

Agenda item: 8

Report title: Primary Care Commissioning Committee Finance Update and Month 2 Reporting

Report Author: Rob Ayerst, Head of Finance (Primary & Community Care)

Report Sponsor: Jon Lund, Deputy Director of Finance

1. Background

The purpose of this report is to update the Primary Care Commissioning Committee (PCCC) on the 2019/20 operational budget for Primary Care Services, encompassing both delegated commissioning (devolved Primary Medical Care allocation), and 'other' Primary Care services (as funded from the CCGs Core allocation).

The report also provides an update as on the reported position as at 31st May 2019 as reported to the CCG Governing Body, and the emerging financial risks.

2. 2019/20 Budget Upload

Primary Medical Care Budgets

The CCG has set a balanced financial plan, breaking even against its Primary Care Medical allocation of £ 127.66m, which fulfils the financial and contractual obligations as set out in the five-year framework for GP services as agreed between NHS England and the BMA General Practitioners Committee (GPC) in England, and the 2019/20 NHS England Operational & Planning guidance. Headlines are as follows:

- Planned Expenditure of £129.3m against income allocation of £127.6m, equating to a **planned deficit of £1.7m before additional funding.**
- Assumed slippage of 50% on the number of additional roles appointed to under the Primary Care Network (PCN) Directed Enhanced Service (DES)
- Assumed additional income of £1.7m from NHS England National and Regional teams
- An uncommitted contingency budget of £638K (0.5% of allocation)
- Non-Recurrent Section 96 funding of £170K
- Additional Core PCN funding of £1.50 per head made available from CCG Core allocation

The high-level income and expenditure plan outlined in Table 1 (below), and a full plan, shown at Locality Level is attached as Appendix 1 to this paper.

Table 1: Summary Primary Medical Care Budget Plan 2019/20

Allocation	
Published Delegated Allocations - Final allocation after place-based pace of change	-£131,438,000
Reduction for central indemnity scheme	£3,783,000
Final Notified Delegated Primary Medical Care Allocation	-£127,655,000
Expenditure Plan	
GMS / PMS / APMS Contracts	£90,470,483
Primary Care Network DES	£4,208,621
Premises Costs	£15,056,633
Quality Outcomes Framework (QOF)	£12,180,568
Directed Enhanced Services (DES)	£1,682,403
Locum Costs	£1,800,000
Prescribing & Dispensing Fees	£1,320,394
Other Centrally Funded Costs	£1,792,625
Reserves	
0.5% Contingency	£638,274
Section 96 non-recurrent support	£170,000
Total Expenditure Plan	£129,320,000
Planned Surplus / (Deficit) Before additional Funding	-£1,665,000
Additional Funding	
Anticipated Market Rent Funding Allocation (NHS England Central)	£665,000
Anticipated Funding Allocation (NHS England Regional)	£1,000,000
Assumed Additional Funding	£1,665,000
Planned Surplus / (Deficit) After additional Funding	£0

3. Key Planning Assumptions & Risks

Additional Funding

In order to submit a balanced financial plan, assumptions have been made about additional income to cover the following recurrent costs:

£665K	Premises Costs (as funded in prior years)
£1,000K	Additional funding to cover recurrent costs of locum expenditure not transferred to the CCG on receipt of delegated budgets in 2018/19.

In total there is £1.7m of assumed additional income, which, if not received during 2019/20 will result in the CCG overspending against its allocation.

Slippage on number of additional roles appointed to under Network DES

Slippage of 50% (£866K) has been assumed on the maximum level of reimbursement to practices for additional roles employed appointed to under the Network DES. This is based on the low likelihood that the 31 of each professional staff group (clinical pharmacists and social prescribing link workers) will be employed by Networks and in post from 1st July 2019.

Population Growth

Population growth has been factored into budgets based on ONS forecasts of 0.93% growth in registered populations. If actual population growth exceeds this figure, this will represent an unfunded cost pressure.

Non-Recurrent Section 96 Support

A £170K non-recurrent budget has been set to cover in year practice claims under Section 96.

Mitigation – 0.5% contingency

The CCG has an uncommitted budget of £638K to mitigate against any of the above risks, and any emergent, in-year cost pressures.

4. Primary Care Network (PCN) Funding 2019/20

Applications have been received from 18 PCNs, and each has been sent a funding calculator, summarising the maximum available funding available to them in 2019/20 based on the assumptions that follow. This is summarised in Table 2 below.

Table 2: Indicative Primary Care Network Funding 2019/20

Network Name	Actual List Size as at 1st January 2019	Weighted List Size as at 1st January 2019	Network Participation Payment (Direct to Practices)	£1.761	£37,810	£34,113	£0.514	£1.099	Maximum Network Payment 2019/20
				Weighted	* max of	* max of	Registered	Registered	
Forecast Expenditure 2019/20	1,020,859	963,201	£1,696,197		£911,126	£822,038	£524,722	£1,121,749	£5,075,832
Maximum Number of WTE's					32.13	32.13	5.10		

Network Participation Payment

From April 2019 practices will be able to claim a Network Participation Practice Payment of £1.761 per weighted population for being an active member of a Primary Care Network through signing up to the Network Contract DES, which will be introduced from 1st July 2019. While paid in connection to the PCN DES, this is a payment direct to practices.

Additional Roles (Year 1)

Rather than introduce a capitated sum, between 1 July 2019 until 31 March 2020, every network of at least 30,000 population will be able to claim 70% funding for one additional whole-time equivalent (WTE) clinical pharmacist and 100% funding for one additional WTE social prescribing link worker.

Locally, in order not to penalise practices from grouping at network sizes in excess of 30,000 populations, the CCG will reimburse PCNs on a pro-rate basis, per 30,000 weighted population.

Funding for additional roles is the maximum reimbursable amount for 2019/20. PCNs will be able to claim the relevant percentage reimbursement (70% for Clinical Pharmacists and 100% for Social Prescribing Link Workers) of actual costs up to this maximum amount. It will only be paid at the point Networks can demonstrate that additional staff (over and above the baseline as calculated at 31st March 2019) have been recruited.

Clinical Director

PCNs will be able to claim 0.25WTE per 50,000 registered population funding for a clinical leadership role. This funding is available from July, and equates to £0.514 per registered population.

Extended Hours Access DES

The funding currently associated with the Extended Hours DES will transfer (with the associated responsibilities) to the network from 1st July 2019. This will be provided as an entitlement to the network's nominated bank account of £1.099 per patient in 2019/20, based on the pro-rata number of working days from 1st July to 31st March, multiplied by the new annual reimbursement rate of £1.45 per patient.

Prior to the 1st July, a stand-alone Extended Hours Access DES covering the period 1st April to 30th June will continue as in prior years, reimbursed at £1.90 per patient.

Core PCN Funding

Core PCN funding (for use by the PCN as required) is a payment of £1.50 per registered patient (equating to £0.125 per patient per month). This payment is to be made from CCG core allocations, and as such isn't detailed as a commitment against the Primary Medical Care allocation, but is fully provided for in the CCGs 2019/20 overall financial plan.

5. 'Other' Primary Care Funding (from CCG Core Allocation)

As per previous years, the CCG holds a number of Primary Care budgets within its core allocation. These are summarised in Table 3 below.

A number of adjustments have been made from the initial budget setting plan, to align budgets to 2019/20 contract values, to revised planned expenditure levels, and to reflect practice sign up to revised Local Enhanced Service offers.

Table 3: 'Other' Primary Care Budgets within CCG Core Allocation 2019/20

	2019/20 Opening Budget	LES Budget Setting Adjustments	QIPP Delivery	Contract Alignment	Other Adjustments	Adjusted Budget as at Month 2
Core Primary Care Network Funding (£1.50)	£1,531,289					£1,531,289
GP Forward View	£5,472,000					£5,472,000
BpCAG and Compact	£1,906,461	-£1,906,461				£0
Local Enhanced Services	£2,545,549	£299,466				£2,845,015
Clinical Leads & Membership Engagement	£1,794,640				£112,562	£1,907,201
Out of Hours	£13,724,205			-£255,721		£13,468,484
PMS Review	£5,177,401	-£13,852				£5,163,548
Primary Care Other	£1,212,448		-£41,704		£66,879	£1,237,623
Primary Care Savings Target	-£1,400,000		£1,400,000			£0
Reserve	£0				£338,831	£338,831
Grand Total	£31,963,992	-£1,620,848	£1,358,296	-£255,721	£518,272	£31,963,992

6. Month 2 Reported Position (as at 31st May 2019)

At month 2, BNSSG CCG is reporting a year to date, and forecast breakeven position for all Primary Care budgets. This includes an uncommitted contingency of £638k within delegated budgets. The breakeven position has been reported with the assumptions set out in section 3 of this paper. The risks referred to in this paper may impact on the reported break-even position in future months.

7. Anticipated Allocation Adjustments

GP Forward View (GPFV) Funding

The first iteration of the Primary Medical Care financial plan highlighted the risk that the CCG had yet to have confirmation of additional income streams for the various GPFV programme areas.

Confirmation has now been received that funding for the four GPFV programme areas will be allocated in June 2019 (month 3), for the whole year, to each STP/ICS, rather than to individual CCGs, as one pot of money and not by programme area. The four programme areas, and associated funding for BNSSG in 2019/20 is as follows:

Table 4: GP Forward View Funding to be allocated to CCG in June 2019

GPFV Funding Allocation	2019/20	2020/21
Practice Resilience	£131,393	£139,280
GP Retention	£208,560	£208,920
Reception and Clerical	£170,392	£170,864
Online Consultation	£364,119	£271,500
Practice Nursing		£69,640
Total	£874,464	£860,204

8. Financial resource implications

As set out above

9. Legal implications

There are no legal implications arising from this paper.

10. Risk implications

The risks set out in Section 3 above highlight the key risks inherent in the Primary Care plan for 2019/20. Any emerging risks that may have further financial implications for delivering a break-even position against budget in 2019/20 will be highlighted in future Finance reports.

11. Implications for health inequalities

None to note

12. Implications for equalities (Black and Other Minority Ethnic/Disability/Age Issues)

None to note

13. Consultation and Communication including Public Involvement

Commissioners will work with practices to ensure communications to patients are robust, ensuring patients are aware of where and when they can access services across a PCN.

14. Recommendations

The committee is asked to note the following:

- Note the confirmed Primary Care Medical revenue resource limit for 2019/20 of £127,655K
- Note the financial planning assumptions as outlined above and the expenditure plan totaling £129.3m before additional income as summarised in Table 1 above, and detailed in Appendix 1
- Note that a balanced plan has been submitted based on the assumption that the CCG will receive an additional £1.7m of income
- Note the other risks to delivery of this plan as outlined in Section 5 above

Appendices

- i. Appendix 1 - BNSSG Primary Care Medical Budgets 2019/20 (summarised at Locality level)
- ii. Appendix 2 - BNSSG 'Other' Primary Care Budgets 2019/20

Appendix 1 - BNSSG Primary Care Medical Budgets 2019/20
Locality Summary

		North & West Bristol	Inner City & East Bristol	South Bristol	Woodspring	Worle Weston Villages	SG Locality	Central Budgets	BNSSG
Population Data	Weighted Population as at 31st January 2019	177,059	154,232	161,219	122,784	101,500	246,407		963,201
	Registered Population as at 31st January 2019	198,454	162,508	166,112	127,569	94,207	272,009		1,020,859
	Carr-Hill Weighting	0.89	0.95	0.97	0.96	1.08	0.91		0.94
Allocation	Published Delegated Allocations - Final allocation after place-based pace of change								-£131,438,000
	Reduction for central indemnity scheme								£3,783,000
									-£127,655,000
Contracts	GMS Global Sum	£1,287,732	£2,432,269	£4,651,213	£6,460,116	£1,954,273	£257,890	£0	£17,043,492
	Minimum Practice Income Guarantee (MPIG)	£24,653	£0	£1,544	£6,483	£0	£1,745	£0	£34,425
	Seniority Payments	£18,494	£16,460	£53,801	£76,199	£29,377	£8,363	£0	£202,693
	PMS Contract Values	£13,399,174	£8,549,970	£9,267,550	£4,174,503	£6,344,908	£19,859,219	£0	£61,595,324
	Seniority Payments	£142,012	£87,478	£105,906	£43,836	£33,929	£212,490	£0	£625,651
	PMS Premium	£385,915	£184,124	£313,639	£152,402	£38,965	£599,775	£0	£1,674,820
	PMS Premium Reinvestment	£0	£0	£0	£0	£0	£0	£2,700,000	£2,700,000
	APMS Contract Value	£652,623	£2,776,322	£0	£0	£946,940	£1,486,241	£0	£5,862,126
	APMS Contract Premium	£150,000	£442,675	£0	£0	£0	£139,276	£0	£731,951
		£16,060,603	£14,489,298	£14,393,653	£10,913,538	£9,348,392	£22,564,999	£2,700,000	£90,470,483
Primary Care Network Contract DES	Network Participation Payment	£311,801	£271,603	£283,907	£216,223	£178,742	£433,922	£0	£1,696,197
	Additional Roles - Clinical Pharmacist	£167,365	£145,788	£152,393	£116,062	£95,943	£232,916	£0	£910,466
	Additional Roles - Social Prescribing Link Worker	£151,000	£131,533	£137,492	£104,713	£86,562	£210,142	£0	£821,442
	Assumed Slippage on Additional Roles (50%)	£0	£0	£0	£0	£0	£0	-£865,954	-£865,954
	PCN GP Clinical Leadership	£102,005	£83,529	£85,382	£65,570	£48,422	£139,813	£0	£524,722
	Extended Hours Access DES (from July)	£218,067	£178,568	£182,529	£140,176	£103,517	£298,891	£0	£1,121,749
		£950,238	£811,021	£841,702	£642,745	£513,186	£1,315,683	-£865,954	£4,208,621
Premises Costs	Rent	£1,649,716	£1,410,120	£1,249,640	£1,489,888	£717,310	£2,900,929	£0	£9,417,602
	Rates	£209,099	£110,269	£109,567	£212,059	£122,100	£396,560	£246,629	£1,406,283
	Service Charges	£1,028,594	£953,632	£526,018	£0	£0	£0	£0	£2,508,244
	Water Rates	£0	£0	£0	£0	£0	£0	£113,452	£113,452
	Clinical Waste	£0	£0	£0	£0	£0	£0	£763,791	£763,791
	Voids	£0	£0	£0	£0	£0	£0	£847,261	£847,261
			£2,887,409	£2,474,021	£1,885,225	£1,701,947	£839,410	£3,297,489	£1,971,133
Quality Outcomes Framework	Aspiration Payments	£1,455,649	£1,167,877	£1,516,903	£1,223,982	£1,018,532	£2,143,455	£0	£8,526,398
	Achievement	£623,850	£500,519	£650,101	£524,564	£436,514	£918,624	£0	£3,654,170
		£2,079,499	£1,668,395	£2,167,004	£1,748,546	£1,455,046	£3,062,079	£0	£12,180,568
Directed Enhanced Services (DES)	Extended Hours	£87,996	£72,246	£77,850	£32,926	£14,954	£91,904	£0	£377,875
	Minor Surgery	£111,941	£108,789	£185,414	£38,735	£71,550	£286,738	£0	£803,167
	Learning Disabilities	£68,903	£55,533	£39,620	£35,373	£26,950	£62,347	£45,463	£334,190
	Patient Participation	£0	£0	£0	£0	£0	£0	£92,170	£92,170
	Violent Patients	£0	£0	£75,000	£0	£0	£0	£0	£75,000
		£268,840	£236,568	£377,884	£107,034	£113,454	£440,989	£137,633	£1,682,403
Locum Costs	Locum Costs (Adoption / Maternity / Paternity Leave)	£0	£0	£0	£0	£0	£0	£521,000	£521,000
	Locum Costs (Sickness Cover)	£0	£0	£0	£0	£0	£0	£1,279,000	£1,279,000
		£0	£0	£0	£0	£0	£0	£1,800,000	£1,800,000
Prescribing & Dispensing Fees	Prescribing & Dispensing Costs	£125,518	£86,802	£110,502	£309,923	£91,045	£553,503	£0	£1,277,294
	Dispensing Quality Scheme	£0	£0	£0	£0	£0	£0	£43,100	£43,100
		£125,518	£86,802	£110,502	£309,923	£91,045	£553,503	£43,100	£1,320,394
Other Centrally Funded Costs	Connecting Care	£0	£0	£0	£0	£0	£0	£351,000	£351,000
	Improving Access to General Practice	£0	£0	£0	£0	£0	£0	£369,396	£369,396
	Doctors Retainer Scheme	£38,943	£27,856	£57,734	£14,769	£23,505	£56,789	£0	£219,596
	CQC Fees	£0	£0	£0	£0	£0	£0	£500,000	£500,000
	Sterile Products	£0	£0	£0	£0	£0	£0	£175,000	£175,000
	IUCD	£0	£0	£0	£0	£0	£0	£177,633	£177,633
		£38,943	£27,856	£57,734	£14,769	£23,505	£56,789	£1,573,029	£1,792,625
Reserves	0.5% Contingency	£0	£0	£0	£0	£0	£0	£638,274	£638,274
	Section 96 non-recurrent support	£0	£0	£0	£0	£0	£0	£170,000	£170,000
	Reserve	£0	£0	£0	£0	£0	£0	-£1,665,000	-£1,665,000
		£0	£0	£0	£0	£0	£0	-£856,726	-£856,726
Grand Total		£22,411,052	£19,793,960	£19,833,703	£15,438,502	£12,384,037	£31,291,531	£4,702,216	£127,655,000

Appendix 2 - BNSSG 'Other' Primary Care Budgets (Core Allocation) 2019/20

Locality Summary

	2019/20 Opening Budget	LES Budget Setting	QIPP Delivery	Contract Adjustments	Other Adjustments	Budget as at Month 2
Primary Care Networks						
Core £1.50 PCN Funding	£1,531,289					£1,531,289
Primary Care Networks Total	£1,531,289					£1,531,289
GP Forward View						
Improved Access	£5,472,000					£5,472,000
GP Forward View Total	£5,472,000					£5,472,000
BpCAG and Compact						
BPCAg Clinical Resource Lead	£64,846	-£64,846				£0
BPCAg Over 75's & Mental Health	£1,445,798	-£1,445,798				£0
SG Compact Referral Mgmt & Performance	£395,817	-£395,817				£0
BpCAG and Compact Total	£1,906,461	-£1,906,461				£0
Local Enhanced Services						
Anti-Coagulation LES	£632,269	-£32,269				£600,000
Care Home LES	£827,256	£226,644				£1,053,900
Dementia LES	£205,860	£201,855				£407,715
Diabetes Insulin LES	£118,644	-£56,144				£62,500
Minor Injuries LES	£97,622		-£97,622			-£0
Near Patient Testing LES	£663,899	£10,802				£674,700
Deep vein thrombosis	£0	£46,200				£46,200
Local Enhanced Services Total	£2,545,549	£397,088	-£97,622			£2,845,015
Clinical Leads & Membership Engagement						
Clinical Leads	£973,325					£973,325
GP Commissioning Locality Meetings	£176,770					£176,770
LLG Membership	£567,499				£112,562	£680,061
Locality Leadership Group (non-pay)	£2,059					£2,059
Nurse Forums	£14,731					£14,731
Practice Education	£51,401					£51,401
Practice Manager Forums	£8,854					£8,854
Clinical Leads & Membership Engagement Total	£1,794,640				£112,562	£1,907,201
Out of Hours						
GPSU & GPST	£973,188					£973,188
NHS 111 Service (Care UK Contract)	£3,932,869			£88,679		£4,021,548
Out of Hours (BrisDoc Contract)	£8,818,148			-£344,400		£8,473,748
Out of Hours Total	£13,724,205			-£255,721		£13,468,484
PMS Review						
Additional Basket of Procedures	£44,478	-£830				£43,648
BCH Admin Staff	£46,902	-£1,335				£45,567
Counselling	£5,036	-£143				£4,893
PMS review	£4,675,383					£4,675,383
Primary Care Offer	£209,280	-£5,956				£203,324
Treatment Rooms	£196,322	-£5,588				£190,734
PMS Review Total	£5,177,401	-£13,852				£5,163,549
Primary Care Other						
111 Reprourement	£144,586					£144,586
Care of Homeless LES	£41,704		-£41,704			£0
Connecting Care	£265,762					£265,762
Hartcliffe Chiro	£24,055				-£758	£23,297
Other	£7,625					£7,625
Referral Service	£710,028				£67,637	£777,665
Weston Primary Care Transformation	£18,688					£18,688
Primary Care Other Total	£1,212,448		-£41,704		£66,879	£1,237,623
Primary Care Savings Target						
Primary Care Savings Target 2018/19	-£1,400,000		£1,400,000			£0
Primary Care Savings Target Total	-£1,400,000		£1,400,000			£0
Reserve						
Primary Care Reserve	£0				£338,831	£338,831
Primary Care Reserve Total	£0				£338,831	£338,831
Grand Total	£31,963,992	-£1,523,226	£1,260,674	-£255,721	£518,272	£31,963,992