

PCCC22/005

PRIMARY CARE COMMISSIONING COMMITTEE

Title of paper	Primary Care Finance Report		
Agenda item	7	Date of meeting	16 March 2022
Director lead	Roshan Patel, Chief Finance Officer		
Clinical lead (if applicable)	N/A		
Author	David Bailey, Deputy Chief Finance Officer		

Purpose	For decision	<input type="checkbox"/>
	To ratify	<input type="checkbox"/>
	To discuss	<input type="checkbox"/>
	To note/receive	<input checked="" type="checkbox"/>

Link to strategic objective	Strategic planning and engagement: Develop a robust financial strategy and capital plan that underpins our system strategy and leads to financial stability in Hampshire and Isle of Wight
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Executive Summary
<p>NHS Hampshire, Southampton and Isle of Wight CCG has delegated responsibility for the local primary care delegated budgets alongside the GP locally commissioned services and prescribing covering all five local places. In order for the Committee to monitor this delegated function, a Primary Care Finance Report is produced by the CCG on a monthly basis.</p> <p>The finance tables that follow show the financial position for the period April 2021 – January 2022 for all the CCG Primary Care budgets in totality.</p> <ul style="list-style-type: none"> Table 1 shows a high-level total CCG summary of all the Primary Care budgets and prescribing. Table 2 shows a breakdown of the CCG Primary Care Delegated budget. <p>As at month 10 and as shown in Table 1, the CCG reported a forecast outturn of over £4.6m overspent across all Primary Care budgets, but this is essentially fully mitigated as it is due to two items of available allocation not yet received as follows:</p> <ul style="list-style-type: none"> Winter Access Funding – NHS England have set aside £7.781m of allocation for the Hampshire and Isle of Wight (HIOW) Integrated Care System (ICS) and the CCG is forecasting to spend this in full. However, as at month 8 the CCG has only received £3.254m of the allocation, and the remainder is due to flow through in stages between month 11 and month 12. Therefore, this currently means that there is a pressure in the forecast of £4.527m as a result of this but this will be fully covered by the year end once any additional required allocation is received.

- Additional Roles Reimbursement Scheme (ARRS) - The ARRS is showing a pressure as at month 10 but this is because the CCG only has approximately 55% of the available ARRS allocation in their baseline with the rest held centrally. Now the CCG is entering the second half of the year this budget is starting to be exceeded, and as at month 10 there is a reported forecast pressure of £2.190m but the CCG can draw down on additional funding if there is an overspend against this line. This is reported to NHS England and Improvement (NHSE&I) via the CCGs monthly Non-ISFE return and allocations can then be adjusted retrospectively with this allocation adjustment expected to come through in month 12. Therefore, like the Winter Access Funding the £2.190m pressure on ARRS is fully mitigated.
- Additionally, the CCG is reporting a £1.5m benefit on the GP Forward View Investment line. This is allocation that has recently come to the CCG and is currently being reviewed as to where this specifically needs to be allocated and utilised before the end of March, so until this is established no expenditure is currently assigned to this pot.

After taking into account the above the CCG is in fact not reporting any significant pressures or variances as at month 10, with the expectation that the CCG will land within their annual budget for all of their Primary Care services/functions (delegated and non-delegated).

All of the ARRS and Winter Access Funding is allocated to the Delegated Primary Care budget, which is why the Delegated budget (table 2) is showing these forecast variances, but excluding these two elements there are no pressures overall against this specific budget and the expectation is that Delegated Primary Care will breakeven.

However, as table 2 shows there are some overspends and underspends across some of the different categories within the delegated budget, but in totality these all net off and in some cases the budgets just need realigning across the categories.

The CCG currently has a value on the balance sheet to cover historic rent reviews, which on average is calculated based on current growth of existing valuations, so are assured that any rent increases upon District Valuer valuations are fully covered.

Prescribing: As shown on table 1 the budget for prescribing is forecast to be underspent by just under £0.5m by the year end. As at month 10 the CCG only has eight months' worth of prescribing data, so the position includes an accrual for both December and January. Given the variability in this programme area much could still change as we enter the final quarter of the year, and for this reason some additional risk/contingency has been built into forecast which is the reason explaining the movement between the Year To Date (YTD) variance and forecast variance.

Benefits in Category M drugs costs as well as the continued benefits that are being realised through the rebate schemes that are in place are two of the factors that are contributing to a year end forecast underspend.

Winter Access Funding

As already mentioned, Hampshire and Isle of Wight ICS have been allocated funds of £7.781m which can be accessed for the Winter Access programme in Primary Care. There are two key aims of the programme/funding as follows:

- To drive improved access to urgent, same day primary care, ideally from patients' own general practice service, by increasing capacity and GP appointment numbers achieved at practice or PCN level, or in combination; and
- To increase the resilience of the NHS urgent care system during winter, by expanding same day urgent care capacity, through other services in any primary and community settings.

Plans are in place to utilise of all this funding with payments already being made to GP Practices and other Providers to support with the additional access initiatives, which has had support from the NHSE&I Regional Team following a review of the system plans. It is expected that all the funds will be utilised and committed before the 31st March 2022, with payments and outcomes already being made and progressing. A summary of the plans and progress to date is as follows:

- An ICS wide Local Incentive Scheme (LIS) to deliver an extra 80,000 appointments (£3.2m)
- ICS wide scale actions to deliver 40,000 extra appointments (£1.5m)
- Each of our six local places within the system to co-produce, with our Primary Care Networks, an approach to tackling practice level variation (£2m)
- ICS wide resource (£1m) supporting ICS communications and engagement support, as well as Paediatric Sat Monitors to add to the 103 that have been received from the national allocation.
- Community Pharmacy Consultation Service (CPCS) and Cloud Telephony is funded nationally.

2022/23 Financial Planning re: Delegated Primary Care

The Hampshire and Isle of Wight Integrated Care Board (ICB) has a confirmed initial allocation of £296,630k for Delegated Primary Care in 2022/23 (note- this includes Portsmouth CCG). The financial planning exercise is still progressing but the expectation is that the ICB will be able to manage all of their contractual commitments within this envelope, with a detailed breakdown/apportionment of this allocation to be worked up at locality level in due course.

Some key points regarding the allocations are as follows:

- 6.5% increase on 2021/22 allocations
- The increase in funding in 2022/23 is intended to cover GP contractual (GMS, PMS and APMS contracts) cost increases arising, for example, from:
 1. GP and practice staff pay increases
 2. Volume (population) growth
 3. Other expenses
- There is further increases in funding to the PCN Network Contract Direct Enhanced Services (DES) including Impact and Investment Funding (IIF) and Additional Roles Reimbursement Scheme (ARRS).
- Nationally, £281m additional funding has been made available for the ARRS. As was the case in 2020/21 and 2021/22, part of the overall ARRS allocation is included within the opening CCG allocation with the remainder held centrally and available for draw down if required. For 2022/23 the split is as follows: 62% embedded within initial allocations and 38% held centrally.

Recommendations	The Primary Care Commissioning Committee is asked to note the Primary Care Finance Report and its contents.	
Publication	Include on public website ✓	

Please provide details on the impact of following aspects	
Equality and quality impact assessment	
Patient and stakeholder engagement	
Financial and resource implications / impact	
Legal implications	
Principal risk(s) relating to this paper	
Key committees / groups where evidence supporting this paper has been considered.	

Governance and Reporting – other meetings where <u>this paper</u> been discussed		
Committee Name	Date discussed	Outcome

Hampshire, Southampton and Isle of Wight CCG Finance Report 2021/22

January 2022
(Month 10)

Table 1: Primary Care and Prescribing - Month 10

PRIMARY CARE BUDGETS 2021/2022	Annual	MONTH 10 - JANUARY 2022			Forecast	
	Budget	YTD Budget	YTD Actual	YTD Variance	Outturn	Variance
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Delegated Commissioning	247,132	204,669	205,987	1,317	253,447	6,315
Local Commissioning and Other Contracts	31,773	27,915	27,092	(823)	31,477	(296)
Primary Care Developments	0	0	0	0	0	0
Primary Care GP IT	4,850	4,073	3,597	(476)	4,893	42
Primary Care System Schemes	4,886	4,886	4,855	(31)	4,886	0
GP Forward View Investments	18,749	15,828	14,322	(1,506)	17,271	(1,478)
Out of Hours	9,136	7,785	7,888	103	9,205	68
All Local Teams In Year Position	316,526	265,157	263,740	(1,417)	321,178	4,652
Prescribing	284,973	238,372	235,166	(3,205)	284,510	(463)

Table 2: Delegated Primary Care - Month 10

PRIMARY CARE DELEGATED BUDGETS 2021/2022	Annual Budget £'000s	MONTH 10 - JANUARY 2022			Forecast	
		YTD Budget £'000s	YTD Actual £'000s	YTD Variance £'000s	Outturn £'000s	Variance £'000s
General Practice - GMS	121,473	100,511	100,476	(35)	121,220	(253)
General Practice - PMS	32,818	27,281	27,212	(69)	32,749	(69)
Other List-Based Services (APMS incl.)	3,200	2,666	2,581	(86)	2,976	(223)
Rent	16,052	13,377	15,288	1,912	16,169	117
Other Premises costs	4,320	3,599	3,809	210	4,453	134
Enhanced Services	3,442	2,814	2,924	110	3,206	(236)
PCN Enhanced Services	13,625	10,888	10,220	(669)	13,100	(525)
Additional Roles Reimbursement Scheme	11,089	9,240	10,619	1,378	13,278	2,190
QOF	27,962	23,301	23,681	380	28,447	486
Other - GP Services	13,152	10,991	9,177	(1,814)	17,847	4,696
Total Hampshire, Southampton and Isle of Wight CCG	247,132	204,669	205,987	1,317	253,447	6,315

