

Primary Care Commissioning Committee (PCCC) – Finance Paper

1.1 CCG Finance Update

Shown below is a summary of the financial position as at **28th February 2019** of the areas of Primary Care spend under the Primary Care Commissioning Committee (PCCC)'s remit:

Table 1 – Financial Summary:

	YTD Budget	YTD Actual	YTD Variance	Annual Budget	Forecast Outturn	Forecast Variance
Additional Primary Care funding allocations (see table 3)	£634,127	£326,284	-£307,843	£739,864	£655,618	-£84,246
Early Home Visiting Service	£458,450	£468,249	£9,799	£500,156	£511,647	£11,491
Locally Commissioned Services (see table 4)	£1,946,315	£1,751,787	-£194,528	£2,123,168	£2,023,168	-£100,000
Primary Care Delegated Commissioning (see tables 5 & 6)	£22,694,471	£22,503,014	-£191,457	£25,381,000	£25,305,671	-£75,329
Transformation fund - £3 / head (see table 3)	£484,000	£328,873	-£155,127	£528,000	£482,576	-£45,424
Grand Total	£26,217,363	£25,378,207	-£839,156	£29,272,188	£28,978,680	-£293,508

A summary is provided of other Primary Care expenditure to 28th February 2019 in Appendix 1 (page 8) for information only.

2.1 Commentary by Exception

2.1.1 Summary:

The CCG's primary care budgets within PCCC's remit were underspent YTD by £839k as at 28th February 2019. The forecast is to underspend by £294k.

A year-to-date underspend of £155k for the £3 per head transformation fund and £308k for GP Forward View budget, this is associated with schemes that started in the last quarter of the year as detailed in table 3.

Locally Commissioned Services budget was underspent year-to-date by £195k as detailed in table 4.

A year-to-date underspend of £191k on the Delegated Commissioning budget which is associated with general underspend for most budgets as detailed in table 5.

2.1.2 Project funding including additional allocations:

A summary is shown below of spend on the additional funding allocations received by the CCG from NHS England as well as an analysis of spend on projects including those funded from the Primary Care Transformation Fund:

Table 3: Additional allocation & Transformation Fund spend to 28th February 2019:

Summary of spend on the £3 per head schemes and GP Forward View schemes to 28th February 2019.

	YTD Budget	YTD Actuals	Variance	Annual Budget	Forecast	Forecast Variance
£3 per head schemes - transformation fund						
Prescription Ordering Direct	£36,960	£40,320	£3,360	£40,320	£40,320	£0
Direct discretionary practice support	£137,500	£129,048	-£8,452	£150,000	£150,000	£0
Communications and engagement support	£36,667	£39,407	£2,740	£40,000	£40,000	£0
Development of clinical leadership/integration/training	£64,167	£67,437	£3,270	£70,000	£70,000	£0
GPsWI development	£22,917	£0	-£22,917	£25,000	£25,000	£0
Primary Care Transformation Project	£96,943	£33,777	-£63,166	£105,756	£105,756	£0
Support for Practice Nurse/HCA/ other local networks	£18,331	£2,000	-£16,331	£20,000	£20,000	£0
Support for update and development of eSCR and TEP recording	£55,000	£11,884	-£43,116	£60,000	£25,000	-£35,000
Health Optimisation - agreed at June 2018 PCOG	£8,250	£2,000	-£6,250	£9,000	£2,500	-£6,500
Surplus To Be Re-invested	£7,265	£3,000	-£4,265	£7,924	£4,000	-£3,924
Total £3 per head schemes	£484,000	£328,873	-£155,127	£528,000	£482,576	-£45,424
GP Forward View						
Contribution to Early Home Visiting Service - 33017	£100,833	£100,833	£0	£110,000	£110,000	£0
GP Access Initiatives (BEMS) - Improving access - 33017	£439,208	£422,681	-£16,527	£524,315	£524,315	£0
Last Year balance	£1,599	£0	-£1,599	£1,599	£1,599	£0
Subtotal	£541,640	£523,514	-£18,126	£635,914	£635,914	£0
Reception and Clerical Training (clinical coding) 33015	£32,215	£17,608	-£14,608	£35,144	£17,608	-£17,536
Online Consultation Software Systems - 33016	£60,268	£2,095	-£58,173	£68,806	£2,096	-£66,710
Funding Received as below:	-£239,247	-£304,083	-£64,835	-£261,000	-£330,000	-£69,000
GP Resilience	£25,667	£59,150	£33,483	£28,000	£65,000	£37,000
GP Retention	£22,917	£0	-£22,917	£25,000	£57,000	£32,000
Primary Care Networks (PCN) Development	£190,667	£28,000	-£162,667	£208,000	£208,000	£0
Subtotal	£92,487	-£197,230	-£289,717	£103,950	£19,704	-£84,246
Total GP Forward View	£634,127	£326,284	-£307,843	£739,864	£655,618	-£84,246

£3 per head schemes

The budget is underspent year-to-date by £155k and the forecast to underspend by £45k.

Support for update and development of eSCR and TEP recording has started in January 2019 and staff has been recruited by Dorothy House.

BEMS has invoiced in month 12 (March 19) for GPsWI development scheme, for supporting GP extended role project in Frailty.

£100k funding was available in month 12 to GP practices groups for networks start-up and project management costs such as supplement Clinical Director support.

The budget for 19/20 will be reduced to £1.50 per head as per the latest guidance from NHS England and it will be ring-fenced for the Primary Care Networks support.

GP Forward View budget

The budget is underspent year-to-date by £308k and the forecast to underspend by £84k mainly due to the start of the Online Consultation software support in March 2019.

The resilience monies is funding work to support independent facilitation for few practices, Plans are in place for the GP retention fund and the Primary Care Networks development funds that started late February 2019.

We received additional funding from NHS England for the following: £19k for resilience schemes, £50k for retention of GP schemes, £19k for GP TeamNet. Plans are in place for these schemes.

2.1.3 Locally Commissioned Services (LCS):

Table 4: Locally Commissioned Services (LCS) spend to 28th February 2019:

LCS budget was underspent year to date by £195k and the forecast to underspend by £100k; this is mainly due to the underspent of £57k for International Normalised Ratio Monitoring budget and £144k for Winter Pressure schemes which started in October 2018.

The third set of payments for 2018-19 was made to practices on 15th February 2019 for quarter 3, LCS basket payment in quarter 3 was 9% less than quarter 1.

Winter pressure budget is forecasted to underspend by £100k, we are expecting to run the same schemes as 2017-18. There are plans to use the total budget in 2019-20 such as discretionary payments made under section 96 and the expected cost pressure from the care homes LCS review.

	YTD Budget	YTD Actuals	Variance	Annual Budget	Forecast	Forecast Variance
PMS Review						
ECG Service	£134,209	£142,775	£8,566	£146,410	£156,042	£9,632
Ambulatory Blood Pressure Monitoring (ABPM) and Home Blood Pressure Monitoring (HBPM)	£142,988	£156,187	£13,199	£156,127	£170,943	£14,816
Care/Residential Homes (Non Nursing)	£90,750	£90,750	£0	£99,000	£99,000	£0
Doppler Service	£11,038	£12,011	£973	£12,041	£12,041	£0
Spirometry	£58,146	£57,542	£-604	£63,432	£63,432	£0
Basket LES 2 of low volume procedures	£55,000	£54,426	£-574	£60,000	£60,000	£0
Health Inequalities / Promotion / Population	£130,133	£130,120	£-13	£141,963	£141,963	£0
Health Inequalities -St Michaels	£50,210	£50,210	£-1	£54,774	£54,774	£0
EMI Nursing Home	£8,157	£8,158	£1	£8,899	£8,899	£0
Rolling small equipment fund	£27,500	£27,500	£0	£30,000	£30,000	£0
Other / transformational / schemes dependent on wider reviews	£7,901	£0	£-7,901	£8,619	£0	£-8,619
Under accruals	£0	£12,708	£12,708			£0
Total PMS Review	£716,032	£742,387	£26,354	£781,265	£797,094	£15,829
Winter Pressures	£277,024	£133,333	£-143,691	£302,087	£202,087	£-100,000
LCS Schemes:						
Low risk Basal Cell Carcinoma (BCC) service	£7,113	£6,064	£-1,049	£7,760	£7,760	£0
Care/Residential Homes (Nursing)	£171,485	£176,626	£5,141	£186,932	£194,700	£7,768
Drug Monitoring Community Enhanced Service	£102,167	£99,029	£-3,138	£111,455	£111,455	£0
Primary Care: Enhanced Diabetes Service	£16,434	£23,983	£7,549	£17,928	£17,928	£0
International Normalised Ratio (INR) Monitoring	£317,951	£260,595	£-57,356	£346,856	£346,856	£0
Hormone Injections	£8,870	£7,200	£-1,670	£9,676	£9,676	£0
Leg Ulcer Management Service	£84,836	£82,038	£-2,798	£92,548	£92,548	£0
Secondary Care Initiated Pre & Post-Operative Procedures	£136,842	£136,060	£-782	£149,264	£149,264	£0
Supporting Primary Care engagement in CCG Clusters	£90,263	£71,870	£-18,393	£98,470	£79,394	£-19,076
Primary Care Commissioning Registration fee	£11,638	£11,641	£3	£12,700	£12,700	£0
Total LCS Schemes	£947,599	£875,106	£-72,493	£1,033,589	£1,022,281	£-11,308
Ophthom - Glaucoma & Cataracts	£4,250	£603	£-3,647	£4,669	£1,348	£-3,321
Clinical Leads	£1,410	£358	£-1,052	£1,558	£358	£-1,200
Grand Total	£1,946,315	£1,751,787	£-194,529	£2,123,168	£2,023,168	£-100,000

2.1.4 Primary Care Delegated Commissioning:

There is a year-to-date underspend of £191K for the Primary Care Delegated Commissioning budget, it is forecast to underspend by £75K.

The uncommitted reserve currently stands at £13K as shown in table 6 (Page 7), the 0.5% contingency was released in the forecast in M11.

It was agreed in February's PCOG meeting to stop reimbursing the Appraisal fees separately as it is already included in the Global Sum, this was communicated to the practices in early March.

A recent communication from NHS England advising that the delegated commissioning allocation for 19/20 will be top sliced by £780k to cover the entire cost of the GP indemnity to the system. This is a new non-recurrent top slice that has affected 2019/20 only. GPs will not be funded to pay any indemnity cover as a state backed scheme has been established and this has been reflected in the adjustment to Global Sum.

The impact to the CCG of this has been on reserve in the 1920 savings requirement so new plans will need to be established to mitigate.

A breakdown of the Primary Care delegated commissioning year-to-date and forecast spend is shown in table 5 (page 6).

Primary Care Delegated Commissioning Commentary:

The main reasons for the favourable year-to-date variance at month 11 are:-

- DESs budgets are £25k under budget, this is mainly due to the underspend of the LD Health Checks. Although the budget is underspent year to date, there are more checks in 18/19 than 17/18.
- Previous year's over accruals of QOF achievement and winter pressures additional capacity contributed to the combined underspend of £60k.
- Locum costs are currently £195k under budget year to date. We have reimbursed 5 maternity/paternity/adoption and 5 sickness leave cover claims since April 2018.

The above underspends at month 11 were offset by overspends in the following areas:

- Premises are £21k over budget, this is mainly due to the overspend of the business rate budget by £50k for the unexpected high Council Tax for one of the practices.
- Dispensing budgets are overspent by £36k due to the expected seasonal expenditure trend while the budget is phased equally for the whole year.

- Doctors retainer schemes budget is overspent year to date by £52k, this is due to the additional 8 GPs joining the scheme since October 18. The management and payment of the claims were transferred to the CCG from NHS England from 1st of December 2018.
- Seniority is £41k overspent year-to-date. Seniority payments are in process of being phased out with the costs reducing each year. The budget was set based on 2017-18 costs less 22% based on the average national reduction expected. It appears the actual cost reduction in BaNES was 19% which is lower than the national average.

Table 5: Primary Care Delegated Commissioning Breakdown:

Description	Year-to-date budget	Year-to-date actual	Year-to-date variance	Annual budget	Forecast out-turn	Forecast variance
Core Contract						
PMS Contract Value	£15,184,289	£15,183,151	-£1,138	£16,564,720	£16,563,536	-£1,184
PMS Baseline Adjustment	£83,138	£83,142	£4	£90,700	£90,700	£0
PMS Funding Differential Review	£345,160	£345,181	£21	£376,563	£376,563	£0
PMS List Size Adjustments	£129,802	£116,742	-£13,060	£141,608	£141,608	£0
Total Core Contract	£15,742,389	£15,728,216	-£14,173	£17,173,591	£17,172,407	-£1,184
DESS						£0
Extended Hours DES	£360,059	£360,079	£20	£392,815	£392,815	£0
LD Health Checks DES	£76,766	£54,180	-£22,586	£83,738	£60,627	-£23,111
Minor Surgery DES	£249,227	£247,311	-£1,916	£271,889	£269,794	-£2,095
Out of Area Registrations	£7,293	£8,550	£1,257	£7,956	£7,956	£0
Total DESS	£693,345	£670,120	-£23,225	£756,398	£731,192	-£25,206
Premises						£0
Actual rent	£178,750	£178,750	£0	£195,000	£195,000	£0
Cost rent	£38,963	£38,550	-£413	£42,507	£42,507	£0
Notional rent	£2,098,045	£2,065,440	-£32,605	£2,285,923	£2,243,520	-£42,403
Business Rates	£401,220	£441,036	£39,816	£436,972	£486,788	£49,816
Water Rates	£23,314	£31,456	£8,142	£25,392	£39,338	£13,946
Heart of Bath premises refurbishment	£32,453	£32,453	£0	£32,453	£32,453	£0
Total Premises	£2,772,745	£2,787,685	£14,940	£3,018,247	£3,039,606	£21,359
Dispensing						£0
Prescription charges remitted by GPs	-£207,768	-£194,928	£12,840	-£226,651	-£226,651	£0
Professional fees - dispensing	£974,476	£1,012,232	£37,756	£1,063,051	£1,104,254	£41,203
Professional fees - prescribing	£119,120	£104,455	-£14,665	£129,952	£129,952	£0
Total Dispensing	£885,828	£921,759	£35,931	£966,352	£1,007,555	£41,203
QOF						£0
QOF Achievement	£0	-£23,328	-£23,328	£626,915	£626,915	£0
QOF Aspiration	£1,577,205	£1,556,612	-£20,593	£1,720,641	£1,720,641	£0
Total QOF	£1,577,205	£1,533,284	-£43,921	£2,347,556	£2,347,556	£0
Other payments						£0
Training Expenses	£23,319	£23,315	-£4	£25,434	£25,434	£0
Indemnity fees	£0	-£638	-£638	£0	-£638	-£638
Other professional fees (e.g. District Valuer)	£3,993	£6,095	£2,102	£4,358	£6,716	£2,358
Appraisal payments	£51,147	£51,169	£22	£55,822	£55,822	£0
Doctors Retainer Scheme	£62,854	£114,894	£52,040	£68,562	£133,502	£64,940
Locums - Adoption / Maternity / Paternity Leave	£135,231	£133,880	-£1,351	£147,509	£161,671	£14,162
Locums - Sickness cover	£155,022	£61,216	-£93,806	£169,113	£75,220	-£93,893
CQC fees reimbursement	£126,230	£120,050	-£6,180	£137,688	£137,688	£0
Seniority	£177,515	£219,266	£41,751	£193,639	£239,069	£45,430
Winter Pressures additional capacity - March 2018	£0	-£37,098	-£37,098	£0	-£37,098	-£37,098
Training costs payment	£19,790	£19,760	-£30	£21,557	£21,557	£0
Medical Fees - Adoption / Fostering reports	£1,840	£3,191	£1,351	£2,016	£5,244	£3,228
Sterile Products	£2,948	£4,149	£1,201	£3,218	£4,637	£1,419
Translation Fees	£10,505	£15,834	£5,329	£11,457	£27,274	£15,817
MMR Search & Recall	£10,000	£5,484	-£4,516	£10,000	£5,485	-£4,516
IT costs associated with St Augustine's move	£4,718	£4,068	-£650	£5,144	£5,144	£0
Contract- Refuse & Clinical Waste	£34,462	£34,741	£279	£37,591	£37,591	£0
Other General Supplies & Services (needles & vacs)	£76,813	£82,574	£5,761	£83,798	£90,077	£6,279
Total Other Payments	£896,387	£861,950	-£34,437	£976,906	£994,395	£17,489
Reserves						£0
Reserves	£126,572	£0	-£126,572	£141,950	£12,960	-£128,990
Total Reserves	£126,572	£0	-£126,572	£141,950	£12,960	-£128,990
Grand Total	£22,694,471	£22,503,014	-£191,457	£25,381,000	£25,305,671	-£75,329

2.1.5 Primary Care Reserves

There is an element of reserve within the Primary Care Delegated Commissioning budget. Shown below in Table 6 a summary of the transactions against Primary Care reserves during 2018-19:

Table 6: Primary Care Reserves transaction listing:

Narrative	Amount
0.5% contingency	£128,990
Primary Care general reserve	£12,960
Total opening reserve	£141,950
Reserves balance @ 328.02.19.19	£141,950
Contingency released M11	£128,990
Total commitments	£12,960
Total reserve underspend	£128,990

The un-committed reserve stands at £13k at 28th February 2019. The 0.5% contingency was been released into to the delegated commissioning forecasted position.

Key Risks:

The risk to the financial position for primary care at present is the potential receipt of old claims for previous financial years that can still be submitted for locums, water and rates bills that were not budgeted for. The occurrence of this happening is minimal, for example, we received in November 2018 a locum cover claim for maternity leave from a practice for last financial year.

Appendix 1 – Summary of other Primary Care spend:

	YTD Budget	YTD Actual	YTD Variance	Annual Budget	Forecast Outturn	Forecast Variance
BDUC	£207,354	£193,057	-£14,297	£207,354	£193,058	-£14,296
Integrated Urgent Care - Medvivo	£1,913,610	£1,913,613	£3	£2,104,976	£2,104,976	£0
RUH Urgent treatment centre contract	£479,033	£449,783	-£29,250	£526,129	£526,129	£0
Central Drugs	£578,018	£603,810	£25,792	£630,572	£659,665	£29,093
Home Oxygen	£213,576	£223,075	£9,499	£232,992	£241,518	£8,526
Medicines Management Team	£543,613	£428,187	-£115,426	£593,142	£487,479	-£105,663
NHS 111 - Care UK	£46,456	£31,122	-£15,334	£46,578	£31,122	-£15,456
Homeless - Heart of Bath	£80,527	£80,390	-£137	£88,593	£88,593	£0
Other Primary Care	£107,165	£90,551	-£16,614	£115,553	£107,127	-£8,426
Prescribing	£21,987,889	£22,612,879	£624,990	£23,987,022	£24,732,613	£745,591
Primary Care IT	£644,266	£350,746	-£293,520	£702,954	£487,218	-£215,736
Grand Total	£26,801,507	£26,977,214	£175,707	£29,235,865	£29,659,499	£423,634