

Report to the Commissioning Committee for Primary Care Commissioning on 29 September 2021

Title: Primary Care Finance Report – September 2021	Enclosure F
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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 1 April 2021 to 30 September 2021 as at 31 July 2021.

Recommendations and next steps

The Somerset Primary Care Commissioning Committee is asked to note the 2021/22 funding allocations for the period 1 April 2021 to 30 September 2021 and forecast and year to date actual performance against Primary Care expenditure budgets as at 31 July 2021.

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 confirmed Primary Care (Medical) allocation for the first half (H1) of 2021/22 is £44.371m. This includes a non-recurrent allocation of £1.187m to support the Primary Care Covid-19 pandemic response. Primary Care Transformation allocations for H1 2021/22 are anticipated to be £0.82m. Other Primary Care, including 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 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 July 2021 and is forecast for the 2021/22 H1 period.			
	Consequence	Likelihood	RAG Rating	GBAF Ref

Risk Rating	3	1	3	202
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Primary Care Budgets 2020/21

1. Primary Care (Medical) – delegated budgets

1.1. Resource Allocation

- 1.1.1. Current financial reporting is based on the first six months of the 2021/22 financial year only (H1). This is due to the Government having only agreed an overall financial settlement for the NHS for the first half of the year, with resource allocations for the remainder of the financial year anticipated to be notified mid-September. Once extended arrangements are determined at a national level and specific guidance is released, budgetary periods will be rolled on through the year. Primary Care (Medical) funding allocations for H1 demonstrate an increase in half year funding for Somerset of £2.754m compared to 2020/21 funding levels, with the total 2021/22 H1 allocation being £43.184m.
- 1.1.2. In addition to the Primary Care (Medical) allocation, the Clinical Commissioning Group have received a non-recurrent allocation of £1.187m during H1 to support the Primary Care response to the Covid-19 pandemic.
- 1.1.3. The total 2021/22 H1 allocation for Primary Care (Medical) is therefore £44.371m as at 31st July 2021.

1.2. Expenditure (Table 1)

- 1.2.1. Expenditure for Months 1 to 4 is currently break-even against resource allocations for the year to date.
- 1.2.2. As at 31st July 2021 a balanced H1 financial position is forecast to be delivered against Primary Care (Medical) budgets.

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. Primary Care Transformation is a national initiative for investment in Primary Care, replacing the GP Forward View, and funding allocated as at Month 4 of 2021/22 totalled £0.475m. Further allocations are due to be released during H1 2021/22, with a total allocation of £0.82m anticipated for the H1 period.

2.2. Expenditure (Table 2)

- 2.2.1. Other Primary Care Services expenditure is currently anticipated to break-even against budget for H1 2021/22.

- 2.2.2. Local Enhanced Services show a total favourable variance against budget of £0.254m year to date at Month 4. There is a proposal to reinvest this into Primary Care Improvement Schemes (PCIS) and this proposal is currently being considered.
- 2.2.3. GP IT costs are anticipated to be consistent with budget allocations for H1 2021/22.
- 2.2.4. Primary Care Transformation expenditure as at Month 4 2021/22 is £0.072m greater than the allocation received to date. This shortfall in resource is anticipated to be resolved via receipt of additional allocations still outstanding for the H1 period. The 2021/22 H1 expenditure forecast is anticipated to be break-even against total expected allocations.

3. Recommendation

3.1. The Committee is asked to:

- 3.1.1. Note the Primary Care funding allocations for the period 1st April 2021 to 30th September 2021 and reported expenditure as at 31st July 2021.

Jacqui Damant
Associate Director of Finance

10th September 2021

Table 1
NHS Somerset CCG
2021/22
Delegation Report Month 4

	Area of Spend	YTD Budget	YTD Actual	YTD Variance	H1 Budget	FOT	Variance
		£000s	£000s	£000s	£000s	£000s	£000s
GMS Contract Payments	Global Sum	12,687	12,687	0	19,030	19,030	0
PMS Contract Payments	PMS Contract Value	6,052	6,052	0	9,078	9,078	0
Premises Costs	Rent	2,448	2,448	0	3,672	3,672	0
	Rates	473	473	0	710	710	0
	Water Rates	34	34	0	50	50	(0)
	Clinical Waste	68	68	0	102	102	0
	Other Premises Costs	9	9	0	13	13	0
	Subtotal	3,031	3,031	0	4,547	4,547	(0)
Directed Enhanced Services	Learning Disability Health Check	117	117	0	175	175	0
	Minor Surgery	329	329	0	494	494	0
	Special Allocation Service	20	20	0	30	30	0
	Subtotal	466	466	0	699	699	0
Primary Care Networks	Network Contract Participation	353	353	0	530	530	0
	Network Clinical Directors	143	143	0	215	215	0
	Network Additional Reimbursable Roles	1,416	1,416	0	2,124	2,124	0
	Network Extended Hours	274	274	0	411	411	0
	Care Home Premium	261	261	0	392	392	0
	IIF Achievement	161	161	0	242	242	0
Subtotal	2,609	2,609	0	3,914	3,914	0	
QOF	QOF Aspiration	2,023	2,023	0	3,035	3,035	0
	QOF Achievement	1,121	1,121	0	1,682	1,682	0
	Subtotal	3,145	3,145	0	4,717	4,717	0
Other Services	Locum Cover	324	324	0	486	486	0
	CQC Fee Reimbursement	117	117	0	175	175	0
	GP Retainers	43	43	0	65	65	0
	Translation Fees	11	11	0	17	17	0
	Sterile Products	9	9	0	13	13	0
	Section 96 Payments	295	295	0	442	442	0
	Covid Support Fund	792	792	0	1,187	1,187	0
Subtotal	1,591	1,591	0	2,385	2,385	0	
Contingency	Contingency	0	0	0	0	0	0
2021/22 Total		29,581	29,581	0	44,371	44,371	0

Table 2

NHS Somerset CCG

2021/22

Other Primary Care Report Month 4

Area of Spend		YTD Budget £000s	YTD Actual £000s	YTD Variance £000s	H1 Budget £000s	Forecast Outturn £000s	Forecast Variance £000s
Non Delegated	GP IT Costs	690	690	0	1,035	1,035	0
	PMS Premium *	362	362	0	544	544	0
	Primary Care Improved Access *	1,187	1,187	0	1,786	1,786	0
	Primary Care Improvement Scheme *	217	168	(49)	325	325	0
	Primary and Community Services development programme	394	394	0	591	591	0
	GP Practice Transformation Programme *	309	293	(16)	464	464	0
	IUCD (LARC) Cost Transfer	153	153	0	229	229	0
	Pre & Post Operative Care *	121	110	(11)	181	181	0
Subtotal	3,433	3,357	(76)	5,154	5,154	0	
Local Enhanced Services	Anti-Coagulation	313	313	0	470	470	0
	Dermatology	133	98	(35)	200	200	0
	Enhanced Drug Monitoring	167	149	(18)	250	250	0
	Leg Ulcer / Compression Bandaging	150	121	(29)	225	225	0
	ACES	173	176	3	260	260	0
	Other Optometry	12	8	(4)	63	63	0
	Minor Injuries	53	39	(14)	80	80	0
	Other	367	210	(157)	506	506	0
Subtotal	1,368	1,114	(254)	2,053	2,053	0	
Primary Care Transformation	GP Retention	30	40	10	60	60	0
	Practice Resilience	28	28	0	42	42	0
	Online Consultations	52	52	0	78	78	0
	Primary Care Networks	96	96	0	144	144	0
	Workforce Training Hubs	40	40	0	60	60	0
	Infrastructure and Resilience	43	43	0	64	64	0
	Fellowships Core Offer	136	181	45	272	272	0
	Supporting Mentors	20	27	7	40	40	0
	Flexible Pools Scheme	30	40	10	60	60	0
Subtotal	475	547	72	820	820	0	
		5,276	5,018	(258)	8,027	8,027	0

* Used for PCIS - split into different areas for national budget reporting.

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.