

Report to the Commissioning Committee for Primary Care Commissioning on 4 March 2021

Title: Primary Care Finance Report – March 2021	Enclosure F
--	------------------------

Version Number / Status:	1.0
Executive Lead	Alison Henly, Director of Finance, Performance and Contracting, Somerset Clinical Commissioning Group
Clinical Lead:	N/A
Author:	Jacqui Damant, Associate Director of Finance

Summary and Purpose of Paper –

To inform the Somerset Primary Care Commissioning Committee of the financial position for Primary Care budgets for the period 1st April 2020 to 31st December 2020 of the 2020/21 financial year.

Recommendations and next steps

The Somerset Primary Care Commissioning Committee is asked to note the 2020/21 funding allocations for the period 1st April 2020 to 31st March 2021 and anticipated performance against Primary Care expenditure budgets to 31st December 2020.

Impact Assessments – key issues identified

Equality	Equality and diversity are at the heart of Somerset Clinical Commissioning Group’s work, giving due regard to eliminate discrimination, harassment and victimisation, to advance equality of opportunity, and to foster good relations between people who share a relevant protected characteristic (as cited in under the Equality Act 2010) and those who do not share it, in its functions including financial performance.			
Quality	N/A			
Privacy	N/A			
Engagement	N/A			
Financial / Resource	The overall confirmed Primary Care (Medical) allocation to date for 2020/21 is £98.026m, of which £82.289m is delegated. GP Forward View allocations for 2020/21 total £1.001m. Other Primary Care and Local Enhanced Services are funded from within the main CCG resource allocation.			
Governance or Legal	From 1 st April 2019 Somerset Clinical Commissioning Group took delegated responsibility for managing Primary Care (Medical) Services within its resource allocation.			
Risk Description	For 2020/21 the risk of any over-commitment against Primary Care (Medical) allocations lies with Somerset Clinical Commissioning Group. This risk rating reflects a commitment from NHSE/I that CCGs will achieve a financial break-even position for the financial period from 1 April 2020 to 30 September 2020/21 and that delivery of a break-even position is anticipated against plans for the latter half of the financial year.			
	Consequence	Likelihood	RAG Rating	GBAF Ref

Risk Rating	3	1	3	
--------------------	---	---	---	--

Primary Care Budgets 2020/21

1. Primary Care (Medical) – delegated budgets

1.1. Resource Allocation

- 1.1.1. Indicative Primary Care (Medical) funding allocations for 2020/21 were issued in January 2020 and were later updated on 3rd March 2020 to reflect updates to the GP contract for 2020/21. These allocations demonstrated an increase in funding for Somerset of £4.831m, from a total allocation of £76.029m in 2019/20 to £80.860m for 2020/21.
- 1.1.2. Due to the Covid-19 pandemic alternative NHS funding arrangements have been put in place this financial year. For the first six months of this financial year CCG funding allocations were adjusted via a retrospective top-up process on a monthly basis to ensure that funding allocations were in line with forecast expenditure. For months 1 to 6, Primary Care (Medical) services were allocated a baseline budget of £39.363m, against which a further £1.067m has been reclaimed via the retrospective top-up process.
- 1.1.3. For months 7 to 12 of the financial year the retrospective top-up funding arrangements have ceased and the Somerset system has been issued with a fixed financial envelope. The planned Primary Care (Medical) budget for the second half of 2020/21 is £40.430m, comprising a baseline budget of £39.812m and additional funding to support the updated GP contract of £0.618m.
- 1.1.4. Additional resource of £1.429m has also been made available to Primary Care (Medical) budgets for months 7 to 12 of this financial year via the general practice COVID-19 capacity expansion fund. This non recurrent funding is available to support expanding general practice capacity until the end of March 2021.
- 1.1.5. The total 2020/21 allocation for Primary Care (Medical) is £82.289m as at 31st December 2020.

1.2. Expenditure (Table 1)

- 1.2.1. As at 31st December 2020 the Primary Care (Medical) budget is forecast to deliver a balanced year-end financial position.

2. Other Primary Care Services

2.1. Allocation

- 2.1.1. Non delegated payments and Local Enhanced Services are funded from within the CCG's main resource allocation and budgets are set as part of the planning process each year.
- 2.1.2. GP Forward View is a national initiative for investment in Primary Care and specific funding allocated for this financial year totals £1.001m.

2.2. Expenditure (Table 2)

- 2.2.1. Non delegated Primary Care expenditure is currently forecast to be under committed against budgets this financial year. This is following receipt of retrospective top-up funding to cover all cost pressures reported during the period from months 1 to 6 of 2020/21.
- 2.2.2. The Primary Care Improvement Scheme (PCIS) is currently forecast to be under committed against budget by £0.17m this financial year. There is also a further £0.02m under spend expected in respect of the IUCD cost transfer to Public Health.
- 2.2.3. Local Enhanced Services (LES) expenditure is currently forecast to breakeven against budget for 2020/21. There is an increasing year to date under-commitment against LES budgets, with a reported underspend at month 9 of £0.548m, and work is currently underway to understand the full year impact. Discussions regarding LES activity and the payment mechanism for the year are ongoing and therefore the forecast remains at a breakeven provision until this is concluded.
- 2.2.4. GP Forward View costs are anticipated to be consistent with revised budget allocations for this financial year.
- 2.2.5. Primary Care expenditure incurred specifically in response to the Covid-19 pandemic is not included within this report.

3. Recommendation

3.1. The Committee is asked to:

- 3.1.1. Note the Primary Care funding allocations for the period 1st April 2020 to 31st March 2021 and reported expenditure as at 31st December 2020.

Jacqui Damant
Associate Director of Finance

11th February 2021

Table 1

NHS Somerset CCG

2020/21

Delegation Report Month 9

Area of Spend		YTD Budget £000s	YTD Actual £000s	YTD Variance £000s	Annual Budget £000s	FOT £000s	Variance £000s
GMS Contract Payments	Global Sum	27,152	27,152	(0)	36,203	36,203	(0)
	MPIG	0	0	0	0	0	0
	GMS Global Sum	27,152	27,152	(0)	36,203	36,203	(0)
PMS Contract Payments	PMS Contract Value	13,059	13,059	(0)	17,412	17,412	0
	PMS Premium	0	0	0	0	0	0
	PMS Contract Value	13,059	13,059	(0)	17,412	17,412	0
Premises Costs	Rent	5,319	5,319	0	7,092	7,092	0
	Rates	1,140	1,140	(0)	1,520	1,520	0
	Water Rates	66	66	0	88	88	(0)
	Clinical Waste	142	142	(0)	190	190	0
	Other Premises Costs	36	36	0	48	48	0
	Subtotal	6,703	6,703	(0)	8,937	8,937	0
Directed Enhanced Services	Learning Disability Health Check	177	177	0	236	236	0
	Minor Surgery	734	734	(0)	979	979	0
	Special Allocation Service	46	46	0	61	61	0
	Subtotal	957	957	(0)	1,276	1,276	0
Primary Care Networks	Network Contract Participation	789	789	(0)	1,051	1,051	(0)
	Network Clinical Directors	316	316	0	421	421	0
	Network Additional Reimbursable Roles	1,816	1,781	(35)	2,375	2,375	(0)
	Network Extended Hours	635	635	0	846	846	0
	Care Home Premium	294	294	(0)	392	392	0
	IIF Achievement	288	288	0	384	384	0
	Subtotal	4,138	4,102	(35)	5,470	5,470	(0)
QOF	QOF Aspiration	4,406	4,406	0	5,874	5,874	0
	QOF Achievement	2,012	2,012	0	2,683	2,683	(0)
	Subtotal	6,418	6,418	0	8,558	8,558	(0)
Seniority	Seniority	0	0	0	0	0	0
Other Services	Locum Cover	665	665	(0)	887	887	0
	CQC Fee Reimbursement	256	256	(0)	341	341	0
	GP Retainers	111	111	0	148	148	0
	Translation Fees	25	25	0	34	34	0
	Sterile Products	19	19	(0)	25	25	0
	Section 96 Payments	233	268	35	358	358	(0)
	Resilience Funding	606	606	0	808	808	0
	Covid Support Funding H2	715	715	0	1,429	1,429	0
	Subtotal	2,629	2,664	35	4,028	4,028	(0)
Contingency	Contingency	303	303	0	404	404	0
2020/21 Total		61,359	61,359	(0)	82,289	82,289	(0)

Table 2

NHS Somerset CCG

2020/21

Primary Care Report Month 9

Area of Spend		YTD Budget £000s	YTD Actual £000s	YTD Variance £000s	Annual Budget £000s	Forecast Outturn £000s	Forecast Variance £000s
Non Delegated	GP IT Costs	1,447	1,447	0	2,481	2,481	0
	PMS Premium *	707	707	0	1,212	1,212	0
	Primary Care Improved Access *	1,961	1,961	0	3,362	3,362	0
	Primary Care Improvement Scheme *	387	387	0	663	493	(170)
	Primary and Community Services development programme	681	681	0	1,168	1,168	0
	GP Practice Transformation Programme *	521	521	0	893	893	0
	IUCD (LARC) Cost Transfer	279	279	0	478	458	(20)
	Pre & Post Operative Care *	211	211	0	362	362	0
Subtotal	6,194	6,194	0	10,619	10,429	(190)	
Local Enhanced Services	Anti-Coagulation	705	799	94	940	940	0
	Dermatology	300	221	(79)	400	400	0
	Enhanced Drug Monitoring	397	336	(61)	530	530	0
	Leg Ulcer / Compression Bandaging	337	270	(67)	450	450	0
	Other Optometry	525	377	(148)	700	700	0
	Minor Injuries	108	92	(16)	144	144	0
	Other	715	444	(271)	953	953	0
Subtotal	3,087	2,539	(548)	4,117	4,117	0	
GP Forward View	GPFV - GP Retention	67	67	0	115	115	0
	GPFV - Practice Resilience	46	46	0	79	79	0
	GPFV - Reception and Clerical staff training	57	57	0	98	98	0
	GPFV - Online consultations	86	86	0	148	148	0
	GPFV - Primary Care Networks	251	251	0	431	431	0
	GPFV - STP Funding - Workforce Training Hubs	69	69	0	118	118	0
	GPFV - STP Funding - Fellowships Core Offer	0	0	0	0	0	0
	GPFV - STP Funding - Fellowships Aspiring Leaders	7	7	0	12	12	0
Subtotal	584	584	0	1,001	1,001	0	
		9,865	9,317	(548)	15,737	15,547	(190)

Appendix 2 – Glossary

CCG	Clinical Commissioning Group
Global Sum	The amount each GMS practice is paid per weighted patient on its practice list. Also used to calculate PMS contract values on a similar basis.
GMS	General Medical Services – Practices working for the NHS under the national contract.
IIF	The Investment and Impact Fund (IIF) was introduced as part of the amended 2020/21 Network Contract Directed Enhanced Service (DES). In 2020/21, the IIF will run for six months, from 1 October 2020 until 31 March 2021.
NHSE/I	NHS England and NHS Improvement
PCIS	Primary Care Improvement Scheme
PMS	Personal Medical Services – practices working for the NHS under local contracts, most of which were originally let by PCTs. Contracts are now held by NHSE and have converged with GMS.
Primary Care (medical)	The official title of the allocation used for GP services otherwise known as delegated budgets.
QOF	Quality and Outcomes Framework. Practices can earn additional funding by meeting key clinical targets
Weighted patient/list	For funding purposes practice list sizes are weighted for a number of factors intended to reflect the additional work for different categories of patient.