

PRIMARY CARE CO-COMMISSIONING COMMITTEE
‘Public Part I’
18th Mar 2020

Agenda item 6

Southend CCG Finance Report – Month 10 2019/20

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Status: For approval

Appendices to this report	
Appendix 1	<ul style="list-style-type: none"> • Overall Financial Position for the Period Ending 31st January 2020
Appendix 2	<ul style="list-style-type: none"> • Overall Financial Position by Locality Level at Month 10
Appendix 3	<ul style="list-style-type: none"> • Transformation Funding (2019/21)
Appendix 4	<ul style="list-style-type: none"> • Financial information by Contract Type & Practice Locality
Associated Papers	
Papers previously considered by this CCG	<ul style="list-style-type: none"> • None.
CCG Policy Documents	<ul style="list-style-type: none"> • None.
External Documents	<ul style="list-style-type: none"> • None.

Executive Summary

1. Summary of the report

1. This report contains key messages regarding the financial position of the CCG's Primary Care Co-Commissioning Budgets as at 31st January 2020.
2. This is the position which has been incorporated into the CCG's Governing Body finance report.
3. The Primary Care Co-Commissioning budget covers expenditure on General Medical Services (GMS), Personal Medical Services (PMS) and Alternative Personal Medical Services (APMS). It also covers expenditure on the Quality and Outcomes Framework (QOF) and Premises costs.

2. Recommendations

PCCC are asked to :-

- i) Note the financial position of NHS Southend Clinical Commissioning Group (CCG) Primary Care Co-Commissioning Budgets for Month 10, and seek clarification on any points as deemed necessary
- ii) Note the current levels of risks and opportunities against the CCG's Primary Care Co-Commissioning Budgets.

INTRODUCTION

1. This is the third financial year that these budgets have been delegated to Southend CCG to manage. The current annual Primary Care Co-Commissioning funding delegated from NHS England for the 2019/20 financial year is £25.5m.
2. Southend CCG is also required to allocate budget of £0.3m for Primary Care Networks, relating to the central requirement for CCGs to set aside a budget equating to £1.50 per head of population from within its Programme allocation. This budget and associated financial commitment is included within Appendix 3; Transformation funding for 2019/20.
3. At the end of Month 10, the Primary Care Co-Commissioning position is showing a forecast breakeven position, with the working assumption that the available transformation funding is spent in-full.

RISKS

4. Risks likely to be faced throughout the year include:-
 - Premises cost reimbursements - tri-annual District Valuer reviews could lead to reimbursable rent increases, which would need to be funded from reserves. Both Community Health Partnerships (CHP) and NHS Property Services reimbursable premises costs have been subject to increases in prior years.
 - Premises rates reimbursements - the national rates review exercise is still ongoing, and could have an unpredictable impact on some practices rates reimbursements. Any potential rates budget increases would need to be funded from reserves accordingly.
 - Locum Costs (for maternity/paternity/sickness and GP suspensions) – the budget for these has been set at 2018/19 expenditure levels. Such claims, however, can be volatile, and any 2019/20 costs in excess of the available budget would need to be funded from reserves accordingly.
 - Dispensing/Prescribing doctors – 2019/20 budgets have been set at 2018/19 expenditure levels, thus should the current financial year's activity be greater than that in the previous financial year, this would result in a cost pressure to the CCG.
 - QOF – 2019/20 budgets have been set at 2018/19 expenditure levels (uplifted to 2019/20 £ per point). Should achievement be higher than previously delivered, therefore, then this would result in a cost pressure.

- Seniority payments for prior-year – PCSE make these adjustments when the national GP earnings figures are released, typically 3-4 years after the year in question. This could result in additional payments or clawbacks being made against practices.
 - GP suspension payments – Confirmation was received this month that a GP in Southend was suspended in September 2019 and will be until further notice. Whilst this is in place, a monthly suspension payment of around £8k will be made to the GP. Given that the budget for suspension payments has already been utilised in-full, this cost will need to be funded from the CCGs residual cost pressure reserve.
5. It is worthy of note that, at present, the CCG has a sum set aside, now equating to circa 0.6% of its Primary Care allocation, for unforeseen costs which may come to fruition in-year. In previous years, such spend has been volatile in nature, thus whilst this level of mitigation is considered to be reasonable, it will have to be kept under ongoing review.

RENT REVIEWS

6. Rent reviews represent a potential financial risk and are subject to Committee scrutiny whenever there is an increase in rent arising from the District Valuer's review going forward. Where such increases are agreed, we will draw them to the particular attention of the Committee, despite the Premises Directions dictating that the CCG are obliged to fund said increase. There are no rent reviews to report this month.

CONCLUSION AND RECOMMENDATION

7. Close financial control should be maintained to ensure that the CCG continues to achieve delivery against its overall national targets.
8. PCCC are asked to :-
- i) Note the financial position of NHS Southend Clinical Commissioning Group (CCG) Primary Care Co-Commissioning Budgets for Month10, and seek clarification on any points as deemed necessary.
 - ii) Note the current levels of risks and opportunities against the CCG's Primary Care Co-Commissioning Budgets.

APPENDIX 1

SUMMARY FINANCIAL POSITION FOR THE PERIOD ENDED 31st January 2020 (Month 10)

	Total Allocation	YTD Allocation	YTD Spend	YTD Variance	FOT	FOT Variance
	£'000	£'000	£'000	£'000	£'000	£'000
APMS	1,679	1,370	1,370	(0)	1,679	0
GMS	18,692	15,070	15,113	(43)	18,692	0
PMS	2,821	2,244	2,346	(103)	2,821	0
Transformation Funding	1,948	794	726	68	1,948	0
Unallocated Reserve	0	0	0	0	0	0
Cost pressure reserve	37	0	0	0	37	0
0.5% Contingency	128	0	0	0	128	0
Other Expenditure	188	93	39	55	188	0
Grand Total	25,492	19,571	19,594	(23)	25,492	0

APPENDIX 2

OVERALL FINANCIAL POSITION BY PRIMARY CARE NETWORK AS AT M 10

The overall financial position has been further broken down by the 5 Primary Care Network within the Southend region as shown in the tables below:

NORTH ROAD PLUS PCN FINANCIAL POSITION						
	Total Allocation	YTD Allocation	YTD Spend	YTD Variance	FOT	FOT Variance
	£'000	£'000	£'000	£'000	£'000	£'000
APMS	909	741	740	1	909	0
GMS	3,078	2,485	2,482	3	3,078	0
PMS	0	0	0	0	0	0
Grand Total	3,987	3,226	3,222	3	3,987	0

SOUTHEND CENTRAL PCN FINANCIAL POSITION						
	Total Allocation	YTD Allocation	YTD Spend	YTD Variance	FOT	FOT Variance
	£'000	£'000	£'000	£'000	£'000	£'000
APMS	770	630	630	(1)	770	0
GMS	611	492	494	(2)	611	0
PMS	2,455	1,949	2,048	(99)	2,455	0
Grand Total	3,836	3,070	3,172	(102)	3,836	0

SOUTHEND EAST PCN FINANCIAL POSITION						
	Total Allocation	YTD Allocation	YTD Spend	YTD Variance	FOT	FOT Variance
	£'000	£'000	£'000	£'000	£'000	£'000
APMS	0	0	0	0	0	0
GMS	4,197	3,366	3,345	21	4,197	0
PMS	0	0	0	0	0	0
Grand Total	4,197	3,366	3,345	21	4,197	0

WEST CENTRAL PCN FINANCIAL POSITION						
	Total Allocation	YTD Allocation	YTD Spend	YTD Variance	FOT	FOT Variance
	£'000	£'000	£'000	£'000	£'000	£'000
APMS	0	0	0	0	0	0
GMS	4,112	3,340	3,355	(15)	4,112	0
PMS	366	295	298	(3)	366	0
Grand Total	4,478	3,635	3,653	(18)	4,478	0

WEST LEIGH PCN FINANCIAL POSITION						
	Total Allocation	YTD Allocation	YTD Spend	YTD Variance	FOT	FOT Variance
	£'000	£'000	£'000	£'000	£'000	£'000
APMS	0	0	0	0	0	0
GMS	6,694	5,387	5,437	(50)	6,694	0
PMS	0	0	0	0	0	0
Grand Total	6,694	5,387	5,437	(50)	6,694	0

APPENDIX 3

TRANSFORMATION FUNDING 2019/21

	SOUTHEND CCG	
	<u>2019/20</u>	<u>2020/21</u>
<u>Available Funding</u>	<u>£k</u>	<u>£k</u>
Transformation fund - Delegated budget	1,948	2,176
Unallocated reserves - Delegated budget	0	0
£6/head (ringfenced for Enhanced Access) - Additional CCG allocation	1,149	1,149
£1.50 a head (ringfenced for PCN) - CCG allocation	284	0
TOTAL AVAILABLE FUNDING	3,381	3,325
<u>Expenditure</u>		
Schemes Committed and operational	(3,013)	(2,548)
Schemes approved due to commence during 19/20	(229)	(775)
Sub-Total - SURPLUS/(DEFICIT)	139	2

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APPENDIX 4

FINANCIAL INFORMATION BY CONTRACT TYPE & PRIMARY CARE NETWORK

North Road Plus PCN				
	Annual budget	YTD budget	YTD Actual	YTD Variance
	£000's	£000's	£000's	£000's
Y02707 - ST LUKES HEALTH CENTRE	909	741	740	1
APMS	909	741	740	1
F81003 - CARNARVON MEDICAL CENTRE	777	630	626	4
F81147 - CENTRAL SURGERY - DR N KUMAR	828	669	668	1
F81164 - WEST ROAD SURGERY	1,472	1,186	1,188	(3)
GMS	3,078	2,485	2,482	3
Grand Total	3,987	3,226	3,222	3
Southend Central PCN				
	Annual budget	YTD budget	YTD Actual	YTD Variance
	£000's	£000's	£000's	£000's
Y02177 - THE PRACTICE NORTHUMBERLAND AVENUE	770	630	630	(1)
APMS	770	630	630	(1)
F81176 - NORTH AVENUE SURGERY	294	237	238	(0)
F81656 - DR L VASHIST SURGERY	317	254	256	(2)
GMS	611	492	494	(2)
F81081 - QUEENSWAY MEDICAL CENTRE	2,455	1,949	2,048	(99)
PMS	2,455	1,949	2,048	(99)
Grand Total	3,836	3,070	3,172	(102)
Southend East PCN				
	Annual budget	YTD budget	YTD Actual	YTD Variance
	£000's	£000's	£000's	£000's
F81086 - CENTRAL SURGERY - DR A IRLAM	944	751	753	(2)
F81121 - THE THORPE BAY SURGERY	784	632	626	6
F81209 - THE SHAFTESBURY AVENUE SURGERY	303	243	238	5
F81613 - SHOEBURY HEALTH CENTRE	786	626	625	1
F81622 - DR MARASCO SURGERY	120	103	93	10
F81649 - DR MARIO & PARTNERS SURGERY	438	352	352	(1)
F81684 - NORTH SHOEBURY SURGERY	584	464	463	1
F81688 - DR DHILLON'S SURGERY	238	194	194	(0)
GMS	4,197	3,366	3,345	21
Grand Total	4,197	3,366	3,345	21

APPENDIX 4 (Cont'd)

West Central PCN				
	Annual budget	YTD budget	YTD Actual	YTD Variance
	£000's	£000's	£000's	£000's
F81092 - SOORIAKUMARAN V & PARTNER	537	436	429	7
F81097 - THE VALKYRIE SURGERY	2,312	1,891	1,912	(21)
F81159 - SOUTHEND MEDICAL CENTRE	718	573	572	2
F81207 - DR BEKAS MEDICAL CENTRE	205	166	167	(1)
F81744 - SCOTT PARK SURGERY	340	274	276	(2)
GMS	4,112	3,340	3,355	(15)
F81223 - KENT ELMS HEALTH C - DR MALIK	366	295	298	(3)
PMS	366	295	298	(3)
Grand Total	4,478	3,635	3,653	(18)

West Leigh PCN				
	Annual budget	YTD budget	YTD Actual	YTD Variance
	£000's	£000's	£000's	£000's
F81046 - KENT ELMS HEALTH C - DR KRISHNAN	619	498	502	(3)
F81112 - HIGHLANDS SURGERY	1,403	1,130	1,116	14
F81128 - THE EASTWOOD GROUP PRACTICE	1,481	1,199	1,215	(16)
F81144 - THE PALL MALL SURGERY	2,570	2,059	2,102	(43)
F81200 - DR SATHANANDAN'S PRACTICE	391	315	316	(1)
F81696 - THE LEIGH SURGERY	231	186	187	(0)
GMS	6,694	5,387	5,437	(50)
Grand Total	6,694	5,387	5,437	(50)