

**Report to the Somerset Primary Care Commissioning Committee Meeting
8th June 2022**

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| Title: Primary Care Finance Report – June 2022 | Enclosure F |
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| Clinical Lead: | N/A |
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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 2021 to 31st March 2022 of the 2021/22 financial year.
- Inform the Somerset Primary Care Committee of the resource allocations for Primary Care services for the 2022/23 financial year.

Recommendations and next steps

The Somerset Primary Care Commissioning Committee is asked to;

- Note the 2021/22 funding allocations for the period 1st April 2021 to 31st March 2022 and performance against Primary Care expenditure budgets for the financial year.
- Note the Primary Care resource allocations for the 2022/23 financial year.

Impact Assessments – key issues identified

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|-----------------------------|--|
| 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 |
| Safeguarding | N/A |
| Privacy | N/A |
| Engagement | N/A |
| Financial / Resource | The confirmed Primary Care (Medical) allocation for 2021/22 was £91.348m. This includes a non-recurrent allocation of £4.032m to support Primary Care recovery from Covid-19 and for Additional Reimbursable Roles (ARRS). Primary Care Transformation allocations for |

| | | | | |
|----------------------------|--|------------|------------|----------|
| | 2021/22 totalled £2.135m. Other Primary Care budgets 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 has taken delegated responsibility for managing Primary Care (Medical) Services within its resource allocation. | | | |
| Sustainability | N/A | | | |
| Risk Description | For 2021/22 the risk of any over-commitment against Primary Care (Medical) allocations lies with Somerset Clinical Commissioning Group. This risk rating reflects that a financial break-even position has been achieved for the financial period from 1 April 2021 to 31 March 2022. | | | |
| Risk Rating | Consequence | Likelihood | RAG Rating | GBAF Ref |
| | 3 | 1 | 3 | |

Primary Care Budgets 2021/22 and 2022/23

1. Primary Care (Medical) – delegated budgets

1.1. Resource Allocation

- Primary Care (Medical) recurrent funding allocations for 2021/22 demonstrate an increase in funding for Somerset of £6.456m compared to 2020/21 funding levels, with the total 2021/22 recurrent allocation being £87.317m.
- In addition to the recurrent Primary Care (Medical) allocation a further £0.777m was claimed over and above our baseline allocation for the Additional Reimbursable Roles Scheme (ARRS).
- A non-recurrent allocation of £1.187m was received to support the Primary Care response to the Covid-19 pandemic.
- During the financial year, the CCG received additional non-recurrent funding for Long Covid enhanced services (£0.290m), an enhanced service allocation for Weight Management (£0.053m), Medical Exemption Reviews (£0.005m) and cervical screening audits (£0.001m).
- The CCG claimed £1.718m Winter Access Funding for the financial year 2021/22.
- The total 2021/22 allocation for Primary Care (Medical) was £91.348m.

1.2. Expenditure (Table 1)

- A balanced year-end financial position was delivered against total Primary Care (Medical) budgets for 2021/22.
- Variances against individual reporting lines included;
 - An over-commitment against GMS global sum budgets due to list size growth;
 - SFE (locum cover) claims for sickness and maternity were £0.179m above planned budget;
 - Commitments for Section 96 resilience payments were £0.258m above the allocated budget;
 - These over-commitments have been fully offset by underspends delivered against other budgets and through utilisation of contingency funds.

1.3. Resource Allocation 2022/23 (Table 2)

- The announced recurrent Primary Care (Medical) budget for Somerset is £93.391m for the financial year 2022/23.
- This allocation is based on the long-term plan allocations announced in 2019, which were £0.455m below the revised agreed recurrent allocation, noting that these original long term plan allocations included a baseline error. This allocation shortfall has been raised with regional and national NHSE/I finance colleagues for resolution.
- In addition to the recurrent allocation, Primary Care (Medical) will receive £1.071m of system development funds (SDF), relating to Weight Management, Leadership and Management, and the Investment and Impact Fund.

2. Other Primary Care Services.

2.1. Allocation

- 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.
- Primary Care Transformation is a national initiative for investment in Primary Care, replacing the GP Forward View, and funding allocated for 2021/22 totalled £2.135m.

2.2. Expenditure (Table 3)

- Other Primary Care Services were under-committed against budget for 2021/22 by £0.51m.
- Local Enhanced Services report a total favourable variance against budget of £0.592m for 2021/22 due to activity levels being lower than planned.
- A full year allocation of £0.513m was received in 2021/22 for Minor Improvement Grants and this was fully committed.
- The Prescribing Incentive scheme cost commitment has been accrued according to the proposed 65p per weighted patient and we are waiting for final performance data in order to complete the calculation on a practice level basis.
- The GP Transformation Programme delivered a favourable £0.047m variance against budget for 2021/22, with actual outturn being based on list size calculations. This budget moves into the Delegation budget in 2022/23.

2.3. Resource Allocation 2022/23 (Table 4)

- Other Primary Care Services budgets have been uplifted for 2022/23 by the agreed system inflationary rates.
- GP IT budgets do not currently include any additional capital budgets held by NHS England. These will be included once allocated funds have been confirmed.
- Primary Care Improvement Scheme (PCIS) budgets have moved into Local Enhanced Services reporting for 2022/23 and include the Improved Access SDF funding for 2022/23.
- No minor improvement grant allocations have been confirmed for 2022/23 at this time.
- The service level allocation of budgets for Local Enhanced Services has been determined by the Primary Care team and is within the agreed overall envelope. These budgets now include resource for Complex Care services, which has moved under the remit of the Primary Care team for 2022/23.
- A funding allocation of £1.029m is anticipated for Primary Care Transformation, in addition to the funds included in Table 4, but this has yet to be released. These anticipated funds will cover the Q2 to Q4 period of 2022/23 for GP Retention, Fellowship Core Offer, Supporting Mentors and Transformation Support.

3. Recommendation

3.1. The Committee is asked to:

Note the Primary Care funding allocations for the period 1st April 2021 to 31st March 2022 and reported expenditure as at 31st March 2022.

Note the Primary Care funding allocations for the period 1st April 2022 to 31st March 2023.

Jacqui Damant
Associate Director of Finance

19th May 2022

Table 1

NHS Somerset CCG

2021/22

Delegation Report Month 12

| Area of Spend | | Annual Budget | Outturn Position | Variance |
|-----------------------------------|---------------------------------------|---------------|------------------|--------------|
| | | £000s | £000s | £000s |
| GMS Contract Payments | Global Sum | 38,060 | 38,305 | 245 |
| PMS Contract Payments | PMS Contract Value | 18,157 | 18,146 | (11) |
| Premises Costs | Rent | 7,343 | 7,495 | 152 |
| | Rates | 1,420 | 1,351 | (69) |
| | Water Rates | 101 | 92 | (8) |
| | Clinical Waste | 204 | 220 | 16 |
| | Other Premises Costs | 26 | 22 | (4) |
| | Subtotal | 9,094 | 9,181 | 87 |
| Directed Enhanced Services | Learning Disability Health Check | 351 | 325 | (26) |
| | Minor Surgery | 988 | 893 | (95) |
| | Special Allocation Service | 60 | 62 | 2 |
| | Subtotal | 1,399 | 1,280 | (119) |
| Primary Care Networks | Network Contract Participation | 1,056 | 1,060 | 4 |
| | Network Clinical Directors | 429 | 429 | 0 |
| | Network Additional Reimbursable Roles | 4,741 | 4,741 | (0) |
| | Network Extended Hours | 823 | 829 | 6 |
| | Care Home Premium | 784 | 755 | (29) |
| | IIF Achievement | 1,433 | 1,433 | 0 |
| | Subtotal | 9,266 | 9,247 | (18) |
| QOF | QOF Aspiration | 6,070 | 6,577 | 508 |
| | QOF Achievement | 3,364 | 2,760 | (604) |
| | Subtotal | 9,434 | 9,337 | (97) |
| Other Services | Locum Cover | 972 | 1,151 | 179 |
| | CQC Fee Reimbursement | 350 | 356 | 6 |
| | Seniority | 0 | (3) | (3) |
| | GP Retainers | 130 | 123 | (7) |
| | Translation Fees | 34 | 31 | (3) |
| | Sterile Products | 26 | 29 | 3 |
| | Medical Exemption Assessment | 0 | 4 | 4 |
| | Cervical Screening | 0 | 2 | 2 |
| | Section 96 Payments | 747 | 1,005 | 258 |
| | Long Covid ES | 290 | 259 | (31) |
| | Weight Management ES | 53 | 39 | (14) |
| | Covid Support Fund | 1,187 | 1,182 | (5) |
| | Winter Access Funding | 1,718 | 1,675 | (43) |
| | Subtotal | 5,507 | 5,852 | 345 |
| Contingency | Contingency | 432 | 0 | (432) |
| 2021/22 Total | | 91,348 | 91,348 | (0) |

Table 2

**NHS Somerset CCG
2022/23
Delegated Budget Report**

| Area of Spend | | 22/23 Budget |
|-----------------------------------|---------------------------------------|-------------------------|
| GMS Contract Payments | Global Sum | 39,849 |
| PMS Contract Payments | PMS Contract Value | 18,946 |
| Premises Costs | Rent | 7,256 |
| | Rates | 1,426 |
| | Water Rates | 104 |
| | Clinical Waste | 212 |
| | Other Premises Costs | 14 |
| | Subtotal | 9,012 |
| Directed Enhanced Services | Learning Disability Health Check | 361 |
| | Minor Surgery | 1,018 |
| | Special Allocation Service | 62 |
| | Subtotal | 1,441 |
| Primary Care Networks | Network Contract Participation | 1,080 |
| | Network Clinical Directors | 435 |
| | Network Additional Reimbursable Roles | 6,122 |
| | Network Extended Hours | 855 |
| | Care Home Premium | 756 |
| | IIF Achievement | 2,484 |
| | PCN Core £1.50 pp | 891 |
| | Leadership & Management DES | 413 |
| | Subject Access Requests | 193 |
| | Weight Management ES | 128 |
| Subtotal | 13,356 | |
| QOF | QOF Aspiration | 6,314 |
| | QOF Achievement | 3,500 |
| | Subtotal | 9,814 |
| Other Services | Locum Cover | 1,049 |
| | CQC Fee Reimbursement | 360 |
| | GP Retainers | 108 |
| | Translation Fees | 34 |
| | Sterile Products | 26 |
| | Section 96 Payments* | 0 |
| | Subtotal | 1,577 |
| Contingency | Contingency | 467 |
| 2022/23 Total | | 94,462 |

* No budget allocated to S.96 payments, payments agreed on an ad hoc basis.

Table 3

NHS Somerset CCG

2021/22

Other Primary Care Report Month 12

| Area of Spend | | Annual Budget | Total Spend 21/22 | Variance |
|-----------------------------|--|---------------|-------------------|--------------|
| | | £000s | £000s | £000s |
| Non Delegated | GP IT Costs | 4,089 | 4,089 | 0 |
| | Primary Care Improvement Scheme (PCIS) | 6,850 | 6,864 | 14 |
| | GP Practice Transformation Programme | 926 | 879 | (47) |
| | IUCD (LARC) Cost Transfer | 458 | 458 | 0 |
| | Minor Improvement Grants | 513 | 513 | 0 |
| | Cost of Dispensing Fees (incl. DSQS) | 10,862 | 10,862 | 0 |
| | Prescribing Incentive Scheme | 270 | 385 | 115 |
| | Subtotal | 23,968 | 24,050 | 82 |
| Local Enhanced Services | Anti-Coagulation | 940 | 768 | (172) |
| | Dermatology | 400 | 291 | (109) |
| | Enhanced Drug Monitoring | 500 | 449 | (51) |
| | Leg Ulcer / Compression Bandaging | 450 | 369 | (81) |
| | ACES | 665 | 476 | (189) |
| | Other Optometry | 35 | 20 | (15) |
| | Minor Injuries | 165 | 111 | (54) |
| | Other | 951 | 1,030 | 79 |
| | Subtotal | 4,106 | 3,514 | (592) |
| Primary Care Transformation | GP Retention | 194 | 194 | 0 |
| | Practice Nurse Measures | 20 | 20 | 0 |
| | Practice Resilience | 84 | 84 | 0 |
| | Online Consultations | 156 | 156 | 0 |
| | Primary Care Networks | 288 | 288 | 0 |
| | Workforce Training Hubs | 120 | 120 | 0 |
| | Infrastructure and Resilience | 128 | 128 | 0 |
| | Fellowships Core Offer | 291 | 291 | 0 |
| | Supporting Mentors | 134 | 134 | 0 |
| | PCN Leadership and Management | 12 | 12 | 0 |
| | Digital First Support | 588 | 588 | 0 |
| | Flexible Pools Scheme | 120 | 120 | 0 |
| Subtotal | 2,135 | 2,135 | 0 | |
| | | 30,209 | 29,699 | (510) |

Table 4

NHS Somerset CCG
2022/23
Other Primary Care Budget

| | Area of Spend | Annual Budget £000s |
|-------------------------------------|--|------------------------|
| Non Delegated | GP IT Costs | 2,146 |
| | IUCD (LARC) Cost Transfer | 466 |
| | Minor Improvement Grants | 0 |
| | Cost of Dispensing Fees (incl. DSQS) | 10,862 |
| | Prescribing Incentive Scheme | 275 |
| | Subtotal | 13,749 |
| Local Enhanced Services | Anti-Coagulation | 850 |
| | Complex Care | 716 |
| | Dermatology | 435 |
| | Enhanced Drug Monitoring | 525 |
| | Leg Ulcer / Compression Bandaging | 473 |
| | ACES | 546 |
| | Other Optometry | 37 |
| | Minor Injuries | 168 |
| | Primary Care Improvement Scheme (PCIS) | 7,006 |
| | Other | 917 |
| | Subtotal | 11,673 |
| Primary Care Transformation* | GP Retention | 29 |
| | Practice Nurse Measures | 0 |
| | Practice Resilience | 77 |
| | Online Consultations | 144 |
| | Primary Care Networks | 33 |
| | Workforce Training Hubs | 115 |
| | Infrastructure and Resilience | 125 |
| | Fellowships Core Offer | 94 |
| | Supporting Mentors | 20 |
| | PCN Leadership and Management | 0 |
| | Digital First Support | 137 |
| | Flexible Pools Scheme | 30 |
| | Subtotal | 804 |
| | | 26,226 |

* A further indicative budget of £1,029k for Primary Care Transformation is expected for 2022/23 not included above

Appendix 2 – Glossary

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|-------------------------------|--|
| 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). |
| 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 NHSEI 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 to recognise a number of factors, intended to reflect the level of work required for different categories of patient. |