

Report to the Commissioning Committee for Primary Care Commissioning on 9 June 2021

Title: Primary Care Finance Report – June 2021	Enclosure H
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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 2020 to 31st March 2021 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 performance against Primary Care expenditure budgets for the 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				
Privacy	N/A				
Engagement	N/A				
Financial / Resource	The confirmed Primary Care (Medical) allocation for 2020/21 was £82.289m. This includes resource received via retrospective top-up funding claimed in accordance with the revised financial regime put in place for 2020/21 as a result of the Covid-19 pandemic. 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 that a financial break-even position has been achieved for the financial period from 1 April 2020 to 31 March 2021.				
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; border-right: 1px solid black; padding: 5px;">Consequence</td> <td style="width: 25%; border-right: 1px solid black; padding: 5px;">Likelihood</td> <td style="width: 25%; border-right: 1px solid black; padding: 5px;">RAG Rating</td> <td style="padding: 5px;">GBAF Ref</td> </tr> </table>	Consequence	Likelihood	RAG Rating	GBAF Ref
Consequence	Likelihood	RAG Rating	GBAF Ref		

Risk Rating	3	1	3	
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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 were put in place for the 2020/21 financial year. For the first six months of the 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 ceased and the Somerset system was issued with a fixed financial envelope. The planned Primary Care (Medical) budget for the second half of 2020/21 was £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 the 2020/21 financial year via the general practice COVID-19 capacity expansion fund. This non recurrent funding was 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) was £82.289m as at 31st March 2021.

1.2. Expenditure (Table 1)

- 1.2.1. As at 31st March 2021 a balanced year-end financial position was 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. GP Forward View is a national initiative for investment in Primary Care and specific funding allocated for the 2020/21 financial year totalled £1.001m.

2.1.3. Other Primary Care Services budgets were £1.321m higher this financial year resulting from additional Covid-19 allocations.

2.2. Expenditure (Table 2)

2.2.1. Following the receipt of in-year Covid-19 allocations, the outturn position against Other Primary Care Services was £1.012m below allocation for the 2020/21 financial year.

2.2.2. Primary Care Improvement Schemes (PCIS) concluded the year with a favourable variance of £0.395m against budget.

2.2.3. Local Enhanced Services delivered a total favourable variance against budget of £0.597m at the financial year end. This has been driven by a reduced level of activity due to the Covid-19 pandemic.

2.2.4. Expenditure on GP IT costs were in line with revised budget allocations for this financial year.

2.2.5. In addition to the Covid-19 allocations received against Other Primary Care Services, a further £1.921m of Primary Care expenditure was incurred specifically in response to the Covid-19 pandemic which was recharged directly to NHSE/I and 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 March 2021.

Jacqui Damant
Associate Director of Finance

18th May 2021

Table 1
NHS Somerset CCG
2020/21
Delegation Report Month 12

	Area of Spend	Annual Budget £000s	Outturn £000s	Variance £000s
GMS Contract Payments	GMS Global Sum	36,203	36,228	25
PMS Contract Payments	PMS Contract Value	17,412	17,422	10
Premises Costs	Rent	7,092	7,061	(31)
	Rates	1,520	1,505	(16)
	Water Rates	88	86	(2)
	Clinical Waste	190	203	13
	Other Premises Costs	48	25	(23)
	Subtotal	8,937	8,880	(57)
Directed Enhanced Services	Learning Disability Health Check	236	387	151
	Minor Surgery	979	920	(58)
	Special Allocation Service	61	60	(1)
	Subtotal	1,276	1,368	92
Primary Care Networks	Network Contract Participation	1,051	1,055	3
	Network Clinical Directors	421	421	(0)
	Network Additional Reimbursable Roles	2,375	2,486	111
	Network Extended Hours	846	839	(7)
	Care Home Premium	392	382	(10)
	IIF Achievement	384	384	0
	Subtotal	5,470	5,566	96
QOF	QOF Aspiration	5,874	5,932	57
	QOF Achievement	2,683	2,545	(138)
	Subtotal	8,558	8,477	(81)
Other Services	Locum Cover	887	830	(57)
	CQC Fee Reimbursement	341	334	(7)
	GP Retainers	148	138	(10)
	Translation Fees	34	11	(23)
	Sterile Products	25	25	0
	S96 & Resilience Payments	1,166	1,582	416
	Covid Capacity Expansion Fund	1,429	1,429	0
	Subtotal	4,028	4,348	320
Contingency	Contingency	404	0	(404)
2020/21 Total		82,289	82,289	0

Table 2

**NHS Somerset CCG
2020/21
Other Primary Care Report Month 12**

Area of Spend		Annual Budget	Forecast Outturn	Forecast Variance
		£000s	£000s	£000s
Non Delegated	GP IT Costs	3,475	3,475	0
	PMS Premium *	1,452	1,452	0
	Primary Care Improved Access *	3,362	3,137	(225)
	Primary Care Improvement Scheme *	663	493	(170)
	Primary and Community Services development programme	1,168	1,168	0
	GP Practice Transformation Programme *	893	893	0
	IUCD (LARC) Cost Transfer	478	458	(20)
	Pre & Post Operative Care *	362	362	0
	Subtotal	11,853	11,438	(415)
Local Enhanced Services	Anti-Coagulation	940	1,188	248
	Dermatology	400	295	(105)
	Enhanced Drug Monitoring	530	448	(82)
	Leg Ulcer / Compression Bandaging	450	361	(89)
	Other Optometry	700	519	(181)
	Minor Injuries	144	118	(26)
	Other	945	583	(362)
		Subtotal	4,109	3,512
GP Forward View	GPFV - GP Retention	115	115	0
	GPFV - Practice Resilience	79	79	0
	GPFV - Reception and Clerical staff training	98	98	0
	GPFV - Online consultations	148	148	0
	GPFV - Primary Care Networks	431	431	0
	GPFV - STP Funding - Workforce Training Hubs	118	118	0
	GPFV - STP Funding - Fellowships Core Offer	0	0	0
	GPFV - STP Funding - Fellowships Aspiring Leaders	12	12	0
		Subtotal	1,001	1,001
		16,963	15,951	(1,012)

* 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.