

**WOLVERHAMPTON CCG**

**Public Primary Care Commissioning Committee**  
**6th February 2018**

<b>TITLE OF REPORT:</b>	Financial Position as at Month 9, December 2017
<b>AUTHOR(s) OF REPORT:</b>	Sunita Chhokar-Senior Finance Manager Primary Care
<b>MANAGEMENT LEAD:</b>	Tony Gallagher, Chief Finance Officer
<b>PURPOSE OF REPORT:</b>	To report the CCG financial position at Month 9, December 2017
<b>ACTION REQUIRED:</b>	<input type="checkbox"/> <b>Decision</b> <input checked="" type="checkbox"/> <b>Assurance</b>
<b>PUBLIC OR PRIVATE:</b>	This Report is intended for the public domain
<b>KEY POINTS:</b>	<ul style="list-style-type: none"> <li>• M9 slight underspend</li> <li>• Financial metrics being met</li> <li>• Additional allocations</li> </ul>
<b>RECOMMENDATION:</b>	The Committee note the content of the report
<b>LINK TO BOARD ASSURANCE FRAMEWORK AIMS &amp; OBJECTIVES:</b>	
1. Improving the quality and safety of the services we commission	<u>Ensure on-going safety and performance in the system</u> Continually check, monitor and encourage providers to improve the value for money of patient services ensuring that patients are always at the centre of all our commissioning decisions to ensure the right care is provided at the right time in the right place
2. Reducing Health Inequalities in Wolverhampton	<u>Improve and develop primary care in Wolverhampton –</u> Delivering a robust financial management service to support our Primary Care Strategy to innovate, lead and transform the way



	<p>local health care is delivered, supporting emerging clinical groupings and fostering strong local partnerships to achieve this</p> <p><u>Support the delivery new models of care that support care closer to home and improve management of Long Term Conditions</u> by developing robust financial modelling and monitoring in a flexible way to meet the needs of the emerging New Models of Care.</p>
<p>3. System effectiveness delivered within our financial envelope</p>	<p><u>Continue to meet our Statutory Duties and responsibilities</u> Providing assurance that we are delivering our core purpose of commissioning high quality health and care for our patients that meet the duties of the NHS Constitution, the Mandate to the NHS and the CCG Improvement and Assessment Framework</p> <p><u>Deliver improvements in the infrastructure for health and care across Wolverhampton</u> The CCG will work with our members and other key partners to encourage innovation in the use of technology, effective utilisation of the estate across the public sector and the development of a modern up skilled workforce across Wolverhampton.</p>



## 1. Delegated Primary Care

Delegated Primary Care Allocations for 2017/18 as at month 09 are £35.649m. The forecast outturn is £35.149m delivering an underspend position of £0.5m.

The planning metrics for 2017/18 are as follows:-

- Contingency delivered across all expenditure areas of 0.5%
- Non Recurrent Transformation Fund of 1%. As the CCG is not required to deliver a surplus of 1% on their GP Services Allocations this resource can be committed on a non recurring basis.

## 2. Allocations

The CCG has received an additional allocation of £136k from NHSE for GP Winter Pressures on a non recurrent basis in M09. The schemes have been approved through the Black Country STP to be utilised across Intergrated Urgent Care, Better Care Fund and A&E delivery by the CCG no later than 31<sup>st</sup> March 18.

## 3. M09 Forecast position

	YTD budget £'000	YTD spend £'000	YTD Variance £'000 o/(u)	Annual Budget £'000	FOT £'000	Variance £'000 o/(u)	In Month Movement Trend	In Month Movement £'000 o/(u)	Previous Month FOT Variance £'000 o/(u)
General Practice GMS	15,751	15,789	38	21,002	21,002	0	●	0	0
General Practice PMS	1,357	1,349	(8)	1,809	1,809	0	●	0	0
Other List Based Services APMS incl	1,724	1,906	183	2,298	2,298	0	●	0	0
Premises	2,013	1,988	(25)	2,684	2,684	0	●	0	0
Premises Other	68	45	(22)	90	90	0	●	0	0
Enhanced services Delegated	634	626	(8)	845	845	0	●	0	0
QOF	2,716	2,692	(25)	3,622	3,622	0	●	0	0
Other GP Services	2,083	1,966	(117)	2,777	2,277	(500)	●	0	(500)
Delegated Contingency reserve	131	0	(131)	174	174	0	●	0	0
Delegated Primary Care 1% reserve	261	0	(261)	348	348	0	●	0	0
<b>Total</b>	<b>26,737</b>	<b>26,362</b>	<b>(375)</b>	<b>35,649</b>	<b>35,149</b>	<b>(500)</b>	●	<b>0</b>	<b>(500)</b>

The forecast outturn indicates an underspend of £500k against Other GP services which relates to pre delegation ie 16/17. The CCG has received the income to offset expected expenditure. However, as a result of a lower level of actual spend being incurred the CCG is reporting a non recurrent benefit of £500k (ie no further expenditure has occurred this financial year relating to 16/17).

A full forecast outturn review has been carried out in month 09 which includes the following updates:

- Recalculation of Global Sum Payments, GMS PMS and APMS Contract payments based on the October 2017 updated list sizes

**Primary Care Commissioning Committee**

6<sup>th</sup> February 2018

Page 3 of 5



- Updated Out of Hours using Q3 list sizes
- Review of PMS Transitional Payments compared to the payments made to date
- Updated QOF forecast using CQRS reports
- Review of DES forecasts based on activity to date and sign up from practices
- Review of premises forecasts based on information provided from the premises team
- Review of locum reimbursements (maternity/paternity etc) based on approved applications
- Forecast updated based on seniority payments for Q3.

#### 4. Primary Care Reserves

The forecast outturn includes a 1% Non-Recurrent Transformation Fund, and a 0.5% contingency in line with the 2017/18 planning metrics.

- In line with national guidance the 1% Non-Recurrent Transformation Fund can be utilised in year non-recurrently to help and support the delegated services.
- The 0.5% contingency will be committed in line with the 2017/18 planning metrics. The CCG has plans in place to utilise this resource.

#### 5. PMS premium reserves

The PMS premium will grow each year as a result of the transitional taper of funding of PMS practices; the CCG are developing plans to recognise this increasing flexibility. Over the next four years stated the actual resource flexibility will depend on how effective expenditure control is over the previous years. The cumulative plan for the following 5 years is as follows:-

Year	£'000
17/18	494,272
18/19	677,371
19/20	860,470
20/21	978,284
21/22	1,096,098

#### 6. Conclusion

The CCG is monitoring the financial position of the GP Services budget allocated to the CCG and will report any variance accordingly on a quarterly basis, including the use of reserves and contingency funding. The position of the delegated budgets has to be seen within the context of the CCG financial position. Resources must be committed in year as the carry forward of underspends is unlikely to be permitted.



## Recommendations

The Committee is asked to:

- Note the contents of this report.
- Continue to mobilise plans for the PMS Premium investment to ensure expenditure is incurred by the 31st March 2018.

**Name: Sunita Chhokar**

**Job Title: Senior Finance Manager**

**Date: 10/01/18**

## REPORT SIGN-OFF CHECKLIST

**This section must be completed before the report is submitted to the Admin team. If any of these steps are not applicable please indicate, do not leave blank.**

	<b>Details/ Name</b>	<b>Date</b>
Clinical View	NA	
Public/ Patient View	NA	
Finance Implications discussed with Finance Team	<b>Sunita Chhokar</b>	<b>10.01.18</b>
Quality Implications discussed with Quality and Risk Team	NA	
Equality Implications discussed with CSU Equality and Inclusion Service	NA	
Information Governance implications discussed with IG Support Officer	NA	
Legal/ Policy implications discussed with Corporate Operations Manager	NA	
Other Implications (Medicines management, estates, HR, IM&T etc.)	NA	
Any relevant data requirements discussed with CSU Business Intelligence	NA	
<b>Signed off by Report Owner (Must be completed)</b>	<b>Lesley Sawrey</b>	<b>23.01.18</b>

