contract Payments	3	
Enhanced Services	131	
Premises Rates Rebate	tbc	
Unutilised Prior Year Accruals - Under review.	0	
Total	308	
Net Gain/(Risks) to be mitigated by reserves	252	
Reserves balance	1,663	