

Agenda Item 09

Report to: NELCCG Primary Care Commissioning Committee
 Date of Meeting: 28th May 2019
 Subject: Primary Care Commissioning Finance Report
 Presented by: Jo Horsfall / Laura Whitton

STATUS OF THE REPORT (auto check relevant box)

- For Information
- For Discussion
- For Approval / Ratification
- Report Exempt from Public Disclosure No Yes

PURPOSE OF REPORT:	To provide and update on:- - the 2018/19 Outturn Position - financial position of the 2019/20 budgets within the scope of Primary Care for both NEL CCG & NELC, including an update on the steps taken to mitigate the impact of the £851k top slice to the Delegated Budget Allocation	
Recommendations:	To note: - The out-turn position for the Primary Care budgets for the period ending 31 st March 2019. - The financial position of the 2019/20 budgets within the scope of Primary Care for both NEL CCG & NELC. To agree to the approach taken to mitigate the impact of the £851k top slice to the Delegated Budget Allocation	
Committee Process and Assurance:	N/A	
Implications:		
Risk Assurance Framework Implications:	Any financial risk associated with the mitigations detailed in the paper are reflected in the CCG's financial risk register.	
Legal Implications:	None	
Data Protection Impact Assessment implications (DPIA):	Are you implementing a new system, data sharing arrangement, project, service redesign or changing the way you work?	No
	If yes to the above – have the DPIA screening questions been completed?	
	Does this project involve the processing of personally identifiable or other high risk data?	
	If yes to the above has a DPIA been completed and approved?	

Equality Impact Assessment implications:	<p>An Equality Impact Analysis/Assessment is not required for this report <input checked="" type="checkbox"/></p> <p>An Equality Impact Analysis/Assessment has been completed and approved by the EIA Panel. As a result of performing the analysis/assessment there are no actions arising from the analysis/assessment <input type="checkbox"/></p> <p>An Equality Impact Analysis/Assessment has been completed and there are actions arising from the analysis/assessment and these are included in section ___ of the enclosed report <input type="checkbox"/></p>																								
Finance Implications:	<p>Key points to note:</p> <p><u>2018/19 Outturn</u> No significant change to the figures reported to the last Committee; in summary:</p> <table border="1" data-bbox="395 555 1487 779"> <thead> <tr> <th></th> <th>Budget</th> <th>out-turn</th> <th>variance</th> </tr> <tr> <th></th> <th>£'000</th> <th>£'000</th> <th>£'000</th> </tr> </thead> <tbody> <tr> <td>NEL CCG</td> <td>33,867</td> <td>32,831</td> <td>1,036</td> </tr> <tr> <td>NORTH EAST LINCOLNSHIRE COUNCIL</td> <td>264</td> <td>198</td> <td>66</td> </tr> <tr> <td>TOTAL FUNDING WITHIN SCOPE OF PRIMARY CARE</td> <td></td> <td></td> <td></td> </tr> <tr> <td>JOINT COMMISSIONING - NELCCG & NELC</td> <td>34,131</td> <td>33,029</td> <td>1,102</td> </tr> </tbody> </table> <p><u>2019/20 Budgets</u></p> <p>Key Points to note:-</p> <p>(i) Uplift of 1.69% in CCG Delegated Allocation [this is after a 2.88% “top slice” linked to the agreement for a new centrally funded Clinical Negligence Scheme for GPs as part of new GP Contract]. The year on year impact of complying with the investment requirements [GP 5 Year Forward View / Primary Care Networks] along with the uplift in the core contracts equates to a 3.5% uplift. This has created a funding “gap” of 1.81%. (£550k)</p> <p>(ii) The CCGs approach to addressing / mitigating the impact of this is to:-</p> <ul style="list-style-type: none"> - Maintain funding to ensure compliance with national requirements (PCN’s, GP 5 Year Forward View) - Release any uncommitted funding [over & above contingency funding] - Reduction in planned spend areas where minimal / no impact on patient services - Any residual “gap” would have to be funded via cost savings [QIPP] elsewhere in the system; where “providing the service in Primary Care” is more cost effective / VFM than in other parts of the system. <p>(iii) CCG Core Primary Care</p> <ul style="list-style-type: none"> - 2019-20 budgets have been set to include the mandated £1.50 per head Primary Care Network funding. - Allocations of £1.1m for the Improving GP Access scheme & £434K for the remainder of the Apex Insight Workforce toolkit funding are both due to be received as soon as the allocation transfer process is re-opened by NHSE for this financial year. - PMS Premium funding of £1,956K will be transferred between Core Primary Care and Delegated Primary Care in year to fund locally commissioned schemes – this is the same process as previous years. 		Budget	out-turn	variance		£'000	£'000	£'000	NEL CCG	33,867	32,831	1,036	NORTH EAST LINCOLNSHIRE COUNCIL	264	198	66	TOTAL FUNDING WITHIN SCOPE OF PRIMARY CARE				JOINT COMMISSIONING - NELCCG & NELC	34,131	33,029	1,102
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	<p>(iv) Delegated</p> <ul style="list-style-type: none"> - Budgets relating to the new PCN DES have been set, this equates to an additional investment of circa £630K. The Clinical Director Contribution & Additional Roles elements of the new DES will only be effective from 1st July 19, this part year effect has been factored into the budgets. Funding will be required for the full year in 20-21. - Although the budgets have been set to cover all known commitments at a point in time, with only the mandated level of contingency funding (£144K) being available to cover any in year pressures or investments. This is due to the reduction applied to the 2019-20 allocation linked to the national clinical negligence scheme of £851K. <p>(v) Mitigations to address the “funding” gap (£550k)</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="text-align: right; width: 20%;">£'000</th> </tr> </thead> <tbody> <tr> <td>Shared Care (£180k); schemes not fully up & running</td> <td style="text-align: right;">135</td> </tr> <tr> <td style="padding-left: 20px;">- Reshape to maximise the system benefit</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">- Alternative funding sources</td> <td></td> </tr> <tr> <td>Assumed slippage in recruiting to PCN additional staffing (£247K total funding)</td> <td style="text-align: right;">65</td> </tr> <tr> <td>Quality Scheme – Link to Risk & Reward that is being finalised as part of the Alliance arrangements</td> <td style="text-align: right;">350</td> </tr> <tr> <td>Training – alternative funding obtained</td> <td style="text-align: right;">30</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">580</td> </tr> </tbody> </table> <p>The benefit of more efficient / effective use of Premises has already been factored into the CCGs budgets so could not be considered as one of the mitigations.</p>		£'000	Shared Care (£180k); schemes not fully up & running	135	- Reshape to maximise the system benefit		- Alternative funding sources		Assumed slippage in recruiting to PCN additional staffing (£247K total funding)	65	Quality Scheme – Link to Risk & Reward that is being finalised as part of the Alliance arrangements	350	Training – alternative funding obtained	30	Total	580
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<p>Quality Implications:</p>	<p>This report details a positive impact on quality. <input type="checkbox"/> The proposal put forwards, if agreed, would have a positive impact in terms of enabling providers to meet safe staffing targets. Retention and recruitment is forecast to be improved, which would have a positive impact on the safe delivery of local services.</p> <p>This report details a neutral impact on quality. <input checked="" type="checkbox"/> The report will not make any impact on experience, safety or effectiveness.</p> <p>This report details a negative impact on quality. <input type="checkbox"/> The report details the need for budgets to be significantly reduced. It is clear that the report summarises that quality will be negatively impacted by this as decisions to remove services/provide a lower level of provision to solely meet the ‘must do’s’ of provision in terms of meeting people’s needs has to be made. It is forecast that service user experience will be negatively impacted by this position.</p>																
<p>Procurement Decisions/Implications (Care Contracting Committee):</p>	<p>N/A</p>																
<p>Engagement Implications:</p>	<p>N/A</p>																

Conflicts of Interest	<i>Have all conflicts and potential conflicts of interest been appropriately declared and entered in registers which are publicly available?</i> <input type="checkbox"/> Yes <input type="checkbox"/> No
Links to CCG's Strategic Objectives	<input type="checkbox"/> Sustainable services <input type="checkbox"/> Empowering people <input type="checkbox"/> Supporting communities <input type="checkbox"/> Delivering a fit for purpose organisation
NHS Constitution:	https://www.gov.uk/government/publications/the-nhs-constitution-for-england
Appendices / attachments	Table 1 -2 (attached)

Table 1

SUMMARY	1819 Annual Budget as at March 19 £'000	18-19 out-turn	19-20 Annual Budget £'000
Fully Delegated confirmed allocation	26,346	25,831	28,734
NHS North East Lincolnshire CCG core allocation for Primary Care	7,521	7,000	4,424
CONFIRMED NEL CCG PRIMARY CARE ALLOCATION	33,867	32,831	33,158
NHS North East Lincolnshire CCG un-confirmed allocation			1,534
TOTAL NEL CCG PRIMARY CARE ALLOCATION	33,867	32,831	34,692
TOTAL NORTH EAST LINCOLNSHIRE COUNCIL ALLOCATION	264	198	275
TOTAL FUNDING WITHIN SCOPE OF PRIMARY CARE JOINT COMMISSIONING - NELCCG & NELC	34,131	33,029	34,967

Table 2

FULLY DELEGATED CONFIRMED ALLOCATION	1819 Annual Budget as at March 19 £'000	18-19 out-turn	19-20 Annual Budget £'000
Delegated General Practice - PMS	14,988	14,971	17,121
Delegated General Practice - APMS	777	793	809
Delegated Premises Cost Reimbursement	6,448	6,382	6,370
Delegated Other Premises Cost	4	4	8
Delegated Enhanced Services	362	308	928
Delegated QOF	2,312	2,322	2,338
Delegated Other GP Services	1,456	1,051	1,159
NHSE COMMISSIONED TOTAL	26,346	25,831	28,734
NHS NORTH EAST LINCOLNSHIRE CCG COMMISSIONED	1819 Annual Budget as at March 19 £'000	18-19 out-turn	19-20 Annual Budget £'000
Locally Commissioned Services	5,510	5,319	3,182
GP Training & Recruitment	43	16	43
Local Quality Scheme	350	337	300
Other Primary Care Expenditure*	883	606	183
Primary Care IT	735	722	715
NEL CCG COMMISSIONED TOTAL	7,521	7,000	4,424
NORTH EAST LINCOLNSHIRE COUNCIL COMMISSIONED	1819 Annual Budget as at March 19 £'000	18-19 out-turn	19-20 Annual Budget £'000
LARC fits and removals	49	38	80
Health checks	50	23	50

Stop smoking service	40	12	20
Substance misuse	125	125	125
NELC COMMISSIONED TOTAL	264	198	275