

BNSSG Primary Care Commissioning Committee (PCCC)

Date: 31st March 2020

Time: 9.00am – 10.20am

Location: Virtual meeting

| | |
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| Agenda Number : | 6 |
| Title: | 2020/21 Primary Care Medical Financial Plan & Budget Setting |
| Purpose: Discussion/For Information | |
| Key Points for Discussion: | |
| <p>The following paper sets out the budget plan for 2020/21 for BNSSG CCGs Primary Care Medical allocation. The committee is asked to note the following:</p> <ul style="list-style-type: none"> • Note the confirmed Primary Care Medical revenue resource limit for 2020/21 of £135,686K • Note that based on the national allocations formula, the CCG is 3% away from its target allocation, which represents a distance from target of £4.2m • Note that the CCGs registered population is growing at a faster rate (approximately 0.5% each year) than the ONS projections on which allocations are based • Note the underlying, recurrent deficit of £926K at the start of 2020/21 • Note the financial planning assumptions as outlined above and the expenditure plan totaling £137.6m before identification of unidentified savings • Note that a balanced plan has been submitted based on the assumption that the CCG will identify £1.25 million of in-year savings, and that the 0.5% contingency funding remains uncommitted • Note the other risks to delivery of this plan as outlined in Section 5 • Note, this represents the 'base-case' budget prior to the financial impact of Covid-19. It is anticipated that all reasonable, additional Covid-19 related costs incurred in primary care will be reimbursed to practices, from national funding accessed by the CCG | |



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| Recommendations: | PCCC is asked to agree submission of a balanced plan for Primary Care Medical as part of the CCGs overall financial plan for 2020/21, recognising delivery of this plan is dependent on uncommitted contingency funding of 0.5%, and identifying £1.25m of in-year savings (currently unidentified). |
| Previously Considered By and feedback : | Primary Care Operation Group (PCOG) |
| Management of Declared Interest: | Conflicts of Interest are managed at each meeting of the Committee. |
| Risk and Assurance: | Please See Section 5 of the paper setting out the key financial risks in 2020/21 |
| Financial / Resource Implications: | See Key Points for Discussion |
| Legal, Policy and Regulatory Requirements: | Not Applicable |
| How does this reduce Health Inequalities: | No implications to note |
| How does this impact on Equality & diversity | No implications to note |
| Patient and Public Involvement: | No implications to note |
| Communications and Engagement: | Not applicable |
| Author(s): | Rob Ayerst (Head of Finance Community & Primary Care), BNSSG CCG |
| Sponsoring Director / Clinical Lead / Lay Member: | Sarah Truelove (Chief Finance Officer), BNSSG CCG |

Agenda item: 6

2020/21 Primary Care Medical Financial Plan & Budget Setting

1. Primary Medical Care allocations

The CCG allocations for 2019/20 to 2023/24, covering all funding streams, were published on the 10th January 2019, and revised Primary Care Medical (local) allocations were published on 17th July 2019 to reflect the 2019/20 GP Contract update.

1.1 Primary medical care allocations 2019/20 – 2023/24

The five-year Primary Medical allocations for BNSSG are set out below:

Table 1: BNSSG CCG Primary Care Medical Allocations 2019/20 – 2023/24

| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Adjusted baseline | 123,478K | 131,438K | 137,908K | 145,976K | 152,602K |
| Allocation Growth | 7,960K | 6,470K | 8,068K | 6,626K | 6,912K |
| Final allocation after place-based pace of change | 131,438K | 137,908K | 145,976K | 152,602K | 159,514K |
| GP Indemnity Adjustment (CNSGP) | -3,783K | -3,961K | -5,311K | -4,480K | -2,914K |
| Final Allocation after adjustments | 127,655K | 133,947K | 140,665K | 148,122K | 156,600K |
| Final growth (%) | 6.45% | 4.92% | 5.85% | 4.54% | 4.53% |
| Closing Target Allocation | 135,892K | 142,151K | 150,024K | 156,373K | 162,970K |
| Final closing DfT (£) | -4,454K | -4,243K | -4,048K | -3,771K | -3,456K |
| Final closing DfT (%) | -3.3% | -3.0% | -2.7% | -2.4% | -2.1% |
| Estimated 12 month average registered population | 1,017,742 | 1,026,830 | 1,035,613 | 1,044,295 | 1,052,868 |
| Weighted population | 977,961 | 985,432 | 992,324 | 998,911 | 1,005,288 |
| Funding per Capita (weighted) | £134.40 | £139.95 | £147.11 | £152.77 | £158.67 |

1.2 Population base

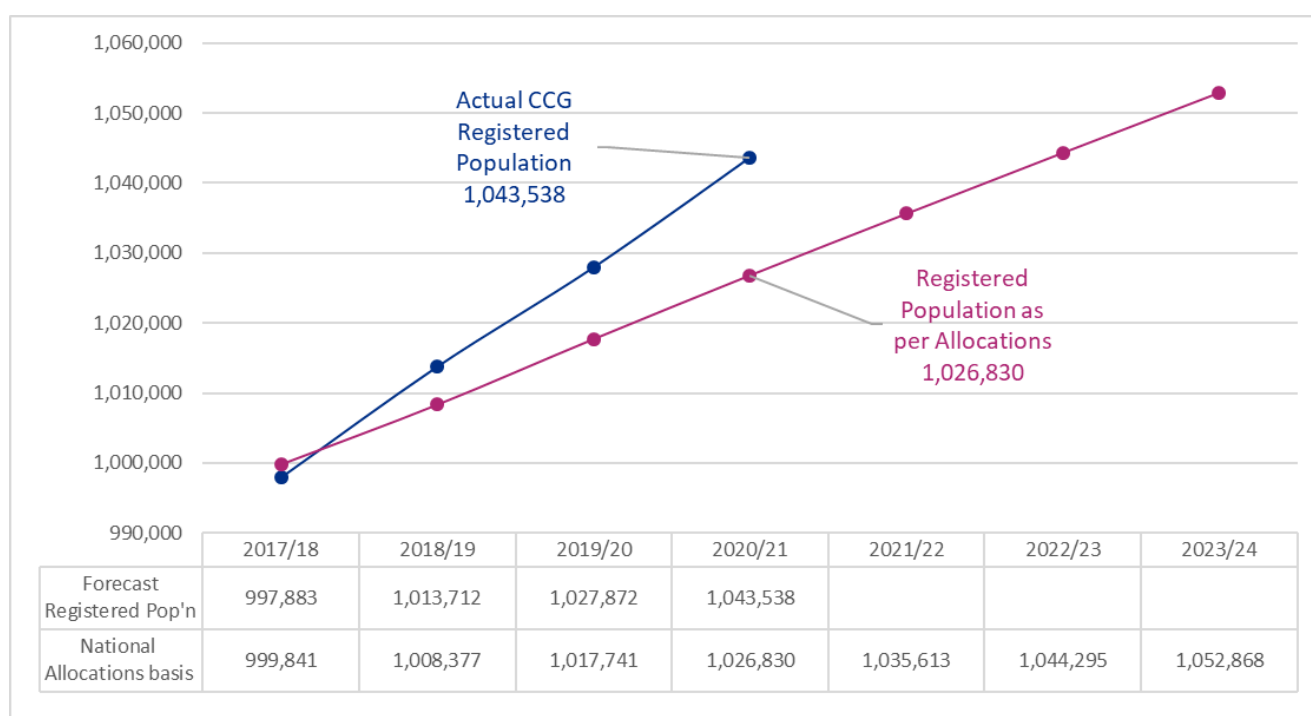
The starting point for the weighted capitation formula is each CCG's population. The populations used are the registered lists of all member GP practices of the CCG as published by NHS Digital.

The 12-month average GP registrations to October 2018, aggregated to CCG level, are projected forward using ONS growth rates to give estimated GP and CCG registered lists for each year from 2019/20 to 2023/24.

BNSSG CCGs current registered population, based on latest figures (January 2020), is 1,035,769. Applying 1.5% in-year growth to this number (equitable with actual growth seen over the last two years), and allowing for seasonal trends in population changes, the average registered population in financial year 2020/21, is forecast to be 1,043,538.

When compared to the average registered population that the allocation formula uses, this represents a population that is growing quicker than ONS projections suggested, as outlined in chart 1 (below).

Chart 1: Actual BNSSG CCG Population vs Projections used in Allocations Formula



Based on the allocations formula, the funding per head of registered population equates to £130.45 in 2020/21. Based on the CCGs estimate of the average population for 2020/21, this equates to reduced funding of £128.36 per head.

In terms of total allocation, this represents a shortfall of £2.2m driven by a registered population that is forecast to be 16,708 higher than the ONS projections on which allocations are based.

1.3 'Distance from Target'

The formula for primary medical care (GP services) allocations was updated in 2016/17. This update moved away from using the Carr-Hill contractual formula that is at the heart of the General Medical Services (GMS) contract, to a formula based on new estimates of workload per patient by age-sex group, which were used as the relative weights per head for allocations.

CCG weighted populations for 2019/20 to 2023/24 were derived using the projected GP registered population profiles as described above.

The National average or 'target' funding per head of weighted population across all CCGs in 202/21 is £144.25. Based on actual allocations, BNSSG CCGs funding per weighted head of population is £139.95, which represents a closing distance from target allocation of 3%, or £4.2m.

Table 2: BNSSG CCG Distance from Target compared to Right-Care 'similar' CCGs 202/21:

| Similar CCGs | Estimated 12month average registered population | Overall weighted Population | Final allocation after place-based pace of change (£m) | £ /Weighted Head | Final closing DfT (%) | Target Allocation (£m) | Distance from Target Allocation (£m) |
|---------------------------------|---|-----------------------------|--|------------------|-----------------------|------------------------|--------------------------------------|
| NHS Cambs and Peterborough CCG | 978,624 | 944,332 | £138,368 | £146.52 | 1.58% | £136,222 | £2,146 |
| NHS Oxfordshire CCG | 750,274 | 711,162 | £103,445 | £145.46 | 0.84% | £102,587 | £858 |
| NHS Derby and Derbyshire CCG | 1,058,007 | 1,039,045 | £150,679 | £145.02 | 0.53% | £149,885 | £794 |
| NHS Sheffield CCG | 607,793 | 593,158 | £85,811 | £144.67 | 0.29% | £85,565 | £246 |
| NHS E and N Hertfordshire CCG | 608,245 | 559,208 | £80,739 | £144.38 | 0.09% | £80,667 | £72 |
| NHS Coventry and Rugby CCG | 528,344 | 533,183 | £76,763 | £143.97 | -0.20% | £76,913 | -£150 |
| NHS Birmingham and Solihull CCG | 1,329,445 | 1,365,360 | £195,619 | £143.27 | -0.68% | £196,957 | -£1,338 |
| NHS BNSSG CCG | 1,026,830 | 985,432 | £137,908 | £139.95 | -2.99% | £142,151 | -£4,243 |
| NHS Leeds CCG | 888,937 | 902,901 | £125,530 | £139.03 | -3.62% | £130,246 | -£4,716 |
| NHS Nene CCG | 695,931 | 686,987 | £95,502 | £139.02 | -3.63% | £99,100 | -£3,598 |
| NHS NE and W Devon CCG | 941,125 | 957,555 | £132,031 | £137.88 | -4.42% | £138,130 | -£6,099 |
| England | 59,802,740 | 59,802,740 | £8,635,381 | £144.40 | 0.10% | £8,626,713 | £8,668 |

1.4 Revised 2020/21 Allocation to reflect new GP Contract

The allocations outlined above cover the additional costs of:

- increases to global sum - which include;
 - amounts in respect of increases to contractor pay, staff and other expenses;
 - the introduction of post-natal maternity checks
 - the reinvestment of reductions to MPIG (only relevant for GMS contracts) and
 - the reinvestment of reduced seniority costs.
- the introduction of a new QOF indicator for non-diabetic hyperglycaemia and also changes to the value of a QOF point to reflect the changing average practice size.

- The original Additional Roles Reimbursement Scheme (ARRS) funding, which in 2020/21 is worth £257m across England

In response to the revised 202/21 GP Contract deal, as agreed by NHS England and NHS Improvement and the BMA, the CCG was notified of revised allocations to take account of the following contractual changes:

- Care Home Premium to be paid at £60 per CQC-registered care home bed from October 2020, and £120 per year thereafter. For BNSSG CCG, this is based on registered CQC bed numbers of 7,887
- Increase in practice funding - the net effect of the national £10m increase in QOF, and £12m for post-natal checks
- Investment & Impact Fund (IIF) funding - an incentive scheme which will pay out to PCNs based on performance metrics set out in GP Contract.

The revised allocations **do not** include additional funding for the expanded Additional Roles Reimbursement Scheme for which separate arrangements apply, and which CCGs will be able to draw down based on need – from centrally held additional funding.

Table 3: 2020/21 Revised Allocation:

| | 2020/21 Allocation |
|--|--------------------|
| Adjusted baseline | 131,438K |
| Allocation Growth | 6,470K |
| Final allocation after place-based pace of change | 137,908K |
| GP Indemnity Adjustment (CNSGP) | -3,961K |
| Final Allocation after adjustments | 133,947K |
| Recurrent Allocation received in 2019/20 | 300K |
| Revised Recurrent Allocation | 134,247K |

Additional funding 2020/21

| | |
|---|-----------------|
| Care Homes Premium | 473K |
| Increase in Practice Funding | 319K |
| Investment and Impact Fund | 647K |
| Final Revenue Resource Limit 2020/21 | 135,686K |

1.5 Enhancing the Additional Roles Reimbursement Scheme (ARRS)

The ARRS is being expanded with the aim of delivering 26,000 extra staff by 2023/24, covering a wider range of roles with 100% reimbursement from April 2020. Additional resources are being made available for the ARRS as shown in table 5:

Table 4: 2020/21 ARRS Allocations:

| | 2020/21 | 2021/22 | 2022/23 | 2023/24 |
|-----------------------------|-----------------|-----------------|-------------------|-------------------|
| National Funding | | | | |
| Original ARRS Funding (A) | 257,000K | 415,000K | 634,000K | 891,000K |
| Additional ARRS Funding (B) | 173,222K | 331,000K | 393,000K | 521,000K |
| | 430,222K | 746,000K | 1,027,000K | 1,412,000K |
| BNSSG Funding | | | | |
| Original ARRS Funding (C) | 4,167K | 6,729K | 10,280K | 14,447K |
| Additional ARRS Funding (D) | 2,809K | 5,367K | 6,372K | 8,448K |
| | 6,976K | 12,096K | 16,652K | 22,895K |

The original ARRS funding, at row (A) in the table, is already included in the Primary Care Medical allocations outlined above. In 2020/21, this funding is worth £257m across England, which is around 60% of the £430m total available. The BNSSG share of this, based on weighted capitation shares is £4.17m, shown in row (C), and is the amount included in the budget setting for 2020/21.

The additional ARRS funding, shown at row (B) of the table, which runs to £521m in 2023/24, will - in the first instance - be held by NHSE&I and not added to the revised local Primary Care Medical allocations.

At a CCG level, once the funding in row (C) has been claimed by PCNs and they continue to claim reimbursement over those amounts, CCGs will be able to draw down additional allocations - based on need - from the centrally held additional funding up to a maximum of £6.98m.

2. 2019/20 Forecast Out-turn & Underlying Position

The key variances from the planned deficit that return the delegated budgets to a forecasted breakeven position in 2019/20 are summarised as follows:

Table 5: 2019/20 Forecast Out-turn and underlying, recurrent deficit

| 2019/20 Plan & Forecast | Surplus / (deficit) | | |
|---|---------------------|----------------|----------------|
| | Recurrent | Non-Recurrent | TOTAL |
| 1) 2019/20 Planning Assumptions | | | |
| Planned Deficit before Allocations | (£2,531K) | £866K | (£1,665K) |
| 2) In-Year Commitments/Mitigations | | | |
| Additional Allocation | £300K | £700K | £1,000K |
| GPFV Funding Allocation | £369K | | £369K |
| Q1 - Q3 Population growth | £11K | | £11K |
| Reduced Seniority Payments | £185K | | £185K |
| In-Year APMS Contract cessation | £256K | | £256K |
| List Dispersal Premiums | | (£262K) | (£262K) |
| Additional Section 96 commitment | | (£82K) | (£82K) |
| Contract Transitional Funding | | (£450K) | (£450K) |
| Release of 0.5% Contingency | | £638K | £638K |
| 2019/20 Forecast as at Month 9 | (£1,410K) | £1,410K | £0K |
| 3) Underlying Position Adjustments | | | |
| Q4 Population growth | (£366K) | | (£366K) |
| Remove n/r funding | | (£700K) | (£700K) |
| Remove n/r slippage on additional roles recruitment | | (£866K) | (£866K) |
| Remove n/r contingency benefit | | (£638K) | (£638K) |
| Remove n/r commitments | | £794K | £794K |
| Planned Reduction in APMS Premiums | £850K | | £850K |
| Underlying Position on exit of 2019/20 | (£926K) | £0K | (£926K) |

The CCG has had to rely on a number of non-recurrent measures in order to deliver a break-even forecast against budget in 2019/20:

- £866K - planning assumption that 50% of the additional roles funding will not be used in 2019/20 due to delayed recruitment

- £700K non-recurrent allocation from NHS England
- £638K non-recurrent contingency

This has been partly offset by a number of non-recurrent cost pressures arising during the course of 2019/20:

- £262K premium paid to practices to support new patient registrations where lists have been dispersed due to practice closures
- An £82K over-spend against budgeted Section 96 funding to support practice resilience issues
- £450K to support safe transition of services to new providers, post contract handbacks.

This resulted in a net **non-recurrent benefit** of £1.4m in 2019/20.

The **recurrent, underlying deficit on exiting 2019/20 is £926K**, and is set out in Table 5 above

3. Key planning commitments and assumptions for 2020/21

3.1 Overall Planning Assumptions

The CCG has set a balanced financial plan, breaking even against its Primary Care Medical allocation of £ 135.69m, which fulfils the financial and contractual obligations as set out in the five-year framework for GP services as agreed between NHS England and the BMA General Practitioners Committee (GPC) in England, and 2020/21 NHS England Operational & Planning guidance. Headlines are as follows:

- Planned Expenditure of £137.6m against income allocation of £135.7m, equating to a planned deficit of £1.9m before mitigations
- **An unidentified savings requirement of £1,253K**
- An uncommitted contingency budget of £678K (0.5% of allocation)
- Re-provision of an additional discretionary, uncommitted practice resilience fund of £450K
- Uncommitted, non-recurrent Section 96 funding of £170K
- Forecast registered population growth of 1.5% applied to current registered list sizes
- Core PCN funding of £1.50 per head funded from CCG Core allocation

Other key planning assumptions are set out in the following sections:

3.2 Global Sum per weighted patient and Quality Outcomes Framework (QOF) point value

- The new value of Global Sum from 1st April will be £93.46.
- The new value of a QOF point will be £194.83

| | 2019/20 | 2020/21 | £ | % |
|--|---------------|---------------|--------------|-------------|
| Global Sum price per weighted patient | £89.88 | £93.46 | £3.58 | 4.0% |
| Out of Hours Adjustment (%) | 4.82% | 4.77% | | |
| Out of Hours Adjustment (£) | £4.33 | £4.46 | | |
| Revised Global Sum price per weighted patient | £85.55 | £89.00 | £3.45 | 4.0% |

| | | | | |
|----------------------------|---------|---------|-------|------|
| Value of QOF point | £187.74 | £194.83 | £7.09 | 3.8% |
| Total number of QOF points | 559 | 567 | | |

3.3 APMS Contract Premiums

2019/20 APMS contract premiums, and contract transition support expenditure is included in the table below. Under contractual terms, a number of these premiums reduce in 2020/21. The revised budgeted position is £870.1K, which includes the assumption that £450K of contract transitional support will be required to support practice resilience issues in 2020/21.

Table 6: 2019/20 & 2020/21 APMS Contract Premiums and Transitional Support

| | Contract End Date | 2019/20 Budget | 2019/20 Expenditure | 2019/20 Variance | 2020/21 Premium Reduction | 2020/21 APMS Premium Budget |
|--|-------------------|------------------|---------------------|------------------|---------------------------|-----------------------------|
| APMS Contracted Premiums | | | | | | |
| Broadmead Medical Centre | 30/09/2021 | £205.7K | £205.7K | £0.0K | (£136.6K) | £69.1K |
| Charlotte Keel Medical Practice | 30/09/2019 | £237.0K | £237.0K | £0.0K | £0.0K | £237.0K |
| Bishopston Medical Practice | 30/09/2019 | £150.0K | £75.0K | (£75.0K) | (£75.0K) | £0.0K |
| Northville Family Practice | 30/09/2018 | £311.4K | £155.7K | (£155.7K) | (£155.7K) | £0.0K |
| Emersons Green Medical Centre | 31/01/2022 | £139.3K | £139.3K | £0.0K | (£75.3K) | £64.0K |
| The Locality Health Centre (Pier Health) | 30/11/2019 | £457.6K | £457.6K | £0.0K | (£457.6K) | £0.0K |
| Compass Health | 30/09/2021 | £25.0K | £25.0K | £0.0K | £25.0K | £50.0K |
| | | £1,525.9K | £1,295.2K | (£230.7K) | (£875.2K) | £420.1K |

| | | | | | | |
|--|--|------------------|------------------|----------------|------------------|----------------|
| APMS Contract Transition Support | | | | | | |
| The Locality Health Centre (Pier Health) | | | £450.0K | £450.0K | £0.0K | £450.0K |
| | | £1,525.9K | £1,745.2K | £219.3K | (£875.2K) | £870.1K |

3.4 Primary Care Network (PCN) Directed Enhanced Service (DES)

Primary Care Network DES funding, and the associated funding streams are set out in the table below. Key changes for 2020/21 are included in the section that follows.

Table 7: 2020/21 Primary Care Network (PCN) Funding Sources 2020/21

| PCN Network DES | Funding basis | Delegated Primary Care Funding | Core CCG funding | Centrally Held NHSE Funding | TOTAL |
|--|--------------------------|--------------------------------|------------------|-----------------------------|-----------------|
| Network Participation Payment ² | Weighted | £1,723K | | | £1,723K |
| Clinical Director | Registered | £748K | | | £748K |
| Additional Roles | Maximum Reimbursable Sum | £4,167K | | £2,809K | £6,976K |
| Extended Hours Access DES | Registered | £1,502K | | | £1,502K |
| Care Home Premium | Number of CQC Care Homes | £473K | | | £473K |
| Investment & Impact Fund | Registered | £647K | | | £647K |
| Core PCN Funding ³ £1.50 per head | Registered | | £1,554K | | £1,554K |
| | | £9,260K | £1,554K | £2,809K | £13,623K |

Network Participation Payment

The Network Participation Practice Payment of £1.761 per head of weighted population continues in 2020/21 where practices continue to be an active member of a Primary Care Network through signing up to the Network Contract DES. While paid in connection to the PCN DES, this is a payment direct to practices.

Clinical Director

PCNs will be able to claim 0.25WTE per 50,000 registered population funding for a clinical leadership role, at a rate of £0.72 per head of registered population.

Additional Roles Reimbursement Scheme (Year 2)

From Year 2 onwards (April 2020), each network will be allotted a single combined maximum reimbursement sum, covering all reimbursable staff roles, which will be reimbursed at 100% (up to the maximum amounts set out in the GP Contract). Each network's maximum sum will be based on a weighted capitation share of the national funding, that equates to £7.13 per head of weighted population.

As set out in Table 6 (above), the CCG has budgeted at levels in line with the funding included in its allocation (£4.2m). A further central resource is available (up to a maximum of £2.8m), held by NHS England which is accessible to the CCG if recruitment exceeds this value.

Extended Hours Access

Funding currently associated with the Extended Hours DES transferred to the network from 1st July 2019, and continues in 2020/21, reimbursed practices at the rate of £1.45 per head of registered population.

Care Homes Premium

PCNs will be entitled to a recurrent £120 per bed, per year based on CQC data on registered care homes beds in England (latest BNSSGCCG figure: 7,887), which will be payable on or after 31st July. Given that the core requirements of the 2020/21 Enhanced Health in Care Homes service specification do not come into effect until 30th September 2020, this funding is on a half year (£60/bed) basis in the first year.

Investment & Impact Fund (IIF)

IIF funding refers to the Impact and Investment fund - an incentive scheme which will pay out to PCNs based on performance metrics set out in the GP contract agreement.

Both the care homes premium, and IIF are funded through the additional allocation received by the CCG as set out in Section 1.4 (Table 3).

3.5 Section 96, Resilience and Contingency Funding

Section 96 Funding

A £170K non-recurrent budget has been set to cover in year practice claims under Section 96.

Non-Recurrent Contract Support

In 2019/20, £450K of non-recurrent funding was given to providers to support safe transition of services, post contract handbacks. This funding has been re-instated in anticipation of a similar level of support being required for 2020/21.

Contingency budget

As per 2019/20 Operational Planning & Contracting guidance, the CCG has set aside 0.5% of its primary medical care allocation as a contingency fund to mitigate against in year cost pressures. This is set at £678K, and is uncommitted at the start of the year.

4. 2020/21 Delegated Primary Care Financial Plan Summary

A full expenditure and budget plan is attached as Appendix 1 to this paper. The table below shows the increase in costs and allocation from the 2019/20 underlying position as set out in Section 2 of this paper.

Table 8: 2019/20 Underlying Deficit and 2020/21 Planning Assumptions

| Underlying Position on exit of 2019/20 | Favourable / (adverse) movement | | (£926K) |
|---|---|-----------|------------------|
| Allocation Growth 2020/21 | | | |
| Allocation Growth | | £6,292K | |
| Revised Allocation for new GP Contract | | £1,439K | £7,731K |
| 2020/21 GP Contract | | | |
| Global Sum Increase | additional £3.45 per weighted patient | (£3,772K) | |
| PMS Premium Reinvestment | re-invested into Global Sum | £325K | |
| Minimum Practice Income Guarantee (MPIG) | re-invested into Global Sum | £34K | |
| Seniority Payments | re-invested into Global Sum | £644K | (£2,769K) |
| 2020/21 Population Growth | 1.5% registered popn. growth | (£1,074K) | |
| 2020/21 Increase in £ per QOF point | £7.09 increase per QOF point | (£660K) | (£1,734K) |
| Re-provide Non-Recurrent Contract Support | | (£450K) | (£450K) |
| PCN Network DES | | | |
| Additional Roles | ARRS Year 2 increase | (£2,435K) | |
| GP Clinical Leadership | Full-Year impact of 19/20 funding | (£223K) | |
| Network Participation Payment | Uplifted for revised populations | (£27K) | |
| Extended Hours Access DES (PCN from July) | 19/20 Uplifted for revised populations | (£98K) | |
| Care Home Premium | 19/20 Uplifted for revised populations | (£473K) | |
| Investment and Impact Funding | CCG share of £40.5m national funding | (£647K) | (£3,903K) |
| Other | | | |
| Premises Cost reductions | | £104K | |
| Other Cost reductions | | £57K | £161K |
| Reserves | | | |
| 0.5% additional Contingency | 0.5% contingency to reflect allocation growth | (£40K) | |
| 2020/21 Unidentified Savings Target | | £1,253K | £1,212K |
| Planned Deficit before release of 0.5% Contingency | | | (£678K) |
| Assumed release of contingency funding | | £678K | £678K |
| Risk Adjusted Forecast Out-turn | | | £0K |

5. Key Risks & Mitigations

Risks

- Unidentified savings target of £1.25m
- Assumption that 0.5% contingency budget remains uncommitted
- A number of APMS contracts are due to be renewed in 2020/21, there is a risk that the level of contract premium over and above Global Sum funding is in excess of the budgeted amounts set out in Section 3.3
- Population growth has been factored in based on average actual growth levels over the last 2 years. Growth in excess of this number will cause an over-spend against budgeted amounts

Mitigations

- No financial benefit from slippage on recruitment to the additional roles reimbursement scheme has been assumed in this financial plan. If there is a delay in recruitment to the number of funded posts in BNSSG, this may contribute non-recurrent mitigation against the issues described above.
- Minimising the use of discretionary spend, contract premiums and contract transition support funding that isn't committed to existing contracts.
- The CCG will receive additional transformation funding of c. £2.5m in 2020/21 over and above the core allocation referred to in this paper. This includes the continuation of funding already available non-recurrently to support Extended Access and GP Forward View funding streams, (e.g. practice resilience programme). Additional funding is also included to support the development of Primary Care Networks. Where possible, this funding should be prioritised to support the emerging financial risks outlined above.

6. Summary and Recommendations

The committee is asked to note the following:

- Note the confirmed Primary Care Medical revenue resource limit for 2020/21 of £135,686K
- Note that based on the national allocations formula, the CCG is 3% away from its target allocation, which represents a distance from target of £4.2m

- Note that the CCGs registered population is growing at a faster rate (approximately 0.5% each year) than the ONS projections on which allocations are based
- Note the underlying, recurrent deficit of £926K at the start of 2020/21
- Note the financial planning assumptions as outlined above and the expenditure plan totaling £137.6m before identification of unidentified savings
- Note that a balanced plan has been submitted based on the assumption that the CCG will identify £1.25 million of in-year savings, and that the 0.5% contingency funding remains uncommitted
- Note the other risks to delivery of this plan as outlined in Section 5 above.

Primary Care Commissioning Committee

31st March 2020

Appendix 1 - 2020/21 Primary Care Delegated Budget

| | Month 9 Forecast | Remove Non-Recurrent Allocations | Remove Non-Recurrent Spend | Recurrent Baseline (underlying Position) | Demographic Growth | Global Sum Uplift | PC Network DES | Revised GP Contract | Other Price Inflation | Savings Requirement | 2020/21 |
|--|--------------------|----------------------------------|----------------------------|--|--------------------|-------------------|------------------|---------------------|-----------------------|---------------------|--------------------|
| Allocation | (£125,955K) | (£2,000K) | | (£127,955K) | | (£6,292K) | | (£1,439K) | | | (£135,686K) |
| Delegated Primary Care Reserve | | | | | | | | | | | |
| Contingency | £0K | | £638K | £638K | | | | | £40K | (£678K) | £0K |
| Section 96 Practice Support | £252K | | (£82K) | £170K | | | | | | | £170K |
| Unidentified Savings Target 2020/21 | £0K | | | £0K | | | | | | (£1,253K) | (£1,253K) |
| Delegated Primary Care Reserve Total | £252K | £0K | £556K | £808K | £0K | £0K | £0K | £0K | £40K | (£1,931K) | (£1,083K) |
| GMS/PMS/APMS Contracts | | | | | | | | | | | |
| GMS Global Sum | £16,946K | | | £16,946K | £354K | £787K | | | | | £18,087K |
| PMS Contract Value | £66,758K | | | £66,758K | £720K | £2,985K | | | | | £70,463K |
| APMS Contract Premium | £1,270K | | (£850K) | £420K | | | | | | | £420K |
| APMS Contract Support | £450K | | (£450K) | £0K | | | | | £450K | | £450K |
| PMS Premium | £1,675K | £2,700K | | £4,375K | | | | (£325K) | | | £4,050K |
| Seniority Payments | £644K | | | £644K | | | | (£644K) | | | £0K |
| Minimum Practice Income Guarantee (MPIG) | £34K | | | £34K | | | | (£34K) | | | £0K |
| List Dispersal Premium | £262K | | (£262K) | £0K | | | | | | | £0K |
| GMS/PMS/APMS Contracts Total | £88,039K | £2,700K | (£1,562K) | £89,177K | £1,074K | £2,769K | £0K | £0K | £450K | £0K | £93,471K |
| Primary Care Networks DES | | | | | | | | | | | |
| Additional Roles | £866K | | £866K | £1,732K | | | £2,435K | | | | £4,167K |
| PCN GP Clinical Leadership | £525K | | | £525K | | | £223K | | | | £748K |
| PCN Participation Payment | £1,696K | | | £1,696K | | | £27K | | | | £1,723K |
| Extended Hours Access | £1,404K | | | £1,404K | | | £98K | | | | £1,502K |
| Care Home Premium | £0K | | | £0K | | | £0K | £473K | | | £473K |
| Investment and Impact Funding | £0K | | | £0K | | | £0K | £647K | | | £647K |
| Primary Care Networks DES Total | £4,491K | £0K | £866K | £5,357K | £0K | £0K | £2,783K | £1,120K | £0K | £0K | £9,260K |
| Designated Enhanced Services (DES) | | | | | | | | | | | |
| Learning Disabilities | £334K | | | £334K | | | | | | | £334K |
| Minor Surgery | £803K | | | £803K | | | | | | | £803K |
| Violent Patients | £75K | | | £75K | | | | | | | £75K |
| Designated Enhanced Services (DES) Total | £1,212K | £0K | £0K | £1,212K | £0K | £0K | £0K | £0K | £0K | £0K | £1,212K |
| Quality Outcomes Framework (QOF) | | | | | | | | | | | |
| QOF Achievement | £12,181K | | £366K | £12,547K | | £341K | | £319K | | | £13,207K |
| Quality Outcomes Framework (QOF) Total | £12,181K | £0K | £366K | £12,547K | £0K | £341K | £0K | £319K | £0K | £0K | £13,207K |
| Premises Costs | | | | | | | | | | | |
| Actual / Cost Rent | £866K | | | £866K | | | | | (£169K) | | £697K |
| Anticipated Market Rent Funding | £0K | | | £0K | | | | | £0K | | £0K |
| Clinical Waste | £764K | | | £764K | | | | | £6K | | £770K |
| Healthcentre Rent | £1,776K | | | £1,776K | | | | | £33K | | £1,809K |
| Notional Rent | £6,913K | | | £6,913K | | | | | (£4K) | | £6,909K |
| Rates | £1,424K | | | £1,424K | | | | | £28K | | £1,452K |
| Service Charges | £2,557K | | | £2,557K | | | | | £0K | | £2,557K |
| Void Costs | £511K | | | £511K | | | | | £0K | | £511K |
| Water Rates | £113K | | | £113K | | | | | £0K | | £113K |
| Premises Costs Total | £14,924K | £0K | £0K | £14,924K | £0K | £0K | £0K | £0K | (£104K) | £0K | £14,820K |
| Prescribing & Dispensing Fees | | | | | | | | | | | |
| Dispensing Fees | £723K | | | £723K | | | | | (£5K) | | £718K |
| Dispensing Quality Scheme | £43K | | | £43K | | | | | (£2K) | | £41K |
| Prescribing Fees | £554K | | | £554K | | | | | (£41K) | | £514K |
| Prescribing & Dispensing Fees Total | £1,320K | £0K | £0K | £1,320K | £0K | £0K | £0K | £0K | (£48K) | £0K | £1,273K |
| Locum Reimbursement Costs | | | | | | | | | | | |
| Locum Costs (Adoption / Maternity / Paternity Leave) | £521K | | | £521K | | | | | (£521K) | | £0K |
| Locum Costs (Sickness Cover) | £1,279K | | (£700K) | £700K | | | | | £521K | | £1,800K |
| Locum Reimbursement Costs Total | £1,800K | (£700K) | £700K | £1,800K | £0K | £0K | £0K | £0K | £0K | £0K | £1,800K |
| Other GP Services | | | | | | | | | | | |
| Connecting Care and LMC | £351K | | | £351K | | | | | £0K | | £351K |
| CQC Fees Reimbursement | £617K | | | £617K | | | | | £15K | | £632K |
| Doctors Retainer Scheme | £220K | | | £220K | | | | | £80K | | £300K |
| IUC Devices | £178K | | | £178K | | | | | £0K | | £178K |
| Sterile Products | £175K | | | £175K | | | | | (£105K) | | £70K |
| Translation Fees | £150K | | | £150K | | | | | £6K | | £156K |
| Other Delegated Costs | £45K | | | £45K | | | | | (£6K) | | £39K |
| Other GP Services Total | £1,735K | £0K | £0K | £1,735K | £0K | £0K | £0K | £0K | (£10K) | £0K | £1,726K |
| Grand Total Expenditure | £125,955K | £2,000K | £926K | £128,881K | £1,074K | £3,111K | £2,783K | £1,439K | £329K | (£1,931K) | £135,686K |
| Surplus / (Deficit) | (£0K) | OK | (£926K) | (£926K) | (£1,074K) | £3,181K | (£2,783K) | (£0K) | (£329K) | £1,931K | £0K |

Shaping better health