

Agenda item: 7

Paper no: 4

Title of Report:	East Surrey CCG Finance Report Month 10 (January 2020)	
Status:	FOR INFORMATION	
Committee:	Primary Care Co Commissioning Committee in Common	Date: 13/03/20
Venue:	North West Surrey CCG, 58 Church Street, Weybridge	

Presented by:	Andy Law, Associate Director of Finance (NWS)	
Executive Lead sign off:	Claire Fuller, Deputy CFO	Date: 15/02/20
Author(s):	Andy Law, Associate Director of Finance (NWS)	

Governance:

Conflict of Interest: The Author considers:	None identified	✓
	CONFLICT(S) NOTED Name(s) of individuals with conflict: Mitigating Action(s):	
Previous Reporting: (relevant committees/ forums this paper has previously been presented to)	East Surrey CCG PCOG 27/02/20	
Freedom of Information: The Author considers:	Open – no exemption applies	✓

Executive Summary:

The financial position as reported to NHS England at Month 10 for delegated co-commissioning budgets is a breakeven position for year to date and forecast outturn.

Working together across Surrey Heartlands

East Surrey CCG | Guildford and Waverley CCG | North West Surrey CCG | Surrey Downs CCG

Implications:

What is the health impact/ outcome and is this in line with the CCG's strategic objectives ?	Primary Care development
What is the financial/ resource required?	As set out in this report
What legislation, policy or other guidance is relevant?	n/a
Is an Equality Analysis required?	n/a
Any Patient and Public Engagement/ consultation required?	n/a
Potential risk(s) ? (including reputational)	All risks have been identified within the report

Recommendation(s):

The Primary Care Co-Commissioning Committee in Common is asked to:

- (1) Note the risks and assumptions described within the report
- (2) Note the forecast position as reported to NHSE at Month 10

Next Steps:

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East Surrey CCG
Primary Care Finance Report January 20 (Month 10 2019/20)

1. Overview of Month 10 Financial Position

The purpose of this paper is to update the Primary Care Co-Commissioning Committee on the Month 10 (end of January) financial position for delegated co-commissioning allocations and other primary care budgets.

2. Co-Commissioning Budgets

The CCG is currently reporting a break even position for delegated co-commissioning budgets in both the year to date and year end positions. A detailed breakdown of delegated co-commissioning budgets is detailed in Appendix A.

An analysis of the financial position is provided below;

	Annual Budget	YTD Budget	YTD Spend	YTD Variance	YE Forecast	YE Variance
	£000s	£000s	£000s	£000s	£000s	£000s
GMS/PMS and APMS Contract Payments	15,629	13,025	13,016	(9)	15,620	(9)
Enhanced Services	174	159	159	0	174	0
Quality Outcomes Framework	2,085	1,737	1,737	0	2,085	0
Premises Reimbursements	2,550	2,156	2,163	7	2,561	11
PCO Administered	803	669	656	(13)	799	(4)
NHSE Managed Contracts	4	3	3	0	6	3
Primary Care Network DES	885	706	706	(0)	885	0
Locally Commissioned Services	63	53	53	0	63	0
Primary Care Team	89	69	54	(15)	64	(24)
Primary Care Non Pay	5	5	10	5	12	7
Contingency	113	0	0	(0)	113	0
Surplus / Risk Reserve	79	66	90	24	97	18
	22,479	18,648	18,648	(0)	22,479	0

i. GMS, PMS and APMS Contract Payments

The financial position as at as at month 10 shows a year to date under spend of £9k and a forecast under spend of £9k. This reflects the adjustment to list sizes which have been made in January.

ii. Enhanced Services

The enhanced services budget funds services that the CCG is required to offer to contractors and is linked to national priorities (extended hours, learning disabilities and violent patients). This distinguishes these services from any locally commissioned enhanced services that may also be offered. This is currently forecast to break even.

iii. Quality Outcomes

Payments relating to the Quality Outcomes Framework are automatically calculated by the Calculating Quality Reporting Service (CQRS). This is forecast to be on budget year to date and in the forecast outturn. The 2018/19 achievement payment has been made by East Surrey CCG but recharged in full back to NHS England (NHSE).

iv. Premises Costs

The position for reimbursable practice costs (rent, rates and water) has been forecast with the information available. The reported position is based upon either claims made by practices to date, or from information provided by NHS Property Services (NHSPS).

The month 10 year to date position shows a £7k over spend which represents increased payments for rates made to practices for 2019/20.

v. PCO Administered Costs

This includes budgets that are devolved to the CCG, and includes payments for locum cover, seniority, retainers, personally administered drugs, CQC and clinical waste reimbursement. At month 10 there is an under spend of £13k which reflects an under spend on seniority payments. This is partially offset in the forecast position by an increase in GP retainer payments.

vi. NHSE Managed Budgets

Under delegated co-commissioning arrangements syringe costs are managed by NHSE on a Surrey / Sussex wide basis. These are on budget year to date and forecast to over spend by £3k at year end.

vii. Locally Commissioned Services

This budget reflects the 2019/20 PMS release fund which is funded through delegated budgets. Prior year PMS release funds before delegation have been invested within LCS budgets from core CCG allocations (see appendix B). The £63k budget has been assumed to be committed but remains available for investment.

viii. Primary Care Team

This budget funds the cost of the Primary Care contracting and commissioning teams which have been charged against the co-commissioning budget. This is currently forecast to under spend by £24k at year end.

ix. Reserves

The CCG has a reserve of £79k for primary care co-commissioning, being the difference between the 'top-down' allocation it received and the 'bottom-up' budgets set based on the 2019/20 GMS contract and informed by historic spend. An in year forecast under spend (of all other categories) of £18k has increased the amount available for investment to £97k.

Against this reserve £23k had previously been committed to support additional locum cover to support a particular practice. The Primary Care Co-Commissioning Committee has now agreed that the balance of funds can be used to provide top-up payments to the PCN Clinical Director roles and to provide funding for 12 months administrative support to networks. This is in line with the other Surrey Heartlands CCGs.

In addition, the 0.5% contingency reserve of £113k, in accordance with NHSE business rules has been set aside. At month 10 this has not needed to be released in either the year to date or forecast positions in order to achieve the reported break even position.

3. Other Primary Care Budgets

The financial position for other Primary Care budgets at Month 10 is as follows;

	Annual Budget	YTD Budget	YTD Spend	YTD Variance	YE Forecast	YE Variance
	£000s	£000s	£000s	£000s	£000s	£000s
Locally Commissioned Services	3,643	3,036	2,881	(155)	3,485	(158)
Primary Care Network Support [Core £1.50]	276	230	232	2	278	2
Primary Care IT	636	490	490	0	636	0
Clinical Leads	155	129	86	(43)	103	(52)
BCF Development funds to support the Federation	172	143	168	25	177	6
Primary Care Clinical Pharmacists	38	31	23	(8)	28	(10)
Primary Care Investment Reserve	166	2	2	0	166	0
Sub-Total	5,086	4,061	3,881	(181)	4,874	(212)
Practice Prescribing	24,279	20,361	20,192	(169)	24,189	(90)
Medicines Management	724	603	662	59	791	67
Primary Care Prescribing	157	131	908	778	930	773
Home Oxygen	247	206	193	(13)	232	(15)
Drugs Costs Met Centrally	745	621	634	13	761	16
Out of Hours	733	611	615	4	739	5
Sub-Total	26,885	22,533	23,205	672	27,641	756
Total	31,972	26,594	27,085	491	32,515	543

i. Locally Commissioned Services

Costs for locally commissioned services are showing a year to date under spend of £155k. This is based upon the value of claims received in quarters one and two.

Appendix C shows the value of 2019/20 claims made to date as at December 2019.

ii. Primary Care Network Support [Core £1.50]

The month 10 position shows a £2k over spend in both the year to date and year end positions. These payments form part of the Primary Care Network DES but are not funded from delegated allocations. Payments have been made to networks from July in line with guidance, back dated to April.

iii. Primary Care IT

The primary care IT budget of £636k is forecast to break even at year-end. This budget funds both the internal and external support (via the CSU) to general practice for IT services.

iv. Clinical Leads and Practice Engagement

At month 10 Clinical leads are forecast to underspend by £52k.

v. Primary Care Investment Reserve

This reserve has been generated through the budget setting process and is currently being held due to cost pressures generated through the closure of a Croydon practice and subsequent transfer of patients to East Surrey CCG.

vi. Practice Prescribing

The Practice Prescribing Authority (PPA) data is received two months in arrears so the month 10 position is based upon November data and an estimate for December and January. The month 10 year to date position shows a £169k under spend and forecast under spend £90k at year-end. This includes the impact of the national Category M price increase from August.

vii. Medicines Management Team

Medicines Management is currently showing a forecast over spend of £59k, of which £19k relates to a prior year under accrual.

viii. Primary Care Prescribing

This is forecast to over spend by £773k at year end and relates to costs for young epilepsy prescribing, for which it has not been possible to recover costs from other commissioning organisations.

viii. Out of Hours

At month 10 the Out of Hours budget is forecast to over spend by £5k at year end.

4. GPFV

The CCG has received an allocation of £1,034k in June which is to fund GP improved access. Contracts have been agreed with the ABC federation to provide coverage from April 2019, at the increased rate of 45 minutes per 1,000 head of weighted population.

Additionally, Brighton & Hove CCG has received a number of other GPFV allocations on behalf of all Sussex CCGs for 2019/20. The East Surrey CCG share has been transferred back to the CCG in December pro rata based upon population size. These are detailed below.

- Primary Care Networks £136k. This funding has been passed to networks in December, split by weighted capitation;
- Practice Resilience £25k. Practices have been asked to submit bids which will be assessed in December, based upon criteria agreed by PCCC in November. Notification of successful bids has been sent to practices in January.
- On-line Consultation £50k. This will form part of the wider Surrey Heartlands procurement process which is due to recommence in January after a short delay caused by the December General Election.
- Reception & Clerical £31k. It has been agreed that this funding will be passed directly to networks, along with an under spend from prior year allocations.

Plans are being drawn up on commitments against the following schemes on a Surrey Heartlands wide basis.

- GP Retention £39k
- Workforce Training Hubs £31k
- Fellowships Core Offer £28k
- Fellowships Aspiring Leaders £36k.

Appendix A

	Annual Budget	Movement in	Annual budget
	M9	M10	M10
	£000s		
Global Sum / MPIG	15,490		15,490
GMS Transitional Relief	19		19
PMS Contracts	121		121
PMS Other	0		0
GMS/PMS and APMS Contract Payments	15,629	0	15,629
Extended Hours (April to June)	86		86
Learning Disabilities	65		65
Dispensing Quality Scheme	0		0
Violent Patients	22		22
Enhanced Services	174	0	174
Aspiration	1,518		1,518
Achievement	567		567
Quality Outcomes Framework	2,085	0	2,085
Rent	2,055		2,055
Rates	428		428
Water	16		16
Premises Other	51		51
Voids & Subsidies	0		0
Premises Reimbursements	2,550	0	2,550
Seniority	142		142
Locum Payments	324		324
PADM/ Dispensing	126		126
GP Fees Dispensing	7		7
GP Prescriptions Income *	0		0
GP Retainers	55		55
CQC Fees	115		115
Interpreting Services	6		6
Clinical Waste	27		27
PCO Administered	803	0	803
Participation Payment	316		316
Extended Hrs to PCNs (July Onwards)	204		204
Clinical Director	95		95
Clinical Pharmacist	142		142
Social Prescribing	128		128
Primary Care Network DES	885	0	885
Syringes	4		4
Other Costs	4	0	4
Primary Care Team	89		89
Primary Care Non Pay	5		5
Primary Care Team	93	0	93
PMS Premium Release	63		63
Locally Commissioned Services	0		0
0.5% Contingency	113		113
Surplus / Risk Reserve	79		79
Total	22,479	0	22,479

Appendix B

PMS Release Funds

	Year 1 2016/2017 Premium Release After Additional Support	Year 2 2017/2018 Premium Release After Additional Support	Year 3 2018/2019 Premium Release After Additional Support	Year 4 2019/2020 Premium Release After Additional Support	Year 5 2020/2021 Premium Release After Additional Support	Year 6 2021/2022 Premium Release After Additional Support	2019/20 Total Premium Release
	2016	2017	2018	2019	2020	2021	
Cummulative £	47,863	111,681	175,498	239,315	303,133	319,087	
In Year £	47,863	63,817	63,817	63,817	63,817	15,954	
2019/20			175,498	63,817			239,315
	CCG Core Funding - Locally			Delegated Co-Commissioning			

Appendix C

East Surrey LCS 2019/20 Spend Against Budget

Locally Comissioned Services	Annual budget	YTD Budget	YTD Actual	Variance
Ambulatory Blood Pressure Monitoring	70,847	53,135	48,615	(4,521)
Diabetes	310,687	233,015	243,576	10,561
Deep Vein Thrombosis	6,733	5,050	4,697	(353)
Phlebotomy	214,684	161,013	157,832	(3,181)
Severe Mental Illness (SMI)	35,003	26,252	5,526	(20,726)
ECG	79,935	59,951	62,990	3,039
Care Homes	78,119	58,589	58,670	81
Ear Irrigation	144,997	108,748	48,906	(59,842)
Engagement & Elective Care	155,914	116,936	106,014	(10,922)
Unplanned Care	906,446	679,835	682,743	2,909
Basket of Procedures	563,223	422,417	417,007	(5,410)
Rheumatology	68,173	51,130	46,788	(4,342)
Monitoring Toxic Drugs	14,488	10,866	10,759	(107)
Zoladex	38,592	28,944	20,824	(8,120)
Anti-Coagulation	416,913	312,685	262,734	(49,951)
Referral Management	445,413	334,060	250,236	(83,824)
GP Prescribing	93,128	0	0	0
Grand Total	3,643,295	2,662,625	2,427,917	(234,709)

The table above shows the value of claims made for quarters 1 to 3 against budget.