

Primary Care Commissioning Committee (PCCC)

Date: Tuesday 29th January 2019

Time: 9-11am

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

Agenda number: 9

**Report title: Primary Care Finance Report as at 31st
December 2018 (Month 9)**

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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 as at 31st December 2018 (Month 9).

2. Resource Allocation

The delegated allocation received from NHSE totalled £122,813k. There have been no allocation changes in Month 9. 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 9)		£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.

3. Reported Financial Position as at 31st December 2018 (month 9)

3.1 Delegated Primary Care

Year to Date Position

At Month 9 (31st December 2018), there is a year to date overspend of £31K against a year to date budget of £91,068K:

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	65,115	64,929	186	86,573	247	247	0
Premises Costs	14,444	10,833	10,954	(121)	14,564	(120)	(120)	0
DES	3,062	2,297	2,297	(0)	3,062	0	0	0
Quality Outcomes Framework (QOF)	11,684	8,763	8,763	(0)	11,684	0	0	0
Locums	715	536	1,350	(814)	1,800	(1,085)	(1,085)	0
Prescribing	1,252	939	939	(0)	1,252	0	0	0
Other	2,305	1,729	1,813	(84)	2,417	(112)	(112)	0
0.5% Contingency	614	461	54	407	72	542	542	0
Other Reserves	527	395	0	395	0	527	527	0
Grand Total	121,424	91,068	91,099	(31)	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 - £186K 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 £186K.

Premises Costs - £121K 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 - £814K year to date overspend

Year to date expenditure on locums is £1,350K against a year to date budget of £536K. NHSE have advised that current expenditure levels reflect the underlying demand for locums and as such should be considered recurrent. Financial planning for 2019-20 will therefore reflect this.



Other - £84k 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 - £407k year to date underspend

£542k of the contingency has now been utilised to offset against the above pressures, with £72k remaining uncommitted.

Other Reserves - £395K year to date underspend

Uncommitted reserves of £395K year to date are off-setting the above cost pressures. The reserve budget of £527k is forecast to be fully utilised to off-set these pressures.

Forecast Out-turn - breakeven

The forecast out-turn position remains at break-even at the end of Month 9.

3.2 Other Primary Care

Year to Date Position

At the end of Month 9, there is a year to date overspend of £881K against a year to date budget of £26,050K (3.4%).

Variations: 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	10,013	10,952	(939)	14,605	(1,252)	(1,252)	0	⇒
GP Forward View	7,626	5,720	5,488	232	7,316	310	310	0	⇒
PMS Review	6,370	4,777	4,777	0	6,370	0	0	0	⇒
Local Enhanced Services	2,916	2,187	2,097	90	2,796	120	120	0	⇒
BpCAG and Compact	1,838	1,379	1,379	0	1,838	0	0	0	⇒
Clinical Leads & Membership	1,856	1,392	1,352	40	1,856	0	0	0	⇒
Primary Care Other	1,045	783	885	(102)	1,177	(133)	(133)	0	⇒
Savings Target 2018/19	-298	-201	0	(201)	-298	0	0	0	⇒
Grand Total	34,706	26,050	26,930	(881)	35,660	(954)	(955)	0	

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 - £939K 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 £939K overspend.

GP Forward View - £232K 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 £232K.

Local Enhanced Services - £90K year to date underspend

The Local Enhanced Services are showing a £90K 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 - £102k year to date overspend

The year to date overspend of £102k relates to the ongoing costs associated with the 111 re-procurement 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 – Funding has been received in month 9 to off-set against the GP pay award pressures previously reported. The risk has therefore been removed for 2018/19, however, as the funding was non-recurrent, a risk still exists around funding the pay award in 2019/20.

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 31st December 2018 (Month 9)

	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	47,721	45,786	1,935	61,048	2,580	2,580	0 →
PMS Premium	3,350	2,512	2,512	0	3,350	0	0	0 →
GMS Contract Value	12,597	9,448	11,152	(1,704)	14,869	(2,272)	(2,272)	0 →
MPIG (GMS only)	69	52	52	(0)	69	0	0	0 →
APMS Contract Value	5,683	4,262	4,307	(45)	5,743	(60)	(60)	0 →
APMS Premium	942	706	706	0	942	0	0	0 →
Section 96 Support	553	414	414	0	553	0	0	0 →
Contract Total	86,820	65,115	64,929	186	86,573	247	247	0 →
Premises								
Rent	8,955	6,716	6,614	102	8,885	70	70	0 →
Assumed Market Rent Funding	-67	-50	0	(50)	-67	0	0	0 →
Rates	1,431	1,073	1,055	18	1,406	24	24	0 →
Service Charges	2,401	1,801	1,992	(191)	2,656	(255)	(255)	0 →
Water Rates	113	85	85	(0)	113	0	0	0 →
Voids & Subsidies	847	635	635	0	847	0	0	0 →
Clinical Waste	764	573	573	(0)	723	41	41	0 →
Premises Total	14,444	10,833	10,954	(121)	14,564	(120)	(120)	0 →
DES								
Extended Hours	1,757	1,318	1,318	(0)	1,757	0	0	0 →
Learning Disability	334	251	251	(0)	334	0	0	0 →
Minor Surgery	803	602	602	0	803	0	0	0 →
Patient Participation	92	69	69	0	92	0	0	0 →
Violent Patients	76	57	57	(0)	76	0	0	0 →
DES Total	3,062	2,297	2,297	(0)	3,062	0	0	0 →
QOF								
Achievement	3,809	2,857	2,352	505	3,133	676	676	0 →
Aspiration	7,875	5,906	6,411	(505)	8,550	(676)	(676)	0 →
QOF Total	11,684	8,763	8,763	(0)	11,684	(0)	(0)	0 →
Locum Spend								
Locum Sick/Adop/Mat/Pat Pay	715	536	1,350	(814)	1,800	(1,085)	(1,085)	0 →
Locum Total	715	536	1,350	(814)	1,800	(1,085)	(1,085)	0 →
Prescribing Spend								
Dispensing Fees	667	500	500	0	667	0	0	0 →
Prescribing Fees	676	507	507	(0)	676	0	0	0 →
Prescribing Income	-134	-100	-100	(0)	-134	0	0	0 →
Quality Scheme	43	32	32	0	43	0	0	0 →
Prescribing Spend Total	1,252	939	939	(0)	1,252	0	0	0 →
Delegated Primary Care Other								
Connecting Care and LMC	351	263	263	0	351	0	0	0 →
CQC Fees Reimbursement	400	300	375	(75)	500	(100)	(100)	0 →
IUCD	166	124	133	(9)	178	(12)	(12)	0 →
Seniority	1,021	766	766	0	1,021	0	0	0 →
Sterile Products	175	131	131	0	175	0	0	0 →
GP Retainers	193	145	145	0	193	0	0	0 →
Primary Care Other Total	2,305	1,729	1,813	(84)	2,417	(112)	(112)	0 →
Reserves								
Contingency	614	461	54	407	72	542	542	0 →
Other Reserves	527	395	0	395	0	527	527	0 →
Reserves Total	1,141	856	54	802	72	1,069	1,069	0 →
Delegated Grand Total	121,424	91,068	91,099	(31)	121,424	0	0	0 →

Appendix 2

'Other' Primary Care Month End Report 31st December 2018 (Month 9)

	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	6,651	6,792	(141)	9,058	(190)	(190)	0	⇒
NHS 111 Service (Care UK Contract)	2,837	2,128	2,950	(822)	3,933	(1,096)	(1,096)	0	⇒
GPSU & GPST	1,648	1,234	1,210	24	1,614	34	34	0	⇒
Out of Hours Total	13,353	10,013	10,952	(939)	14,605	(1,252)	(1,252)	0	⇒
GP Forward View									
Improved Access	5,672	4,254	4,022	232	5,362	310	310	0	⇒
LTS Phase 1	1,450	1,088	1,087	1	1,450	0	0	0	⇒
Online consultations	334	251	251	(0)	334	0	0	0	⇒
Reception and Clerical Training	170	128	128	(0)	170	0	0	0	⇒
GP Forward View Total	7,626	5,720	5,488	232	7,316	310	310	0	⇒
PMS Review									
PMS review	4,884	3,663	3,663	0	4,884	0	0	0	⇒
Treatment Rooms	935	701	701	0	935	0	0	0	⇒
Primary Care Offer	407	305	305	0	407	0	0	0	⇒
BCH Admin Staff	91	68	68	0	91	0	0	0	⇒
Additional Basket of Procedures	43	32	32	0	43	0	0	0	⇒
Counselling	10	7	7	0	10	0	0	0	⇒
PMS Review Total	6,370	4,777	4,777	0	6,370	0	0	0	⇒
Local Enhanced Services									
Care Home LES	804	603	603	0	804	0	0	0	⇒
Anti-Coagulation LES	749	562	472	90	629	120	120	0	⇒
Near Patient Testing LES	656	492	492	0	656	0	0	0	⇒
Minor Injuries LES	355	266	266	0	355	0	0	0	⇒
Dementia LES	220	165	165	0	220	0	0	0	⇒
Diabetes Insulin LES	91	68	68	0	91	0	0	0	⇒
Care of Homeless LES	41	31	31	0	41	0	0	0	⇒
Local Enhanced Services Total	2,916	2,187	2,097	90	(2,796)	120	120	0	⇒
BpCAG and Compact									
BpCAG Over 75's & Mental Health	1,405	1,053	1,053	0	1,405	0	0	0	⇒
SG Compact Referral Mgmt & Performance	400	300	300	0	400	0	0	0	⇒
BpCAG Clinical Resource Lead	33	25	25	0	33	0	0	0	⇒
BpCAG and Compact Total	1,838	1,379	1,379	0	1,838	0	0	0	⇒
Clinical Leads & Membership Engagement									
Clinical Leads	1,023	767	691	76	1,023	0	0	0	⇒
LLG Membership	580	435	477	(42)	580	0	0	0	⇒
GP Commissioning Locality Meetings	172	129	129	0	172	0	0	0	⇒
Practice Education	50	37	37	0	50	0	0	0	⇒
Nurse Forums	14	11	11	0	14	0	0	0	⇒
Locality Leadership Group (non-pay)	9	7	1	6	9	0	0	0	⇒
Practice Manager Forums	9	6	6	0	9	0	0	0	⇒
Clinical Leads & Membership Engagement Total	1,856	1,392	1,352	-40	1,856	0	0	0	⇒
Primary Care Other									
Referral Service	685	514	509	5	685	0	0	0	⇒
Collaborative Payments	0	0	0	0	0	0	0	0	⇒
Connecting Care	266	199	199	0	266	(0)	(0)	0	⇒
Weston Primary Care Transformation	64	48	48	(0)	64	0	0	0	⇒
Hartcliffe Chiro	24	18	16	2	24	0	0	0	⇒
111 Reprourement	18	14	127	(114)	150	(132)	(132)	0	⇒
Other	13	9	4	5	13	(0)	(0)	0	⇒
Asylum Seekers	-24	-18	-18	(0)	-24	0	0	0	⇒
Primary Care Savings Target 2018/19	-298	-201	0	(201)	-298	0	0	0	⇒
Primary Care Other Total	747	582	885	(303)	879	133	(133)	0	⇒
Grand Total	34,706	26,050	26,930	(881)	35,660	(954)	(954)	0	⇒