

NHS Rotherham Clinical Commissioning Group

Primary Care Committee 12 December 2018

Finance Report for Month 8 ending 30 November 2018

Lead Executive:	Wendy Allott, Chief Finance Officer
Lead Officer:	Keely Firth, Deputy Chief Finance Officer
Lead GP:	Avanti Gunasekera

Purpose:

To inform members of the financial position at month 08 and the forecast achievement of the plan in 2018/19.

Background:

The Primary Care Co-commissioning budget is £40.8m and was approved at the July 2018 Committee.

POSITION TO DATE AND FORECAST OUTTURN

1. In Year Financial Position and Forecast Outturn

Table 1 sets out the year to date variance at month 8 and the forecast outturn. The table is split into two;

- (i) £38.2m allocation falling under the responsibility of the Primary Care Committee (PCC);
- (ii) £2.6m from the CCG's commissioning allocation which does not fall within the PCC (for information).

There is a slight underspend forecast for year end taking account of trends to date and all known risks.

Table 1	AREA OF EXPENDITURE	18/19	Variance at	FOT Variance	
		Approved Plan	Month 8	(under) / over	
		£m	£m	£m	
Practices	PMS/ GMS/ APMS Contract & QOF	28.64	(0.03)	0.00	
Practices	Primary Care DES, Quality Contract, LES	4.72	0.04	0.06	Note 1
Practices	Direct reimbursement to Practices for Premises/Rent	3.08	0.02	0.00	
Practices	Seniority Payments, Professional Fees, Discretionary Spend	1.02	0.02	0.00	
Other	Other Central GP services, E.g. clinical waste	0.25	0.00	0.00	
NHSPS	NHS Property Services - void space & central charges	0.47	(0.05)	(0.10)	Note 2
All PC	Central Budget	0.01	(0.01)	0.03	
	Total Primary Care Committee	38.19	(0.01)	0.00	
TRFT	GP IT services	0.61	0.00	0.00	
All PC	National development - Access	0.90	0.00	0.00	
Central	£3 per head over 2 years - £1.50 in 2018/19	0.39	0.00	0.00	
Central	Training Navigators	0.04	0.00	0.00	
Central	On-line consultations	0.09	0.00	0.00	
Practices	Commissioning & Prescribing LIS	0.54	(0.02)	(0.03)	
	Total Other Primary care	2.57	(0.02)	(0.03)	
	TOTAL ALL	40.77	(0.03)	(0.03)	

Note 1 Enhanced Services (ES & LES)

Expenditure includes national Enhanced Schemes (ES), the CCG's longer standing Local Enhanced Schemes (LES) and the CCG's local Primary Medical Services (PMS) reinvestment schemes. The majority of the variance relates to the Case Management LES and the Care Home LES which is based on activity for Quarter 2. **Table 2** sets out the Month 8 LES position.

Table 2: BREAKDOWN OF SCHEMES	Annual Budget	YTD Budget	YTD Actual (AP8)	YTD overspend/ (underspend)	FOT Spend	FOT overspend/ (underspend)
	£m	£m	£m	£m	£m	£m
PMS Reinvestment LESSs	0.43	0.28	0.28	0.00	0.43	0.00
Quality Contract	1.42	0.95	0.95	0.00	1.42	0.00
TOTAL PMS reinvestment monies	1.85	1.23	1.23	0.00	1.85	0.00
Case Management, Over 75's & Care Homes	1.32	0.88	0.90	0.02	1.37	0.05
National Enhanced Services (ES)	0.49	0.29	0.34	0.01	0.51	0.02
All other LESSs	1.07	0.71	0.73	0.01	1.05	(0.02)
TOTAL Other LESSs	2.87	1.87	1.97	0.04	2.93	0.06
TOTAL ALL LESSs	4.72	3.11	3.20	0.04	4.78	0.06

Note 2 Central Budget / Property

The central budget (**Table 3**) has been predominantly utilised to fund the General Practice uplift leaving a small budget of £12k. There is a commitment of £45k against this budget thus leaving a forecast overcommitment of £33k.

Table 3: PROPOSED USE OF CENTRAL BUDGET 2018/19	£000s	£000s
Balance following base budget setting		12
Remote consultation	25	} 45
SystemOne migration - practice mergers	20	
(Under)/ Overcommitment for 2018/19		33

Non recurrent funding from central underspends will offset these cost pressures in 2018/19, but this leaves a recurrent problem which is discussed in section 2 below.

2. Summary of recurrent position and action to be taken

It is likely that the PCC performance will be within the financial plan for 2018/19. As reported previously, the risk is the recurrent position. In the last two years' national agreements have cost the CCG £0.5m and £0.8m respectively over and above the allocation from NHSE. Consequently members of the PCC are advised to plan to mitigate a further funding gap in future years of at least £0.5m.

Work already in progress as part of the wider QIPP planning for 2019/20 is as follows:

- (i) A development session has been held with governing body and strategic clinical executive members;
- (ii) Opportunities to rationalise elements of the estate with potential running cost savings have been explored. Although no recurrent savings can be made, a non-recurrent saving of £0.3m relating to slippage on the Waverley development can be achieved in 2019/20;
- (iii) There is also an opportunity to achieve non recurrent savings of £0.2m in 2019/20 if market increases and charges across primary care estate can be minimised. This will be presented as part of the plan papers for 2019/20 in the new year.

Equality Impact:

No new issues

Financial Implications:

As reported

Human Resource Implications:

No impact

Procurement Advice:

N/A

Data Protection Impact Assessment:

N/A

Approval history:

The financial plan was approved at the Committee in July after national updates were received.

Recommendation

Members of the Primary Care Committee are asked to:

- (i) Note the current position in Table 1 and the supporting information;**
- (ii) Support the action being taken to achieve QIPP savings to mitigate the risk of future funding gaps.**