

# NHS Rotherham Clinical Commissioning Group

Primary Care Sub Group – 25 September 2019

Primary Care Committee – 9 October 2019

## Finance Report for Month 5 ending 31 August 2019

Lead Executive:	Wendy Allott, Chief Finance Officer
Lead Officer:	Louise Jones, Deputy Head of Financial Management
Lead GP:	Dr Avanthi Gunasekera, SCE GP Lead for Primary Care

### Purpose:

To inform members of the financial position at Month 5 (August).

### Background:

The Primary Care Co-commissioning budget of £38.13m was approved at the April 2019 Committee.

### Delegation responsibility:

Commissioning, procurement and management of GMS,PMS and APMS contracts including taking contractual action	
Newly designed enhanced services (including DES)	
Local incentive schemes	
Discretionary payments	
Commissioning urgent care for out of area registered patients	
Planning Primary medical care services (PMCS)	
Managing practices with CQC concerns	
Decisions on premise cost directions	
Planning the commissioning of PMCS	
Manage the delegated allocation for commissioning of PMCS	✓
Assurance to the governing body on the quality and safety of PMCS	

### Analysis of key issues and of risks:

#### 1. In Year Financial Position and Forecast Outturn

**Table 1** sets out the year to date variance at Month 5 and the forecast outturn. The table is split into two;

- (i) £38.13m allocation falling under the responsibility of the Primary Care Committee (PCC)
- (ii) £6.10m from the CCG's commissioning allocation which does not fall within the PCC remit (for information).

Table 1 - Primary Care monthly finance position.	19/20 Approved Plan	Variance at Month 5 (under) / over	FOT Variance (under) / over	
	£m	£m	£m	
PMS/ GMS/ APMS Contract & QOF	28.88	0.00	0.00	
Additional Roles, Clinical Lead, PC Network Participation	1.00	(0.06)	0.00	Note 1
Primary Care ES, PMS Premium reinvestment e.g Quality contract	2.38	0.00	0.00	
Direct reimbursement to Practices for Premises/Rent	3.04	0.01	0.02	Note 2
Seniority payments, professional fees, discretionary spend	0.90	0.00	0.06	
Central GP Services e.g. clinical waste, interpreter fees etc.	0.26	0.01	0.00	
NHS Property Services void space and subsidies	0.48	0.00	0.00	
Central Budget	1.18	(0.48)	(0.08)	Note 3
<b>Total: Delegated primary care medical services</b>	<b>38.13</b>	<b>(0.52)</b>	<b>(0.00)</b>	
CCG Local Enhanced Services	2.44	(0.02)	(0.05)	Note 4
GP IT	0.80	0.00	0.00	
Commissioning and Prescribing LIS	0.54	0.00	0.00	
PCN Administration fee £1.50 p/ head	0.40	0.00	0.00	
Improving Access	1.60	0.00	0.00	
Other	0.32	0.00	0.00	
<b>Total: Other primary care</b>	<b>6.10</b>	<b>(0.02)</b>	<b>(0.05)</b>	
<b>TOTAL ALL</b>	<b>44.23</b>	<b>(0.54)</b>	<b>(0.05)</b>	

### Note 1 - Additional Roles

Primary Care Networks (PCN's) can claim for an additional Clinical Pharmacist (CP) and an additional Social Prescribing Link Worker (SPLW) over and above their current staffing levels in these posts at 31<sup>st</sup> March 2019. The CCG will reimburse 70% of the gross cost of a CP and 100% of the SPLW up to specified values determined by NHSE.

Claims for July & August have been received. Four of the six PCN's have appointed and claimed for a CP post. No PCN's have appointed SPLW's. For the purpose of forecasting it is assumed that by October all PCN's will have both SPLW's and CP's fully in post.

Based on this assumption, there will be an underspend of £0.12m. The forecast outturn currently assumes this underspend will be utilised. NHSE guidance suggests if there is less than 100% take-up of the scheme in year, local schemes should be put in place to allow other networks in the area to bring forward their recruitment plans. Careful forecasting will be required; the CCG must be able to confirm the level of underspend to PCN's without exposing itself to financial risk.

### Note 2 – Rates and Professional Fees

The forecast for rates has been adjusted based on charges incurred in the first 5 months of the financial year. The budget for professional fees was set at 18-19 outturn and costs in 19-20 are expected to exceed this based on charges received so far this year.

### Note 3 – Central Budget

£0.23m is required to fund cost pressures arising relating to primary care GPIT and to fund the overspend (Note 2) at month 5. £0.95m remains uncommitted and as such is currently available to offset any further pressures or in year risks arising, and potentially to become available later in the year to support one-off investments.

<b>Table 2: CENTRAL BUDGET 2019/20</b>	<b>£m</b>
Opening Balance	1.18
Transfer from N3 to HSCN - implementation & installation costs for practices	-0.08
Additional memory for GP laptops	-0.04
Additional agency staff to cover GPIT skill set	-0.03
Overspend at month 5	-0.08
In year risks / unidentified non recurrent investments	-0.95
<b>(Under) / over commitment for 2019/20</b>	<b>0.00</b>

It is estimated that the central budget will reduce to £0.3m by the end of 2023-24. With an NHSE planning requirement to hold 0.5% of allocation each year as a contingency (£0.2m) this leaves £0.1m that is not **recurrently** committed at the end of the five year period therefore it is important this budget should only be committed non recurrently year on year.

#### ***Note 4 – Local Enhanced Services, Enhanced Services and Quality Contract***

Table 3: BREAKDOWN OF SCHEMES	Annual Budget	YTD Budget July	YTD Actual July	YTD overspend/ (underspend)	FOT Spend	FOT overspend/ (underspend)
	£m	£m	£m	£m	£m	£m
PMS Reinvestment LESs	0.46	0.16	0.15	0.00	0.46	0.00
Quality Contract	1.43	0.48	0.48	0.00	1.43	0.00
National Enhanced Services (ES)	0.49	0.16	0.16	0.00	0.49	0.00
<b>TOTAL Delegated</b>	<b>2.38</b>	<b>0.80</b>	<b>0.80</b>	<b>0.00</b>	<b>2.38</b>	<b>0.00</b>
Case Management, Over 75's & Care Homes	1.35	0.45	0.45	(0.01)	1.34	(0.02)
All other LESs (Core)	1.09	0.36	0.35	(0.01)	1.06	(0.03)
<b>TOTAL Other LESs</b>	<b>2.44</b>	<b>0.81</b>	<b>0.80</b>	<b>(0.02)</b>	<b>2.40</b>	<b>(0.05)</b>
<b>TOTAL ALL LESs</b>	<b>4.82</b>	<b>1.61</b>	<b>1.59</b>	<b>(0.02)</b>	<b>4.78</b>	<b>(0.05)</b>

Underspends are on CCG's local enhanced services (LESs) are largely attributable to:

- (i) The anticoagulation LES where activity levels are reducing as patients move off warfarin and onto new anticoagulants that don't require monitoring.
- (ii) Under activity on the case management and annual health review LES'.

## **2. PMS / GMS reinvestment**

It is estimated the PMS equitable funding review will release £0.5m of recurrent funds in 2020-21. Initial discussions have taken place with primary care network clinical directors regarding reinvestment options / potential innovation fund for PCN projects linked to population need and the CCG commissioning plan. The CCG's initial and outline proposal is with PCN directors currently for feedback.

<b>Equality Impact:</b>
No new issues
<b>Financial Implications:</b>
As reported
<b>Human Resource Implications:</b>
N/A
<b>Procurement Advice:</b>
N/A
<b>Data Protection Impact Assessment:</b>
N/A

**Approval history:**

The financial plan was approved at the Committee in April 2019.

**Recommendation**

Members of the Primary Care Committee are asked to note the financial position and supporting information provided in the report.

**Paper is for Noting**