

NHS Rotherham Clinical Commissioning Group

Primary Care Sub Group – 26 August 2020

Primary Care Committee – 9 September 2020

Primary Care Financial Position : Period ending 31 July 2020

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 as at 31 July 2020 (month 4).

Background:

The CCGs previous draft financial plan approved by Governing Body, and consequently the primary care sub-set of that plan as presented at Primary Care Committee previously, has been superseded by the subsequent introduction of national Temporary Financial Regime; introduced by NHSE/I in response to the COVID-19 pandemic.

NHSE/I issued guidance 15 May 2020 setting out the CCGs Temporary Financial Regime, which covers the CCG financial management arrangements for the 4 month period 1 April to 31 July 2020.

Under the new arrangements CCGs previously notified allocation have been adjusted based on expenditure positions as at February 2020 plus some nationally applied growth assumptions.

For the 4 month period to 31 July 2020, CCGs will be monitored monthly against these revised allocations, subject to any further non-recurrent adjustments being made for reasonable variances, and subject to any further changes to the regime being announced. At the time of writing, actual expenditure will be reviewed on a monthly basis and a retrospective non-recurrent adjustment will be actioned for reasonable variances between actual and the nationally modelled/expected expenditure.

These current financial arrangements will largely be extended to cover August and September 2020. The intention is to move towards a revised financial framework for the latter part of 2020/21 once this has been finalised with Government.

Primary Care Delegation Responsibility:

Does this paper relate to Rotherham CCG or delegated business?

Rotherham CCG	
Delegated	
Both Rotherham CCG and delegated	✓

Please indicate which area of delegated responsibility this paper covers:

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 / quality 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	

Please indicate which of the Delegated Duties Decisions this paper requires:-

• Delegated Duties – iii – Decisions in relation to the establishment of new GP practices (including branch surgeries) and closures of GP practices.	N/A
• Delegated Duties – iv – Decisions about ‘discretionary payments’.	N/A
• Delegated Duties – v – Decisions about commissioning urgent care (including home visits as required) for out of area registered patients.	N/A
• Delegated Duties – b – The approval of practice mergers.	N/A

Analysis of key issues and of risks

There are two parts to primary care funding;

Part one is the allocation for delegated medical primary care services, which is the responsibility of Primary Care Committee (PCC.) Part two is an allocation for other primary care services, which is part of the CCG’s core allocation and is reported to PCC for information only. These allocations are dealt with in turn below.

1. Delegated Medical Primary Care Services: Temporary Financial Regime

Table 1 - Delegated Medical Primary Care Services : Temporary Financial Regime April - July 2020	20.21 Revised Annual CCG Plan £'000	20.21 Revised 4 months CCG plan £'000	20.21 National financial plan (4 months) £'000	20.21 YTD/ FCOT variance Month 4 £'000	Note 1 £'000
PMS/ GMS/ APMS Contract & QOF	29,413	9,804	9,782	(30)	-52
Network Payments: e.g. Additional Roles, Clinical Leads etc.	2,290	763	747	45	29
Primary Care ES, PMS Premium reinvestment e.g. Quality contract	2,577	859	810	39	-10
Direct reimbursement to Practices for Premises/Rent	3,200	1,067	1,044	(8)	-31
Other GP services e.g. professional fees, discretionary spend	759	253	263	(14)	-4
Central GP Services e.g. clinical waste, interpreter fees etc.	279	93	122	3	32
NHS Property Services - void space and subsidies	531	177	173	(1)	-5
Central Budget	560	187	220	59	92
Total: Delegated primary care medical services	39,609	13,203	13,160	94	51

Since the last report, £101k reported overspend at month 3 has been funded via a

retrospective funding allocation, totalling £1.236m (net) across the CCG's entire portfolio. The outturn variance for the 4 month period has therefore reduced and following a review is now reassessed at £94k representing the residual shortfall between allocation and the CCG's own prediction of actual likely spend, with the major differences being as follows:

PMS/GMS/APMS contract & QOF & Primary Care ES, PMS premium reinvestment:

The national plan includes PMS contract spend before the GMS/PMS realignment exercise. Contracts were realigned (i.e. paid at Global sum rates in line with GMS contracts) from 1 April 2020, therefore the contract line is underspent. The corresponding overspend of these reinvested monies (i.e. the innovation fund) is reflected on the PMS premium reinvestment line.

Network payments e.g. additional roles, clinical lead etc. The overspend on this line is due to two factors -

- a) Additional roles:
New roles have been introduced in 2020/21 and will be reimbursed at 100%. The national plan doesn't take this into account.
- b) PCN Support fund (£0.27 per head):
The Investment and Impact fund has been converted into the PCN support fund for the first six months of the year and has been paid from April 2020. This funding is not included in the national plan.

Central Budget:

The national plan does not allow for any contingency or other commitments in year. However, this has been forecast in the year to date expenditure and forecast outturn figures to take into account on-going cost pressures from 2019/20, for example wound care for ambulatory patients in GP practices.

Note 1:

For information only - this shows the forecast spend for the 4 month period against the CCG's original draft plan. The £51k overspend relates to PCN support funding which was not included in the original notified allocation.

Other Primary Care Services

Table 2 - Other Primary Care Services: Temporary Financial Regime April - July 2020	20.21 Revised CCG Draft Plan	20.21 Revised CCG Plan (4 months)	20.21 National financial plan (4 months)	20.21 YTD variance Month 4
	£'000	£'000	£'000	£'000
GP IT	1,274	425	508	(16)
CCG Local Enhanced Services	2,522	841	800	(29)
Commissioning and Prescribing LIS	540	180	178	2
PCN Administration fee £1.50 p/ head	397	132	135	0
Improving Access	0	0	542	(4)
COVID-19 related spend	0	0	386	103
Other	593	198	160	32
Total: Other primary care	5,326	1,775	2,709	88

Significant issues are outlined below:

Local enhanced services: Quarter 1 paid on a block basis in line with NHSE guidance. Following further guidance regarding phase 2, block payment will continue to be paid for July and August. If activity for September is less than 50% of the normal monthly activity for September, 50% of the anticipated block for that month will be paid.

Extended Access: Plans on how this will be spent in 2020/21 are currently being worked up by the PCNs, CCG and GP Federation, taking into account changes in the current hub provision and the provision of a home visiting service in response to the COVID pandemic. The CCG has now received confirmation of the Extended Access allocation for 20/21 of £1.622m which has already been assumed in the figures presented above (Appendix 1)

The CCG has committed to three year contracts for the Rotherham Health APP and extended access. These are funded from the extended access monies (with year 3 being 2021/22), therefore to avoid financial risk to the Rotherham system it is important for PCNs and the CCG to work in partnership to mitigate this risk.

Covid-19: w.e.f. 1 April 2020 Covid related expenditure is being reported to NHSE on a monthly basis and as at the end of month 4 totals £488k. Expenditure reported to the end of June (£418k) was retrospectively funded to the CCG during August, and GP practices have in turn been reimbursed by the CCG for 100% of claims submitted up to this point in time. The CCGs current expectation (in relation to months 1 to 4) is that Covid related spend will continue to constitute a 'reasonable variance' and will be continue to be subsequently funded via the retrospective allocation process described at the start of this paper. However given this process is yet to conclude, and the process is beyond CCG control, receipt of funding remains a financial risk at the time of writing.

Primary Care Transformational Funding

NHSE /I recently communicated details of funding available across the region for primary care transformation in 2020/21. Primary care transformation, which is funded from System Development Funding (SDF) makes funding available directly to CCGs, Systems and Regions. Appendix 1 sets out the funding available for each programme, the route the funding will flow and the basis of the allocation. Where further communication has been received to confirm funding direct to Rotherham CCG (i.e Extended Access) this has been included in an additional column in table 3.

Patient, Public and Stakeholder Involvement:

No new issues

Equality Impact:

N/A

Financial Implications:

Outlined in the report

Human Resource Implications:

N/A

Procurement Advice:

N/A

Data Protection Impact Assessment:

N/A

Approval history:

n/a

Recommendations:

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

Paper is for noting