

<b>Meeting: Primary Care Commissioning Committee</b>			
<b>Meeting Date</b>	24 March 2021	<b>Action</b>	Receive
<b>Item No.</b>	9	<b>Confidential</b>	No
<b>Title</b>	Primary Care Finance Report		
<b>Presented By</b>	Carol Shannon-Jarvis, Associate Chief Finance Officer		
<b>Author</b>	Bury CCG Finance Team		
<b>Clinical Lead</b>	-		

<b>Executive Summary</b>
<p>In 20/21 in response to the COVID 19 pandemic a national top down command and control framework was put in place by NHSE/I.</p> <p>For the first half of the year a financial framework was put in place under which the CCG received a baseline allocation based on expenditure to February 2020 uplifted for inflation and growth. In addition to this, based upon expenditure to month 6, the CCG received a retrospective allocation of £7.1m to contribute to COVID related and business as usual expenditure and £8.2m (with £4.1m shown to month 6) planned non recurrent surplus draw down. This enabled the CCG to report a balanced position for the first 6 months of 2020/21. For the second half of 2020/21 the CCG must manage day to day expenditure within its notified allocation. The CCG notified baseline allocation for month 7 to 12 is £168.8m with additional allocations received to month 11 of £8.3m. This brings the total CCG allocation for the year to £359.3m of which £72.9m relates to Primary Care Services.</p> <p>At month 11 primary care services are reporting a small year to date underspend of £0.01m with a forecast outturn of £0.01m overspend. Prescribing is £0.3m underspend year to date which is forecast to continue to year end. Delegated co-commissioning is reporting a small underspend of £0.04m to month 11 with £0.05m forecast outturn. Whilst the remaining primary care services are £0.3m overspent at month 11 with a forecast £0.4m overspend at year end as a result of the continuation of the Covid Management Service.</p> <p>To date the CCG has incurred £11.1m of expenditure on COVID related costs, of this £2.3m relates to primary care services. The covid costs incurred by the CCG relate to the provision of healthcare services to vulnerable and covid positive patients, the remote/digital management of patients and costs incurred by GP practices as a direct result of the pandemic. The costs related to the covid vaccination roll in the primary care sector sit outside of CCG budgets.</p>
<b>Recommendations</b>
<p>It is recommended that the Primary Care Committee:</p> <ul style="list-style-type: none"> <li>• Note the financial framework in place for 2020/21.</li> <li>• Note the Financial Position at month 11 for Primary Care Services and Primary Care Co-Commissioning.</li> </ul>

- Note the COVID related expenditure of £2.3m relating to primary care services.

### Links to CCG Strategic Objectives

<b>SO1 People and Place</b> To enable the people of Bury to live in a place where they can co-create their own good health and well-being and to provide good quality care when it is needed to help people return to the best possible quality of life	<input type="checkbox"/>
<b>SO2 Inclusive Growth</b> To increase the productivity of Bury's economy by enabling all Bury people to contribute to and benefit from growth by accessing good jobs with good career prospects and through commissioning for social value	<input type="checkbox"/>
<b>SO3 Budget</b> To deliver a balanced budget for 2020/21	<input checked="" type="checkbox"/>
<b>SO4 Staff Wellbeing</b> To increase the involvement and wellbeing of all staff in scope of the OCO.	<input type="checkbox"/>
Does this report seek to address any of the risks included on the Governing Body Assurance Framework? If yes, state which risk below:	
GBAF	

### Implications

Are there any quality, safeguarding or patient experience implications?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Has any engagement (clinical, stakeholder or public/patient) been undertaken in relation to this report?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Have any departments/organisations who will be affected been consulted?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Are there any conflicts of interest arising from the proposal or decision being requested?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Are there any financial implications?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Has a Equality, Privacy or Quality Impact Assessment been completed?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Is a Equality, Privacy or Quality Impact Assessment required?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Are there any associated risks including Conflicts of Interest?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Are the risks on the CCG's risk register?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>

# Primary Care Finance Report March 2021

## 1. Introduction

- 1.1. This report provides an overview of the financial regime put in place for 2020/21 for the CCG, and an analysis of the financial position at month 11 for Primary Care.

## 2. Background

- 2.1. In March 2020 the CCG submitted a draft budget plan to NHS England based on a month 9 forecast recurrent outturn position adjusted for pressures including inflation and growth, investments and savings plans. The draft plan showed a deficit of £11m after expected delivery of a £9m QIPP plan. Subsequent to this the planning round was suspended and a national top down command and control framework was put in place in response to the COVID 19 pandemic. In light of this on the 24<sup>th</sup> April 2020 the Governing Body approved the draft plan as an interim budget for 2020/21.

## 3. 20/21 Financial Framework

- 3.1. For the first half of the year from 1st April to 30th September 2020 a financial framework was put in place under which the CCG received a baseline allocation based on expenditure to February 2020 uplifted for inflation and growth. In addition to this, based upon expenditure to month 6, the CCG received a retrospective allocation of £7.1m to contribute to COVID related and business as usual expenditure and £8.2m (with £4.1m shown to month 6) planned non recurrent surplus draw down. This has enabled the CCG to report a balanced position for the first 6 months of 2020/21.
- 3.2. For the second half of 2020/21 (1st October 2020 to 31st March 2021) the CCG must manage day to day expenditure within its notified allocation. The CCG notified baseline allocation for month 7 to 12 is £168.8m with additional allocations received to month 11 of £8.3m. This brings the total CCG allocation for the year to £359.3m. Of this £72.9m relates to Primary Care as follows:

	£'000
Area	Allocation
Primary Care Services (excl. Prescribing)	9,550
Prescribing	34,443
Primary Care Co-commissioning	28,875
<b>Total Primary Care</b>	<b>72,868</b>

#### 4. Financial Position at month 11

4.1. The table below shows the reported financial position against allocation at month 11 and forecast for the year. Primary Care as a whole is currently reporting a small year to date underspend of £0.01m with a forecast outturn of £0.01m overspend.

Month 11 year to date	Allocation £'000	Business as usual expenditure £'000	Covid related expenditure £'000	Total Expenditure	Variance £'000
Primary Care Services (excl. Prescribing)	8,820	7,353	1,816	9,169	349
Prescribing	31,517	31,194	0	31,194	(323)
Primary Care Co-commissioning	25,279	24,762	477	25,239	(40)
<b>Total Primary Care</b>	<b>65,616</b>	<b>63,309</b>	<b>2,293</b>	<b>65,602</b>	<b>(14)</b>

Month 11 forecast outturn	Allocation £'000	Business as usual expenditure £'000	Covid related expenditure £'000	Total Expenditure	Variance £'000
Primary Care Services (excl. Prescribing)	9,550	8,077	1,874	9,951	401
Prescribing	34,443	34,103	0	34,103	(340)
Primary Care Co-commissioning	28,875	28,321	507	28,828	(47)
<b>Total Primary Care</b>	<b>72,868</b>	<b>70,501</b>	<b>2,381</b>	<b>72,882</b>	<b>14</b>

4.2. The key over and underspends are:

- Primary Care services are £0.3m overspent at month 11 as a result of the continuation of the Covid Management Service run by BARDOC in response to the on-going waves of the pandemic. This will continue to the end of the year with a forecast outturn of £0.4m overspend.
- Prescribing is £0.3m underspend at month 11. The prescribing budget was set based on the run rate for the first quarter of 20/21 running 5% higher than in 19/20. This has reduced through the year such that 20/21 costs are currently 4% higher than in 19/20 resulting in forecast underspend of £0.3m 1% of budget.
- Delegated co-commissioning is reporting a small underspend of £0.04m to month 11 and £0.05m forecast outturn. Expenditure across all areas is forecast to spend in line with budgets.

#### 5. Primary Care COVID expenditure at month 11

5.1. At month 11 the CCG reported £11.1m of expenditure on COVID related costs, of this CCG expenditure on primary care related services for the same period was £2.3m. The covid costs incurred by the CCG relate to the provision of healthcare services to vulnerable and covid positive patients, the remote/digital management of patients and costs incurred by GP practices as a direct result of the pandemic. The costs related to the covid vaccination roll in the primary care sector sit outside of CCG budgets and is managed by the GP federation and Primary Care Networks. A

breakdown of costs is shown in the table below:

COVID Month 11 year to date	Expenditure £'000
CMS	348
Consumables	73
Covid capacity expansion fund	477
GP additional capacity	20
GP backfill	52
GP Bank Holiday Opening	93
GP Support to Care Homes	8
GPIT	380
PPE	50
Provider Income Protection	150
Other COVID clinics and related costs	643
<b>Total COVID related spend month 11</b>	<b>2,293</b>

## 6. Recommendations

- 6.1. Primary Care Commissioning Committee is asked to:
- Note the financial framework in place for 2020/21.
  - Note the Financial Position at month 11 for Primary Care Services and Primary Care Co-Commissioning.
  - Note the COVID related expenditure of £2.3m relating to primary care services.

**Carol Shannon-Jarvis**

Associate CFO

**March 2021**