**Agenda Item:**

**Report to: Primary Care Co-Commissioning Committee**

**Date of meeting: 06/10/2020**

**Date paper distributed: 23/09/2020**

**Subject: Primary Care Commissioning Finance Report**

**Presented by: Jo Horsfall**

**Previously distributed to: N/A**

**STATUS OF THE REPORT**

**Decision required**

**For Discussion to give Assurance**

**For Information**

**Report Exempt from Public Disclosure**   No  Yes

|  |  |
| --- | --- |
| **PURPOSE OF REPORT:** | **To provide an update on the financial position of the budgets within the scope of Primary Care for both NEL CCG & NELC** |
| **Recommendations:** | **To note the year to date financial position for Primary Care budgets for the period ending 31st August 20** |
| **Clinical Engagement** | **N/A** |
| **Patient/Public Engagement** | **N/A** |
| **Committee Process and Assurance:** | **N/A** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Link to CCG’s Priorities** | * Sustainable services * Empowering people |  | * Supporting communities * Fit for purpose organisation |  |
| **Are there any specific and/or overt risks relating to one or more of the following areas?** | * Legal * Finance * Quality * Equality analysis (and Due Regard Duty) |  | * Data protection * Performance * Other |  |

**Provide a summary of the identified risk**

|  |
| --- |
| N/A |

**Executive Summary**

The finance regime for the period covering August to September has remained the same as that adopted for the first 4 months of the year. The M5 and M6 budgets were again mandated by NHSE and we will continue to receive allocation adjustments equal to the overall year to date variance so that CCG’s report a breakeven position during this period.

We have recently received details of our M7-M12 allocation which we are currently in the process of working through to understand the implications of the overall funding envelope. The deadline for completion of this work is 5th October, an update will be provided for the next committee meeting.

**Co-commissioning budgets**

A revised format has been adopted for the report this month to better reflect the current financial arrangements in place.

M1-M5 Finance Summary

|  |  |  |
| --- | --- | --- |
| Allocation | £'000 | £'000 |
| Mandated allocation | 11,798 |  |
| Retro adjustment | -257 |  |
|  |  | 11,541 |
| Expenditure |  | -11,493 |
|  |  |  |
| Year to date underspend as at M5 |  | 48 |
|  |  |  |
| Allocation adjustment due the following month |  | -48 |
|  |  |  |
| **In year operating position (breakeven)** |  | **0** |

Due to the current regime, the above shows that the mandated budget had been higher than required, as highlighted within the last finance report. The retro adjustments have been processed to bring the variance back to a breakeven position.

There have not been any significant changes in the level of spend from the last finance report.

**Core Primary Care budgets**

M1-M5 Finance Summary

|  |  |  |
| --- | --- | --- |
| Allocation | £'000 | £'000 |
| Mandated allocation | 3,234 |  |
| Retro adjustment | -172 |  |
|  |  | 3,062 |
| Expenditure |  | -3,188 |
|  |  |  |
| Year to date overspend as at M5 |  | -126 |
|  |  |  |
| Allocation adjustment due the following month |  | 126 |
|  |  |  |
| **In year operating position (breakeven)** |  | **0** |

Key variances in spend

* Spend against primary care transformation funding relating to the first 5 months of the financial year has been forecast in August. We have not yet been informed of our fair share allocation of the transformation funding, so an estimate has been made of what we are expecting to receive. Once we receive notification of the confirmed amount, we will update the financial position as appropriate.

**NELC Commissioned Schemes**

|  |  |  |  |
| --- | --- | --- | --- |
| **NORTH EAST LINCOLNSHIRE COUNCIL COMMISSIONED** | **Annual Budget as at August 20 £'000** | **YTD Variance as at August 20 £'000** | **Forecast out-turn variance as at August 20 £'000** |
| LARC fits and removals | 98 | -25 | 0 |
| Health checks | 50 | -6 | 0 |
| Stop smoking service | 20 | -5 | 0 |
| Substance misuse | 125 | -52 | 0 |
| **NELC COMMISSIONED TOTAL** | **293** | **-88** | **0** |

To note the YTD variance on the Substance Misuse scheme is due to the phasing of the budget.