

OXFORDSHIRE PRIMARY CARE COMMISSIONING COMMITTEE

Date of Meeting: 4 June 2019	Paper No: 8
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Title of Paper: Primary Care Finance Report - Month 12 (March 2019)
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Paper is for: <small>(please delete tick as appropriate)</small>	Discussion <input checked="" type="checkbox"/>	Decision <input type="checkbox"/>	Information <input checked="" type="checkbox"/>
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Conflicts of Interest <small>(please delete tick as appropriate)</small>	
No conflict identified	<input checked="" type="checkbox"/>
Conflict noted: conflicted party can participate in discussion and decision	<input type="checkbox"/>
Conflict noted, conflicted party can participate in discussion but not decision	<input type="checkbox"/>
Conflict noted, conflicted party can remain but not participate in discussion	<input type="checkbox"/>
Conflicted party is excluded from discussion	<input type="checkbox"/>

Purpose and Executive Summary: To brief OPCCC on the financial performance of the CCG Primary Care budgets for the 2018-19 financial year ie to Month 12 (March).

Engagement: clinical, stakeholder and public/patient: Not Applicable
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Financial Implications of Paper: There are no direct financial implications as a result of this paper.
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Action Required: OPCCC is asked to review the position for Oxfordshire CCG Primary Care budgets and to consider whether risks were managed effectively.

OCCG Priorities Supported <small>(please delete tick as appropriate)</small>	
<input checked="" type="checkbox"/>	Operational Delivery
<input checked="" type="checkbox"/>	Transforming Health and Care
<input checked="" type="checkbox"/>	Devolution and Integration

✓	Empowering Patients
✓	Engaging Communities
✓	System Leadership

Equality Analysis Outcome:
No Equality Analysis undertaken

Link to Risk:
789 – Primary Care estates
AF26 – Primary care capacity
AF25 – Achievement of statutory financial

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CCG Finance Report for OPCCC At 31 March 2019

1. Overview of CCG financial position:

At 31 March 2019 NHS Oxfordshire Clinical Commissioning Group (OCCG) reported a small surplus of £0.016m against planned breakeven. This resulted in a surplus of £23.4m to be carried forward to 2019-20, made up of £24.5m historic surplus brought forward into 2018-19 less £1.1m drawn down in 2018-19 plus the additional £0.016m generated in 2018-19.

Non recurrent allocations were received in Month 12 of £600k for Additional concessionary stock/NCSO funding for CCGs and £56k for the Atrial Fibrillation and Hypertension Coding cleansing project plus some other small allocations not relate dto Primary Care.

The final allocation for the CCG for 2018-19 was £899.0m (£922.4m including the historic surplus brought forward).

The CCG has utilised the £7.6m risk reserve and the 0.5% contingency (£4.4m) to offset activity pressure.

The most significant changes to the forecast at Month 11 were:

- related to year end system agreements for OUH, OH and OCC
- release of ringfenced funds
- improvements in the reported positions for Prescribing and the BCF Pool

Year-end agreements were reached with a number of Acute Trusts prior to receiving the final SLAM data - Oxfordshire University Hospitals FT, Royal Berkshire FT & Great Western FT. This gave the CCG greater certainty over its year end position.

Dashboard Month 12:

Indicator	Target	Actual	RAG
Actual Year to date	Breakeven	£16k underspent	✓
Running Cost Outturn	< Plan	£2.1m underspent	✓
Savings Forecast Outturn	£10.6m	£11.2m	✓
Mental Health Investment Standard achieved	2.90%	2.97%	✓
Better payment Practice code NHS by value	95%	99%	✓
Better payment Practice code Non NHS by value	95%	97%	✓
Note:			
Cash drawn down to date as % of Maximum Cash Drawdown	100.00%	100.00%	✓

2 Financial Performance – Primary Care Delegated Co-Commissioning

Table 2

	Annual Budget £'000	Actual Month 12 £'000	Variance Month 12 £'000
GP GMS Contract payment	61,047	61,068	21
GP PMS Contract payment	1,159	1,172	13
GP APMS Contract payment	2,178	1,538	(640)
QOF payments	7,888	8,240	352
GP Seniority and Locums	1,688	2,967	1,279
GP Drug payments	4,192	4,433	241
GP Premises	11,434	11,988	554
GP Enhanced Services	2,103	2,002	(101)
GP Other Items	189	189	0
Collaborative Fees	67	83	16
GP Premises other	84	84	0
Co-Commissioning reserve	827	0	(827)
0.5% Contingency	471	0	(471)
1% NR reserve	439	0	(439)
Total Delegated Co-Commissioning	93,765	93,764	(1)

Key Points:

Table 2 summarises the financial performance of Primary Care Delegated Co-Commissioning.

The “1% Non recurrent reserve” of £439k (no longer a specific requirement to hold 1%), the 0.5% Contingency of £471k and the reserve of £827k have been released to mitigate in year variances to plan.

The year to date position at Month 12 is £1k underspent (£1k underspent at Month 11). The main variances are explained below:

- GP Contract payments £606k underspend overall (£350k underspent at Month 11) – GMS £21k above plan, PMS £13k above plan both due to population growth above the planning provision of 0.72%, and APMS £640k below plan due to pricing changes.
- GP QOF £352k above plan - The maximum achievement is assumed within the outturn position.
- GP Seniority and Locums is £1,279k overspent (£426k at Month 11) – GP retainers £197k above plan, higher uptake of GPs in scheme than plan due to national incentives, Seniority payments above plan £438k, CQC Fees above plan £340k, Sustainability £195k above plan, Section 96 support £204k above plan, and GP Locum cover £81k above plan.
- GP Drug payments £241k above plan due to price and volume increases.
- GP Premises £554k above plan (£50k at Month 11) - Provision has been made within the outturn position for outstanding premises reimbursements including back dated rent reviews outstanding or in dispute - Rates £92k, Notional Rent £287k, Actual Rents £110k and Cost Rents £65k above plan.
- GP Enhanced Services £101k below plan (£151k at Month 11) - Extended Hours £146k below plan as all practices budgeted for but not all practices have signed up to the scheme. Minor Surgery £45k above plan.

3 Financial Performance – Primary Care

Table 3

	Annual	Actual	Variance
	Budget	Month 12	Month 12
	£'000	£'000	£'000
Locally Commissioned Schemes (LCS)	4,003	3,737	(266)
Local Investment Schemes (LIS)	1,156	1,156	(0)
Primary Care Investment (STF)	3,816	3,929	113
Primary Care Networks	381	412	31
GP Forward View	4,514	4,092	(422)
Oxygen	644	670	26
Out of Hours	6,939	6,750	(189)
Sub Total Primary Care	21,453	20,747	(706)
Centrally Funded Drugs	2,500	2,207	(293)
Prescribing	82,904	81,704	(1,200)
Sub Total Prescribing	85,404	83,911	(1,493)
Total	106,857	104,658	(2,199)

Key Points:

Table 3 summarises the financial performance of those areas of expenditure that are incurred in primary care settings and are the commissioning responsibility of the CCG.

- Budget of £325k, for Primary Care transformation funding for aspirant ICS, was transferred to Primary Care Networks from STP Programme Spend in Other. This is a new programme to support the development of the Primary Care Networks so that the Network Contract Directed Enhanced Service (DES) can be awarded from 1 July 2019. Further expenditure in support of the development of PC Networks will be reported here in 2019-20.
- Out of Hours Month 11 costed activity is 6.2% below the profiled budget for the month (7.9% below last month) and year to date the overall activity is 1.4% below seasonally adjusted plan and 6.8% below the same period last year.
- Actual data for prescribing for the first 10 months of the year was available for Month 12 reporting. This continued to indicate a significant underspend above that expected. The year end reported position includes accruals for anticipated pressures that are not yet reflected in the BSA figures such as further NCSO related costs. The reported underspend is £1.5m (£0.5m at Month 11).