

**Report to the Somerset Primary Care Commissioning Committee Meeting
8th June 2022**

Title: Primary Care Finance Report – June 2022	Enclosure F
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Clinical Lead:	N/A
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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 2021 to 31st March 2022 of the 2021/22 financial year.
- Inform the Somerset Primary Care Committee of the resource allocations for Primary Care services for the 2022/23 financial year.

Recommendations and next steps

The Somerset Primary Care Commissioning Committee is asked to;

- Note the 2021/22 funding allocations for the period 1st April 2021 to 31st March 2022 and performance against Primary Care expenditure budgets for the financial year.
- Note the Primary Care resource allocations for the 2022/23 financial year.

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
Safeguarding	N/A
Privacy	N/A
Engagement	N/A
Financial / Resource	The confirmed Primary Care (Medical) allocation for 2021/22 was £91.348m. This includes a non-recurrent allocation of £4.032m to support Primary Care recovery from Covid-19 and for Additional Reimbursable Roles (ARRS). Primary Care Transformation allocations for

	2021/22 totalled £2.135m. Other Primary Care budgets 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 has taken delegated responsibility for managing Primary Care (Medical) Services within its resource allocation.			
Sustainability	N/A			
Risk Description	For 2021/22 the risk of any over-commitment against Primary Care (Medical) allocations lies with Somerset Clinical Commissioning Group. This risk rating reflects that a financial break-even position has been achieved for the financial period from 1 April 2021 to 31 March 2022.			
Risk Rating	Consequence	Likelihood	RAG Rating	GBAF Ref
	3	1	3	

Primary Care Budgets 2021/22 and 2022/23

1. Primary Care (Medical) – delegated budgets

1.1. Resource Allocation

- Primary Care (Medical) recurrent funding allocations for 2021/22 demonstrate an increase in funding for Somerset of £6.456m compared to 2020/21 funding levels, with the total 2021/22 recurrent allocation being £87.317m.
- In addition to the recurrent Primary Care (Medical) allocation a further £0.777m was claimed over and above our baseline allocation for the Additional Reimbursable Roles Scheme (ARRS).
- A non-recurrent allocation of £1.187m was received to support the Primary Care response to the Covid-19 pandemic.
- During the financial year, the CCG received additional non-recurrent funding for Long Covid enhanced services (£0.290m), an enhanced service allocation for Weight Management (£0.053m), Medical Exemption Reviews (£0.005m) and cervical screening audits (£0.001m).
- The CCG claimed £1.718m Winter Access Funding for the financial year 2021/22.
- The total 2021/22 allocation for Primary Care (Medical) was £91.348m.

1.2. Expenditure (Table 1)

- A balanced year-end financial position was delivered against total Primary Care (Medical) budgets for 2021/22.
- Variances against individual reporting lines included;
 - An over-commitment against GMS global sum budgets due to list size growth;
 - SFE (locum cover) claims for sickness and maternity were £0.179m above planned budget;
 - Commitments for Section 96 resilience payments were £0.258m above the allocated budget;
 - These over-commitments have been fully offset by underspends delivered against other budgets and through utilisation of contingency funds.

1.3. Resource Allocation 2022/23 (Table 2)

- The announced recurrent Primary Care (Medical) budget for Somerset is £93.391m for the financial year 2022/23.
- This allocation is based on the long-term plan allocations announced in 2019, which were £0.455m below the revised agreed recurrent allocation, noting that these original long term plan allocations included a baseline error. This allocation shortfall has been raised with regional and national NHSE/I finance colleagues for resolution.
- In addition to the recurrent allocation, Primary Care (Medical) will receive £1.071m of system development funds (SDF), relating to Weight Management, Leadership and Management, and the Investment and Impact Fund.

2. Other Primary Care Services.

2.1. Allocation

- 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.
- Primary Care Transformation is a national initiative for investment in Primary Care, replacing the GP Forward View, and funding allocated for 2021/22 totalled £2.135m.

2.2. Expenditure (Table 3)

- Other Primary Care Services were under-committed against budget for 2021/22 by £0.51m.
- Local Enhanced Services report a total favourable variance against budget of £0.592m for 2021/22 due to activity levels being lower than planned.
- A full year allocation of £0.513m was received in 2021/22 for Minor Improvement Grants and this was fully committed.
- The Prescribing Incentive scheme cost commitment has been accrued according to the proposed 65p per weighted patient and we are waiting for final performance data in order to complete the calculation on a practice level basis.
- The GP Transformation Programme delivered a favourable £0.047m variance against budget for 2021/22, with actual outturn being based on list size calculations. This budget moves into the Delegation budget in 2022/23.

2.3. Resource Allocation 2022/23 (Table 4)

- Other Primary Care Services budgets have been uplifted for 2022/23 by the agreed system inflationary rates.
- GP IT budgets do not currently include any additional capital budgets held by NHS England. These will be included once allocated funds have been confirmed.
- Primary Care Improvement Scheme (PCIS) budgets have moved into Local Enhanced Services reporting for 2022/23 and include the Improved Access SDF funding for 2022/23.
- No minor improvement grant allocations have been confirmed for 2022/23 at this time.
- The service level allocation of budgets for Local Enhanced Services has been determined by the Primary Care team and is within the agreed overall envelope. These budgets now include resource for Complex Care services, which has moved under the remit of the Primary Care team for 2022/23.
- A funding allocation of £1.029m is anticipated for Primary Care Transformation, in addition to the funds included in Table 4, but this has yet to be released. These anticipated funds will cover the Q2 to Q4 period of 2022/23 for GP Retention, Fellowship Core Offer, Supporting Mentors and Transformation Support.

3. Recommendation

3.1. The Committee is asked to:

Note the Primary Care funding allocations for the period 1st April 2021 to 31st March 2022 and reported expenditure as at 31st March 2022.

Note the Primary Care funding allocations for the period 1st April 2022 to 31st March 2023.

Jacqui Damant
Associate Director of Finance

19th May 2022

Table 1

NHS Somerset CCG

2021/22

Delegation Report Month 12

Area of Spend		Annual Budget	Outturn Position	Variance
		£000s	£000s	£000s
GMS Contract Payments	Global Sum	38,060	38,305	245
PMS Contract Payments	PMS Contract Value	18,157	18,146	(11)
Premises Costs	Rent	7,343	7,495	152
	Rates	1,420	1,351	(69)
	Water Rates	101	92	(8)
	Clinical Waste	204	220	16
	Other Premises Costs	26	22	(4)
	Subtotal	9,094	9,181	87
Directed Enhanced Services	Learning Disability Health Check	351	325	(26)
	Minor Surgery	988	893	(95)
	Special Allocation Service	60	62	2
	Subtotal	1,399	1,280	(119)
Primary Care Networks	Network Contract Participation	1,056	1,060	4
	Network Clinical Directors	429	429	0
	Network Additional Reimbursable Roles	4,741	4,741	(0)
	Network Extended Hours	823	829	6
	Care Home Premium	784	755	(29)
	IIF Achievement	1,433	1,433	0
	Subtotal	9,266	9,247	(18)
QOF	QOF Aspiration	6,070	6,577	508
	QOF Achievement	3,364	2,760	(604)
	Subtotal	9,434	9,337	(97)
Other Services	Locum Cover	972	1,151	179
	CQC Fee Reimbursement	350	356	6
	Seniority	0	(3)	(3)
	GP Retainers	130	123	(7)
	Translation Fees	34	31	(3)
	Sterile Products	26	29	3
	Medical Exemption Assessment	0	4	4
	Cervical Screening	0	2	2
	Section 96 Payments	747	1,005	258
	Long Covid ES	290	259	(31)
	Weight Management ES	53	39	(14)
	Covid Support Fund	1,187	1,182	(5)
	Winter Access Funding	1,718	1,675	(43)
	Subtotal	5,507	5,852	345
Contingency	Contingency	432	0	(432)
2021/22 Total		91,348	91,348	(0)

Table 2

**NHS Somerset CCG
2022/23
Delegated Budget Report**

Area of Spend		22/23 Budget
GMS Contract Payments	Global Sum	39,849
PMS Contract Payments	PMS Contract Value	18,946
Premises Costs	Rent	7,256
	Rates	1,426
	Water Rates	104
	Clinical Waste	212
	Other Premises Costs	14
	Subtotal	9,012
Directed Enhanced Services	Learning Disability Health Check	361
	Minor Surgery	1,018
	Special Allocation Service	62
	Subtotal	1,441
Primary Care Networks	Network Contract Participation	1,080
	Network Clinical Directors	435
	Network Additional Reimbursable Roles	6,122
	Network Extended Hours	855
	Care Home Premium	756
	IIF Achievement	2,484
	PCN Core £1.50 pp	891
	Leadership & Management DES	413
	Subject Access Requests	193
	Weight Management ES	128
Subtotal	13,356	
QOF	QOF Aspiration	6,314
	QOF Achievement	3,500
	Subtotal	9,814
Other Services	Locum Cover	1,049
	CQC Fee Reimbursement	360
	GP Retainers	108
	Translation Fees	34
	Sterile Products	26
	Section 96 Payments*	0
	Subtotal	1,577
Contingency	Contingency	467
2022/23 Total		94,462

* No budget allocated to S.96 payments, payments agreed on an ad hoc basis.

Table 3

NHS Somerset CCG

2021/22

Other Primary Care Report Month 12

Area of Spend		Annual Budget	Total Spend 21/22	Variance
		£000s	£000s	£000s
Non Delegated	GP IT Costs	4,089	4,089	0
	Primary Care Improvement Scheme (PCIS)	6,850	6,864	14
	GP Practice Transformation Programme	926	879	(47)
	IUCD (LARC) Cost Transfer	458	458	0
	Minor Improvement Grants	513	513	0
	Cost of Dispensing Fees (incl. DSQS)	10,862	10,862	0
	Prescribing Incentive Scheme	270	385	115
	Subtotal	23,968	24,050	82
Local Enhanced Services	Anti-Coagulation	940	768	(172)
	Dermatology	400	291	(109)
	Enhanced Drug Monitoring	500	449	(51)
	Leg Ulcer / Compression Bandaging	450	369	(81)
	ACES	665	476	(189)
	Other Optometry	35	20	(15)
	Minor Injuries	165	111	(54)
	Other	951	1,030	79
	Subtotal	4,106	3,514	(592)
Primary Care Transformation	GP Retention	194	194	0
	Practice Nurse Measures	20	20	0
	Practice Resilience	84	84	0
	Online Consultations	156	156	0
	Primary Care Networks	288	288	0
	Workforce Training Hubs	120	120	0
	Infrastructure and Resilience	128	128	0
	Fellowships Core Offer	291	291	0
	Supporting Mentors	134	134	0
	PCN Leadership and Management	12	12	0
	Digital First Support	588	588	0
	Flexible Pools Scheme	120	120	0
Subtotal	2,135	2,135	0	
		30,209	29,699	(510)

Table 4

NHS Somerset CCG
2022/23
Other Primary Care Budget

	Area of Spend	Annual Budget £000s
Non Delegated	GP IT Costs	2,146
	IUCD (LARC) Cost Transfer	466
	Minor Improvement Grants	0
	Cost of Dispensing Fees (incl. DSQS)	10,862
	Prescribing Incentive Scheme	275
	Subtotal	13,749
Local Enhanced Services	Anti-Coagulation	850
	Complex Care	716
	Dermatology	435
	Enhanced Drug Monitoring	525
	Leg Ulcer / Compression Bandaging	473
	ACES	546
	Other Optometry	37
	Minor Injuries	168
	Primary Care Improvement Scheme (PCIS)	7,006
	Other	917
Subtotal	11,673	
Primary Care Transformation*	GP Retention	29
	Practice Nurse Measures	0
	Practice Resilience	77
	Online Consultations	144
	Primary Care Networks	33
	Workforce Training Hubs	115
	Infrastructure and Resilience	125
	Fellowships Core Offer	94
	Supporting Mentors	20
	PCN Leadership and Management	0
	Digital First Support	137
	Flexible Pools Scheme	30
Subtotal	804	
		26,226

* A further indicative budget of £1,029k for Primary Care Transformation is expected for 2022/23 not included above

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).
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 NHSEI 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 to recognise a number of factors, intended to reflect the level of work required for different categories of patient.