

NHS Rotherham Clinical Commissioning Group

Primary Care Committee 13 December 2017

Finance Report for Month 7 ending 31 October 2017

Lead Executive:	Wendy Allott
Lead Officer:	Keely Firth
Lead GP:	Avanti Gunasekera

Purpose:

To inform members of the financial position at month 7, proposals for achieving the 2017/18 plan and to agree principles for the 2018/19 budget.

Background:

The Primary Care Co-commissioning budget remains at £38m and was approved at the May Committee.

POSITION TO DATE AND FORECAST OUTTURN

1. In Year Financial Position and Forecast Outturn

Table 1 sets out the £38m allocation falling under the responsibility of the Primary Care Committee (PCC), the year to date financial position and the current assessment of forecast outturn.

Table 1

Area of Spend	2017-18 Budget (Approved May PCC)	Variance as at October M7	Forecast Outturn Variance	
	£m	£m	£m	
		<i>(under)/overspend</i>		
CQC and Indemnity Fees	0.35	0.00	0.00	
Enhanced Services	3.70	0.41	0.74	Note 1
General Practice - APMS	0.76	0.01	0.01	
General Practice - GMS	4.07	0.01	0.01	
General Practice - PMS	21.02	(0.91)	(1.52)	Note 2
Other GP Services	0.86	0.05	0.07	
Other premises costs	0.63	0.01	0.01	
Premises Cost Reimbursement	3.13	0.01	0.00	
QOF	3.38	0.03	0.05	
Central Budgets *	0.11	0.05	0.09	
Total	38.00	(0.34)	(0.54)	

* A statement of the Primary Care Central Budget is included below for 2017/18 and 2018/19.

	2017-18 £'000	2018-19 £'000
Primary Care Central Budget	106.0	106.0
Pre-Committed at 1-4-17:		
Interpreter Fees	18.5	18.5
Saturday Hubs (partially funded)	33.3	
Remote consultation		24.5
Weekday Hub	71.0	
GP Access	45.0	
Telehealth (estimate)	25.0	40.0
FYFV infrastructure costs		100.0
TOTAL	192.8	183.0
(Uncommitted) / overcommitted	86.8	77.0

Note 1 Enhanced Services (DES & LES)

Expenditure against this line includes national DES schemes, the CCG's longer standing LES schemes and the CCG's local PMS reinvestment schemes. The breakdown overleaf illustrates where the variances are and this paper includes proposals for how these can be addressed in 2017/18 and options for 2018/19. The most notable variance is around GP Case Management, Over 75s LES and the Care Home LES.

	Annual Budget	YTD Budget	YTD Actual (AP7)	YTD overspend / (underspend)	FOT Spend	FOT overspend / (underspend)
	£m	£m	£m	£m	£m	£m
PMS Reinvestment LES's	0.52	0.30	0.25	(0.05)	0.43	(0.09)
Quality Contract	0.94	0.55	0.59	0.04	1.00	0.07
TOTAL PMS reinvestment monies	1.46	0.85	0.84	(0.01)	1.44	(0.02)
BCF LES's (Over 75's , LTC Case Mgt, Care Homes)	2.15	1.25	0.83	(0.42)	1.42	(0.73)
All other LES's	1.05	0.61	0.65	0.04	1.12	0.07
TOTAL Other LES	3.19	1.86	1.48	(0.38)	2.54	(0.65)
TOTAL ALL LES's	4.65	2.71	2.32	(0.39)	3.97	(0.68)

Note 2 General Practice – PMS

This line includes allocations affected by NHSE's national equitable funding exercise. As funds are removed from PMS contracts via the equitable funding exercise, they are being made available to reinvest back with Rotherham GP Practices via a series of Local Enhanced Service (LES) schemes under the overall umbrella of the Rotherham Quality Contract. 2017-18 is year 3 of the 4 year plan and as such 75% of the £1.9m is withdrawn from PMS contracts which accounts for £1.4m of the underspend on the PMS line.

2. Action taken, conclusion and next steps

- (i) All PPV assurance visits are now completed and the reports have been finalised with practices. There have been some emerging themes which have been acted upon quickly and the final reports will be summarised so that all parties can learn from the five practices selected, provide additional training through the CIC and review the coding and forms available to practices if appropriate to improve clarity and ease of use.
- (ii) A review of the Primary Care budgets has been undertaken to establish the levels of resource required in each area. This is covered in the next section on 2018/19 budget proposal.
- (iii) After taking account of any likely changes from (i) above, it is likely that the overall PCC budget will be underspent in 2017/18. This is predominantly in Case Management as mentioned under Note 1 and the Quality Contract. There is a separate paper regarding the quality contract later in this meeting and the forecast in this financial summary is that it will all be utilised in primary care.
- (iv) In terms of the Case Management and other LES underspends the proposals below are examples where the funds can be utilised to accelerate programmes and initiatives to benefit primary care and better enable the CCG to deliver the overall primary care strategy.
 - Supporting the development and implementation of robust access arrangements for primary care.
 - Extending the Physio First pilot which to date has evidenced significant release of practice capacity and it is proposed to continue the pilot whilst the MSK project formally reports and implements changes.

Given the time constraints to mobilise projects the proposal is that PCC delegate the completion of the plans to the Primary Care sub-group.

- (v) As requested last month, Appendix A sets out the position by practices and Members are asked to note that the figures in the "Plan" column are *indicative* and based in part upon previous activities and synthetic data and the forecast is based on the latest available data which is quarter two.

PRINCIPLES FOR 2018/19 BUDGET

- (i) The review undertaken by RCCG colleagues has identified a number of LES that are now overperforming against the original estimates. This is positive in the context of the Primary Care Strategy – the budget required after reflecting further growth in activity in 2018/19 is an additional £0.16m.
- (ii) Conversely, the Case Management, Over 75s and Care Home LES combined have consistently underspent. The budget has been held at the aspirational level however the activity has been relatively stable over the years and it is likely that this allocation will not be utilised in the future.
- (iii) The proposal is to update the LES lines which are increasing by the estimated requirement of £0.16m and vire the remaining balance of funds of £0.52m to the Primary Care Central Budget to increase it to £1.4m.

(iv) The national agreement with primary care is not yet finalised but if the increase is higher than the national funding of £0.7m allocated to the CCG for Primary Care then the balance can be a first call on the reserve. The table below sets this out.

PROPOSAL TO INCREASE THE PC CENTRAL BUDGET IN 2018/19	£m
LES forecast underspend 2017/18	0.68
Less: Realignment of LES budgets for 2018/19	(0.06)
Less: Additional Growth in LES by Practices in 2018/19	(0.10)
Balance of funds to add to PC Central Budget	0.52
Add: Current Central Budget	0.18
INDICATIVE CENTRAL BUDGET 2018/19	0.70
NOTIFIED NATIONAL INCREASE IN PC ALLOCATION	0.70
INDICATIVE BUDGET TO FUND CONTRACT INCREASE AND OTHER CONTRACTUAL OBLIGATIONS IN 2018/19	1.40

Equality Impact:

No new issues

Financial Implications:

None

Human Resource Implications:

No impact

Procurement:

No impact

Recommendation

Members of the Primary Care Committee are asked to:

- (i) **Note the latest analysis of expenditure in Table 1 and supporting information.**
- (ii) **Acknowledge the action taken to understand the expenditure trends particularly around the LES schemes and agree to the realignment of the budgets for 2018/19 with the balance being added to the Primary Care Central Reserve.**
- (iii) **Support the principle of utilising underspends in 2017/18 to benefit and enable Primary Care progress and to delegate the completion of the plans to the Primary Care sub-group.**