

**Report to the Somerset Primary Care Commissioning Committee Meeting
7 December 2020**

Title: Primary Care Finance Report – December 2020	Enclosure I
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Executive Lead	Alison Henly, Director of Finance, Performance and Contracting, Somerset Clinical Commissioning Group
Clinical Lead:	N/A
Author:	Jacqui Damant, Associate Director of Finance

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 October 2020 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 anticipated performance against Primary Care expenditure budgets to 31st October 2020.

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 to date for 2020/21 is £80.064m, with further in-year allocations of £0.796m to be received. 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 a commitment from NHSE/I that CCGs will achieve a financial break-even position for the financial period from 1 April 2020 to 30 September 2020/21 and that delivery of a break-even position is anticipated

	against plans for the latter half of the financial year.			
Risk Rating	Consequence	Likelihood	RAG Rating	GBAF Ref
	3	1	3	

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 have been put in place this financial year. For the first six months of this 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. To date the CCG has received retrospective top-up funding for the first 5 months (£889k), with the final month 6 reclaim of £0.178m still to be confirmed.
- 1.1.3. For months 7 to 12 of the financial year the retrospective top-up funding arrangements have ceased and the Somerset system has been issued with a fixed financial envelope. The Primary Care (Medical) budget for the second half of 2020/21 is £40.430m, comprising a baseline budget of £39.812m and additional funding to support the updated GP contract of £0.618m. The additional allocation of £0.618m has not yet been released by NHSEI.
- 1.1.4. Therefore the total 2020/21 allocation for Primary Care (Medical) is £80.860m. It should be noted that the month 6 retrospective top-up funding of £0.178m and updated GP contract allocation of £0.618m are still awaiting settlement from NHSE/I and this is reflected in Table 1 below.

1.2. Expenditure (Table 1)

- 1.2.1. As at 31st October 2020 there is a year to date cost pressure against the Primary Care (Medical) budgets which represents the shortfall in our month 6 retrospective top up allocation of £0.178m plus the additional GP contract allocation, for which we are awaiting settlement from NHSE/I this financial year. When received it is anticipated that we will deliver within budget for the financial year.

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 this financial year totals £1.001m.

2.2. Expenditure (Table 2)

- 2.2.1. Non delegated Primary Care expenditure is forecast to be in line with budgets this financial year. This is following receipt of retrospective top-up funding for the £0.020m overspend projected at month 4 against the Primary Care Improved Access scheme.
- 2.2.2. The Primary Care Improvement Scheme (PCIS) is currently being accrued to budget as there is an opportunity for practices to achieve the full year allocation for PCIS.
- 2.2.3. Local Enhanced Services (LES) expenditure is currently forecast to breakeven against budget for 2020/21. There is an increasing year to date under-commitment against LES budgets, with a reported underspend at month 7 of £0.451m, and work is currently underway to understand the full year impact. Once the drivers of the current underspend are understood the forecast impact will be reflected within this report.
- 2.2.4. GP Forward View costs are anticipated to be consistent with revised budget allocations for this financial year.
- 2.2.5. Primary Care expenditure incurred specifically in response to the Covid-19 pandemic is not included within this report.

3. Recommendation

- 3.1. The Somerset Primary Care Commissioning Committee is asked to note the Primary Care funding allocations for the period 1st April 2020 to 31st March 2021 and reported expenditure as at 31st October 2020.

Jacqui Damant
Associate Director of Finance

20th November 2020

Table 1

NHS Somerset CCG

2020/21

Delegation Report Month 7

Area of Spend		YTD Budget	YTD Actual	YTD Variance	Annual Budget	FOT	Variance
		£000s	£000s	£000s	£000s	£000s	£000s
GMS Contract Payments	GMS Global Sum	21,205	21,118	(87)	36,352	36,203	(148)
PMS Contract Payments	PMS Contract Value	10,186	10,157	(29)	17,461	17,412	(49)
Premises Costs	Rent	4,137	4,137	0	7,092	7,092	0
	Rates	889	889	0	1,524	1,524	0
	Water Rates	59	51	(8)	102	88	(14)
	Clinical Waste	112	111	(2)	193	190	(3)
	Other Premises Costs	13	28	15	23	48	25
	Subtotal	5,211	5,216	5	8,933	8,941	8
Directed Enhanced Services	Learning Disability Health Check	138	138	0	236	236	0
	Minor Surgery	643	571	(72)	1,103	979	(124)
	Special Allocation Service	36	36	0	61	61	0
	Subtotal	817	744	(72)	1,400	1,276	(124)
Primary Care Networks	Network Contract Participation	613	613	(0)	1,051	1,051	(0)
	Network Clinical Directors	246	246	0	421	421	0
	Network Additional Reimbursable Roles	1,478	1,385	(92)	2,433	2,375	(58)
	Network Extended Hours	494	494	0	846	846	0
	Care Home Premium	229	229	(0)	392	392	0
	IIF Achievement	224	224	0	384	384	0
	Subtotal	3,283	3,191	(92)	5,528	5,470	(58)
QOF	QOF Aspiration	3,407	3,427	19	5,841	5,874	33
	QOF Achievement	1,676	1,565	(111)	2,874	2,683	(191)
	Subtotal	5,084	4,992	(92)	8,715	8,558	(157)
Other Services	Locum Cover	657	517	(140)	1,127	887	(240)
	CQC Fee Reimbursement	215	199	(16)	368	341	(27)
	GP Retainers	86	86	0	148	148	0
	Translation Fees	20	20	0	34	34	0
	Section 96 Payments	150	150	(0)	358	358	0
	Sterile Products	19	15	(4)	33	25	(8)
	Resilience Funding	0	528	528	0	804	804
	Subtotal	1,147	1,514	367	2,067	2,596	529
Contingency	Contingency	236	236	0	404	404	0
2020/21 Total		47,168	47,168	0	80,860	80,860	0
Initial Covid-19 Allocation Adjustment		(1,067)		1,067	(1,067)		1,067
M7-M12 Updated GP Contract Allocation Adjustment		(103)		103	(618)		618
Top Up Funding confirmed		889		(889)	889		(889)
2020/21 Covid Adjusted Total		46,887	47,168	281	80,064	80,860	796

Table 2

NHS Somerset CCG

2020/21

Primary Care Report Month 7

Area of Spend		YTD Budget £000s	YTD Actual £000s	YTD Variance £000s	Annual Budget £000s	Forecast Outturn £000s	Forecast Variance £000s
Non Delegated	GP IT Costs	1,447	1,447	0	2,481	2,481	0
	PMS Premium *	707	707	0	1,212	1,212	0
	Primary Care Improved Access *	1,944	1,944	0	3,332	3,332	0
	Primary Care Improvement Scheme *	387	387	0	663	663	0
	Primary and Community Services development programme	681	681	0	1,168	1,168	0
	GP Practice Transformation Programme *	521	521	0	893	893	0
	IUCD (LARC) Cost Transfer	279	279	0	478	478	0
	Pre & Post Operative Care *	211	211	0	362	362	0
Subtotal	6,177	6,177	0	10,589	10,589	0	
Local Enhanced Services	Anti-Coagulation	548	624	76	940	940	0
	Dermatology	233	172	(61)	400	400	0
	Enhanced Drug Monitoring	309	261	(48)	530	530	0
	Leg Ulcer / Compression Bandaging	263	219	(44)	450	450	0
	Other Optometry	408	274	(134)	700	700	0
	Minor Injuries	84	68	(16)	144	144	0
	Other	556	332	(224)	953	953	0
	Subtotal	2,401	1,950	(451)	4,117	4,117	0
GP Forward View	GPFV - GP Retention	67	67	0	115	115	0
	GPFV - Practice Resilience	46	46	0	79	79	0
	GPFV - Reception and Clerical staff training	57	57	0	98	98	0
	GPFV - Online consultations	86	86	0	148	148	0
	GPFV - Primary Care Networks	251	251	0	431	431	0
	GPFV - STP Funding - Workforce Training Hubs	69	69	0	118	118	0
	GPFV - STP Funding - Fellowships Core Offer	0	0	0	0	0	0
	GPFV - STP Funding - Fellowships Aspiring Leaders	7	7	0	12	12	0
	Subtotal	584	584	0	1,001	1,001	0
		9,162	8,711	(451)	15,707	15,707	0

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.