

Agenda Item 11

Report to (Board/Sub-Committee): NEL CCG Joint Co-Commissioning Committee

Date of Meeting: 20th March 2018


Subject: Co-commissioning finance update

Presented by: Jo Horsfall

STATUS OF THE REPORT

- For Information X
- For Discussion
- For Approval / Ratification

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|---|---|
| PURPOSE OF REPORT: | To update on month 10 (February 2018) co-commissioning budgets. |
| Recommendations: | Report is for information only |
| Sub Committee Process and Assurance: | N/A |
| Implications: | |
| Risk Assurance Framework Implications: | N/A <i>Please demonstrate that there is an effective system in place to identify and manage risks.</i> |
| Legal Implications: | N/A <i>Summarise key legal issues / legislation relevant to the report.</i> |
| Equality Impact | <i>An Equality Impact Analysis / Assessment is not required for this report.</i> |

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|--|---|
| Assessment implications: | <p>If Yes: <i>An Equality Impact Analysis / Assessment has been completed in accordance with CCG policy.</i> Yes /No</p> <ul style="list-style-type: none"> • <i>There are no actions arising from the analysis / assessment</i> • <i>There are actions arising for the analysis / assessment which are included in section in the enclosed report</i> |
| Finance Implications: | <p>Report provides a summary of the 2017-18 co-commissioning budgets. <i>Summarise key financial issues relevant to the report.</i></p> |
| Quality Implications: | <p>N/A <i>Summarise key quality issues relevant to the report.</i></p> |
| Procurement Decisions/Implications (Care Contracting Committee): | <p>N/A <i>Include the proposed /chosen procurement route to market.</i></p> |
| Engagement Implications: | <p>N/A <i>Please state any past engagement activities and any future engagement activities (distinguish between public and stakeholder engagement).</i></p> |
| | |
| Conflicts of Interest | <p>N/A <i>Have all conflicts and potential conflicts of interest been appropriately declared and entered in registers which are publicly available? Yes /No.</i></p> <p><i>Please state ay conflicts that need to be brought to the attention of the meeting.</i></p> |
| Strategic Objectives <i>Short summary as to how the report links to the CCG's strategic objectives</i> | <p>1. <i>Sustainable Services</i></p> |
| | <p>2. <i>Empowering People</i></p> |
| | <p>3. <i>Supporting Communities</i></p> |
| | <p>4. <i>Delivering a fit for purpose organisation</i></p> |
| NHS Constitution: | <p> NHS_Constitution_WE B.pdf</p> |

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|--|--|
| | <p><i>Does the report and its recommendations comply with the requirements of the NHS constitution? Yes / No</i></p> <p><i>If Yes, please summarise key issues</i></p> |
| <p>Report exempt from Public Disclosure</p> | <p>Yes / No</p> |
| <p>Appendices / attachments</p> | |

PRIMARY CARE JOINT CO-COMMISSIONING FINANCIAL REPORT

Introduction

This report summarises the financial position with regards to the funds identified as within the scope of Primary Care joint commissioning for NHS England, NHS North East Lincolnshire CCG and North East Lincolnshire Council for the period ending 28/02/18.

Revenue Expenditure Position

The supplementary information attached at Appendix 1 provides further analysis

It is important to note that, under the joint commissioning arrangements in place, the financial responsibility and risk remains with the appropriate commissioning organisation.

| Service Commissioned by | FULL YEAR | | | YEAR TO DATE | | |
|---------------------------------|------------------------|----------------------------|----------------------------|------------------------------|------------------------------|--------------------------------|
| | Annual Budget £'000 | Forecast Out-turn £'000 | Forecast Variance £'000 | Year to date budget £'000 | Year to date actual £'000 | Year to date variance £'000 |
| NHS England | 26,551 | 26,551 | 0 | 24,270 | 23,712 | -558 |
| NHS North East Lincolnshire CCG | 5,645 | 5,308 | -337 | 5,135 | 4,800 | -336 |
| North East Lincolnshire Council | 311 | 252 | -59 | 285 | 186 | -99 |

The above table may require rounding adjustments.

Commentary

NHSE

Dispensing Doctors

This data is 2 months in arrears and as such the accruals for January and February are based on 1617 costs at current 1718 prices and volume increase assumption based on national increases, however this spend is volatile.

The budget in the ledger is phased in 12ths, however this spend is seasonal. From October there will be a tariff reduction of 4.5% which has been factored in to the working papers.

Enhanced Services & DSQS:

These have been accrued based on the following:

Minor Surgery / Violent Patients / Learning Disabilities - accrued based on current & expected sign up / spend expectation activity for 17/18 + tariff increase for LD. £9.3K overspend YTD.

Extended Hours - the practices that were expected to sign up have done.

Unplanned Admissions – this scheme ceased on 31 March 2017, however finalisation of 16/17 payments is ongoing.

DSQS – accrual based on expected 1718 sign up, pending confirmation.

APMS:

YTD variance relates to list size adjustments or where budget has been set higher than the contract value.

PMS:

The variance on PMS relates to -£60K YTD list size adjustment slippage.

Other GP Services:

Contingency

Budget of £806K plus an additional 0.5% contingency of £140K.

PCO Administered

Seniority – the budget assumes a 25% reduction on 16/17 per national phasing out of this scheme, however this is dependent on practice structure, £6.5K over spend YTD.

CQC – accrued as per expected costs pro rata, -£6.7K under spend YTD.

Retainers – not budgeted for, showing £5.3K overspend.

Maternity, Sickness and Retainers – based on claims submitted. £50.5K over spend YTD.

Indemnity Fees

These have been accrued based on assumed fee as per 1st January 18 list size, however the fee is TBC. Additional Funding may be available for this from NHS England central team, but this is TBC at this stage.

Premises:

Based on current expected costs, rates are based on bills received checked by GL Hearn.

Overspend YTD is due to transfer of funding to NEL CCG for NHS Property Services charges relating to occupation of non-GP space within NEL Primary Care Centres.

QOF

The accrual for QOF achievement is based on 1617 points and prevalence at 1718 price with 1st January 18 list size. This is £-20.3K underspend YTD.

NEL CCG

Accruals for enhanced services have been based on historic activity data and have been adjusted for any predicted increases/decreases in activity where known. YTD underspend is predominantly due to movement on the Primary Chronic and Complex Care service where the budget had been set too high.

Other Primary Care Expenditure includes all other expenditure not categorised in any other heading above. The following budgets are included within this category:

£254K £3 per head

£29K Care Navigator funding

£43K GPFV Online Consulting funding

£248K Transformational support (CCG funding over and above the mandated £3 per head)

£35K Support to GP Federations

£120K Medical fees

Some of the funding which had originally been earmarked to be spent within the 'Transformational support' budget has not been required within the year and has now been shown as an under spend.

Recommendation

Members are asked to note the position.

Appendix 1

| | FULL YEAR | | | YEAR TO DATE | | |
|---|------------------------|----------------------------|----------------------------|------------------------------|------------------------------|--------------------------------|
| | Annual Budget £'000 | Forecast Out-turn £'000 | Forecast Variance £'000 | Year to date budget £'000 | Year to date actual £'000 | Year to date variance £'000 |
| NHS ENGLAND COMMISSIONED | | | | | | |
| General Practice - PMS | 14,945 | 14,945 | 0 | 13,700 | 13,641 | -59 |
| General Practice - APMS | 770 | 770 | 0 | 706 | 690 | -16 |
| Premises cost reimbursement | 6,460 | 6,460 | 0 | 5,921 | 6,192 | 271 |
| Other premises costs | 4 | 4 | 0 | 3 | 3 | 0 |
| Enhanced services | 351 | 351 | 0 | 322 | 329 | 7 |
| QOF | 2,321 | 2,321 | 0 | 2,127 | 2,105 | -22 |
| Dispensing/Prescribing Drs | 357 | 357 | 0 | 327 | 336 | 9 |
| Other GP services | 1,343 | 1,343 | 0 | 1,164 | 416 | -748 |
| NHSE COMMISSIONED TOTAL | 26,551 | 26,551 | 0 | 24,270 | 23,712 | -558 |
| | | | | | | |
| | FULL YEAR | | | YEAR TO DATE | | |
| | Annual Budget £'000 | Forecast Out-turn £'000 | Forecast Variance £'000 | Year to date budget £'000 | Year to date actual £'000 | Year to date variance £'000 |
| NHS NORTH EAST LINCOLNSHIRE CCG COMMISSIONED | | | | | | |
| CCG PMS Re-investment | 1,467 | 1,467 | 0 | 1,345 | 1,345 | 0 |
| Enhanced Services | 2,243 | 2,095 | -148 | 2,056 | 1,909 | -147 |
| Service Improvement Plans | 649 | 676 | 28 | 595 | 618 | 24 |
| GP Training & Recruitment | 90 | 60 | -30 | 83 | 57 | -26 |
| Local Quality Scheme | 302 | 284 | -18 | 277 | 261 | -16 |
| Other Primary Care expenditure | 894 | 726 | -168 | 780 | 610 | -170 |
| NEL CCG COMMISSIONED TOTAL | 5,645 | 5,308 | -337 | 5,135 | 4,800 | -336 |
| | | | | | | |
| | FULL YEAR | | | YEAR TO DATE | | |
| | Annual Budget £'000 | Forecast Out-turn £'000 | Forecast Variance £'000 | Year to date budget £'000 | Year to date actual £'000 | Year to date variance £'000 |
| NORTH EAST LINCOLNSHIRE COUNCIL | | | | | | |
| LARC fits and removals | 80 | 80 | 0 | 73 | 26 | -47 |
| Health checks | 86 | 27 | -59 | 79 | 18 | -61 |
| Stop smoking service | 20 | 20 | 0 | 18 | 17 | -1 |
| Substance misuse | 125 | 125 | 0 | 115 | 125 | 10 |
| NELC TOTAL | 311 | 252 | -59 | 285 | 186 | -99 |

APPENDIX 1 – SUMMARY EXPENDITURE REPORT

| | FULL YEAR | | | YEAR TO DATE | | |
|---|------------------------|----------------------------|----------------------------|------------------------------|------------------------------|--------------------------------|
| | Annual Budget £'000 | Forecast Out-turn £'000 | Forecast Variance £'000 | Year to date budget £'000 | Year to date actual £'000 | Year to date variance £'000 |
| NHS ENGLAND COMMISSIONED | | | | | | |
| General Practice - PMS | 14,945 | 14,945 | 0 | 11,209 | 11,157 | -52 |
| General Practice - APMS | 770 | 770 | 0 | 578 | 563 | -15 |
| Premises cost reimbursement | 6,460 | 6,460 | 0 | 4,844 | 4,787 | -57 |
| Other premises costs | 4 | 4 | 0 | 3 | 3 | 0 |
| Enhanced services | 351 | 351 | 0 | 263 | 273 | 10 |
| QOF | 2,321 | 2,321 | 0 | 1,740 | 1,722 | -18 |
| Dispensing/Prescribing Drs | 357 | 357 | 0 | 268 | 277 | 9 |
| Other GP services | 1,343 | 1,343 | 0 | 1,007 | 283 | -724 |
| NHSE COMMISSIONED TOTAL | 26,551 | 26,551 | 0 | 19,911 | 19,063 | -848 |
| | | | | | | |
| | FULL YEAR | | | YEAR TO DATE | | |
| | Annual Budget £'000 | Forecast Out-turn £'000 | Forecast Variance £'000 | Year to date budget £'000 | Year to date actual £'000 | Year to date variance £'000 |
| NHS NORTH EAST LINCOLNSHIRE CCG COMMISSIONED | | | | | | |
| CCG PMS Re-investment | 1,467 | 1,467 | 0 | 1,100 | 1,096 | -5 |
| Enhanced Services | 2,243 | 2,252 | 8 | 1,682 | 1,708 | 25 |
| Service Improvement Plans | 649 | 652 | 4 | 487 | 485 | -1 |
| GP Training & Recruitment | 90 | 77 | -13 | 68 | 39 | -29 |
| Local Quality Scheme | 302 | 284 | -18 | 227 | 213 | -14 |
| Other Primary Care expenditure | 851 | 779 | -72 | 638 | 590 | -48 |
| NEL CCG COMMISSIONED TOTAL | 5,602 | 5,511 | -92 | 4,202 | 4,131 | -71 |
| | | | | | | |
| | FULL YEAR | | | YEAR TO DATE | | |
| | Annual Budget £'000 | Forecast Out-turn £'000 | Forecast Variance £'000 | Year to date budget £'000 | Year to date actual £'000 | Year to date variance £'000 |
| NORTH EAST LINCOLNSHIRE COUNCIL | | | | | | |
| LARC fits and removals | 80 | 80 | 0 | 60 | 16 | -44 |
| Health checks | 86 | 32 | -54 | 64 | 14 | -50 |
| Stop smoking service | 20 | 20 | 0 | 15 | 15 | 0 |
| Substance misuse | 125 | 125 | 0 | 94 | 125 | 31 |
| NELC TOTAL | 311 | 257 | -54 | 233 | 170 | -63 |