

Primary Care Commissioning Committee

Details	Part 1	✓	Part 2		Agenda Item No.	5
Title of Paper:	Primary Care Commissioning Finance Report August 2016					
Board Member:	Mike Woodhead, Acting Chief Finance Officer					
Author:	Rachel Coaker , Interim Associate Chief Financial Officer					
Presenter:	Rachel Coaker, Interim Associate Chief Financial Officer					
Please indicate:	For Decision		For Information		For Discussion	x

Executive Summary

Summary

The year to date financial position shows a £27k under spend. The forecast position is to achieve plan, however this is reliant on the central funding of the pressure at transfer (April 2016) of £583k.

The confirmed funding available to support the financial pressure on transfer of budgets across GM is not sufficient to fund all CCGs pressures. The agreed non-recurrent support to be received by Bury CCG is £510k leaving a £73k funding gap for 2016/17.

This agreement has been considered preferable on the basis of the following:

- there is a GM approach (risk share) to support any residual net financial issues that CCGs may have across GM, ensuring that all national financial targets are achieved, and
- further work is required to ensure that forecast outturn assumptions are accurate and that mitigations are identified where possible.

As the budget allocations for 2017/18 will include progression payments, it is unclear at this stage what any recurrent impact on primary care budgets will be.

Risk	High		Medium	X	Low	
	See section 1.					
Recommendations	Primary Care Commissioning Committee is asked to note the contents of the report and the risks identified to the delivery of the 2016/17 financial position.					

Strategic themes

Deliver improvement in outcomes for patients	
Deliver service improvement through system redesign in priority areas	
Develop NHS Bury CCG and Primary Care capability as commissioners and leaders	x
Deliver through the Health and Wellbeing Board improved population health and reduction in inequalities	
Deliver the CCG element of QIPP through effective system management and working with partners and stakeholders and ensuring a culture with focus on quality, fostering innovation, improving health outcomes and reducing inequalities.	x
Equality Impact Assessed?	N/A Supports NHS Bury CCG Governance arrangements x

1. Overview and key issues/ risks

The year to date (YTD) financial position shows an under spend against plan of £27k. Appendix 1 includes a summary finance table.

Funding pressure on transfer of budgets

The forecast pressure on the primary care budgets is £583k. Work undertaken by NHSE has identified a pressure on transfer of the budgets to the CCG at 1st April 2016 as £558k.

There has been an agreed commitment to centrally fund the shortfalls across Greater Manchester (GM) for a number of months. The total funding available across GM is £2.48m. This issue was discussed at the GM CFO meeting on 20th September 2016, where it was confirmed that this is £718k less than the total required to resolve all CCGs pressure on transfer.

Options have been considered by CFOs to ensure that the available funds are released to CCGs in a timely manner. The agreed option has therefore been to reduce the amount of non-recurrent funding to be received. The total funding confirmed for Bury (to be received in the next monthly allocation) is £510k, leaving a residual funding gap of £73k.

This agreement has been considered preferable on the basis of the following:

- there is a GM approach (risk share) to support any residual net financial issues that CCGs may have across GM, ensuring that all national financial targets are achieved, and
- further work is required to ensure that forecast outturn assumptions are accurate and that mitigations are identified where possible.

As the budget allocations for 2017/18 will include progression payments, it is unclear at this stage what any recurrent impact on primary care budgets will be.

2. Recommendation

Primary Care Commissioning Committee is asked to note the contents of the report and the risks identified to the delivery of the financial position.

Appendix 1 – Finance Summary Table

NHS Bury CCG Finance Report

August 2016

Financial Summary Table	Annual	Forecast	Forecast	Prior Month	Change in	YTD	YTD	YTD
	budget	Forecast	Variance	Forecast	Variance	Budget	Actual	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CCG Allocation	25,524							
GP Services								
General Practice - GMS	9,137	9,084	-54	-54	0	3,807	3,771	-37
General Practice - PMS	6,108	6,108	0	0	0	2,545	2,545	0
General Practice - APMS	1,546	1,663	116	116	0	644	643	-1
QOF	2,571	2,600	28	28	0	1,071	1,083	12
Enhanced services	1,129	1,205	75	75	0	470	512	42
Premises Cost Reimbursement	2,676	2,664	-12	-12	0	1,115	1,110	-5
Other Premises Cost	160	160	0	0	0	67	67	0
Dispensing/Prescribing Drs (PA Drugs)	156	156	0	0	0	65	65	0
Other GP Services	455	428	-27	-27	0	190	183	-6
					0			
Void & Subsidy	1,733	1,657	-76	-76	0	722	690	-32
					0			
Primary Care Investments	-532	0	532	532	0	0	0	0
Total PRC Cost Centre	25,141	25,724	583	583	0	10,696	10,669	-27
PRC Allocation Reconciliation								
0.5% Contingency	128							
1.0% NR	255							
Transferred Budget								
Balance	0							