

# Primary Care Commissioning Committee

Date of meeting		25 June 2020	
Agenda item	<b>9</b>	Paper No	<b>PCCC20/042</b>

## Primary Care Finance Report

<b>Key issues</b>	<p>Across all funding streams Primary Care is, at 31/05/2020, overspent by £748k. The budgets shown are for months 1-4 only, and the forecast for this period is an overspend of £1,454k.</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>
<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 2 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>	23 June 2020

# NHS West Hampshire CCG

Primary Care Financial Performance  
Month 2 2020/21



## 2 Primary Care Financial Performance Month 2 20/21

Across all funding streams Primary Care is, at 31/05/2020, overspent by £748k. The budgets shown are for months 1-4 only, and the forecast for this period is an overspend of £1,454k.

Primary Care Area	M1-4 Budget £,000's	YTD Budget £,000's	YTD Expenditure £,000's	YTD COVID Expenditure £,000's	YTD Variance £,000's	Forecast Out Turn £,000's	Forecast Out Turn Variance £,000's
<b>Recurrent Business</b>							
Delegated Primary Care	25,269	12,634	12,634	(42)	42	25,395	(126)
Locally Commissioned Services	981	491	434	0	56	981	0
Out of Hours	1,587	793	574	0	219	1,587	0
Transformation Fund	627	313	313	0	0	627	0
Primary Care IT	163	82	79	17	(15)	196	(33)
<b>Recurrent Business - Total</b>	<b>28,627</b>	<b>14,313</b>	<b>14,035</b>	<b>(25)</b>	<b>303</b>	<b>28,785</b>	<b>(159)</b>
<b>GP Forward View</b>							
Improving Access to Primary Care - Extended Hours	1,687	843	843	0	0	1,687	0
GP Transformation - Core PCN (£1.50/hd)	285	142	143	0	(1)	285	0
GPFV Reception and Clerical Training	0	0	0	0	0	0	0
<b>GP Forward View Total</b>	<b>1,971</b>	<b>986</b>	<b>986</b>	<b>0</b>	<b>(1)</b>	<b>1,971</b>	<b>0</b>
<b>Non Recurrent Funding</b>							
GP Projects	131	66	43	1,072	(1,050)	1,426	(1,295)
<b>Non Recurrent Funding - Total</b>	<b>131</b>	<b>66</b>	<b>43</b>	<b>1,072</b>	<b>(1,050)</b>	<b>1,426</b>	<b>(1,295)</b>
<b>Primary Care Total</b>	<b>30,729</b>	<b>15,365</b>	<b>15,065</b>	<b>1,047</b>	<b>(748)</b>	<b>32,183</b>	<b>(1,454)</b>
Medicines Management	31,250	15,625	15,624	1,000	(1,000)	33,250	(2,000)



## 3 Finance Position at Month 2

### Primary Care Performance

In response to COVID-19, a temporary financial regime has been put in place by NHS England to cover the period 1 April 2020 to 31 July 2020. As a result NHS England have given CCGs non-recurrent allocations for the first four months of the financial year to reflect expected monthly expenditure. Under the terms of the new regime the CCG can expect to receive a retrospective non-recurrent allocation for reasonable variances between actual expenditure and the expected monthly expenditure. It should be noted that there is no funding in CCG baselines for any additional costs related to COVID-19.

**Out of Hours** - £219k underspent at month2 as a result of a missing accrual for the PHL COVID management service, agreed for M1-3 of 20/21. This will be corrected in month 3.

**GP Projects & Primary Care IT** - overspent at month 2 mainly due to accruals for Primary Care Coronavirus costs. A claim for funding for these costs has been made to NHS England and reimbursement is expected in full.

*Quality services, better health*



## 4 Delegated Primary Care Month 2 20/21

West Hampshire CCG Budgets	Annual Plan £,000's	YTD Budget £,000's	YTD Actual £,000's	COVID-19 Actual £'000	Year to date Variance £000s	Year End Variance £,000's
GMS Contract	13,621	6,811	6,811		0	0
PMS Contract	3,397	1,699	1,699		(1)	0
Quality and Outcomes Framework	2,646	1,323	1,323		0	0
DES	322	161	161		(0)	0
Locum Reimbursement - Maternity/Sickness	280	140	140		(0)	0
Retained GPs	160	80	80		(0)	0
Dispensing/Prescribing	858	429	430		(1)	0
PCO Other	246	123	122		0	0
Premises	1,981	991	984		7	0
Business Rates	352	176	179		(3)	0
GP IT	367	183	190	(42)	35	(126)
Primary Care Network DES	1,038	519	515		4	0
<b>Total Excluding Miscellaneous</b>	<b>25,269</b>	<b>12,634</b>	<b>12,634</b>	<b>(42)</b>	<b>42</b>	<b>(126)</b>
Miscellaneous	0	0	(0)		0	0
<b>Total West Hampshire CCG</b>	<b>25,269</b>	<b>12,634</b>	<b>12,634</b>	<b>(42)</b>	<b>42</b>	<b>(126)</b>



## 5 Finance Position at Month 2

### Delegated Primary Care Performance

**QOF** - QOF Aspiration for the first two months of 20/21 was paid at 19/20 rates. The payment amounts are due to be updated in June to reflect practice achievement in 19/20. QoF Achievement payments have been calculated and will be paid in June. An exercise to review the achievement of practices in 19/20 compared to that in 18/19 in monetary terms has commenced, with some practices likely to receive top up payments in June, and a further three practices whose achievement was much lower in 19/20 than in 18/19 undergoing an investigation to ascertain the impact of COVID-19 on their achievement levels.

**GP IT** - This is comprised of the GP IT contract held with the CSU, budgeted at £1,026k this year, and the cost of ad hoc GP IT 'small items' and practice bids not funded from the GP IT capital budget, budgeted at £75k this year. There is a slight forecast overspend due to the CSU SLA contract forecast to cost £1,065k in 20/21. The £42k YTD underspend and £126k FOT overspend shown under GP IT relate to COVID-19 costs and should be shown under GP Contracts (not within delegated primary care) and will be corrected in M3.

**Primary Care Network Contract DES** - There remains some risk in the budget relating to the Additional Roles Reimbursement Scheme for Primary Care Networks. The Networks' financial entitlement relating to these roles has increased significantly in 20/21, though funding is already in CCG baselines. This could cause a considerably cost pressure in 20/21. However, it is likely that there will be under-recruitment into these roles and so this pressure may not materialise in full, though NHS England has made clear that any underspend on the roles is not to be used to fund other areas within primary care. A payment has been made to the Networks in 20/21 for the Care Homes and Impact & Investment fund for which we are yet to receive an allocation.



## 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 and April 20/21 costs have been submitted to the CCG and paid to practices. Monthly claims continue to be submitted to the CCG, and paid on a monthly basis.

