

	<u>Expenditure Pressure & Impact Analysis</u>	Expenditure Pressures		
		2019/20 £000	2020/21 £000	2021/22 £000
1	Baseline Recurring Overspend 2018/19 This is calculated by annualising the number of items dispensed from April to November, multiplying by an average price per item (June 18 to November 18 to reflect increasing prices) and setting against the roll forward recurring budget. Actual expenditure for the full 2018/19 financial year will not be available until June 2019 due to the 3 month standard time lag.	1,457	0	0
2	Estimated growth in number of items dispensed Year on year, the increasing elderly population in P&K drives an increase in the number of items being dispensed by GP's. For 2019/20 a 1.7% item growth increase is projected. This is a composite rate which takes into account the 2.2% increase in P&K GP Practice list size between 2017/18 and 2018/19 in the over 65 age group adjusted for reductions in other age groups.	477	0	0
3	Estimated increase in average price of items dispensed During 2018/19 the average price per item varied significantly on a monthly basis. Prices for medicines are negotiated nationally and are affected by a range of factors including short supply. The average price per item was £11.03 in April 2018 rising to £11.43 in December 2018. It is very difficult to predict the price changes for 2019/20 or for further years. Prudently, it has been assumed that prices will remain at the December 2018 average of £11.43, an increase of 3% from the 2018/19 baseline.	813	0	0
	TOTAL PRESSURES	2,747	0	0

	<u>Saving / Impact Analysis</u>	Net Saving		
		2019/20 £000	2020/21 £000	2021/22 £000
1	Margin Sharing Agreement (non-recurring) As part of the overall pharmacy funding agreement, contractors are allowed to retain an agreed level of margin from specific medicines. Where contractors achieve a higher level of margin than agreed, discussions as to how this is paid back to Health Boards take place between Scottish Government and Community Pharmacy Scotland. The amount anticipated to be paid back in 2019/20 has been included in the financial plan.	327	0	0
2	Oral Nutritional Supplements PKHSCP are part of a Tayside-wide review to identify and deliver savings from service changes and procurement efficiencies.	60	0	0
3	Tramadol This project seeks to switch patients from this product to another, more cost effective option. Additionally, patients will be reviewed in order to assess opportunities to de-prescribe.	29	0	0
4	Nationally anticipated Price Changes The Prescribing Support Unit anticipate these price reductions within 2019/20.	12	0	0
5	QSEP Impact Target PKHSCP have developed a Quality Safety and Efficiency Prescribing Programme, engaging with GP Practices across P&K. This work is supported by the PK GP Engagement Fund , approved by the IJB to support sustained GP involvement in managing prescribing costs. This work has relied on the development of a robust data model that reliably supports identification of prescribing variation on a practice by practice basis. For 2019/20 onwards a bespoke practice by practice QSEP work plan has been developed. In addition a number of wider projects which will be taken across the broader group of practices will be taken forward with strong engagement with PKHSCP wider services to identify areas where alternatives to medicines provide better outcomes.	500	0	0

	<u>Saving / Impact Analysis</u>	Net Saving		
		2019/20 £000	2020/21 £000	2021/22 £000
	A broad target of £500k for 2019/20 has been set and a basis for measuring achievement of this target on a drug by drug, practice by practice basis is being developed.			
	SUB-TOTAL SAVINGS	928	0	0

	<u>Budget Settlement & Income</u>	Budget Settlement & Income Benefit/(Reduction)		
		2019/20 £000	2020/21 £000	2021/22 £000
1	NHST Share of Uplift Funding For 2019/20 NHS Tayside have advised the IJB to plan on the basis of a 2.6% uplift on the recurring Prescribing Budget.	667	0	0
2	NHST Share of £1.2m 18/19 NRAC Funding In 2018/19 additional NRAC funding of £1.2m was received into NHS Tayside for Prescribing. This funding was distributed to the three IJBs on a non-recurring basis in 2018/19. NHS Tayside have now confirmed this will be distributed on a recurring basis and a Perth & Kinross share of £0.400m has been included within the GP Prescribing Financial Plan.	400	0	0
	TOTAL BUDGET SETTLEMENT / INCOME	1,067	0	0
	SUB-TOTAL SHORTFALL /(SURPLUS)	752	0	0