

## WOLVERHAMPTON CCG

### Public Primary Care Commissioning Committee 5th February 2019

<b>TITLE OF REPORT:</b>	Financial Position as at Month 9, December 2018
<b>AUTHOR(s) OF REPORT:</b>	Sunita Chhokar-Senior Finance manager
<b>MANAGEMENT LEAD:</b>	Tony Gallagher, Chief Finance Officer
<b>PURPOSE OF REPORT:</b>	To report the CCG financial position at Month 9, December 2018
<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 assumed breakeven</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 of the 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>
3. System effectiveness delivered within our financial envelope	<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 Allocation for 2018/19 as at month 9 is £36.571m. The forecast outturn is £36.571 delivering a breakeven position.

The CCG planning metrics for 2018/19 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.

## 2. Allocations

- The CCG at month 7 has received an allocation of £304k from NHSE to fund an uplift in the Global sum payment for GMS, APMS and PMS Contract.

## 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	16,732	16,967	235	22,309	22,309	0	●	0	0
General Practice PMS	1,437	1,130	(307)	1,916	1,916	0	●	0	0
Other List Based Services APMS incl	1,825	2,137	312	2,433	2,433	0	●	0	0
Premises	2,113	1,849	(264)	2,817	2,817	0	●	0	0
Premises Other	71	48	(23)	94	94	0	●	0	0
Enhanced services Delegated	665	560	(106)	887	887	0	●	0	0
QOF	2,851	2,768	(83)	3,802	3,802	0	●	0	0
Other GP Services	1,324	1,969	646	1,765	1,765	0	●	0	0
Delegated Contingency reserve	137	0	(137)	183	183	0	●	0	0
Delegated Primary Care 1% reserve	274	0	(274)	366	366	0	●	0	0
<b>Total</b>	<b>27,428</b>	<b>27,428</b>	<b>(0)</b>	<b>36,571</b>	<b>36,571</b>	<b>0</b>	<b>●</b>	<b>0</b>	<b>0</b>

A full forecast review has been carried out in month 7 which includes the following updates:

- Global Sum has been updated based on Q3 list sizes 2018/19
- Out of Hours has been updated based on Q3 list sizes 2018/19
- QOF Forecasts have been revised using 2017/18 outturn
- Violent Patients Forecasts are based on 2017/18 outturn and sign up
- Minor Surgery Forecasts are based on 2017/18 outturn and sign up
- Extended Hours Forecasts are based on 2017/18 outturn and sign up
- Learning Disability Forecasts are based on 2017/18 outturn and sign up
- Premises Forecast is based on information provided by premises team
- Review of Locum reimbursements (maternity/paternity etc.) is based on approved applications to date.
- CQC Fees has been updated based on 2017/18 outturn plus 20% increase notified by central team.

The Primary Care Team receive monthly updates by practice, for referrals, First Outpatients and conversion to treatment. All is provided by specialty. They utilise this data to identify potential



outliers and to share good practice. This data is available at CCG level, Practice grouping level, Practice level and also available at GP level if required. In addition a Primary Care dashboard is in development which will assist in their further in depth analysis.

#### 4. Primary Care Reserves

- The forecast outturn includes a 1% Non-Recurrent Transformation Fund (£366k) and a 0.5% contingency (£183k) in line with the 18/19 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 9 and will be utilised for QOF plus .
- The 0.5% contingency is still available at Month 9 and will be utilised for the DOCMAN project (£80k) and to cover practice configuration.

#### 5. PMS premium reserves

- The PMS premium will grow each year as a result of the transition taper of funding of PMS practices; 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 shown in the table below and the actual resource flexibility will depend on how effective expenditure is controlled. The funds for 2018/19 will be fully committed.

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

#### 6. Other Primary Care

- Other Primary Care relates to schemes that the CCG commission locally. The CCG is reporting a breakeven position as at M09 18/19. Plans are in place to ensure the full budget is utilised and any re-investments are returned to CCG commissioned primary care. The CCG is assuming practices complete the activity and make the necessary payment claims. Some of the key schemes to note are Social Prescribing, Quick Start Resilience, HCA development and ASC meetings.

	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)
Other Primary Care	859	859	(0)	1,145	1,145	0	●	0	0
Total	859	859	(0)	1,145	1,145	0	●	0	0

Primary Care Commissioning Committee

Page 4 of 7

5<sup>th</sup> February 2019



## 7. GP FV

GPFV schemes are funded from national monies provided from NHSE to deliver schemes in line with GP Forward View and comprise of:

- Access
- Admin & Clerical
- Online Consultation

As at M09, the position is reported as breakeven year to date and forecast outturn.

	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)
GP Forward View	1,045	1,045	0	1,393	1,393	0	●	0	0
Total	1,045	1,045	0	1,393	1,393	0	●	0	0

- Plans are in place to ensure the Admin and Clerical and the Online consultation payments are made by 31st March 19
- Access Scheme is paid by the CCG directly to the practice's in line with the Service Specification

## 8. Extended Enhanced Service

- The table below is showing a break even position for the year to date and FOT for basket services. Practices submit a monthly claim form and payments are made accordingly. The CCG is assuming a continuation of current level of claims in deriving a FOT. These services relate to Minor Injury, High Risk Drugs, Simple and complex dressing, Testosterone, Denosumab, Ear Syringing, Suture Clip Removals etc.
- Variations in claims and between practices form part of the management of the Local Enhanced Services budget by the Primary Care team.

	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)
Local Enhanced Services	619	619	0	825	825	0	●	0	0
Total	619	619	0	825	825	0	●	0	0

## 9. Transformation Fund

- The transformation fund is funded by the CCG based on a two year scheme, the CCG is now in the second year of the scheme. The funds can be accessed by the practices as long as they achieve 10 high impact actions. The CCG has made the first payment and the second payment will be made in January 19. The CCG is working hard with Practices to ensure the funding is spent.
- For 17/18 a benefit of £57k has been released into the position as this relates to practices which were not aligned to any grouping and did not complete activity.



## 10. Prescribing

The Prescribing FOT is currently reporting an overspend £421k (based on 7 months actual data), of which majority relates to NCSO (no cheaper stock obtainable) and Cat M (annual price increase with effect from 1<sup>st</sup> Aug 18). Such pressures are national issues and the CCG is seeking clarity from NHSE regarding whether these pressures are recurrent.

The table below provides, for information, the drug item volumes and cost for the 12 months of 2017/18 and months 1 to 7 of 2018/19:

Drugs Volume	April	May	June	July	August	September	October	November	December	January	February	March
2017/18	437,361	478,614	477,699	468,043	463,317	479,940	497,784	497,785	472,139	487,166	438,264	465,453
2018/19	451,918	475,010	467,442	-	-	-	-					
Volume % Change	3.33%	-0.75%	-2.15%	-100.00%	-100.00%	-100.00%	-100.00%					

Drugs Value £'000	April	May	June	July	August	September	October	November	December	January	February	March
2017/18	3,555	3,877	4,037	3,954	3,863	3,878	3,971	3,960	3,791	3,518	3,402	3,651
2018/19	3,460	3,701	3,648	3,629	3,833	3,520	3,773	-	-	-	-	-
Value % Change	-2.70%	-4.53%	-9.62%	-8.21%	-0.79%	-9.23%	-4.99%					

## 11. Conclusion

The CCG is monitoring the financial position of the GP Services budget 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 and resources should be committed during the financial year as carry forward of underspends is unlikely to be permitted.

## Recommendations

The Committee is asked to:

- Note the contents of this report.

**Name: Sunita Chhokar**

**Job Title: Senior Finance Manager**

**Date: 15/01/19**

## REPORT SIGN-OFF CHECKLIST

**Primary Care Commissioning Committee**

Page 6 of 7

5<sup>th</sup> February 2019



**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>15/01/19</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>17/01/19</b>

