

# Primary Care Commissioning Committee (PCCC)

Date: Tuesday 25<sup>th</sup> September

Time: 9-11.15am

Location: Vassall Centre, Gill Avenue, Bristol, BS16 2QQ

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**Agenda number: 12**

**Report title: Primary Care Finance Report as at 31st August 2018 (month 5)**

Report Author: Rob Ayerst (Head of Finance Primary & Community Care)

Report Sponsor: Mike Vaughton (Deputy Chief Finance Officer)

## 1. Purpose

To update Primary Care Commissioning Committee on the latest reported financial position for all BNSSG CCG primary care budgets (excluding medicines management).

## 2. Reported Financial Position as at 31<sup>st</sup> August 2018 (month 5)

### 2.1 Delegated Primary Care

#### Year to Date Position

At the end of Month 5 (31st August 2018), there is a year to date overspend of £109K against a year to date budget of £50,879K (0.2%):

*Variances: underspend / (overspend)*

<b>Table 1</b>	Annual Budget £'000K	Year to Date Budget £'000K	Year to Date Actuals £'000K	Year to Date Variance £'000K	Sum of Forecast Out-turn £'000K	Forecast Out-turn Variance £'000K	Prior Month Forecast Variance £'000K	Forecast Variance Movement £'000K	
Contract (GMS/PMS/APMS)	88,170	36,738	36,615	123	87,676	494	0	494	↑
Premises Costs	13,779	5,741	5,808	(67)	13,899	(120)	0	(120)	↓
DES	3,062	1,276	1,276	(0)	3,062	0	0	0	→
Quality Outcomes Framework (QOF)	11,684	4,868	4,868	0	11,684	0	0	0	→
Locums	715	298	632	(334)	1,500	(785)	0	(785)	↓
Prescribing	1,252	522	522	0	1,252	0	0	0	→
Other	2,305	961	961	0	2,305	0	0	0	→
0.5% Contingency	614	256	256	0	614	0	0	0	→
Other Reserves	527	220	50	170	117	410	0	410	↑
<b>Grand Total</b>	<b>122,109</b>	<b>50,879</b>	<b>50,988</b>	<b>(109)</b>	<b>122,109</b>	<b>0</b>	<b>0</b>	<b>0</b>	

The headline variances (shown in Table 1 above) are described in more detail below, and the detailed delegated commissioning finance table can be found in Appendix 1.

#### **GMS/PMS/APMS Contract - £123K year to date underspend**

Average Growth of 0.8% has been built into practice budgets to reflect anticipated list size changes over the course of the year reflecting new patient registrations. Actual growth in Quarter 1 averaged 0.3%, resulting in a year to date underspend of £123K.

#### **Premises Costs - (£67K year to date overspend)**

The main driver behind the year to date premises costs overspend is an increase in the service charge levied on practices by CHP.

The CCG has reported a financial risk of £703k from increased premises rental costs following a market rent review. In previous years this has been funded non-recurrently by NHSE and the financial position reported assumes a non-recurrent allocation of funds to the CCG in 2018/19. This has been advised as correct by NHSE however formal notice of the allocation increase is awaited.

#### **Locum Costs - (£334K year to date overspend)**

Year to date expenditure on locums is £632K against a year to date budget of £298K. Forecast expenditure in 2018/19 is broadly in line with the previous year prior to delegation. The CCG has requested a detailed analysis of locum spend in 2017/18 from NHSE which will support a risk review in the current year in particular around the recurrent and non-recurrent impact of changes to reimbursement rules.

#### **Other Reserves - £170K year to date underspend**

Uncommitted reserves of £170K year to date are off-setting the above cost pressures.

#### **Forecast Out-turn - breakeven**

The forecast out-turn position remains at break-even at the end of Month 5.

## 2.2 Other Primary Care

### Year to Date Position

At the end of Month 5 (31st August 2018), there is a year to date overspend of 419K against a year to date budget of £15,984K (2.6%).

*Variances: underspend / (overspend)*

Table 2	Annual Budget £'000K	Year to Date Budget £'000K	Year to Date Actuals £'000K	Year to Date Variance £'000K	Sum of Forecast Out-turn £'000K	Forecast Out-turn Variance £'000K	Prior Month Forecast Variance £'000K	Forecast Variance Movement £'000K
Out of Hours	13,345	5,559	6,035	(475)	14,506	(1,161)	0	(1,161) ↓
GP Forward View	7,626	3,178	3,038	140	7,626	0	0	0 →
PMS Review	5,020	4,153	4,153	1	5,020	0	0	0 →
Local Enhanced Services	2,851	1,188	1,188	0	2,851	0	0	0 →
BpCAG and Compact	1,827	761	761	0	1,827	0	0	0 →
Clinical Leads & Membership	2,022	843	899	(57)	2,022	0	0	0 →
Primary Care Other	809	337	329	8	809	0	0	0 →
Savings Target 2018/19	-223	-36	0	(36)	-223	0	0	0 →
<b>Grand Total</b>	<b>33,279</b>	<b>15,984</b>	<b>16,403</b>	<b>(419)</b>	<b>34,440</b>	<b>(1,161)</b>	<b>0</b>	<b>(1,161)</b>

The headline variances (shown in Table 2 above) are detailed below, and the detailed finance table can be found in Appendix 2.

### Out of Hours - (£475K year to date overspend)

Previous contracts for both the 111 service and the Out of Hours service came to an end on the 31<sup>st</sup> March 2018. In order to ensure continuity of service ahead of the reprocurement of the IUC CAS service from April 2019, both contracts have been extended for a further year.

In order for these contracts to be viable for a one year extension there was significant investment agreed to the block contract values, which will result in a non-recurrent £1.1m overspend against budget. The year to date position reflecting this is a £475K overspend.

### GP Forward View - £140K year to date underspend

GP Forward View Funding includes Improved Access funding (£5.6m), the second tranche of practice transformation funds (£3/head, £1.5m total), and funding for reception and clerical training and on-line consultations (£0.5m).

Improved Access is currently contracted for through OneCare, and includes claw-back of funding for under delivery against the additional 45 minutes/'000 population target. Quarter 1 performance was 90% in April, and 95% in May and June, resulting in a year to date underspend of £140K.

### Forecast Out-turn – (£1,161K overspend)

This reflects the non-recurrent pressures on the 1-year extension of the OOH and 111 contracts as described above.

### 3. System Financial Recovery

As part of the CCG recovery programme, and in line with the financial plan agreed with NHSE, the CCG has a requirement to deliver £37m of savings in 2018/19 (approximately 3% of the total CCG allocation).

As part of this plan, there is a savings target of £500k to be delivered from the Primary Care budget (with a £1million full-year effect to be achieved in 2019/20). This equates to less than 0.4% of the total primary care budget this year, and 0.7% recurrently.

BPCAg and Compact contracts have been extended to March 2019, with a revised 30% reduction in payments to practice (alongside a reduced activity requirement where applicable) from November 2018, delivering a non-recurrent saving of £213K.

It is expected that the remainder of the savings this year will be found non-recurrently due to under-performance against Improved Access targets in April - September, which means a claw-back of funding through contractual routes.

### 4. Risk and Mitigations

#### Risks:

- GP Pay Award – 1% announced in April (funded within budgets), further 1% announced in July (currently unfunded), to be transacted as an uplift to Global Sum payment. Approximate £1m cost pressure if no further funding awarded.
- Market rent increases £0.7m

#### Mitigations:

- Assumed central funding to cover GP Pay Award and Market Rent issue
- 0.5% contingency Reserve uncommitted (£0.6m)

### 5. Summary and Recommendations

The Primary Care Commissioning Committee is asked to;

- note the current financial position, the key risks, issues and mitigations.

## Appendix 1

### Delegated Primary Care Month End Report as at 31st August 2018 (month 5)

	Annual Budget £'000K	Year to Date Budget £'000K	Year to Date Actuals £'000K	Year to Date Variance £'000K	Sum of Forecast Out-turn £'000K	Forecast Out-turn Variance £'000K	Prior Month Forecast Variance £'000K	Forecast Variance Movement £'000K	
<b>Contract</b>									
PMS Contract Value	63,628	26,511	25,375	1,136	60,911	2,716	2,716	0	⇒
PMS Premium	3,350	1,396	1,396	0	3,350	0	0	0	⇒
PMS Supplementary Services	1,350	563	563	0	1,350	0	0	0	⇒
GMS Contract Value	12,597	5,249	6,145	(897)	14,761	(2,164)	(2,164)	0	⇒
MPIG (GMS only)	69	29	29	(0)	69	0	0	0	⇒
APMS Contract Value	5,683	2,368	2,390	(23)	5,740	(57)	(57)	0	⇒
APMS Premium	942	392	487	(95)	942	0	0	0	⇒
Section 96 Support	553	230	230	0	553	0	0	0	⇒
<b>Contract Total</b>	<b>88,170</b>	<b>36,738</b>	<b>36,615</b>	<b>123</b>	<b>87,676</b>	<b>494</b>	<b>494</b>	<b>0</b>	<b>⇒</b>
<b>Premises</b>									
Rent	8,955	3,731	3,702	29	8,885	70	70	0	⇒
Assumed Market Rent Funding	-732	-305	-305	0	-732	0	0	0	⇒
Rates	1,431	596	586	10	1,406	24	24	0	⇒
Service Charges	2,401	1,000	1,107	(106)	2,656	(255)	(255)	0	⇒
Water Rates	113	47	47	(0)	113	0	0	0	⇒
Voids & Subsidies	847	353	353	0	847	0	0	0	⇒
Clinical Waste	764	318	318	0	723	41	41	0	⇒
<b>Premises Total</b>	<b>13,779</b>	<b>5,741</b>	<b>5,808</b>	<b>(67)</b>	<b>13,899</b>	<b>(120)</b>	<b>(120)</b>	<b>0</b>	<b>⇒</b>
<b>DES</b>									
Extended Hours	1,757	732	732	(0)	1,757	0	0	0	⇒
Learning Disability	334	139	139	0	334	0	0	0	⇒
Minor Surgey	803	335	335	(0)	803	0	0	0	⇒
Patient Participation	92	38	38	0	92	0	0	0	⇒
Violent Patients	76	32	32	0	76	0	0	0	⇒
<b>DES Total</b>	<b>3,062</b>	<b>1,276</b>	<b>1,276</b>	<b>(0)</b>	<b>3,062</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>⇒</b>
<b>QOF</b>									
Achievement	3,809	1,587	1,307	280	3,133	676	676	0	⇒
Aspiration	7,875	3,281	3,562	(280)	8,550	(676)	(676)	0	⇒
<b>QOF Total</b>	<b>11,684</b>	<b>4,868</b>	<b>4,868</b>	<b>(0)</b>	<b>11,684</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>	<b>⇒</b>
<b>Locum Spend</b>									
Locum Sick/Adop/Mat/Pat Pay	715	298	632	(334)	1,500	(785)	(785)	0	⇒
<b>Locum Total</b>	<b>715</b>	<b>298</b>	<b>632</b>	<b>(334)</b>	<b>1,500</b>	<b>(785)</b>	<b>(785)</b>	<b>0</b>	<b>⇒</b>
<b>Prescribing Spend</b>									
Dispensing Fees	667	278	278	0	667	0	0	0	⇒
Prescribing Fees	676	281	281	0	676	0	0	0	⇒
Prescribing Income	-134	-56	-56	0	-134	0	0	0	⇒
Quality Scheme	43	18	18	0	43	0	0	0	⇒
<b>Prescribing Spend Total</b>	<b>1,252</b>	<b>522</b>	<b>522</b>	<b>0</b>	<b>1,252</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>⇒</b>
<b>Delegated Primary Care Other</b>									
Connecting Care and LMC	351	146	146	0	351	0	0	0	⇒
CQC Fees Reimbursement	400	167	167	0	400	0	0	0	⇒
IUCD	166	69	69	0	166	0	0	0	⇒
Seniority	1,021	425	425	0	1,021	0	0	0	⇒
Sterile Products	175	73	73	0	175	0	0	0	⇒
GP Retainers	193	80	80	0	193	0	0	0	⇒
<b>Primary Care Other Total</b>	<b>2,305</b>	<b>961</b>	<b>961</b>	<b>0</b>	<b>2,305</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>⇒</b>
<b>Reserves</b>									
Contingency	614	256	256	0	614	0	0	0	⇒
Other Reserves	527	220	50	170	117	410	410	0	⇒
<b>Reserves Total</b>	<b>1,141</b>	<b>476</b>	<b>306</b>	<b>170</b>	<b>731</b>	<b>410</b>	<b>410</b>	<b>0</b>	<b>⇒</b>
<b>Delegated Grand Total</b>	<b>122,109</b>	<b>50,879</b>	<b>50,988</b>	<b>(109)</b>	<b>122,109</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>⇒</b>

## Appendix 2

### Other' Primary Care Month End Report as at 31st August 2018 (month 5)

	Year to Date				Forecast		Forecast Movement	
	Annual Budget £'000K	Year to Date Budget £'000K	Year to Date Actuals £'000K	Year to Date Variance £'000K	Sum of Forecast Out-turn £'000K	Forecast Out-turn Variance £'000K	Prior Month Forecast Variance £'000K	Forecast Variance Movement £'000K
<b>Out of Hours</b>								
Out of Hours (BrisDoc Contract)	8,860	3,692	3,775	(84)	9,050	(190)	(190)	0 ➡
NHS 111 Service (Care UK Contract)	2,837	1,182	1,587	(404)	3,808	(971)	(971)	0 ➡
GPSU & GPST	1,648	686	673	13	1,648	0	0	0 ➡
<b>Out of Hours Total</b>	<b>13,345</b>	<b>5,559</b>	<b>6,035</b>	<b>(475)</b>	<b>14,506</b>	<b>(1,161)</b>	<b>(1,161)</b>	<b>0 ➡</b>
<b>GP Forward View</b>								
Improved Access	5,672	2,363	2,223	140	5,672	0	0	0 ➡
LTS Phase 1	1,450	604	604	0	1,450	0	0	0 ➡
Online consultations	334	139	139	0	334	0	0	0 ➡
Reception and Clerical Training	170	71	71	0	170	0	0	0 ➡
<b>GP Forward View Total</b>	<b>7,626</b>	<b>3,178</b>	<b>3,038</b>	<b>140</b>	<b>7,626</b>	<b>0</b>	<b>0</b>	<b>0 ➡</b>
<b>PMS Review</b>								
PMS review	3,534	3,534	3,534	0	3,534	0	0	0 ➡
Treatment Rooms	935	389	389	(0)	935	0	0	0 ➡
Primary Care Offer	407	169	169	(0)	407	0	0	0 ➡
BCH Admin Staff	91	38	38	0	91	0	0	0 ➡
Additional Basket of Procedures	43	18	17	1	43	0	0	0 ➡
Counselling	10	4	4	0	10	0	0	0 ➡
<b>PMS Review Total</b>	<b>5,020</b>	<b>4,153</b>	<b>4,153</b>	<b>1</b>	<b>5,020</b>	<b>0</b>	<b>0</b>	<b>0 ➡</b>
<b>Local Enhanced Services</b>								
Care Home LES	816	340	340	0	816	0	0	0 ➡
Anti-Coagulation LES	752	314	314	0	752	0	0	0 ➡
Near Patient Testing LES	600	250	250	0	600	0	0	0 ➡
Minor Injuries LES	347	144	144	0	347	0	0	0 ➡
Dementia LES	216	90	90	0	216	0	0	0 ➡
Diabetes Insulin LES	79	33	33	0	79	0	0	0 ➡
Care of Homeless LES	40	17	17	0	40	0	0	0 ➡
<b>Local Enhanced Services Total</b>	<b>2,851</b>	<b>1,188</b>	<b>1,188</b>	<b>0</b>	<b>2,851</b>	<b>0</b>	<b>0</b>	<b>0 ➡</b>
<b>BpCAG and Compact</b>								
BpCAG Over 75's & Mental Health	1,405	585	585	0	1,405	0	0	0 ➡
SG Compact Referral Mgmt & Performance	389	162	162	0	389	0	0	0 ➡
BpCAG Clinical Resource Lead	33	14	14	0	33	0	0	0 ➡
<b>BpCAG and Compact Total</b>	<b>1,827</b>	<b>761</b>	<b>761</b>	<b>0</b>	<b>1,827</b>	<b>0</b>	<b>0</b>	<b>0 ➡</b>
<b>Clinical Leads &amp; Membership Engagement</b>								
Clinical Leads	1,189	496	550	(54)	1,189	0	0	0 ➡
LLG Membership	580	242	247	(6)	580	0	0	0 ➡
GP Commissioning Locality Meetings	172	72	72	0	172	0	0	0 ➡
Practice Education	50	21	21	0	50	0	0	0 ➡
Nurse Forums	14	6	6	0	14	0	0	0 ➡
Locality Leadership Group (non-pay)	9	4	0	3	9	0	0	0 ➡
Practice Manager Forums	9	4	4	0	9	0	0	0 ➡
<b>Clinical Leads &amp; Membership Engagement Total</b>	<b>2,022</b>	<b>843</b>	<b>899</b>	<b>(57)</b>	<b>2,022</b>	<b>0</b>	<b>0</b>	<b>0 ➡</b>
<b>Primary Care Other</b>								
Referral Service	483	201	187	14	483	0	0	0 ➡
Collaborative Payments	0	-0	-0	0	0	0	0	0 ➡
Urology	129	54	54	0	129	0	0	0 ➡
Connecting Care	109	45	45	0	109	0	0	0 ➡
Weston Primary Care Transformation	64	27	27	0	64	0	0	0 ➡
Hartcliffe Chiro	24	10	10	0	24	0	0	0 ➡
111 Reprourement	18	7	7	0	18	0	0	0 ➡
Other	8	3	3	(0)	8	0	0	0 ➡
Asylum Seekers	-24	-10	-4	(6)	-24	0	0	0 ➡
Primary Care Savings Target 2018/19	-223	-36	0	(36)	-223	0	0	0 ➡
<b>Primary Care Other Total</b>	<b>586</b>	<b>301</b>	<b>329</b>	<b>(28)</b>	<b>586</b>	<b>0</b>	<b>0</b>	<b>0 ➡</b>
<b>Grand Total</b>	<b>33,279</b>	<b>15,984</b>	<b>16,403</b>	<b>(419)</b>	<b>34,440</b>	<b>(1,161)</b>	<b>(1,161)</b>	<b>0 ➡</b>