

Primary Care Commissioning Committee (PCCC)

Date: Thursday 3rd January

Time: 1-2.30pm

Location: Vassall Centre, Gill Avenue, Bristol, BS16 2QQ

Agenda number: 9

Report title: Primary Care Finance Report as at 30th November 2018 (Month 8)

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Report Sponsor: Rob Moors (Deputy Chief Finance Officer)

1. Purpose

To update Primary Care Commissioning Committee on the latest reported financial position for all BNSSG CCG primary care budgets).

2. Resource Allocation

The delegated allocation received from NHSE totalled £122,813k. There have been no allocation changes in Month 8. The current budget and transfers are shown in the following table:

		Delegated Primary Care	Other Primary Care	TOTAL Allocation
Opening Budget	As at Month 2	£122,813	£18,404	£141,217
Month 3 Allocation Changes	Improving Access Transfer	(£704)	£704	£0
Month 6 Allocation Changes	PMS Premium Reinvestment	(£1,350)	£1,350	£0
Month 8 Allocation Changes	Market Rent Funding	£665	£0	£665
Current Budget (month 8)		£121,424	£20,458	£141,882

In line with National planning guidance, 0.5% of the total delegated commissioning budget must be held as a non-recurrent contingency (£614k).

In addition to this, £209K of the funding allocation was uncommitted at planning stage, and a further £318k has been subsequently identified where Improved Access funding was budgeted for at a level higher than the national requirement. There is a total of £527k held in reserves.

An allocation of £665k was received in month 8 in relation to the market rent increases. This allocation was previously reported as a risk, but has now been removed upon receipt of the funding.

3. Reported Financial Position as at 30th November 2018 (month 8)

3.1 Delegated Primary Care

Year to Date Position

At Month 8 (30th November 2018), there is a year to date overspend of £28K against a year to date budget of £80,949K:

Variances: underspend / (overspend)

Delegated Primary Care	Annual Budget £'000K	Year to Date Budget £'000K	Year to Date Actuals £'000K	Year to Date Variance £'000K	Sum of Forecast Out-turn £'000K	Forecast Out-turn Variance £'000K	Prior Month Forecast Variance £'000K	Forecast Variance Movement £'000K	
Contract (GMS/PMS/APMS)	86,820	57,880	57,707	173	86,573	247	247	0	↑
Premises Costs	14,444	9,629	9,736	(107)	14,564	(120)	(120)	0	↑
DES	3,062	2,042	2,042	(0)	3,062	0	0	0	→
Quality Outcomes Framework (QOF)	11,684	7,789	7,789	0	11,684	0	0	0	→
Locums	715	477	1,200	(723)	1,800	(1,085)	(785)	(300)	↓
Prescribing	1,252	834	834	(0)	1,252	0	0	0	→
Other	2,305	1,537	1,612	(75)	2,417	(112)	0	(112)	↓
0.5% Contingency	614	409	58	351	72	542	131	411	↑
Other Reserves	527	352	0	352	0	527	527	0	↑
Grand Total	121,424	80,949	80,978	(28)	121,424	0	0	(0)	

The headline variances (shown in Table 1 above) are described in more detail below, and the detailed delegated commissioning finance table can be found in Appendix 1.

GMS/PMS/APMS Contract - £173K year to date underspend

Average Growth of 0.8% has been built into practice budgets to reflect anticipated list size changes over the course of the year reflecting new patient registrations. Actual growth is averaging 0.3%, resulting in a year to date underspend of £173K.

Premises Costs - £107K year to date overspend

The main driver behind the year to date premises costs overspend is an increase in the service charge levied on practices by CHP.

Locum Costs - £723K year to date overspend

Year to date expenditure on locums is £1,200K against a year to date budget of £477K. NHSE have advised that current expenditure levels reflect the underlying demand for locums and as such should be considered recurrent. The forecast position at month 8 has therefore been increased by £300k to reflect this. Financial planning for 2019-20 will also reflect this.

Other - £75k year to date overspend

The year to date and forecast overspend on this line is caused by an increase in the reimbursable amount for CQC fees in 2018/19. This had not been reflected in the original planning for 2018/19 and results in a £112k pressure against budget.

Contingency - £351k year to date underspend

An additional £411k of the contingency has been released in month 8 to offset against the above cost pressures. £542k of the contingency has now been utilised, with £72k remaining uncommitted.

Other Reserves - £352K year to date underspend

The reserves have been fully utilised to off-set against the above cost pressures. Uncommitted reserves of £352K year to date are off-setting the above cost pressures.

Forecast Out-turn - breakeven

The forecast out-turn position remains at break-even at the end of Month 8.

3.2 Other Primary Care

Year to Date Position

At the end of Month 8 (30th November 2018), there is a year to date overspend of £796K against a year to date budget of £23,038K (3.4%).

Variances: underspend / (overspend)

Other Primary Care	Annual Budget £'000K	Year to Date Budget £'000K	Year to Date Actuals £'000K	Year to Date Variance £'000K	Sum of Forecast Out-turn £'000K	Forecast Out-turn Variance £'000K	Prior Month Forecast Variance £'000K	Forecast Variance Movement £'000K	
Out of Hours	13,353	8,900	9,766	(866)	14,605	(1,252)	(1,127)	(125)	↓
GP Forward View	7,626	5,084	4,877	207	7,316	310	310	0	→
PMS Review	6,370	4,246	4,249	(3)	6,370	0	0	0	→
Local Enhanced Services	2,916	1,944	1,838	106	2,796	120	120	0	→
BpCAG and Compact	1,838	1,225	1,224	1	1,838	0	0	0	→
Clinical Leads & Membership	2,022	1,348	1,387	(39)	2,022	0	0	0	→
Primary Care Other	843	457	493	(36)	975	(133)	(150)	17	↑
Savings Target 2018/19	-298	-168	0	(168)	-298	0	0	0	→
Grand Total	34,671	23,038	23,834	(796)	35,625	(954)	(847)	(108)	

The headline variances (shown in Table 2 above) are detailed below, and the detailed finance table can be found in Appendix 2.

Out of Hours - £866K year to date overspend

Previous contracts for both the 111 service and the Out of Hours service came to an end on the 31st March 2018. In order to ensure continuity of service ahead of the reprocurement of the IUC CAS service from April 2019, both contracts have been extended for a further year.

In order for these contracts to be viable for a one year extension there was significant investment agreed to the block contract values, which will result in a non-recurrent £1.25m overspend against budget. The year to date position reflecting this is a £866K overspend.

The forecast overspend has increased by £125k from the previous month, reflecting a charge received for costs associated with administering the 111 contract.

GP Forward View - £207K year to date underspend

GP Forward View Funding includes Improved Access funding (£5.6m), the second tranche of practice transformation funds (£3/head, £1.5m total), and funding for reception and clerical training and on-line consultations (£0.5m).

Improved Access is currently contracted for through OneCare, and includes claw-back of funding for under delivery against the additional 45 minutes/'000 population target. Quarter 1 performance averaged 93% delivery and Quarter 2 performance averaged 90% delivery, resulting in a year to date underspend of £207K.

Local Enhanced Services - £106K year to date underspend

The Local Enhanced Services are showing a £106K year to date underspend. This is a result of a decrease in Anti-Coagulation activity owing to patients being switched from the Warfarin drug that requires the monitoring.

A forecast underspend of £120K is reported as a result of this.

Primary Care Other - £36k year to date overspend

The year to date overspend of £36k relates to the ongoing costs associated with the 111 reprocurement process.

Forecast Out-turn – (£954K overspend)

This reflects the non-recurrent pressures on the 1-year extension of the OOH and 111 contracts, as well as the other factors described above.

4. System Financial Recovery

As part of the CCG recovery programme, and in line with the financial plan agreed with NHSE, the CCG has a requirement to deliver £37m of savings in 2018/19 (approximately 3% of the total CCG allocation).

As part of this plan, there is a savings target of £500k to be delivered from the Primary Care budget (with a £1million full-year effect to be achieved in 2019/20). This equates to less than 0.4% of the total primary care budget this year, and 0.7% recurrently.

BPCAg and Compact contracts have been extended to March 2019, with a revised 30% reduction in payments to practice (alongside a reduced activity requirement where applicable) from November 2018, delivering a non-recurrent saving of £202K.

It is expected that the remainder of the savings this year will be found non-recurrently due to under-performance against Improved Access targets in April - September, which means a claw-back of funding through contractual routes.

5. Risk and Mitigations

Risks:

- GP Pay Award – 1% announced in April (funded within budgets), further 1% announced in July (currently unfunded), has been transacted as an uplift to Global Sum payment. Approximate £1m cost pressure if no further funding awarded.

Mitigations:

None

6. Summary and Recommendations

The Primary Care Commissioning Committee is asked to;

- note the current financial position, the key risks, issues and mitigations.

Appendix 1

Delegated Primary Care Month End Report 30th November 2018 (Month 8)

	Annual Budget £'000K	Year to Date Budget £'000K	Year to Date Actuals £'000K	Year to Date Variance £'000K	Sum of Forecast Out-turn £'000K	Forecast Out-turn Variance £'000K	Prior Month Forecast Variance £'000K	Forecast Variance Movement £'000K	
Contract									
PMS Contract Value	63,628	42,418	40,699	1,719	61,048	2,580	2,580	0	⇒
PMS Premium	3,350	2,233	9,913	(7,680)	3,350	0	0	0	⇒
GMS Contract Value	12,597	8,398	3,829	4,569	14,869	(2,272)	(2,272)	0	⇒
MPIG (GMS only)	69	46	46	(0)	69	0	0	0	⇒
APMS Contract Value	5,683	3,789	628	3,161	5,743	(60)	(60)	0	⇒
APMS Premium	942	628	2,233	(1,605)	942	0	0	0	⇒
Section 96 Support	553	368	359	9	553	0	0	0	⇒
Contract Total	86,820	57,880	57,707	173	86,573	247	247	0	⇒
Premises									
Rent	8,955	5,970	5,879	91	8,885	70	70	0	⇒
Assumed Market Rent Funding	-67	-44	0	(44)	-67	0	0	0	⇒
Rates	1,431	954	938	16	1,406	24	24	0	⇒
Service Charges	2,401	1,601	1,770	(169)	2,656	(255)	(255)	0	⇒
Water Rates	113	75	75	0	113	0	0	0	⇒
Voids & Subsidies	847	565	565	(0)	847	0	0	0	⇒
Clinical Waste	764	509	509	0	723	41	41	0	⇒
Premises Total	14,444	9,629	9,736	(107)	14,564	(120)	(120)	0	⇒
DES									
Extended Hours	1,757	1,171	1,171	(0)	1,757	0	0	0	⇒
Learning Disability	334	223	223	0	334	0	0	0	⇒
Minor Surgey	803	535	535	(0)	803	0	0	0	⇒
Patient Participation	92	61	61	0	92	0	0	0	⇒
Violent Patients	76	50	50	0	76	0	0	0	⇒
DES Total	3,062	2,042	2,042	(0)	3,062	0	0	0	⇒
QOF									
Achievement	3,809	2,540	2,091	449	3,133	676	676	0	⇒
Aspiration	7,875	5,250	5,698	(449)	8,550	(676)	(676)	0	⇒
QOF Total	11,684	7,789	7,789	(0)	11,684	(0)	(0)	0	⇒
Locum Spend									
Locum Sick/Adop/Mat/Pat Pay	715	477	1,200	(723)	1,800	(1,085)	(785)	(300)	↓
Locum Total	715	477	1,200	(723)	1,800	(1,085)	(785)	(300)	↓
Prescribing Spend									
Dispensing Fees	667	445	445	0	667	0	0	0	⇒
Prescribing Fees	676	450	450	0	676	0	0	0	⇒
Prescribing Income	-134	-89	-89	0	-134	0	0	0	⇒
Quality Scheme	43	29	29	(0)	43	0	0	0	⇒
Prescribing Spend Total	1,252	834	834	(0)	1,252	0	0	0	⇒
Delegated Primary Care Other									
Connecting Care and LMC	351	234	234	0	351	0	0	0	⇒
CQC Fees Reimbursement	400	266	333	(67)	500	(100)	0	(100)	↓
IUCD	166	111	118	(8)	178	(12)	0	(12)	↓
Seniority	1,021	681	681	(0)	1,021	0	0	0	⇒
Sterile Products	175	117	117	(0)	175	0	0	0	⇒
GP Retainers	193	128	128	(0)	193	0	0	0	⇒
Primary Care Other Total	2,305	1,537	1,612	(75)	2,417	(112)	0	(112)	↓
Reserves									
Contingency	614	409	58	351	72	542	130	412	↑
Other Reserves	527	352	0	352	0	527	527	0	⇒
Reserves Total	1,141	761	58	703	72	1,069	657	412	↑
Delegated Grand Total	121,424	80,949	80,978	(28)	121,424	0	0	0	⇒

Appendix 2

Other' Primary Care Month End Report 30th November 2018 (Month 8)

	Annual Budget £'000K	Year to Date Budget £'000K	Year to Date Actuals £'000K	Year to Date Variance £'000K	Sum of Forecast Out-turn £'000K	Forecast Out-turn Variance £'000K	Prior Month Forecast Variance £'000K	Forecast Variance Movement £'000K	
Out of Hours									
Out of Hours (BrisDoc Contract)	8,868	5,912	6,038	(126)	9,058	(190)	(190)	0	⇒
NHS 111 Service (Care UK Contract)	2,837	1,891	2,653	(762)	3,933	(1,096)	(971)	(125)	↓
GPSU & GPST	1,648	1,097	1,075	22	1,614	34	34	0	⇒
Out of Hours Total	13,353	8,900	9,766	(866)	14,605	(1,252)	(1,127)	(125)	↓
GP Forward View									
Improved Access	5,672	3,781	3,573	208	5,362	310	310	0	⇒
LTS Phase 1	1,450	967	967	(0)	1,450	0	0	0	⇒
Online consultations	334	223	223	(0)	334	0	0	0	⇒
Reception and Clerical Training	170	114	114	(0)	170	0	0	0	⇒
GP Forward View Total	7,626	5,084	4,877	207	7,316	310	310	0	⇒
PMS Review									
PMS review	4,884	3,256	3,257	(1)	4,884	0	0	0	⇒
Treatment Rooms	935	623	624	(1)	935	0	0	0	⇒
Primary Care Offer	407	271	271	0	407	0	0	0	⇒
BCH Admin Staff	91	61	61	(0)	91	0	0	0	⇒
Additional Basket of Procedures	43	29	29	(0)	43	0	0	0	⇒
Counselling	10	7	7	(0)	10	0	0	0	⇒
PMS Review Total	6,370	4,246	4,249	(3)	6,370	0	0	0	⇒
Local Enhanced Services									
Care Home LES	804	536	527	9	804	0	0	0	⇒
Anti-Coagulation LES	749	499	417	82	629	120	120	0	⇒
Near Patient Testing LES	656	437	433	4	656	0	0	0	⇒
Minor Injuries LES	355	237	227	10	355	0	0	0	⇒
Dementia LES	220	147	147	(0)	220	0	0	0	⇒
Diabetes Insulin LES	91	61	60	1	91	0	0	0	⇒
Care of Homeless LES	41	27	27	0	41	0	0	0	⇒
Local Enhanced Services Total	2,916	1,944	1,838	106	2,796	120	120	0	⇒
BpCAG and Compact									
BpCAG Over 75's & Mental Health	1,405	936	936	0	1,405	0	0	0	⇒
SG Compact Referral Mgmt & Performance	400	267	266	1	400	0	0	0	⇒
BpCAG Clinical Resource Lead	33	22	22	0	33	0	0	0	⇒
BpCAG and Compact Total	1,838	1,225	1,224	1	1,838	0	0	0	⇒
Clinical Leads & Membership Engagement									
Clinical Leads	1,189	793	815	(22)	1,189	0	0	0	⇒
LLG Membership	580	386	408	(22)	580	0	0	0	⇒
GP Commissioning Locality Meetings	172	114	114	0	172	0	0	0	⇒
Practice Education	50	33	33	0	50	0	0	0	⇒
Nurse Forums	14	10	10	(0)	14	0	0	0	⇒
Locality Leadership Group (non-pay)	9	6	1	5	9	0	0	0	⇒
Practice Manager Forums	9	6	6	(0)	9	0	0	0	⇒
Clinical Leads & Membership Engagement Total	2,022	1,348	1,387	(39)	2,022	0	0	0	⇒
Primary Care Other									
Referral Service	483	322	285	37	483	0	0	0	⇒
Collaborative Payments	0	0	-0	0	0	0	0	0	⇒
Connecting Care	266	72	72	0	266	(0)	0	(0)	↓
Weston Primary Care Transformation	64	43	43	(0)	64	0	0	0	⇒
Hartcliffe Chiro	24	16	12	4	24	0	0	0	⇒
111 Reprocrement	18	12	94	(82)	150	(132)	(150)	18	↑
Other	13	8	3	5	13	(0)	0	(0)	↓
Asylum Seekers	-24	-16	-16	(0)	-24	0	0	0	⇒
Primary Care Savings Target 2018/19	-298	-168	0	(168)	-298	0	0	0	⇒
Primary Care Other Total	545	289	493	(204)	677	(133)	(150)	17	↑
Grand Total	34,671	23,038	23,834	(796)	35,625	(954)	(847)	(108)	↓