

Date:	22nd February 2018
Meeting:	Primary Care Commissioning Committee
Item Number:	Item 6
Public/Private:	Public <input type="checkbox"/> Private <input type="checkbox"/>

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GB Lead: <i>(Name, Title)</i>	Emma Sayner- CFO
Director approval/signature (MUST BE SIGNED)	Via E-mail.
Date:	

Report Title:	Primary Care Finance Monitoring Report – Month 10 2017/18
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Decisions to be made:	To Receive and Note.
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Continue to improve the quality of services	<input type="checkbox"/>	Improve patient experience	<input type="checkbox"/>
Reduced unwarranted variations in services	<input checked="" type="checkbox"/>	Reduce the inequalities gap in North Lincolnshire	<input type="checkbox"/>
Deliver the best outcomes for every patient	<input type="checkbox"/>	Statutory/Regulatory	<input checked="" type="checkbox"/>

Executive Summary (Question, Options, Recommendations):
<p>The report details the Year To Date (YTD) financial performance of all the Primary Care Budgets from April 2017 to November 2018 (i.e. Month 10 of 2017/18), along with details of a Forecast Out-turn.</p> <p>It also provides the main assumptions which underpin the disclosed figures, and provides a high level summary of the main Financial variations at network level.</p>

Equality Impact	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Sustainability	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Risk	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Unwarranted variation which is not addressed, restricts the use of available resources for other more productive services.
Legal	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	CCG under legal Direction to balance finance plans, with Prescribing a key area of targeted savings.
Finance	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	QIPP delivery is a key element of the CCG's Financial Recovery Plan

Patient, Public, Clinical and Stakeholder Engagement to date									
	N/A	Y	N	Date		N/A	Y	N	Date
Patient:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Clinical:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Public:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FINANCE MONITORING REPORT – FOR THE YEAR TO DATE TO MONTH 10 2017/18

1) INTRODUCTION

Attached at **Appendix 1** is a report which details the Year To Date (YTD) financial performance of all the Primary Care Budgets from April 2017 to January 2018 (i.e. Month 10 of 2017/18), along with details of a Forecast Out-turn.

The main assumptions which underpin these figures shown in Appendix 1, are summarised in the remainder of this report.

2) NHS ENGLAND AREAS OF EXPENDITURE

A) Dispensing Doctors

- This data is 2 months in arrears and as such the accrual estimates for November & December are based on 2016/17 costs at current 2017/18 prices with a volume increase assumption based on national increases, but this spend is volatile by nature.
- Though the budget in the ledger is phased in 12ths, it is important to note that this expenditure is seasonal in nature. Therefore, from October there is a tariff reduction of 4.5% which has been factored into the position.

B) Enhanced Services & DSQS:

Accruals (i.e. for amounts of expenditure incurred but not physically paid) are made as follows:

- For: Minor Surgery / Violent Patients / Learning Disabilities - the accruals are based on current expected sign up / spend expectation based on 2016/17 accounts plus a tariff increase for LD.
- For Extended Hours – the accruals are based on Practice sign up. The practices that were expecting to sign up have done so.
- Unplanned Admissions – This scheme ceased on 31 March 2017, however finalisation of 2016/17 payments is still ongoing.
- For the Dispensary Services Quality Scheme (DSQS) – the accruals are based on expected 2017/18 Practice sign up, with precise numbers pending confirmation.

C) APMS:

- The £14k YTD overspend for Market Hill relates to a List size adjustment.

D) GMS:

- Global Sum payments relate to the current YTD actual list sizes. Therefore, the circa £50.5k YTD underspend variance on GMS expenditure relates to the Global Sum List size adjustment.
- The Minimum Practice Income Guarantee (MPIG) is per the actual costs for current contracts.

E) PMS:

- The variance on PMS relates to List Size adjustment slippage, with an overspend value of value of circa £3k.

F) Other GP Services:

- This includes the Contingency budget of £114,315 less a QIPP target of (£114,809).

G) PCO Administered Expenditure includes:

- Seniority payments (PMS & GMS) – based on Q1 & Q2 and Q3 actual payments made and calculated by Capita. The Budget assumes a 25% reduction on 2016/17 levels per the national phasing out of this scheme, however this is dependent on Practice structure.
- Maternity, Sickness and Retainers costs – are based on the actual claims submitted for the YTD.
- Overall PCO Administrated Budgets have a net YTD underspend of circa £8.4k.
- Please note there are several lines where the YTD spend exceeds the Forecast Out-turn, (e.g. The Doctors Retainers scheme for GMS and PMS Locum sickness), due to the way in which the forecast has been uploaded onto the system.

H) Indemnity Fees

- These lines have been accrued to budget based on expected costs. Additional Funding may be available for these fees from the NHS England Central Team, but this is still to be confirmed at this stage.

I) Premises:

- Based on current expected costs, with rate accruals are based on the actual rate bills received in 2017/18 which have been verified.
- For Information: a budget virement to cover Clinical Waste costs has been transferred in Month 3 for £53,842 out of Contingency.

j) QOF:

- The accrual for QOF achievement is based on the 2016/17 points and prevalence profile, restated at 2017/18 prices with a 0.7% demographic growth assumption. This has resulted in a YTD underspend of (circa £118k).

3) NL CCG AREAS OF EXPENDITURE

A) Prescribing:

- Both the YTD Expenditure and Forecast Out-turn (FOT) figures are based on information received from the Prescribing Prescriptions Service (PPS) but augmented by accruals because the information received is at least 2 months in arrears.
- The YTD Expenditure and FOT is based on the following:
 - (i) The YTD value of prescriptions for the stated reporting period is taken, (i.e. The YTD spend at Period 8 for the Month 10 reporting period is used) and an accrual is added derived from the PPS Forecast Out-turn, for the 2 periods for which no data exists yet.

- (ii) The accrual for Months 9 and 10 is derived from the PPS FOT, by dividing the FOT by the annual number of prescribing days to obtain the average daily Prescribing Cost PA, which is then multiplied by the number of prescribing days in Periods 9 & 10, with this value then added to the supplied YTD figure for Month 8.
- (iii) The Forecast Out-turn currently being used is the PPS supplied value. Though other alternative methods (e.g. rolling averages etc) are also used to validate the PPS FOT, so that adjustments can be made if required if any anomalies are detected.
- (iv) Going forward, the FOT may need to be adjusted for the impact of any Quarter 4 savings received as a result of new initiatives (for example, as a result of a Prescribing Gain Share Scheme, which is currently being developed to work with the recent investment into the Optimise Rx system).
- (v) It is also important to note that the YTD expenditure includes £256k and the FOT £1.145k in respect of a Prescribing cost pressure in respect of “No Cheaper Stock Obtainable” (NCSO) price concessions, which are not available to the CCG to utilise as planned.

B) Enhanced Services:

- The Enhanced Service YTD and FOT underspends result from the existing Enhanced Services contracts which are in place, and lower than expected use of the list size reserve which is currently shown as one combined figure on the Care of Older People LES budget line.
- Please note there is at least one line where there is minor YTD spend with no matching Out-turn due to the way the forecast has been updated on the system, which will marginally reduce the Forecast OT underspend for Enhanced services.

4) CONCLUSION & RECOMMENDATIONS

The committee are requested to:

- Note and receive the attached information.

NORTH LINCOLNSHIRE CCG - JOINT COMMISSIONING FINANCE REPORT MONTH 10 2017/8

A NHS ENGLAND FUNDED EXPENDITURE

Description	Annual Budget (£)	Year to Date - Months 1 to 10			Year End Position	
		Budget (£)	Actual (£)	Variance (£)	Outturn (£)	Variance (£)
Dispensing/Prescribing Drs	1,685,034	1,404,060	1,397,049	(7,011)	1,685,034	0
Enhanced Services	489,597	407,820	401,336	(6,484)	489,597	0
General Practice - APMS	637,800	531,500	545,520	14,020	637,800	0
General Practice - GMS	14,336,094	11,946,640	11,896,183	(50,457)	14,336,094	0
General Practice - PMS	1,100,203	916,820	919,625	2,805	1,100,203	0
Other GP Services	443,539	369,379	359,453	(9,926)	443,539	0
(a) Contingency	(494)	(412)	0	412	(494)	0
(b) Occupational Health	7,926	6,605	4,378	(2,227)	7,926	0
(c) Needles & Syringes	2,131	1,776	1,441	(335)	2,131	0
(d) PMS PCO Locum Adop/Pat/Mat	7,963	6,630	11,981	5,351	7,963	0
(e) PMS PCO Locum Sickness	6,790	5,650	18,286	12,636	6,790	0
(f) GMS PCO Locum Adop/Pat/Mat	0	0	0	0	0	0
(g) GMS PCO Locum Sickness	0	0	0	0	0	0
(h) PMS PCO Locum Sickness	0	0	434	434	0	0
(h) GMS PCO Seniority	171,448	142,810	146,618	3,808	171,448	0
(i) PMS PCO Seniority	18,998	15,830	8,691	(7,139)	18,998	0
(j) PH - PCO Other Expenditure	139,540	116,200	76,718	(39,482)	139,540	0
(k) GMS - PCO Doctors Retainers Scheme	0	0	16,000	16,000	0	0
(k) PCO Indemnity Costs	89,237	74,290	74,907	617	89,237	0
	443,539	369,379	359,453	(9,926)	443,539	0
Other Premises Cost	2,450	2,030	3,908	1,878	2,450	0
Premises Cost Reimbursement	1,789,934	1,491,235	1,485,882	(5,353)	1,789,934	0
QOF	2,378,349	1,981,780	1,863,972	(117,808)	2,378,349	0
Grand Total	22,863,000	19,051,264	18,872,927	(178,337)	22,863,000	0

B NHS NL CCG FUNDED EXPENDITURE

Description	Annual Budget (£)	Year to Date - Months 1 to 10			Year End Forecast	
		Budget (£)	Actual (£)	Variance (£)	Outturn (£)	Variance (£)
Prescribing	29,660,026	22,787,189	25,234,965	2,447,776	32,924,026	3,264,000
Enhanced Services:						
1 LES - Care of Older People	551,096	413,251	401,706	(11,546)	501,096	(50,000)
2 LES - Diabetes-Insulin	21,530	16,100	4,518	(11,582)	21,530	0
3 LES - Intergrated Diabeties	41,958	31,409	31,962	553	41,958	0
4 LES - Minor Injuries/Illness	53,327	39,971	22,889	(17,082)	53,327	0
5 GMS - LES Minor Surgery	0	0	2,674	2,674	0	0
6 GMS - LES Near Patient Testing	107,534	80,594	77,256	(3,338)	107,534	0
7 GMS - LES Post Operative Care	64,555	48,341	48,371	30	64,555	0
8 Clinical & Medical CCG Services	0	0	0	0	0	0
9 Miscellaneous Expenditure	0	0	0	0	0	0
Sub Total : Enhanced Services	840,000	629,666	589,377	(40,289)	790,000	(50,000)
Grand Total	30,500,026	23,416,855	25,824,342	2,407,487	33,714,026	3,214,000

C TOTAL PRIMARY CARE

Description	Annual Budget (£)	Year to Date - Months 1 to 10			Year End Forecast	
		Budget (£)	Actual (£)	Variance (£)	Outturn (£)	Variance (£)
A) NHS ENGLAND FUNDED EXPENDITURE	22,863,000	19,051,264	18,872,927	(178,337)	22,863,000	0
B) NL CCG FUNDED EXPENDITURE	30,500,026	23,416,855	25,824,342	2,407,487	33,714,026	3,214,000
C) TOTAL PRIMARY CARE EXPENDITURE	53,363,026	42,468,119	44,697,268	2,229,149	56,577,026	3,214,000

A NHS ENGLAND FUNDED EXPENDITURE

FOT = FORECAST OUT-TURN

CLUSTER SPLIT OF FIGURES IN APPENDIX 1	Annual Budget (£)	YTD Budget (£)	YTD Actual (£)	YTD Variance (£)	FOT Actual (£)	FOT Variance (£)
East	7,401,158	6,167,220	6,090,099	(77,121)	7,401,158	0
South	8,217,012	6,847,070	6,853,353	6,283	8,217,012	0
West	7,158,204	5,964,820	5,878,752	(86,068)	7,158,204	0
Central Expenditure	86,626	72,154	50,722	(21,432)	86,626	0
Grand Total	22,863,000	19,051,264	18,872,926	(178,338)	22,863,000	0

B NHS NL CCG FUNDED EXPENDITURE

1) PRESCRIBING EXPENDITURE	Annual Budget (£)	YTD Budget (£)	YTD Actual (£)	YTD Variance (£)	FOT Actual (£)	FOT Variance (£)
East	8,755,211	6,764,051	7,388,302	624,251	9,587,622	832,411
South	10,322,823	7,928,778	9,283,019	1,354,241	12,128,644	1,805,821
West	8,368,653	6,441,192	6,841,885	400,693	8,902,959	534,306
Central Expenditure	2,213,339	1,653,168	1,721,759	68,590	2,304,802	91,462
Grand Total	29,660,026	22,787,189	25,234,965	2,447,776	32,924,026	3,264,000

2) LOCAL ENHANCED SERVICES (LESs)	Annual Budget (£)	YTD Budget (£)	YTD Actual (£)	YTD Variance (£)	FOT Actual (£)	FOT Variance (£)
East	293,147	219,727	210,859	(8,868)	293,147	0
South	313,003	234,636	226,012	(8,624)	313,003	0
West	211,062	158,212	152,505	(5,707)	161,062	(50,000)
Central Expenditure	22,788	17,091	0	(17,091)	22,788	0
Grand Total	840,000	629,666	589,377	(40,289)	790,000	(50,000)

3) TOTAL NL CCG EXPENDITURE	Annual Budget (£)	YTD Budget (£)	YTD Actual (£)	YTD Variance (£)	FOT Actual (£)	FOT Variance (£)
East	9,048,358	6,983,778	7,599,161	615,383	9,880,769	832,411
South	10,635,826	8,163,414	9,509,032	1,345,618	12,441,647	1,805,821
West	8,579,715	6,599,404	6,994,390	394,986	9,064,021	484,306
Central Expenditure	2,236,127	1,670,259	1,721,759	51,499	2,327,590	91,462
Grand Total	30,500,026	23,416,855	25,824,342	2,407,487	33,714,026	3,214,000

C) TOTAL PRIMARY CARE EXPENDITURE

TOTAL NHS ENGLAND & CCG FUNDED EXPENDITURE	Annual Budget (£)	YTD Budget (£)	YTD Actual (£)	YTD Variance (£)	FOT Actual (£)	FOT Variance (£)
East	16,449,516	13,150,998	13,689,260	538,262	17,281,927	832,411
South	18,852,838	15,010,484	16,362,385	1,351,901	20,658,659	1,805,821
West	15,737,919	12,564,224	12,873,142	308,918	16,222,225	484,306
Central Expenditure	2,322,753	1,742,413	1,772,481	30,067	2,414,216	91,462
Grand Total	53,363,026	42,468,119	44,697,268	2,229,149	56,577,026	3,214,000

CHECK TOTAL : PAGE 1	53,363,026	42,468,119	44,697,268	2,229,149	56,577,026	3,214,000
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