

# Primary Care Commissioning Committee

Date of meeting		30 April 2020	
Agenda item	10	Paper No	PCCC20/026

## Primary Care Finance Report

<b>Key issues</b>	<p>Across all funding streams Primary Care is, at 31/03/2020, underspent by £281k. The position excluding the Primary Care Delegated 1% reserve is also an underspend of £282k.</p> <p>The CCG has made the claim for COVID funding to NHSE and received the funding.</p> <p>Template forms for 2019/20 and 2020/21 have been sent to all practices to enable them to claim for reimbursement of COVID related costs.</p> <p>Just over half of practices have returned their claim forms for the period up to 31/3/2020.</p>
<b>Strategic objectives / perspectives</b>	<p>Alignment with strategic objective 1.9:</p> <p>We will promote a sustainable model for primary care with improved access and choice with an increased focus on people with complex and multiple conditions through the provision of integrated care</p>
<b>Actions requested / recommendation</b>	<b>The Primary Care Commissioning Committee is asked to note the Month 12 financial update.</b>
<b>Principal risk(s) relating to this paper</b>	None
<b>Other committees / groups where evidence supporting this paper has been considered</b>	None
<b>Financial and resource implications / impact</b>	The financial and resource implications arising from this paper are delegation of limited financial resource.

<b>Legal implications / impact</b>	There are no legal implications arising from this paper.
<b>Data protection impact assessment required?</b>	No
<b>Public / stakeholder involvement – activity taken or planned</b>	Not applicable.
<b>Equality and diversity – implications / impact</b>	Not applicable.
<b>Report author</b>	Louise Marshall, Associate Director of Financial Planning
<b>Sponsoring director</b>	Mike Fulford, Chief Operating Officer and Chief Finance Officer
<b>Date of paper</b>	28 April 2020



*West Hampshire  
Clinical Commissioning Group*

# NHS West Hampshire CCG

Primary Care Financial Performance  
Month 12 19/20

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## 2 Primary Care Financial Performance Month 12 19/20

Across all funding streams Primary Care is, at 31/03/2020, underspent by £281k. The position excluding the Primary Care Delegated 1% reserve is also an underspend of £282k.

Primary Care Area	Annual Budget £,000's	FY Budget £,000's	FY Expenditure £,000's	FY Variance £,000's
<b>Recurrent Business</b>				
Delegated Primary Care	72,076	72,076	72,074	2
Locally Commissioned Services	2,776	2,776	2,558	219
Out of Hours	3,345	3,345	3,328	16
Transformation Fund	1,880	1,880	1,882	(2)
Primary Care IT	561	561	673	(112)
<b>Recurrent Business - Total</b>	<b>80,638</b>	<b>80,638</b>	<b>80,516</b>	<b>123</b>
<b>GP Forward View</b>				
Improving Access to Primary Care - Extended Hours	4,599	4,599	4,340	259
GP Transformation - Q1 QPS/MMO, Q2-Q4 Core PCN (£1.50/hd)	1,108	1,108	1,104	4
GPFV Reception and Clerical Training	82	82	82	0
<b>GP Forward View Total</b>	<b>5,789</b>	<b>5,789</b>	<b>5,526</b>	<b>263</b>
<b>Non Recurrent Funding</b>				
GP Projects	1,232	1,232	1,334	(103)
<b>Non Recurrent Funding - Total</b>	<b>1,232</b>	<b>1,232</b>	<b>1,334</b>	<b>(103)</b>
<b>Primary Care Total excluding 1% surplus</b>	<b>87,659</b>	<b>87,659</b>	<b>87,376</b>	<b>282</b>
Planned Delegated Primary care 1% reserve	730	730	732	(2)
<b>Primary Care Total</b>	<b>88,389</b>	<b>88,389</b>	<b>88,108</b>	<b>281</b>
Medicines Management	91,271	91,271	93,010	(1,738)



## 3 Finance Position at Month 12

### Non Delegated Primary Care Performance

**Locally Commissioned Services** - Underspends in Anti-coagulation, Minor Injury Service and Complex Wound Care have contributed to an overall underspend. This is due to lower activity than planned being carried out. Unexpected resilience funding for Adelaide Medical Centre of £64k, and the MAPS service is overspent by £45k, thereby reducing the overall underpend to £219k.

**Extended Hours** - The SHFT contract, which was in place for Q1, was underspent by £83k. The new contracts commenced 1st July 2019 and have underspent at the end of the financial year due to issues with availability of GP's for Appointments+ . This was most notably for TLC (Romsey & Totton EUPCS), which was underspent by £114k, and, to a lesser extent, PHL (Winchester) and ESPN (Botley), which were underspent by £84k between the two contracts. The PHL contract for Lymington and Ringwood, including the Lymington MIU was not underspent, as although the Appointments+ and OOH had the same issues as the other providers, the MIU was over utilised.

**Primary Care IT** - This is largely overspent due to a £91k overspend on computer software licences (Graphnet recharges from NEH&F CCG and the upgrade to the 2008 servers recharged from North Hampshire CCG), and a £15k overspend on the CSU SLA

**GP Projects** - This is overspent by £103k largely due to an accrual of Primary Care Coronavirus expected costs of £119k



## 4 Delegated Primary Care Month 12 19/20

West Hampshire CCG Budgets	Annual Plan £,000's	Full Year Budget £,000's	Full Year Actual £,000's	Full Year Variance £,000's
GMS Contract	39,174	39,174	39,099	74
PMS Contract	9,902	9,902	9,901	1
Quality and Outcomes Framework	7,378	7,378	7,525	(147)
DES	1,791	1,791	1,638	153
Locum Reimbursement - Maternity/Sickness	463	463	888	(424)
Seniority	556	556	455	102
Retained GPs	208	208	358	(149)
Dispensing/Prescribing	2,327	2,327	2,355	(28)
PCO Other	755	755	744	11
Premises	5,854	5,854	5,608	246
Business Rates	896	896	1,063	(167)
GP IT	889	889	989	(100)
Primary Care Network DES	1,882	1,882	1,454	429
<b>Total Excluding 1% Surplus</b>	<b>72,076</b>	<b>72,076</b>	<b>72,074</b>	<b>2</b>
1% Reserve	730	730	732	(2)
<b>Total West Hampshire CCG</b>	<b>72,806</b>	<b>72,806</b>	<b>72,806</b>	<b>0</b>

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## 5 Finance Position at Month 12

### Delegated Primary Care Performance

**DES** - The underspend is a result of the clawback of the underperformance of the 18/19 Minor Surgery DES in 19/20 (£88k) and a slight underperformance of the extended access DES which finished at the end of Q1 (£20k), and an underspend on Learning Disability assessments (£44k) which are all non-recurrent benefits in year.

**QOF** - QOF Aspiration has overspent each month this year, as the budget for this was set at 18/19 figures, and therefore too low.

**Locum Reimbursements** - These items overspent by a total of £424k due to a very large increase in the number of GP's going on maternity/paternity leave, or being signed off sick. There were 21 maternity/paternity claims that started in 19/20, and 15 sickness claims. One of these sickness claims was over 33 weeks at the end of the year, and there were also two further claims which started at the end of 18/19 which were paid up to the maximum 54 weeks.

**Seniority** - the seniority payments were being phased out, with 19/20 being the last year that these payments would be made. The estimate used for the reduction in 19/20 when setting the budget was too low, therefore resulting in an underspend.

**Premises** - Rents show an underspend due to an in year benefit from quarterly rents not being prepaid at the end of 18/19, and the backdated rent paid for Andover Health Centre being less than the historic accrual. Business rates are higher this year than was anticipated when setting the budget for 19/20.

**GP IT** - This is made up of the GP IT contract with the CSU, which cost £889k this year, plus the cost of ad hoc GP IT 'small items' not funded from the GP IT capital budget which were not budgeted for. Funding for these GP IT small items has been included in the 20/21 budget.

**Reserves** - The CCG committed to extend QPS for Q2 to Q4 in 19/20 (£443k) and to pay for it from the 1% reserve. Also, the CCG has funded the step in provider premium and ad hoc resilience costs from this reserve, which resulted in the full year variance reducing to zero.

**Primary Care Network Contract DES** - Network payments commenced in July 2019. There have been continued delays in the recruitment to the additional roles, resulting in a large underspend this year.



## 6 COVID-19 Response

Financial constraints must not and will not stand in the way of taking immediate and necessary action to respond to the Covid-19 crisis.

The NHS will make sure that funding does not influence clinical decision making by ensuring that all GP practices in 2020/21 continue to be paid at rates that assume they would have continued to perform at the same levels from the beginning of the outbreak as they had done previously, including for the purposes of QoF, DES and LES payments. CCGs have planned to make payments on this basis.

Costs associated with the primary care response to COVID-19 can be reclaimed from the CCG by practices. Where specific guidance does not cover a specific issue then the overriding principle is that REASONABLE costs associated with increasing the primary care response to COVID-19 will be funded, i.e. costs in addition to 'business as usual' activities. This is consistent with the approach across HIOW.

The maintenance of financial control and stewardship of public funds will remain critical during the NHS response to COVID-19. Decisions to commit resources in response to COVID-19 are robust. A log of financial claims submitted by and paid to practices is maintained alongside the relevant invoices in support of those financial claims.

Claims for 19/20 costs have been submitted to the CCG by practices and will be paid at the beginning of May. A process is in place for practices to make monthly claims for 20/21 costs.

