

Item for:-	
Decision	
Recommendation	
Information	X



**Morecambe Bay**  
Clinical Commissioning Group

**AGENDA ITEM NO: 9.0.**

<b>Meeting Title/Date:</b>	Primary Care Commissioning Committee - 14 January 2020		
<b>Report Title:</b>	Primary Care Finance Report		
<b>Paper Prepared By:</b>	Michael Cleary	<b>Date of Paper:</b>	30 December 2020
<b>Executive Sponsor:</b>	Andrew Harrison	<b>Responsible Manager:</b>	Andrew Harrison
<b>Committees where Paper Previously Presented:</b>	N/A.		
<b>Background Paper(s):</b>	N/A.		
<b>Summary of Report:</b>	Morecambe Bay CCG has been given delegated responsibility for the commissioning of primary care. A key aspect of this responsibility is oversight of the primary care budget. This report sets out the Primary Care budget position as at 30 November 2020.		
<b>Recommendation(s):</b>	The Primary Care Commissioning Committee are asked to note the contents of the report.		
			<b>Please Select Y/N</b>
<b>Identified Risks:</b> (Record related AF or RR reference number)	The financial risks are set out in the report.		
<b>Impact Assessment:</b> (Including Health, Equality, Diversity and Human Rights)	N/A.		
<b>Strategic Objective(s) Supported by this Paper:</b>			<b>Please Select (X)</b>
<b>Better Health</b> - improve population health and wellbeing and reduce health inequalities			X
<b>Better Care</b> - improve individual outcomes, quality and experience of care			
<b>Delivered Sustainably</b> - create an environment for motivated, happy staff and achieve our control total			X
<b>Please Contact:</b>			

**NHS MORECAMBE BAY CLINICAL COMMISSIONING GROUP (CCG)**  
**PRIMARY CARE FINANCE REPORT FOR THE PERIOD ENDED 30 NOVEMBER**  
**2020**

**PURPOSE**

1. The purpose of this report is to provide an update on the CCG's Primary Care financial position for the period ended 30 November 2020.

**ACTIONS**

2. The Primary Care Commissioning Committee is asked to note the Primary Care financial position as at 30 November 2020.

**EXECUTIVE SUMMARY**

3. The CCG is reporting a £0.081m overspend against all Primary Care budgets as at the end of November 2020. This position takes account of expenditure incurred as a result of actions taken in response to the Covid-19 pandemic, which has been reimbursed in full by NHS England. The major drivers of the overspend are prescribing expenditure, which is currently £0.295m above budget, and Local Enhanced Services (LESs), which are £0.051m above budget. These overspends are offset by underspends in other areas.
4. The month 08 position includes additional top-up funding received from NHS England for Covid costs and general pressures for the first six months of the financial year, as identified previously. The CCG has received additional allocation for months 07 to 12 to cover all anticipated costs and therefore will not be in receipt of any further top-up funding.
5. The overall position is detailed in Appendix 1 and summarised below (all figures £m):

Service	Annual allocation	Total YTD allocation	YTD actual	YTD variance	Covid spend
Prescribing	55.944	37.790	38.085	0.295	(0.001)
Local Enhanced Services	4.589	3.059	3.111	0.051	0.000
Out of hours	5.630	3.757	3.754	(0.003)	0.009
PCN developments	1.159	0.775	0.789	0.014	0.000
GP IT	2.964	1.996	1.995	(0.001)	0.061
Primary Care other	4.683	3.476	3.301	(0.176)	1.572
Delegated Primary Care (Co-commissioning)	49.095	32.686	32.584	(0.102)	0.000
<b>Total all Primary Care budgets</b>	<b>124.064</b>	<b>83.539</b>	<b>83.619</b>	<b>0.081</b>	<b>1.641</b>

## **ALLOCATIONS SUMMARY**

6. As reported previously, the CCG has now been informed of its full year baseline allocation, which is anticipated to be sufficient to cover all costs for the remainder of the financial year. In addition there will be other allocations for specific new items of expenditure, including the CCG's share of the national £150m identified for the Covid-19 capacity expansion fund and the additional PCN development fund.
7. Any new allocations will be reported to the Committee as and when they are received from NHS England.

## **MONTH 08 FINANCIAL POSITION**

8. After eight months of the financial year the CCG is reporting an overall overspend against all Primary Care budgets, as summarised in 5. above, of £0.081m and detailed at Appendix A. As stated previously, this position is net of additional top-up allocations to cover Covid spend and other pressures to month 06 and is comprised of a number of areas, as follows:
  - Prescribing (year to date overspend £0.295m) – the majority of the prescribing overspend relates to No Cheaper Stock Option (NCSO), Category M and patent expiry cost pressures.
  - Local Enhanced Services (year to date overspend £0.051m) – the overspend relates to additional payments made to cover a temporary increase in costs.

These overspends are covered by underspends in other areas, in particular on Primary Care Other (year to date underspend £0.176m), the majority of which relates to underspends from 2019/2020. It should be noted that this funding is likely to be required to cover winter-related costs in 2020/2021.

## **SUMMARY**

9. The CCG's Primary Care budgets are showing a slight overspend at the end of month 08, with a forecast overall underspend to year end of £0.328m. At this stage of the year, however, there may be a number of other currently unidentified pressures which may have an impact on the position between now and year end. The financial position will continue to be monitored closely to ensure that any such pressures are factored into forecasts for the remainder of the year.

10. The Primary Care Commissioning Committee is asked to note the Primary Care financial position as at the end of August 2020.

**Andrew Harrison**  
**Chief Finance Officer**  
**January 2021**