

<b>Primary Care Commissioning Committee</b>							
<b>Date of Meeting</b>	12/03/2019	<b>Paper Number</b>	10				
<b>Title</b>	Financial Report for month 10						
<b>Sponsoring Director</b> (name and job title)	Debbie Fraser, Deputy Director of Finance						
<b>Author(s)</b>	Aysha Hussain, Finance Analyst, NHS England South (South Central) Richard Buckley, Head of Financial Control and CSU Support						
<b>Purpose</b>	To update the committee on the financial position for month 10 of 2018/19 for the primary care commissioning budgets of NHS East Berkshire CCG.						
<b>The Primary Care Commissioning Committee is required to (please tick)</b>							
<b>Approve</b>	<input type="checkbox"/>	<b>Receive</b>	<input type="checkbox"/>	<b>Discuss</b>	<input type="checkbox"/>	<b>Note</b>	X
<b>Risk and Assurance</b> <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			
<b>Legal implications/regulatory requirements</b>				None			
<b>Public Sector Equality Duty</b>				Not Applicable			
<b>Links to the NHS Constitution</b> (relevant patient/staff rights)				None			
<b>Strategic Fit</b>				Not Applicable			
<b>Commercial and Financial Implications</b> <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><b>Quality Focus</b>  <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><b>Clinical Engagement</b>  <i>Outline the clinical engagement that has been undertaken</i></p>	<p>Not Applicable</p>
<p><b>Consultation, public engagement &amp; partnership working implications/impact</b></p>	<p>Not Applicable</p>
<p><b>NHS Outcomes</b>  <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><b>Executive Summary</b>        This report sets out the details up to the end of month 10 (January 2019) for the Primary Care Services Commissioning budgets.</p>	
<p><b><u>Recommendation(s)</u></b></p> <p>The Primary Care Commissioning Committee is asked to <b>note</b> the contents of the report.</p>	

# Primary Care Commissioning Committee

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## **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 10 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
<b>GP Services 2018-19</b>									
GP Contract Payment	3,382	3,374	8	33,815	33,704	111	40,579	40,579	-
QOF Payments	370	370	-	3,701	3,701	-	4,441	4,441	-
GP Seniority and Locums	80	97	(17)	801	948	(147)	962	962	-
GP Drug Payments	25	47	(22)	251	272	(21)	301	301	-
GP Premises	453	453	-	4,530	4,406	124	5,437	5,437	-
GP Enhanced Services	125	115	10	1,251	1,152	99	1,502	1,502	-
GP Other Items	6	6	-	60	60	-	71	71	-
Prior Year Balance	-	-	-	-	-	-	-	-	-
CCG Prescribing	-	-	-	-	(3)	3	-	-	-
Collaborative Fees	9	9	-	87	87	-	104	104	-
GP Premises other	4	4	-	37	37	-	44	44	-
GP General Reserves	(33)	(33)	-	(334)	(334)	-	2,598	2,076	522
Sub-Total	4,421	4,442	(21)	44,199	44,030	169	56,039	55,517	522
<b>Other Primary Care Budgets</b>									
Locally Commissioned Schemes	341	361	(20)	3,415	3,612	(197)	4,100	4,333	(233)
GPIT	203	203	-	1,528	1,408	120	2,074	1,954	120
Out of Hours	392	392	-	3,916	3,916	-	4,699	4,699	-
GP Extended Access	219	88	131	2,201	1,976	225	2,637	2,636	1
Vulnerable Practices Pilot Funding	-	-	-	3	3	-	4	4	-
Primary Care Investments	(27)	76	(103)	(110)	229	(339)	(165)	130	(295)
Primary Care Networks	-	45	(45)	-	(64)	64	-	-	-
Sub-Total	1,128	1,166	(38)	10,953	11,079	(126)	13,349	13,756	(407)
<b>Grand Total</b>	<b>5,549</b>	<b>5,608</b>	<b>(59)</b>	<b>55,152</b>	<b>55,109</b>	<b>43</b>	<b>69,388</b>	<b>69,273</b>	<b>115</b>

## **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 10 is £59k above plan.

## 2.3 Year to Date Position

Overall the YTD position is a favourable variance of £43k with main variances explained below:

- |  |  |  |
|--|--|--|
| <ul style="list-style-type: none"> <li>• GP Contract Payment</li> </ul>          | <ul style="list-style-type: none"> <li>£111k underspend</li> </ul> | <p>Global sum below plan by £11k due to list growth below demographic planning assumption. APMS contract is £155k below plan. PMS Premium payments £46k above plan due to the payment profile differing from the budget profile.</p> |
| <ul style="list-style-type: none"> <li>• GP Seniority and Locums</li> </ul>      | <ul style="list-style-type: none"> <li>£147k overspend</li> </ul>  | <p>Current overspends on Seniority payments of £74k, Locum Mat/Pat by £9k and PCO other by 61k.</p>  |
| <ul style="list-style-type: none"> <li>• GP Premises</li> </ul>                  | <ul style="list-style-type: none"> <li>£124k underspend</li> </ul> | <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 £109k.</p>  |
| <ul style="list-style-type: none"> <li>• GP Enhanced Services</li> </ul>         | <ul style="list-style-type: none"> <li>£99k underspend</li> </ul>  | <p>Extended Hours Access not all practices have signed up result resulting in a £105k underspend. Minor Surgery is above plan by £10k.</p>   |
| <ul style="list-style-type: none"> <li>• GPIT</li> </ul>                         | <ul style="list-style-type: none"> <li>£120k underspend</li> </ul> | <p>Release of prior year accruals £120k.</p>   |
| <ul style="list-style-type: none"> <li>• GP Extended Access</li> </ul>           | <ul style="list-style-type: none"> <li>£225k underspend</li> </ul> | <p>Current underspends on Prescribing of £64k, Pathology courier service £27k, homeless project £28k, IT £27k and GPAF contracts by £65k.</p>  |
| <ul style="list-style-type: none"> <li>• Locally Commissioned Schemes</li> </ul> | <ul style="list-style-type: none"> <li>£197k overspend</li> </ul>  | <p>Anticipatory Care LCS is partly funded from GP general reserves so the overspend is offset by underspend on reserves</p>  |

- |  |                        |   |
|--|------------------------|---|
| <ul style="list-style-type: none"> <li>• Primary Care investments</li> </ul> | <p>£339k overspend</p> | <p>Spend on investments funded from GP General Reserves. Support for 2WW implementation £105k, Pre Diabetes LCS £20k, Estates Consultancy £19k, Lower Limb Wound care £110k and Winter pressure support £77k.</p> |
| <ul style="list-style-type: none"> <li>• Primary Care Networks</li> </ul>    | <p>£64k underspend</p> | <p>Income of £131k has been received for Primary care Networks this is offset by spend of £66k.</p>   |

## 2.4 Forecast Outturn

The forecast outturn at month 10 is a favourable variance of £115k. 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 below 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 January 2019.

## Reserves as at end of January 2019

<b>Reserves</b>	<b>£'000's</b>
0.5% Contingency	284
Other Reserves	2,314
<b>Total Reserves</b>	<b>2,598</b>
<b>Approved Primary Care investments</b>	<b>£'000's</b>
Pre-Diabetes patient care for prevention of diabetes	40
LCS for Anticipatory Care Planning	227
Additional 10% on referral management - support 2WW implementation	132
INR move to Level 4	80
Lower Limb Wound care. (Full year £258k. Part year Effect £165k.)	165
SAS / Violent Patient Service	20
Physician Associate (PA) placement funding	10
Senior Commissioning Manager	51
Additional Support for Primary Care networks	93
GP Chambers	50
Winter/Seasonal Pressures	369
Online Consultation	46
Homeless - improved access to Primary care.	
Continuing to point of evaluation and exit/commissioning plan	
<b>Total</b>	<b>1,283</b>
<b>Risks - Potential Commitments against Other Reserves</b>	<b>£'000's</b>
Indemnity Fees	0
CQC Fees	56
Seniority	85
Section 96 support	0
Premises reimbursements	0
Locum cover (Parental/Sickness Leave)	0
GP Retainer Scheme	0
<b>Total</b>	<b>141</b>
<b>Potential Slippage/Opportunities</b>	<b>£'000's</b>
APMS Contract Payments	174
Contract Payments	3
Enhanced Services	131
Premises Rates Rebate	tbc
Unutilised Prior Year Accruals - Under review.	0
<b>Total</b>	<b>308</b>
<b>Net Gain/(Risks) to be mitigated by reserves</b>	<b>167</b>
<b>Reserves balance</b>	<b>1,482</b>