

WOLVERHAMPTON CCG

Public Primary Care Commissioning Committee
1st August 2017

TITLE OF REPORT:	Financial Position as at Month 3, June 2017
AUTHOR(s) OF REPORT:	Sunita Chhokar-Senior Finance manager
MANAGEMENT LEAD:	Tony Gallagher, Chief Finance Officer
PURPOSE OF REPORT:	To report the CCG financial position at Month 3, June 2017
ACTION REQUIRED:	<input type="checkbox"/> Decision <input checked="" type="checkbox"/> Assurance
PUBLIC OR PRIVATE:	This Report is intended for the public domain
KEY POINTS:	<ul style="list-style-type: none"> • M3 assumed breakeven • Financial metrics being met • Additional allocations
RECOMMENDATION:	The Committee note the content of the report
LINK TO BOARD ASSURANCE FRAMEWORK AIMS & OBJECTIVES:	
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 03 are £35.513m. The forecast outturn is £35.513m delivering a breakeven position.

The planning metrics for 2017/18 are as follows;

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

2. Allocations

The following allocation were received in M03:

	Programme Costs		Total £'000
	Recurring £'000	Non Recurring £'000	
Month 2	34,825	0	34,825
Transformation Fund 1% NR	350		350
Growth Allocation expected in line with M02	260		260
GP Premises Funding	78		78
Month 3	35,513	0	35,513

In Month 3 the CCG has received £688k recurrent allocations.

The transformation Fund of £350k is still uncommitted and further conversations are underway to identify potential spend. The £260k and £78k have been allocated to the following:

	£'000
Growth Allocation	£260
GP Premises Funding	£78
ETTF Schemes - Revenue Funding	£170
Ettingshall Caretaker	£45
Tudor Road	£60
Sub total	£275
Available Allocation	£63



The additional £63k potentially may be used for Estates to allow practices to be fit for purpose to deliver primary care 5 year forward view.

3. M03 Forecast position

	Annual Budget	FOT M03	Var
	£'000s	£'000s	£'000s
General Practice GMS	21,002	21,002	0
General Practice PMS	1,809	1,809	0
Other list base service AMPS	2,298	2,298	0
Premises	2,684	2,684	0
Premises Other	90	90	0
Enhanced Services	845	845	0
QOF	3,622	3,622	0
Other PCO ie Sickness, Maternity etc	606	606	0
PMS Premium *	494	494	0
Other GP Services	1,541	1,541	0
Contingency 0.5%*	174	174	0
Reserve 1%*	348	348	0
Total	35,513	35,513	0

*budgets being committed non recurrently pending a Q2 budget review.

A full forecast review has been carried out in month 03 which includes the following updates:

- Review of Premises Forecasts based on payments to date.
- Review of Locum reimbursements (maternity/paternity etc.) based on approved applications to date.
- NHSE have confirmed that any costs associated with pre delegation i.e. 16/17 will not count against the CCG's delegated budget for 17/18.

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. This is still available at Month 3.
- The 0.5% contingency is still available at Month 3



5. PMS premium reserves

- The PMS premium will grow each year as a result of the transitiona taper of funding of PMS practices and as a CCG we need to ensure we have investment plans in place to recognise this increasing flexibility. Over the next four years the anticipated cumulative position of the PMS premium is as below and the actual resource flexibility will depend on how effective expenditure control is over the previous years. The plan is the following for the next 5 years:

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 the CCG and will report any variance accordingly on a quarterly basis; including the use of reserves and contingency funding. As the year progresses more detailed reporting will be available. The position of the delegated budgets has to be seen within the context of the CCG financial position. And resources should be committed in year as 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: 21/07/17

REPORT SIGN-OFF CHECKLIST

Primary Care Commissioning Committee

1st August 2017

Page 5 of 6



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.

	Details/ Name	Date
Clinical View	NA	
Public/ Patient View	NA	
Finance Implications discussed with Finance Team	Sunita Chhokar	21.7.17
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	
Signed off by Report Owner (Must be completed)	Lesley Sawrey	21.7.17

