

Financial Report at Month 12

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Primary Care Commissioning Committee Meeting

17 May 2018

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Purpose of Paper	
This report provides Primary Care Commissioning Committee with the final out-turn financial position for primary care budgets for 12 months to 31 March 2018. This is the position which has been incorporated into the CCG's formal financial statements (accounts) for 2017/18 and which are currently being audited.	
Key Issues	
Changes in the reported position at month 12 have been explained in this report.	
Is your report for Approval / Consideration / Noting	
Consideration.	
Recommendations / Action Required by the Primary Care Commissioning Committee	
The Primary Care Commissioning Committee is asked to consider the financial position at month 12.	
Governing Body Assurance Framework	
<i>Which of the CCG's objectives does this paper support?</i> Strategic Objective - To ensure there is a sustainable, affordable healthcare system in Sheffield. It supports management of the CCG's principal risks 3.1, 4.1, 4.2 and 4.3 in the Assurance Framework.	
Are there any Resource Implications (including Financial, Staffing etc)?	
There are no resource implications.	
Have you carried out an Equality Impact Assessment and is it attached?	
<i>Please attach if completed. Please explain if not, why not</i> There are no specific issues associated with this report.	
Have you involved patients, carers and the public in the preparation of the report?	
Not applicable.	

Financial Report at Month 12

Primary Care Commissioning Committee Meeting

17 May 2018

1. Introduction

The purpose of this paper is to update the Committee on the final year-end position for 2017/18. This is the position which has been incorporated into the CCG's overall financial statements for the year which are currently subject to external audit.

2. Financial Position: At Month 12

The final year-end position is £1,073k underspent for Delegated budgets. The final year-end position for the CCG Commissioned budgets is £1,066k underspent.

Table 1 summarises the position and Appendices **A** and **B** show the detail.

2.1 Primary Care Delegated Budget (Appendix A)

The final underspend increased by £630k from the forecast outturn at month 11. This is mainly for 2 reasons totally outside the control of the CCG:

- CCGs had been told to budget to fund the indemnity payment to GPs of 51.6p per patient (£298k). However, in March 2018 NHS England decided to fund these costs centrally. This late notification made it impossible to “recycle” the funding into other potential areas of investment. As the CCG is not able to carry forward this underspend it has been used to offset cost pressures elsewhere within the CCG.
- 0.5% reserve: As detailed in previous reports, all CCGs were required to hold a 0.5% reserve uncommitted from the start of the year and therefore it has been reported that £363k was to be spent all year. The national position across the provider sector has been such that NHS England, as expected, required all CCGs to release these reserves at year end to increase the CCG's overall reported surplus. It remains unclear when CCGs may have access to these historic surpluses in the future as this will depend on the overall national NHS financial settlement in future years and how NHS England determine this should be deployed.

2.2 Additional Primary Care Services (Appendix B)

The month 12 financial position for Additional CCG Commissioned budgets is an underspend of £1,066k which is a £139k increase from the £927k forecast at month 11. There were a number of reasons for this change including a reduction in some activity-based budgets, a VAT reclaim being successful, the uptake of case studies in Care Planning being lower than expected and additional money being received for Resilience

schemes. As noted in previous reports, the CCG is exceptionally re-providing £656k of the year end underspend in 2018/19. This relates to the Practice Transformational Support budget, where the CCG is committed to providing £3 per head non recurrently over the 2 years 2017-2019 in line with national guidance. The balance of the underspend has contributed to managing overall CCG financial pressures in 2017/18.

Table 1 : Summary of Resources 2017/18	Primary Care Delegated Budgets	Additional CCG Commissioned Services	Additional CCG Commissioned Services	Total
	Total	Recurrent	Non-Recurrent	
	£'000	£'000	£'000	£'000
Closing Allocation from 2016/17	74,653			74,653
2017/18 Cash Uplift on Allocation	1,375	0		1,375
Confirmed Allocation NHSE	76,028	0		76,028
Closing Recurrent Budget from CCG Programme		4,752	3,976	8,727
Previously Approved Budget Changes (note 1)	(3,100)	3,100	883	883
Proposed Budget 2017/18 (29th March meeting)	72,928	7,852	4,859	85,638
Following Further Budget Review:				
Funding Between Budgets	(800)	50	750	0
Transfer From Commissioning Reserve		247		247
Transfer From NHS England (GP Extended Access)		3,479		3,479
Revised Opening Budget 2017/18 Approved by PCCC 29.06.17 (note 2)	72,128	11,628	5,609	89,365
In-Year Adjustments to Budgets				
Transfers To & From Reserves	(269)	213	0	(56)
Allocations To & From NHS England	(5)		466	461
Revised 2017/18 Budget at Month 12	71,854	11,841	6,075	89,770
Projected Spend at Month 12:				
Delegated Expenditure				
Core Contract	49,656			49,656
Premises	9,698			9,698
Directed Enhanced Services	1,270			1,270
QOF	7,570			7,570
Other GP Services	2,586			2,586
Additional CCG-Commissioned Expenditure:				
Ophthalmology		320		320
GP Services		8,240	590	8,829
Pharmacy		376		376
Other Primary Care Expenditure		2,444	4,654	7,098
Reserves:				
Non-Recurrent Reserve - 0.5% (note 3)	0			0
Practice Transformational Support			226	226
Total Use of 2017/18 Budgets	70,781	11,380	5,470	87,631
Year End Position	(1,073)	(461)	(605)	(2,139)
Note 1: Practices move from £4 to £5 per head on 'over and above' LCS and this can be funded from PMS transition £'s				
Note 2: Budget is £103k higher than per GB Board Paper as it includes budget for PLIs which forms part of CCG's RCA				
Note 3: 0.5% reserve to be held uncommitted as required by NHSE all year but released at M12 as instructed				

2.3 Budget Changes

The key changes to notify to PCCC since the last report are:

- An allocation of £26k received from NHS England to fund claims submitted by practices as part of the temporary enhanced service introduced to support practices significantly affected by the TPP QRISK2 code mapping error.
- An allocation of £10k from NHS England in relation to a successful application by Primary Care Sheffield Ltd for the 'Buddying' Scheme which was set up to improve access to General Practice by identifying organisations who could provide peer to peer support and help CCGs who have not yet implemented improved access schemes.

3. Recommendation

The Primary Care Commissioning Committee is asked to consider the financial position at month 12.

Julia Newton
Director of Finance
30 April 2018

Primary Care Delegated Budget
Month 12 Position - April 2017 - March 2018

Budget	Full Year Plan	Final Outturn Position	Year End Over/(Under) Spend
	£	£	£
Core Contract GMS practices	20,518,600	20,539,585	20,985
Core Contract PMS practices	27,497,551	27,457,850	(39,701)
Core Contract APMS practices	1,688,343	1,658,877	(29,466)
Directed Enhanced Services	1,547,214	1,270,466	(276,748)
Premises	9,668,572	9,698,172	29,600
QOF	7,574,000	7,570,480	(3,520)
Other GP services - seniority & locums	2,152,578	2,130,964	(21,614)
Prescribing & Dispensing Doctors	481,142	454,864	(26,278)
<u>Reserves</u>			
Non-Recurrent Reserve 0.5% (note 1)	363,000	0	(363,000)
0.5% General Contingency (note 2)	363,000	0	(363,000)
Total	71,854,000	70,781,258	(1,072,742)

note 1 - CCGs required by NHSE to hold 0.5% reserve all year. Instructed to release at Month 12.

note 2 - To meet NHSE Business Rules, the CCG must have 0.5% contingency at start of year. In year released.

Appendix B

Additional CCG-Commissioned Expenditure on Primary Care Services Month 12 Position - April 2017 - March 2018

Budget	Full Year Plan	Final Outturn Position	Year End Over/(Under) Spend
	£	£	£
Paediatric Referral Refinement	21,900	23,200	1,300
Glaucoma Service	7,875	7,140	(735)
CATS Scheme	10,180	8,380	(1,800)
PEARS Scheme	250,989	281,238	30,249
Ophthalmology Services - Sub Total	290,944	319,958	29,014
ECG Monitoring	196,954	227,892	30,938
Anticoagulation	904,729	853,450	(51,279)
Care Homes	754,667	695,014	(59,653)
Care Planning	484,000	247,300	(236,700)
Care Of Homeless	42,667	42,668	1
Carpal Tunnel	10,281	1,480	(8,801)
Eating Disorders	37,280	39,506	2,226
D Dimers	2,025	2,592	567
Dermatology/Cryotherapy/Cutting	31,875	37,570	5,695
Dmards	192,043	216,349	24,306
Diabetes	45,000	45,501	501
Diabetes Income	(45,000)	(45,000)	0
Central Locality ENT Pilot	42,614	85,227	42,613
Dermatology/Respiratory/COPD Clinics	79,600	119,689	40,089
Endometrial Biopsy	4,475	13,680	9,205
Hepatitis B	7,405	5,782	(1,623)
Mirena	29,583	10,976	(18,607)
Colorectal Screening Follow-Up	6,562	9,132	2,570
Pessaries	47,550	47,373	(177)
Latent TB Screening (allocation due)	34,000	34,731	731
Zoladex	41,140	41,820	680
Minor Surgery	21,905	19,565	(2,340)
PMS Transition:"Over and Above"	2,896,000	2,896,022	22
Special Cases	530,000	530,008	8
GP Engagement Elective Service Transformation	1,158,434	1,148,199	(10,235)
GP Engagement Prescribing Quality	289,637	285,110	(4,527)
GP Engagement - Neighbourhood Developments	868,834	867,607	(1,227)
Winter Resilience	350,000	350,020	20
GP Services - Sub Total	9,064,260	8,829,264	(234,996)
Pharmacy - Sub Total	448,100	376,161	(71,939)
PLIs	104,200	74,240	(29,960)
GP IT	1,694,743	1,686,454	(8,289)
Primary Care Sheffield Ltd Contract	4,305,253	4,292,896	(12,357)
Out of Hours	50,000	50,774	774
GP Training	40,000	33,333	(6,667)
Interpreting Services	784,757	756,588	(28,169)
Other Primary Care Expenditure - Sub Total	6,978,953	6,894,286	(84,667)
Primary Care Developments	250,000	207,830	(42,170)
Resilience	0	(4,000)	(4,000)
Practice Transformational Support (note 1)	883,000	226,158	(656,842)
Reserves - Sub Total	1,133,000	429,988	(703,012)
Additional CCG- Commissioned Expenditure on Primary Care Services - Total	17,915,257	16,849,656	(1,065,601)

Note 1: This underspend is being reprovided in 2018/19 as it forms part of the £3 per head commitment over 2 years 2017-19