

PART 1 Primary Care Commissioning Committee 2019/20

Date of Meeting:	08 November 2019
Agenda Item:	3.1
Subject:	Finance Update
Reporting Officer:	Damian Mercer
Aim of Paper:	To update the Committee on the 2019/20 Finance Position as at the end of September 2019 in respect of the Primary Care Budgets

Governance route prior to Primary Care Commissioning Committee	Meeting Date	Objective/Outcome
Primary Care Commissioning Committee	Select date of meeting.	Click to Select
Primary Care Assurance Sub - Committee	Select date of meeting.	Click to Select
Primary Care Innovation and Transformation Sub-Committee	Select date of meeting.	Click to Select
Other	Click here to enter text.	

Primary Care Commissioning Committee Resolution Required:	For Information Only
Recommendation	To note the contents of this report

Link to Strategic Objectives	Contributes to: (Select Yes or No)
SO1: To be a high performing CCG, deliver our statutory duties and use our available resources innovatively to deliver the best outcomes for our population.	Yes
SO2: To deliver on the outcomes of the Locality Plan in respect of Prevention and Access (Prevention and Self Care)	No
SO3: To deliver on the outcomes of the Locality Plan in respect of Neighbourhoods & Primary Care (Getting help in the Community)	No
SO4: To deliver on the outcomes of the Locality Plan in respect of In Hospital - Planned (Getting more help)	No
SO5: To deliver on the outcomes of the Locality Plan in respect of In Hospital - Urgent Care (Getting more help)	No
SO6: To deliver on the outcomes of the Locality Plan in respect of Children, young people and families	No
SO7: To deliver on the outcomes of the Locality Plan in respect of Mental Health	No

Risk Level: (To be reviewed in line with Risk Policy)	Not Applicable
Comments (Document should detail how the risk will be mitigated)	The Committee are asked to note the contents of this report.

Content Approval/Sign Off:	
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The contents of this paper have been reviewed and approved by:	Deputy Chief Finance Officer, Jonathan Evans
Clinical Content signed off by:	Not applicable
Financial content signed off by:	Not Applicable

	Completed:
Clinical Engagement taken place	Not Applicable
Patient and Public Involvement	Not Applicable
Patient Data Impact Assessment	Not Applicable
Equality Analysis / Human Rights Assessment completed	Not Applicable

Executive Summary

This report updates the Primary Care Commissioning Committee on the financial position of Primary Care and Delegated Co-Commissioning for the period ending September 2019.

At the end of month 06, the Primary Care budgets are breaking even and are forecast to do the same.

However, there are a number of potential risks that could impact on the financial position throughout the remainder of the financial year, including prescribing and Primary Care Networks. This will be discussed further in the report.

Month 06 Primary Care and Delegated Co-Commissioning

	YTD Budget	YTD Actual	YTD Variance	Annual Budget	Forecast	Forecast Variance
Co-Commissioning						
GENERAL PRACTICE - GMS	7,974	7,950	-24	15,947	15,959	11
GENERAL PRACTICE - PMS	2,178	2,175	-3	4,356	4,370	13
GENERAL PRACTICE - APMS	500	502	2	999	1,010	10
PREMISES COST REIMBURSEMENT	1,525	1,486	-40	3,051	3,093	42
DISPENSING/PRESCRIBING DRG	53	64	11	192	200	8
OTHER GP SERVICES	289	257	-32	578	518	-60
RESERVES	39	209	170	120	179	60
Co-Commissioning Total	12,557	12,642	84	25,244	25,329	85
Primary Care						
OUT OF HOURS	1,468	1,468	-0	2,936	2,936	0
PRIMARY CARE IT	542	542	0	1,172	1,172	0
TRANSFORMATION PLAN	496	496	0	1,102	1,102	0
Primary Care Total	2,505	2,505	0	5,210	5,210	0
Enhanced Funding						
CORE PLUS 2	2,596	2,596	0	7,304	7,304	0
QOF	1,564	1,556	-8	3,128	3,120	-8
ENHANCED SERVICES	456	374	-82	926	842	-83
Enhanced Funding Total	4,616	4,526	-90	11,358	11,267	-91
Prescribing & Medicines Management						
PRESCRIBING	18,371	18,371	0	37,189	37,189	0
MEDICINES MANAGEMENT - CLINICAL	229	234	5	454	460	6
CENTRAL DRUGS	589	589	0	1,177	1,177	0
OXYGEN	155	155	-0	311	311	0
Prescribing & Medicines Management Total	19,344	19,349	5	39,132	39,137	6
Primary Care Networks						
PCN - SUPPORT	176	176	0	352	352	0
PCN - CLIN PHARMACIST	76	76	0	227	227	0
PCN - SOC PRESCRIBING	68	68	0	205	205	0
PCN - PARTICIPATION	217	217	0	434	434	0
PCN - CLINICAL DIRECTOR	40	40	0	121	121	0
Primary Care Networks Total	577	577	0	1,339	1,339	0
GRAND TOTAL	39,600	39,600	0	82,282	82,282	-0

GMS, PMS and APMS Contracts

The GMS, PMS and APMS contracts have all been bought in line with the GMS global sum of £89.88 per weighted patient. The budgets have been set in line with the Global Sum. As list sizes vary throughout the year, this does lead to variations against the budget set at the beginning of the year which can be seen on the GMS, PMS and APMS budget lines in the table above, with a cumulative forecast overspend of £34k.

Prescribing

Prescribing is breakeven year to date and is also forecasting to break even. This is based on the current NHS Business Services (NHSBSA) charges to the CCG. As at September, the CCG had received April to July's charges and were in line with budget. However, it has come to light that the Department of Health has negotiated a price increase on Cat M drugs from August.

The Pharmaceutical Services Negotiating Committee (PSCN) have estimated that this price increase represents a national increase of £15m per month. The CCG have estimated that this could be in the region of a £0.8m to £1.3m pressure this financial year. Although the volatility of prescribing costs makes it extremely difficult to forecast, the CCG does have a reserve set aside of £0.8m for prescribing pressures. As the prescribing data is made available to the CCG, this will be monitored closely, and any risks highlighted as soon as possible.

Primary Care Networks

Primary Care networks have been established in HMR CCG as per national guidance and budgets set accordingly. These are currently forecast to break even. However, the Clinical Pharmacist

budget is based upon a 100% cost to the CCG. The budget for the Clinical Pharmacists and also the Social Prescribers has anticipated a July start date.

However, national guidance states that only 70% of the Clinical Pharmacists should be charged to the CCG leading to slippage that has not yet been built into the financial position. There will also be further slippage as not all posts were recruited to from July. Between the social prescribing and clinical pharmacists budget, there is an anticipated £0.2m slippage for this financial year.

GP Indemnity

The CCG has had to contribute to the new national GP Indemnity Scheme at a cost of £1m. Previously, the cost to the CCG for GP Indemnity was £0.2m, leaving a pressure of £0.7m. This was funded from the reserves the CCG held in the delegated co-commissioning budgets. However, this means there is very little funding for any additional schemes this financial year.

Primary Care Investment Across GM

A Benchmarking exercise was undertaken across GM to look at investment in Primary Care. This was reported at the Deputy Chief Finance Officers meeting in September 2019. Premises costs were removed as this can distort the actual direct investment made in Primary Care. At £161.35 per head of population, HMR are the highest investor in Primary Care across Greater Manchester. The table below shows the investment per head of population each GM CCG makes.

CCG	£ Per Head
Heywood, Middleton & Rochdale	161.35
Salford	156.47
Oldham	151.25
Stockport	150.2
Bolton	148.82
Manchester	148.37
Tameside & Glossop	147.51
Wigan	147.08
Trafford	141.52
Bury	139.18

Recommendation

The Committee are asked to note the contents of this report.