

Report to the Primary Care Commissioning Committee: Meeting In Public – 10 <sup>th</sup> October 2018	
Title	Financial Report for Month 6 (September 2018)
Part A or B	Part A
Sponsoring Director	Rebecca Clegg, Chief Finance Officer, BWCCG
Author(s)	Stuart Ireland, Senior Finance Manager, BWCCG
Purpose	To update the committee on the financial position for month 6 of 2018/19 for the primary care budgets held by the CCG and on the financial position with regards to the GP Forward View commitments.
Previously considered by	Primary Care Operational Group.
Risk and Assurance	Financial Plans have been prepared in accordance with NHS England planning guidance and assured by the South of England Regional Office.
Legal implications/regulatory requirements	n/a
Public Sector Equality Duty	n/a
Links to the NHS Constitution <i>All NHS organisations are required by law to take account of the NHS Constitution in performing their NHS functions</i>	n/a
Which aspects of the GPFV Local Implementation Plan does the paper relate to? (Delete as appropriate)	<ul style="list-style-type: none"> <li>• Model of Care</li> <li>• Improving access</li> <li>• Workforce</li> <li>• Workload</li> <li>• Infrastructure</li> <li>• Governance</li> </ul>
Consultation, public engagement & partnership working implications/impact	n/a
Potential conflicts of interest	n/a
The Committee are asked to	Note.
Members eligible to vote	No voting required.

## **Executive Summary**

This paper provides details of the 2018-19 NHS England delegated CCG plans for GP services in Berkshire West and reports expenditure against plan and forecast outturn as at the end of September 2018. The year to date position is a £171k underspend and the forecast outturn is breakeven.

Please note that positive numbers represent overspends against plan and negative numbers are underspends.

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## **Recommendation**

The Primary Care Commissioning Committee is asked to **note** the contents of the report

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## 1. Summary Financial Position 2018/19

### 1.1 The year to date position as at month 6 is given in the table below:

<i>All figures in £000s</i>	NHS Berkshire West CCG		
	Plan	Actual	Variance
<b>Delegated Budget</b>			
GP Contract Payment	23,884	23,789	-95
QOF Payments	2,789	2,789	0
PCO Admin	644	795	151
GP Drug Payments	965	912	-53
GP Premises	3,151	2,979	-171
GP Enhanced Services	820	820	0
GP Other Items	468	476	9
Reserves Released	0	0	0
<b>Sub Total Delegated Budget</b>	<b>32,720</b>	<b>32,560</b>	<b>-160</b>
Community Enhanced Services	2,633	2,633	0
GPIT	742	731	-11
Practice Transformation Investment	492	492	0
Out of Hours	2,829	2,829	0
<b>Total</b>	<b>39,416</b>	<b>39,245</b>	<b>-171</b>

#### The main variances are highlighted below:

##### 1.1.1 PCO Admin - £151k overspend

- The current variance is mainly due to the phasing of the annual budgets for practice locum cover costs for maternity/paternity and sickness absence and for practice CQC fees reimbursement, as well as costs incurred for last financial year not accrued for as not known at year end.

##### 1.1.2 GP Premises - £171k underspend

- The current variance is mainly due to the phasing of the annual budgets for practice rental costs, as well as some savings realised for practice premises rates due to recent revaluations.

##### 1.1.3 GP Contracts - £95k underspend

- This is mainly due to population growth factored into the budget being lower than planned, thus resulting in lower Global SUM and baseline payments than budgeted for.

**1.2 The forecast outturn position is given in the table below:**

<i>All figures in £000s</i>	NHS Berkshire West CCG		
	Plan	Actual	Variance
<b>Delegated Budget</b>			
GP Contract Payment	47,769	47,769	0
QOF Payments	5,578	5,578	0
PCO Admin	1,289	1,289	0
GP Drug Payments	1,930	1,930	0
GP Premises	6,302	6,302	0
GP Enhanced Services	1,641	1,641	0
GP Other Items	935	935	0
Reserves Released	740	740	0
<b>Sub Total Delegated Budget</b>	<b>66,184</b>	<b>66,184</b>	<b>0</b>
Community Enhanced Services	6,250	6,250	0
GPIT	1,336	1,336	0
Practice Transformation Investment	984	984	0
Out of Hours	5,658	5,658	0
<b>Total</b>	<b>80,412</b>	<b>80,412</b>	<b>0</b>

The forecast outturn is being reported as breakeven against plan at month 6 as there are no significant year to date variances (which cannot be covered by reserves).

The annual primary care delegated budget for 2018/19 has been reduced from month 3 by £553k due to national guidance from NHS England instructing CCGs to make these funds available as part of the General Practice Forward View (GPFV) funding. The outcome of this transfer is shown later in this report (section 3).

Items recently identified as potential cost pressures on the primary care budgets are as follows:

- Financial assistance provided to individual practices relating to registering patients previously at Priory Avenue Surgery.
- Costs relating to the termination of the contract with the external provider for the provision of the service at Priory Avenue Surgery.
- Additional 1.2% uplift to the Global SUM rate for 2018/19 relating to the GP pay award.
- Costs relating to introduction of 7 day working from October, impacting on the Enhanced Access and Extended Hours budgets set for 2018/19.
- Costs incurred in 2018/19 that relate to the prior year and not accrued for as were not identified at the year end.

### 1.3 Assumptions

The financial position has been prepared following national guidance and with the following assumptions:

- Individual CCG cost pressures emerging in year will be managed through the release of reserves.

## 2. Reserves

2.1 The reserves being held by the CCGs for Primary Care for 2018/19 are as follows:

<i>All figures in £000s</i>	NHS Berkshire West CCG		
	Actual	Released	Balance
<b>Reserves</b>			
Contingency	334	0	334
Headroom	334	0	334
Other	48	0	48
Practice Premises Development Fund 16/17	105	0	105
<b>Sub Total Reserves</b>	<b>821</b>	<b>0</b>	<b>821</b>

2.2 For 2018/19, the primary care reserves are as follows:

- A 0.5% funding contingency, giving a total held of £334k.
- A 0.5% funding non recurrent, giving a total held of £334k.
- Other reserves of £48k being the available balance of funding received for the CCG.
- The balance of funds made available for Minor Improvement Grants for GP practices in 16/17 has been rolled over to 18/19, giving a total held of £105k.

2.3 As at month 6 there have been no calls on the reserve amounts.

2.4 It is anticipated that there could be calls on reserves as follows:

- Supporting section 96 financial assistance payments to practices.
- Covering 1.2% uplift to Global SUM rate due to GP pay award.
- Covering costs relating to the introduction of 7 day working.

### 3. General Practice Forward View (GPFV)

3.1 Funding has been made available in order to implement the General Practice Forward View (GPFV) within Berkshire West. This funding is as follows:

<i>All figures in £000s</i>	NHS Berkshire West CCG			
	Funding	Expenditure YTD	Committed	Balance
<b>General Practice Forward View (GPFV)</b>				
Practice Transformation Investment @ £2per head of popn	984	476	508	0
Online Consultations	314	46	268	0
Patient Wifi	292	73	219	0
Improving Access to General Practice	280	0	280	0
Reception & Clerical Training / Care Navigators	143	74	69	0
<b>Sub Total General Practice Forward View (GPFV)</b>	<b>2,013</b>	<b>669</b>	<b>1,344</b>	<b>0</b>

The funding amounts are made up of allocations for 2018/19 plus amounts unspent in 2017/18 and carried over to be utilised in this financial year.

The £553k transferred from the delegated funding allocation (see section 1) has been used to fund online consultations (£180k), improving access to general practice (£280k) and reception training (£93k) and is included in the figures shown in the table above.

The committed amounts relate to funding already allocated to specific items, such as the £508k transformation investment already committed to the locality GP alliances.

3.2 Expenditure as at month 6 can be seen in the table above. The main items are:

- £476k paid to the GP alliances for quarters 1 and 2 of the financial year for distribution as appropriate.
- £46k relating to the Footfall system to provide online services to patients.
- £74k relating to practice staff training.
- £73k relating to improving patient wi-fi access within practices.

#### 4. GP Premises Funding

4.1 NHS England (South Central) had available minor improvement grant (MIG) funds of £1.2m and invited applications from Berkshire West GP practices to access some of this grant money towards GP premises improvements.

MIG funds were allocated to appropriate Berkshire West practices on a provisional basis and the bids were then subject to due diligence. Quite a few Berkshire West practices completed their due diligence and as a result were awarded formal grant awards. Other practices within Berkshire West are still completing their due diligence and as a result have not yet been granted a formal award.

The awards are as follows:

	NHS Berkshire West CCG Final Award
<b>Minor Improvement Grants (MIG)</b>	
Boat House Practice	£3,620
Wargrave Practice	£17,028
Kennet Surgery	£4,752
Russell Street Surgery	£4,443
Twyford Practice	£5,069
London Street Surgery	£3,619
Kintbury and Woolton Hill Surgery	£7,078
Lambourn Surgery	£16,249
Tilehurst Village Practice	£3,382
Pembroke Practice	£3,630
New Wokingham Road Surgery	£3,293
*Practices Still Undertaking Due Diligence	£152,568
<b>Sub Total MIG</b>	<b>£224,731</b>

A total of £72,163 has been awarded to Berkshire West practices, with a further £152,568 to potentially be awarded upon completion of due diligence.

4.2 In addition to MIG funds available to practices there has also been Estates and Technology Transformation Fund (ETTF) monies made available by NHS England as part of the General Practice Forward View (GPFV) to support the development of the primary care estate and to help practices establish an infrastructure to meet growing patient demand.

Again practices had to submit bids and due diligence was undertaken to ensure that the bids met the criteria set for the provision of funding.

A number of Berkshire West practices were successful in securing ETTF funding for premises projects and an amount of £3.4m was allocated in total.

## 5. GP Practice Investment

5.1 The Berkshire West localities have invested heavily in general practice since the formation of the CCGs on 1<sup>st</sup> April 2013. As well as the allocated funding for Primary Care delegated functions the CCGs have also invested funds into enhanced services, GP IT services, premises improvements, and amounts relating to the GP Forward View initiative.

The table below provides the funding levels in general practice over the past two financial years:

<i>All figures in £000s</i>	Berkshire West Localities Allocation
<b>GP Practice Investment 2017/18</b>	
Primary Care Delegated Funding 17/18	65,750
GP Enhanced Services 17/18	5,859
GP IT Funding 17/18	1,336
GP Forward View Funding 17/18 - £1ph	491
GP Forward View Funding 17/18 - Online Consultations	134
GP Forward View Funding 17/18 - Reception Development	46
GP Forward View Funding 17/18 - Care Navigators	91
GP Forward View Funding 17/18 - Patient Wifi	292
ETTF (Premises) Funding 17/18	3,433
MIG (Premises) Funding 17/18	225
	<b>77,657</b>
<b>GP Practice Investment 2018/19</b>	
Primary Care Delegated Funding 18/19	66,184
GP Enhanced Services 18/19	6,250
GP IT Funding 18/19	1,336
GP Forward View Funding 18/19 - £2 ph	984
GP Forward View Funding 18/19 - Online Consultations	180
GP Forward View Funding 18/19 - Care Navigators	92
GP Forward View Funding 18/19 - Improving Access to General Practice	280
	<b>75,306</b>
<b>Total GP Practice Investment (last 2 years)</b>	<b>152,963</b>

As can be seen the CCGs have invested £153m into GP practices, either through funding made available from NHS England or through making funds available from its overall commissioning budget.

The delegated funding budgets cover items such as contract payments, premises payments (rent and rates), plus other payments such as CQC and locum cover reimbursement and enhanced services such as minor surgery and the Quality CES.

Going forward Berkshire West CCG will continue to support and provide funding to general practice through the provision of enhanced services and GPFV income streams, as well as the delegated funding to cover items covered by the Statement of Financial Entitlements (SFE) document.