

Northumberland Primary Care Commissioning Committee**20 April 2016****Agenda Item: 5.4****Financial Update Report****Sponsor: Rob Robertson**

Members of the Northumberland Primary Care Commissioning Committee are asked to:

- 1. Consider the financial arrangements for delegated Primary Care in 2016/17**

Purpose

This report outlines the financial provision for the CCG's delegated primary care commissioning arrangements.

Background

The CCG has delegated responsibility for commissioning general practice services under the new co-commissioning arrangements set out in the Five Year Forward View. These arrangements, effective from 1 April 2016 will allow the CCG greater flexibility to develop and implement the Primary Care Strategy for Northumberland.

Delegated Budget

For 2016/17 the CCG will receive a delegated financial budget of £43.4m, and a breakdown of this is provided in Appendix 1.

The CCG has worked closely with the NHS England area team to better understand the budgets and risks from taking this responsibility over. It should be noted that Primary Care Budgets have been given an inflationary and growth uplift in 2016/17 from NHS England who have assured the CCG that funding levels transferred to the CCG are appropriate and should cover costs. The assurances are supported by the CCG internal review processes.

The Delegation Agreement sets out the detailed arrangements for how the CCG will exercise its delegated functions. The existing NHS England team will continue to make payments to primary care and will import these payments directly to the CCG's financial ledger. Financial monitoring of primary care expenditure will be an element of routine monthly CCG finance reports from April 2016 and a financial update will be presented to each meeting of the Northumberland Primary Care Commissioning Committee.

Appendix 1 – Summary delegated primary care budget



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Northumberland CCG	
PMS/GMS Budget 2016/17	Apr-16
Allocation	43,385
GP Services	
General Practice - GMS	3,059
General Practice - PMS	24,873
Premises cost reimbursements	4,554
Enhanced services	2,393
QOF	5,037
Other - GP Services	2,817
Sub total- GP services	42,733
Contingency (0.5%)	217
1% Headroom	434
Other reserves	1
Sub Total Reserves	652
TOTAL	43,385