

Subject:	Finance and QIPP (Quality, Innovation, Productivity, Prevention) Report as at December 2014 (Month 9)
Presented by:	John Ingham, Chief Financial Officer
Submitted to:	NHS West Norfolk CCG Governing Body, 29 January 2015
Purpose of Paper:	For information and discussion
Executive Summary:	
<p>The West Norfolk CCG (WNCCG) financial plan for 2014/15 reflects a requirement to deliver a 1% surplus (£2.2m), in line with NHS England's planning framework. The overall position reported at month 9 is similar to that reported last month, ie the CCG is delivering its planned surplus to date and is still forecasting delivery of the 1% surplus by year end, with a small overspend on Programme (commissioning) budgets being offset by slippage on Running Costs.</p> <p>However there remain a number of risks to delivery of this surplus, in particular in relation to acute activity, GP prescribing costs, and Continuing Health Care (CHC) packages.</p> <p>This report outlines:</p> <ul style="list-style-type: none"> • Changes to the CCG's funding allocation (Section 2); • The main financial performance issues as at month 9 (Sections 3 & 4); • The progress to date with delivery of the CCG's QIPP (Quality, Innovation, Productivity, Prevention) savings plan totalling £5.6m (Section 5); • Further risks to the delivery of the CCG's 1% target surplus in 2014/15, and potential mitigations for those risks (Section 6); and • The CCG's cash position and Statement of Financial Position as at December 2014 (Sections 7-9). 	
KEY RISKS:	
Clinical: None	
Finance and Performance: Delivery of financial balance is a statutory duty for the CCG.	
Impact Assessment (environmental and equalities): None	
Reputation: Failure to deliver a 1% surplus in line with NHS England expectations would bring an increased level of scrutiny and could impact on the CCG's reputation.	
Legal: None	
Patient focus (if appropriate): None	
Reference to relevant Governing Body Assurance Framework: 2.1, 3.1, 3.2, 3.3	
Recommendation:	
<p>The Governing Body is asked to:</p> <ul style="list-style-type: none"> • Note the financial position for West Norfolk CCG as at month 9 including the forecast surplus of 1%; • Note the current position with delivery of QIPP initiatives; • Note the remaining risks to delivery of the CCG's planned surplus in 2014/15. 	

1. Overview

- 1.1 As at month 9 (December 2014) West Norfolk CCG (WNCCG) is reporting delivery of the planned surplus of £1.7m (1% of allocation). This is summarised in the table below, with the CCG budgets being split between programme spend (ie commissioning activities) and running costs, in line with national reporting requirements. The overall forecast outturn position is also in line with plan, albeit with a minor forecast overspend on programme costs (£0.2m) offset by an equivalent forecast underspend on running costs. This is consistent with the position reported at month 6.

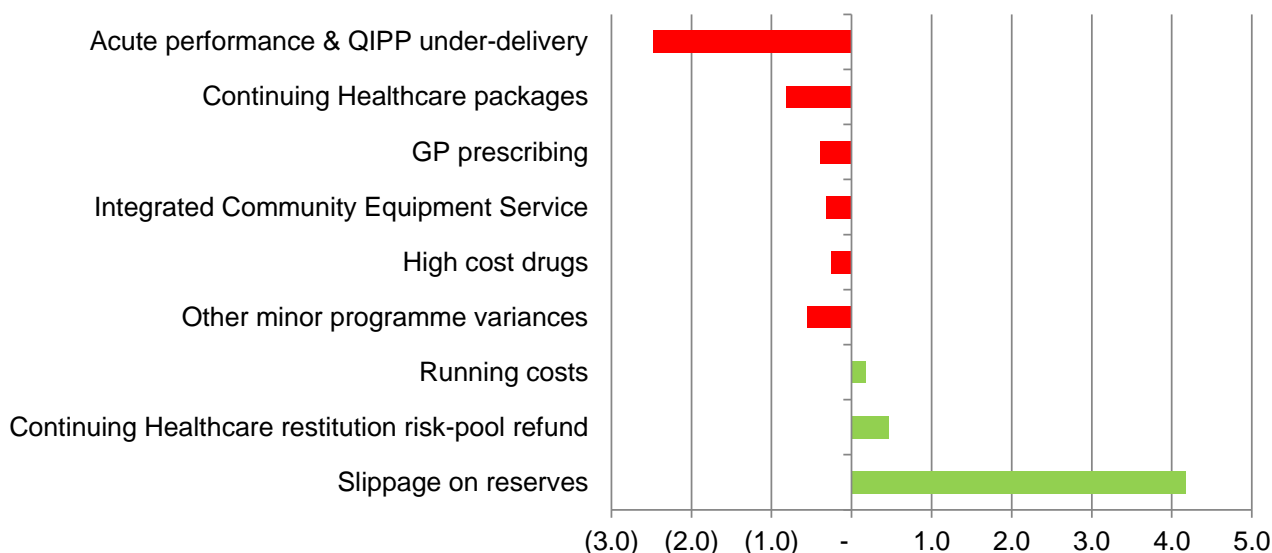
(Note: the numbers are shown rounded to the nearest £0.1m)

Description	Position to Month 9			Forecast Outturn Position		
	Budget £m	Actual £m	Variance £m	Budget £m	Actual £m	Variance £m
Programme costs	162.4	162.6	(0.2)	216.7	216.9	(0.2)
Running costs	3.1	2.9	0.2	4.1	3.9	0.2
Total CCG Expenditure	165.5	165.5	0.0	220.8	220.8	(0.0)
CCG Funding Allocation	167.1	167.1	-	223.0	223.0	(0.0)
Planned Surplus	1.7	1.7	0.0	2.2	2.2	0.0

Note: Negative variance (shown in brackets) = shortfall; positive variance = surplus.

- 1.2 The main pressures and benefits that comprise the forecast outturn position are summarised in the chart below, and discussed further in sections 3 to 5 of this report.

Forecast (Pressures) / Benefits 2014/15 (£m)



A key point to note from the above chart is that the majority of the pressures (the red bars) are recurrent issues that will impact on the financial position in future years, whereas the benefits (the green bars) are one-off benefits in 2014/15 only.

- 1.3 The information included in this report is consistent with that reported to NHS England, both via the national financial ledger system and also via manual returns.

2. Changes to CCG Allocation

2.1 There were two non-recurrent additions to the CCG's funding allocation in month 9; £176k was received for 2014/15 Mental Health Resilience and a further £76k for 2013/14 Quality Premium Awards.

- The Mental Health Resilience funding represents a successful bid to improve crisis care and early intervention in psychosis (EIP) over the winter months, which should result in fewer admissions to acute hospital beds.
- As noted in the Finance Report to the Governing Body in November 2014 WNCCG had the potential to earn Quality Premium funding of £815k in respect of 2013/14 (£5 per head of population), however only £76k was achieved. Whilst the CCG delivered on the three locally-determined measures, the failure of the local health system in achieving a range of performance targets including healthcare associated infections, A&E, cancer and Ambulance response times meant that the amount awarded was significantly reduced.

2.2 The revised allocation is shown in the table below, with further details available in Appendix A.

Description	Recurrent £m	Non-Rec £m	Total £m
Funding as at month 8: Programme costs	213.2	5.5	218.7
Funding as at month 8: Running costs	4.1	-	4.1
Total funding as at month 8	217.2	5.5	222.8
Month 9 adjustments:			
Quality Premium Awards 2013/14	-	0.1	0.1
Mental Health Resilience 2014/15	-	0.2	0.2
Total month 9 adjustments	-	0.3	0.3
Funding as at month 9: Programme costs	213.2	5.8	218.9
Funding as at month 9: Running costs	4.1	-	4.1
Total funding as at month 9	217.2	5.8	223.0

Note: figures are rounded to the nearest £0.1m.

3. Analysis of Programme Budgets

3.1 Programme budgets are summarised below, with further detail available in Appendix B. Key variances from budget are then highlighted in the following paragraphs.

Description	2014/15 Budget £m	Position to Month 9			Forecast Variance £m
		Budget £m	Spend £m	Variance £m	
Acute Commissioning	122.7	92.6	94.0	(1.4)	(2.7)
Mental Health Commissioning	16.7	12.4	12.5	(0.1)	(0.1)
Continuing Healthcare	13.6	10.4	11.1	(0.7)	(0.4)
Community Commissioning	21.7	16.6	17.0	(0.4)	(0.5)
Primary Care & Prescribing	36.1	27.1	28.0	(0.9)	(0.6)
Sub-total	210.8	159.1	162.6	(3.5)	(4.4)
£5 per head Reserve	0.8	0.6	-	0.6	0.7
Contingency Reserve	1.1	0.8	-	0.8	1.1
1% Transformation Reserve	1.3	0.5	-	0.5	0.5
1.5% Non Recurrent Reserve	1.9	1.1	-	1.1	1.5
Other Reserves	0.8	0.3	-	0.3	0.4
Total	216.7	162.4	162.6	(0.2)	(0.2)
Add planned surplus	2.2				
Total Programme Budget	218.9				

Note: Negative variance (shown in brackets) = shortfall; positive variance = surplus.

3.2 The main variance within **Acute Commissioning** relates to the contract with The Queen Elizabeth Hospital (QEH), which is £627k overspent as at month 9 as summarised in the table and chart below (with further detail shown in Appendix C). It should be noted that acute contract monitoring information is received one month in arrears, and so the month 9 position is based on November information.

3.3 The forecast outturn position for the QEH is an overspend of £1.4m; the disproportionate deterioration towards year end reflects the fact that the 2014/15 plan includes a degree of QIPP savings in the latter months of the year that are not now expected to be delivered (see Section 5).

3.4 Particular points to note in the table and chart below are as follows:

- Over-performance against elective admissions and day cases (6.7% activity) to date are partly due to further and final clearance of waiting list backlogs as part of a concerted national effort to reduce Referral to Treatment (RTT) times. This element of increased activity should cease in November following specific non-recurrent funding arrangements (previously held within reserves), and is therefore one-off expenditure in 2014/15;
- A&E activity is 4.7% above plan as at December (4.0% above actuals for the same period in 2013/14), with the costs of A&E activity being 8.0% above plan. In terms of context, it should be noted that benchmarking indicates that WNCCG A&E attendances at the QEH are in the top decile nationally, ie amongst the lowest in the country;
- The headline position with respect to emergency activity is over-performance against plan of 5.9%, however this only translates to a 2.2% over-performance in financial terms as more patients are being treated on a same day and short-stay basis.

Furthermore, this headline increase in activity is largely a result of the opening of the Ambulatory Care Unit in November 2013, which has taken up the activity previously treated within the Acute GP service run by the CCG. If this activity for the equivalent period in 2013/14 is added into the picture, the resulting over-performance on emergency activity is around 1%.

Description	Activity to Date				Finance to Date (£000)		
	Plan	Actual	Variance	Variance	Plan	Actual	Variance
Month 8 Contract Monitoring:							
Outpatients	114,814	118,642	(3,828)	3.3%	14,200	14,717	(517)
Elective admissions / Day Cases	17,181	18,328	(1,147)	6.7%	13,258	13,744	(486)
A&E attendances	24,025	25,164	(1,139)	4.7%	2,449	2,644	(195)
Emergency admissions	11,852	12,562	(710)	6.0%	18,855	19,283	(428)
Other non-elective admissions	7,990	8,457	(467)	5.8%	2,395	2,439	(44)
Block	-	-	-		2,050	2,050	-
Direct access diagnostics	37,713	36,316	1,397	-3.7%	1,039	1,006	33
Other non-PbR	14,095	14,370	(275)	2.0%	4,401	4,209	192
CQUIN	-	-	-		1,450	1,538	(88)
Totals per Contract Monitoring	227,670	233,839	(6,169)		60,097	61,629	(1,533)
Non Contract & CCG adjustments:							
Anticipated Correction to Marginal Rate Credit					-	(365)	365
Non Contract charges (Inc. Overseas Visitors)					438	431	8
Anticipated National Contract Penalties & CQUIN Slippage					(585)	(503)	(82)
1415 Non recurrent RTT funding not yet reflected in contract					519	-	519
Month 9 plan figures					7,517	7,517	-
Other minor adjustments					100	3	97
Totals reported at Mth 9					68,086	68,713	(627)

Note: Negative variance (in brackets) = overspent / Positive variance = underspent. This is different signage to that used in Appendix C.

3.5 There are further variances in Acute Commissioning in the following areas:

- The contract with the Cambridge University Hospitals NHS Foundation Trust (CUFT, ie Addenbrooke's) is overspent by £58k to month 9 which remains in line with the position reported from month 7, the main areas of pressure being Critical Care and Outpatient attendances. The forecast outturn recognises these pressures and reflects an overspend of £129k; this is now an agreed position with the Trust and will not change as CUFT and Cambridgeshire CCG (as lead CCG) have negotiated a fixed settlement for 2014/15;
- The Norfolk and Norwich University Hospitals NHS Foundation Trust (NNUH) is overspent by £111k to month 9 which is a small improvement on the prior month overspend of £126k. The main areas of the acute overspend are within outpatients (all categories) and Non-Elective activity. RTT activity is being delivered by NNUH and shown within the contract monitoring performance, but the costs are excluded from West Norfolk CCG accounts as additional funds will be received to cover these costs.
- Costs of high cost drugs prescribed by acute hospitals continue to increase above plan; the month 9 overspend is £137k (£86k month 8). This worsening position relates in part to a reduction in expected credits due from the QEH around incorrect charges. Remaining credits are being vigorously challenged with the Trust.

3.6 The budgets for **Mental Health and Learning Disability (LD)** services are overspent by £101k to month 9, the main pressures continue to relate to LD contracts for a low number of high cost patients. This position has improved in month 9 (from £175k overspend in month 8) as a result of the correction of a previous mischarge to WNCCG of packages belonging to other CCGs in the Norfolk area.

3.7 **NHS Continuing Health Care (CHC)** packages are overspent by £645k (month 8 £323k) against a budget that includes a QIPP savings target of around £80k per month, following rapid increases in monthly growth and spend since September. The CHC year-end forecast has been increased to an overspend of £820k against a full year budget of £11,971k to reflect this position. The situation in 2014/15 has been complicated by a substantial backlog in CHC assessments which has now been cleared but which has led to the need for significant estimates to be made of costs due in respect of patients in the backlog. There remain on-going discussions with the North East London Commissioning Support Unit (NELCSU) about the robustness of the forecasting methodology, and further assurance will be gained from an internal audit review of CHC processes that is being conducted in February as agreed in the 2014/15 audit plan.

3.8 **Continuing Health Care (CHC) Restitution national risk-pool:** At the beginning of 2014/15 NHS England established a £250m fund to cover the anticipated costs of settling Primary Care Trust (PCT) legacy CHC claims, with this fund created via a top-slice of all CCG allocations. West Norfolk's charge was £831k, and this was set aside from the CCG's 1.5% non-recurrent reserve (see 3.11). However, the actual claims against the national risk pool have been significantly lower than anticipated, and so NHS England is to return this slippage to CCGs in line with the original top-slice shares; WNCCG's share of this rebate is £0.5m.

NHS England's expectation is that CCG forecast outturn positions will be improved as a result of these refunds, however WNCCG has informed NHS England that this has instead been used to offset additional pressures arising in the month 9 forecast outturn position (in particular acute activity, CHC packages, and GP prescribing), and so the forecast outturn surplus is unchanged.

3.9 **Community Commissioning** budgets are overspent by £412k to month 9. The main pressure in this section is a £233k overspend relating to the Integrated Community Equipment Service (ICES) as noted in previous reports. The CCG has established a local group including operational staff from Norfolk Community Health & Care NHS Trust (NCH&C) to identify measures for controlling costs as part of the CCG's QIPP programme.

3.10 **Primary Care and Prescribing** budgets are overspent overall by £875k to month 9 (month 8 £256k). October's drug charges notified by the Prescription Pricing Authority (PPA) have significantly increased (which form the basis of costs accounted for in December, being the latest information available) particularly in volume which was 9% higher than in October 2013. The combination of volume and price changes over the months April to October result in an increased charge of £0.5m as compared to the same period in 2013/14. The PPA has acknowledged that its October forecasts may be overstated and is reviewing these calculations prior to the publication of November's prescribing data, at which point the CCG will reassess its forecast outturn position.

3.11 The CCG is holding a number of **Reserves** in 2014/15, and there is slippage of £3.3m that is offsetting the above pressures. The main areas of slippage are as follows:

- £0.8m reserve for practice plans relating to the planning framework requirement to set aside £5 per head for commissioning services to be directed by practices. Proposals have been received from practices and reviewed by the CCG, and implementation is now being discussed with practices and relevant providers. The forecast slippage reflects the fact that only a minimal amount is expected to be spent by March 2015, however the CCG has currently committed to make this funding available in 2015/16 to support the practices' initiatives;
- £1.1m Contingency Reserve (set at 0.5% of CCG allocation) to mitigate cost pressures arising in year. Nine months' worth of this reserve is reflected in the position reported at month 9 to offset acute pressures identified above. The month 9 forecast year-end position assumes that all of this reserve is available to mitigate the various pressures outlined above;

- Transformation Reserve (1% of CCG allocation). Of the £2.1m reserve identified at the start of the year, £0.9m has been utilised to date in maintaining the position of the virtual ward throughout the early months of 2014/15 and in funding costs relating to the System Sustainability work. The year end forecast position anticipates £0.5m will be spent of the £1m ear-marked for System Sustainability work, releasing £0.5m to offset under-delivery of QIPP;
- £3.2m Non-Recurrent Reserve (1.5% of CCG allocation). Within this reserve the CCG had set aside £0.5m as additional general contingency and £1.1m of QIPP reserve to facilitate the delivery of QIPP schemes. The year to date position reflects 9 months' worth of the additional general contingency and also an element of slippage against the QIPP reserve. The forecast outturn position assumes that the £0.5m general contingency is available to mitigate baseline pressures and that most of the QIPP reserve (£1.0m) is also available to support under-delivery of QIPP.

4. Analysis of Running Costs

- 4.1 CCG budgets for running costs are summarised below. The total budget for running costs equates to £24.78 per head of population, in line with NHS England's national requirements, and there are no material variances to report as at month 9.

Description	2014/15 Budget £m	Position to Month 9			Forecast Variance £m
		Budget £m	Spend £m	Variance £m	
CCG costs:					
Governing Body	0.4	0.3	0.2	0.1	-
CCG Staffing & Other Costs *	1.6	1.2	1.2	(0.0)	0.1
Clinical Engagement	0.1	0.1	0.0	0.0	-
Sub-total	2.1	1.5	1.4	0.1	0.1
Commissioning Support Unit (CSU)	1.8	1.4	1.3	0.1	0.1
Recharges from other bodies **	0.2	0.1	0.1	0.0	-
Total	4.1	3.1	2.9	0.2	0.2

Note: Negative variance (shown in brackets) = shortfall; positive variance = surplus.

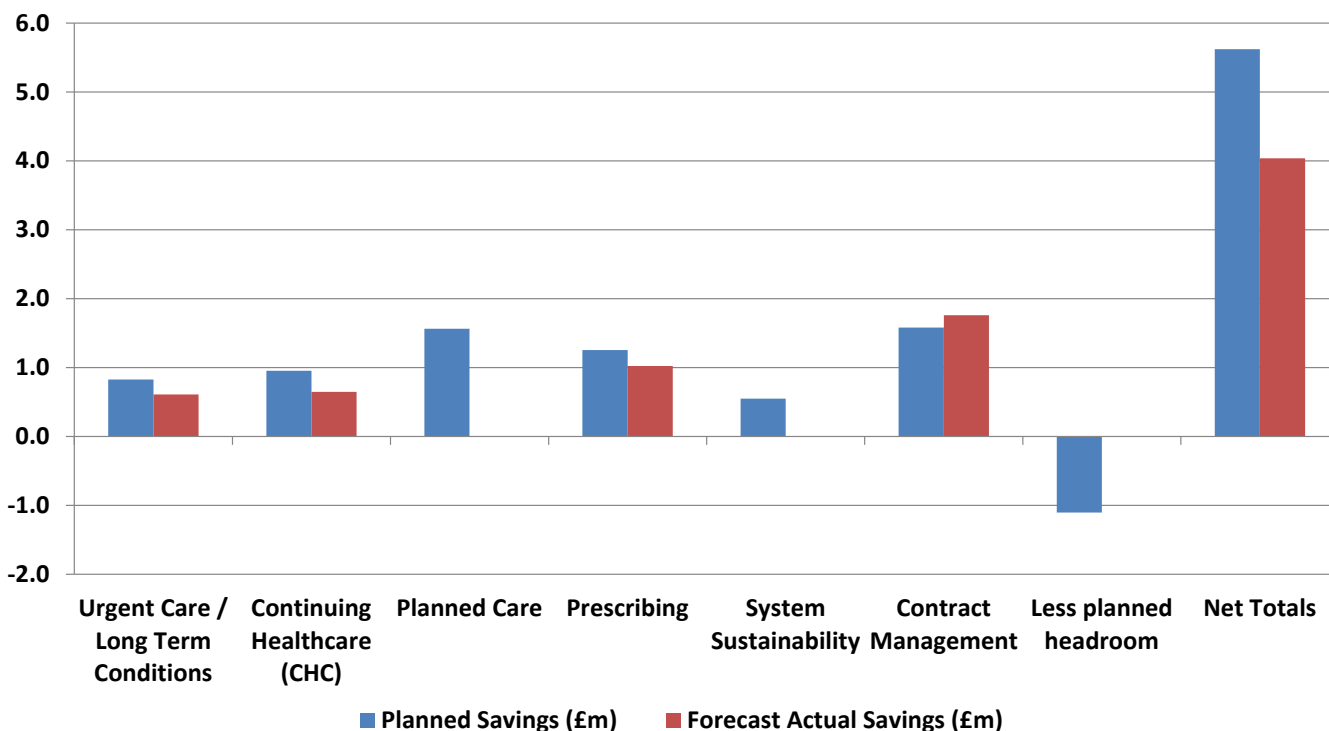
* Other Costs include premises costs, audit fees, misc non-pay.

** Recharges from other local CCGs for hosted staff.

- 4.2 The above table indicates that there are anticipated underspends in respect of CCG staffing (due to slippage in recruiting to some vacancies) and in CSU recharges as a result of the new arrangement with NELCSU that took effect from October 2014.

5. 2014/15 QIPP (Quality, Innovation, Productivity & Prevention) Savings

- 5.1 The CCG's QIPP target for 2014/15, as agreed at the March Governing Body, is £5.6m, ie this is the level of cash-releasing efficiencies that were needed in order for the CCG to deliver the original planned 1% surplus. Schemes totalling £6.7m were identified at the start of the year, giving £1.1m of planned headroom (ie 20% of the total value of schemes) to mitigate against under-delivery of individual initiatives. These savings are embedded within the relevant Programme budgets shown in Appendix B.
- 5.2 The September Governing Body meeting received a revised forecast position in respect of QIPP, which suggested that only around £4m of savings were likely to be delivered in 2014/15. The gap of £1.6m is being bridged by utilisation of non-recurrent reserves as outlined in 3.11 above.
- 5.3 Work has continued to progress in terms of developing robust project plans, including forecast savings. This work is led by the CCG's interim Programme Management Office (PMO) Manager, and supported by a weekly QIPP Board that comprises the Chief Financial Officer, Director of Operations, Head of Commissioning, and Interim PMO Manager. A heightened focus on QIPP via the QIPP Board and other management scrutiny has maintained the improved position as at month 9 forecast savings of £4.5m (gap of £1.1m), and the focus now is on the development of a range of schemes to deliver the 2015/16 QIPP requirement that is currently estimated to be £7.5m.
- 5.4 Appendix D shows the latest QIPP dashboard, which includes the Project Initiation Document (PID) status and forecast savings for each scheme. It also shows a RAG (Red / Amber / Green) rating for the benefits from each PID, which indicates the likelihood of delivery of financial benefits (note: a "Blue" rating signifies that the benefits have been secured). The QIPP dashboard is summarised graphically by work stream below:



- 5.5 A further element of the CCG's enhanced QIPP process is the development of a pipeline of new QIPP ideas to address the recurrent shortfall above; at the time of writing this pipeline includes 11 schemes, with a further 15 having been recently approved by the Clinical Executive for development into project plans. The anticipated financial benefits of these schemes will be included in future reporting as and when the PIDs are fully developed and approved. However, it is acknowledged that a prioritisation process is necessary as the CCG will not have the capacity to progress all of these schemes simultaneously.

6. Key Financial Risks

6.1 Identified financial risks to delivery of the 1% forecast surplus in 2014/15 are summarised in the following table. These represent estimates of the potential risk values at this stage of the financial year, and are in addition to the pressures reflected in the forecast outturn position.

Description of risk	Full risk value £m	Probability of risk being realised %	Potential risk value £m
Acute contract over-performance in addition to forecast outturn position	0.8	66%	0.53
GP Prescribing growth above current forecast	0.8	50%	0.40
Continuing Healthcare packages - further growth in volume	0.3	50%	0.15
Other minor risks < £0.2m (includes high cost critical care patients, high cost drugs)	0.6	70%	0.42
Total risks	2.5		1.50

6.2 The following mitigating factors are potentially available to offset the above risks:

Description of mitigation	Full mitigation value £m	Probability of success of mitigation %	Expected mitigation value £m
Further slippage on reserves (eg remaining elements of £5 per head reserve & QIPP reserve)	0.6	75%	0.45
Anticipated funding transfer from South Norfolk CCG in respect of Watton patients transferred to Swaffham	0.6	50%	0.30
Contractual challenges and rebates (including potential slippage on EEAST use of non-recurrent funding)	0.4	80%	0.28
Other non-recurrent measures < £0.2m (includes further slippage on running costs, balance of prior year accruals reversed into 2014/15)	1.0	50%	0.50
Total mitigations	2.6		1.53

7. Cash Flow

7.1 Appendix E demonstrates monthly cash flow movements for the CCG to December 2014. The CCG continues to meet with colleagues at the CSU and monitor processes in place to both calculate monthly drawdown requirements and to hold closing balances in the region of £1m. The December closing balance was in excess of this challenge at £2.4m (November £0.9m) due to a delay in payments for charges under the Eastern Pathology Alliance (EPA) contract until this was signed; this has subsequently been signed in January and so the payments will shortly be released.

8. Statement of Financial Position (SOFP)

- 8.1 Appendix F shows the CCG SOFP (ie balance sheet) as at 31 December 2014, with the position as at 31 March 2014 also shown as a comparator. This indicates that the CCG has very few balances, as there are no fixed (non-current) assets such as property or equipment, and no long-term liabilities.
- 8.2 The SOFP reports an overall negative position of (£11.2m) indicating that the liabilities are in excess of the assets as at the end of December; this position is to be expected in a CCG.

9. Better Payments Practice Code (BPPC)

- 9.1 The Public Sector is required to adhere to the “Better Payments Practice Code” which is a requirement to pay all NHS and non-NHS trade creditors within 30 calendar days of receipt of goods or a valid invoice (whichever is later) unless other payment terms have been agreed.
- 9.2 To meet compliance targets, at least 95% of eligible invoices must be paid within 30 days or within otherwise agreed timescales. The performance for West Norfolk CCG to date is shown in the table below:

Description 2014/15	Number of invoices			Value of invoices (£'000)		
	Total to date	Paid within 30 days	% Paid within 30 days	Total to date	Paid within 30 days	% Paid within 30 days
April	838	832	99%	13,583	13,573	100%
May	632	593	94%	17,341	16,964	98%
June	730	703	96%	16,013	15,713	98%
July	549	491	89%	15,162	15,086	100%
August	654	614	94%	16,476	16,034	97%
September	671	648	97%	16,887	16,780	99%
October	974	915	94%	18,045	17,754	98%
November	634	598	94%	16,056	15,896	99%
December	710	676	95%	15,900	15,596	98%
January						
February						
March						
Total	6,392	6,070	95%	145,462	143,396	99%

- 9.3 The above table shows achievement of BPPC targets in terms of the value of invoices paid throughout the year but for number of invoices paid falls below standard expectations in five months. The cumulative rating remains at Green having achieved 95% and 99% respectively. However, it is acknowledged that there have at times been difficulties in delivering prompt payments to some smaller local suppliers, and the CCG has taken steps to rectify this situation (including a review by internal audit as part of their work on key financial systems).

Changes to WNCCG Funding Allocation 2014/15

Description	Recurrent £000	Non-Rec £000	Total £000
<u>Programme Costs</u>			
Start year funding	213,788	2,088	215,876
Allocation adjustments: month 1-8			
GP IT services	-	422	422
Military Personnel funding to NHS England	(656)		(656)
GP IT transitional allocation		51	51
Funding to support reduction in waiting lists		572	572
Recurrent 13/14 rebasing between CCGs	24		24
Overseas Visitors funding		141	141
Winter Resilience funding (tranche 1)		1,162	1,162
Winter Resilience funding (tranche 2)		1,076	1,076
Total funding as at month 8	213,156	5,512	218,668
Allocation adjustments: month 9			
Quality Premium Awards 2013/14		76	76
Mental Health Resilience funding		176	176
Total funding as at month 9	213,156	5,764	218,920
<u>Running Costs</u>			
Start year funding	4,087	-	4,087
Total funding as at month 9	4,087	-	4,087
CCG TOTAL FUNDING AT MONTH 9	217,243	5,764	223,007

West Norfolk CCG Programme Budgets as at Month 9 2014/15

APPENDIX B

Description	Full Year Budget £'000	Year to Date Position			Forecast Outturn	
		Budget £'000	Actual £'000	Variance £'000	Spend £'000	Variance £'000
Queen Elizabeth Hospital FT	89,679	68,086	68,713	(627)	91,088	(1,409)
Norfolk & Norwich Univ Hosp FT	5,467	4,091	4,202	(111)	5,602	(135)
Eastern Pathology Alliance	2,317	1,722	1,738	(16)	2,318	(1)
Cambridge Univ Hosp FT	3,514	2,640	2,698	(58)	3,643	(129)
Other Acute Contracts	9,202	6,912	7,041	(129)	9,319	(117)
High Costs Drugs	3,442	2,580	2,717	(137)	3,699	(258)
Ambulance Trust	5,693	4,270	4,375	(105)	5,773	(80)
Acute QIPP savings net of QIPP Headroom	(596)	(238)	-	(238)	-	(596)
Other Acute Commissioning	1,702	1,277	1,241	35	1,710	(8)
Winter Pressures	2,238	1,281	1,281	(0)	2,238	-
Total Acute Commissioning	122,658	92,620	94,006	(1,386)	125,391	(2,734)
Norfolk & Suffolk FT Main SLA	12,755	9,566	9,558	9	12,755	-
Norfolk & Suffolk FT IAPT SLA	894	671	671	(0)	894	-
Learning Difficulties	1,332	999	1,130	(131)	1,504	(172)
Other Mental Health Services (Inc MH Resilience)	1,686	1,134	1,112	21	1,639	48
Total Mental Health Commissioning	16,668	12,370	12,471	(101)	16,792	(124)
Continuing Healthcare Packages	11,971	8,978	9,623	(645)	12,791	(820)
Continuing Healthcare Restitution national risk-pool	831	831	831	-	366	465
Funded Nursing Care	844	633	687	(54)	922	(78)
Total Continuing Healthcare (CHC)	13,646	10,442	11,141	(700)	14,079	(434)
Norfolk Community Health & Care	14,215	10,828	10,810	18	14,219	(4)
Other Community Services	5,879	4,431	4,830	(399)	6,308	(430)
Palliative Care	269	202	215	(14)	269	-
CSU Clinical Recharges (Meds Mgt & CHC)	988	741	758	(17)	1,038	(50)
West Norfolk Alliance project team	389	389	389	(0)	389	-
Total Community Commissioning	21,740	16,591	17,003	(412)	22,224	(484)
Local Enhanced Services	1,075	807	860	(54)	1,147	(72)
GP Out of Hours / 111 services	1,880	1,425	1,419	5	1,880	-
GP Prescribing	30,146	22,625	23,288	(664)	30,539	(393)
Other Prescribing	2,359	1,754	1,826	(73)	2,439	(80)
Referral Management Schemes	165	140	210	(70)	196	(31)
GP IT	467	350	370	(20)	473	(6)
Total Primary Care & Prescribing	36,092	27,100	27,974	(875)	36,675	(582)
Practice Plan Reserve (£5 per head)	841	631	-	631	141	700
Contingency Reserve	1,100	825	-	825	-	1,100
1% Transformation Reserve	1,261	456	-	456	761	500
1.5% Non Recurrent Reserve	1,882	1,125	-	1,125	363	1,519
Other Reserves	832	269	-	269	473	358
Total Reserves	5,915	3,305	-	3,305	1,738	4,177
TOTAL PROGRAMME SPEND	216,718	162,428	162,596	(168)	216,898	(180)

Note: Negative variance (in brackets) is overspent / Positive variance is underspent

Summary of QEH Activity and Financial Position for WNCCG patients as at Month 9 2014/15 (based on Month 8 Contract Monitoring Information)

Specialty :						FINANCE £'000s				
	2013-14 to M8	2014-15 Actual to M8	2014-15 Plan to M8	Var vs. Plan	Var % vs. vs. Plan	2013-14 to M8	2014-15 Actual to M8	2014-15 Plan to M8	Var vs. Plan	Var % vs. Plan
Outpatients										
First Attendances	26,942	27,021	27,064	(43)	99.8%	4,089.0	3,993.1	4,039.9	(46.9)	98.8%
Follow Up Attendances	60,649	61,298	59,606	1,692	102.8%	4,665.3	4,582.7	4,539.5	43.2	101.0%
OP Procedures	18,933	19,520	17,197	2,323	113.5%	3,155.9	3,288.6	2,815.4	473.2	116.8%
OP Telephone	583	558	576	(18)	96.9%	14.0	13.4	13.8	(0.4)	96.9%
OP Other	10,144	7,996	8,305	(309)	96.3%	2,666.0	742.8	766.5	(23.6)	96.9%
Maternity	0	2,249	2,066	183	108.9%	0.0	2,096.0	2,024.9	71.1	103.5%
OP Total	117,251	118,642	114,814	3,828	103.3%	14,590.2	14,716.6	14,200.1	516.5	103.6%
Elective Admissions										
Elective Inpatients	2,431	2,456	2,224	232	110.4%	5,579.9	5,743.1	5,454.5	288.6	105.3%
Daycases	14,904	15,625	14,675	950	106.5%	7,985.0	7,947.9	7,739.3	208.6	102.7%
Excess Bed Days	371	247	282	(35)	87.6%	86.3	52.7	64.2	(11.5)	82.1%
Elective Total	17,706	18,328	17,181	1,147	106.7%	13,651.2	13,743.7	13,257.9	485.8	103.7%
A&E Attendances	24,195	25,164	24,025	1,139	104.7%	2,493.2	2,644.4	2,448.9	195.5	108.0%
Non-Elective Admissions										
Non-Elective	9,633	9,803	9,636	167	101.7%	18,333.7	18,272.2	18,394.4	(122.1)	99.3%
Emergency Short Stay	1,325	1,616	1,287	329	125.6%	914.5	1,061.6	877.7	183.9	120.9%
Excess bed days Emergency	5,255	4,835	4,835	0	100.0%	1,168.3	1,067.3	1,050.2	17.0	101.6%
Excess bed days Non-Elective	292	348	289	59	120.4%	82.9	94.6	81.2	13.4	116.4%
Non-Elective Same Day Emergency Care	706	1,143	929	214	123.0%	584.5	983.9	749.9	234.0	131.2%
Non-Elective Same Day Non Emergency	0	0	0	0		0.0	0.0	0.0	0.0	
Non-Elective Non Emergency	2,836	3,274	2,866	408	114.2%	2,217.6	2,344.7	2,313.8	30.9	101.3%
Emergency Threshold	0	0	0	0		(1,702.9)	(1,680.2)	(1,795.3)	115.2	93.6%
Emergency Readmissions	0	0	0	0		(834.8)	(421.5)	(421.5)	0.0	100.0%
Non-Elective Admissions Total	20,047	21,019	19,842	1,177	105.9%	20,763.8	21,722.6	21,250.4	472.2	102.2%
Other										
Block	0	0	0	0		1,804.1	2,049.6	2,049.6	0.0	100.0%
Direct Access	277,805	36,316	37,713	(1,397)	96.3%	3,007.1	1,005.9	1,038.7	(32.8)	96.8%
Critical Care bed-days	2,008	1,830	2,044	(214)	89.5%	2,171.6	1,930.1	2,182.5	(252.4)	88.4%
CQUIN	0	0	0	0		1,497.4	1,537.6	1,449.8	87.8	106.1%
Diagnostic Imaging whilst an OP	12,557	12,539	12,022	517	104.3%	1,184.9	1,138.1	1,112.6	25.5	102.3%
Homebirths	30	1	29	(28)	3.4%	45.5	1.5	44.5	(43.0)	3.4%
PASS-THRU	2,117	0	0	0		201.9	268.0	190.1	77.9	141.0%
Other	3,531	0	0	0		1,463.7	871.2	871.3	(0.0)	100.0%
Other Total	298,048	50,686	51,808	(1,122)	97.8%	11,376.3	8,802.2	8,939.2	(137.0)	98.5%
Total Activity / Cost	477,247	233,839	227,670	6,169	110.4%	62,874.7	61,629.5	60,096.6	1,532.9	104.1%
CCG Adjustments										
Adjustment re Maternity pathway prepayments							16	0	16	
Adjustment re Queried Marginal Rate Charge							(365)	0	(365)	
Non Contract charges (Inc. Overseas Visitors)							431	438	(8)	
Anticipated National Contract Penalties & CQUIN Slippage							(503)	(585)	82	
1415 Non recurrent RTT funding not yet reflected in contract							0	519	(519)	
Add month 9 planned spend							7,517	7,517	0	
Other minor adjustments							34	100	(66)	
Financial Position reported at Month 9							68,760	68,086	674	

Note: Negative variances (shown in brackets) = under-performance. This is consistent with contract monitoring reports but is different to the signage convention used elsewhere in this Finance Report.

Workstream	QIPP Project	Ref.	PID RAG Status	Benefits RAG Status	Year to Date Position (Mth 9)			2014/15 Forecast Outturn		
					Plan £000	Actual £000	Variance £000	Plan £000	Actual £000	Variance £000
Urgent Care & Long Term Conditions (LTC)	Urgent Care System Resilience to maintain QEH urgent care activity at 13/14 levels	UC1	G	A	219	0	-219	292	375	83
	Primary Care DES and £5 a Head Initiatives to reduce emergency admissions	UC2	A	R	114	0	-114	228	0	-228
	Intermediate Bed Utilisation to reduce emergency excess bed days	UC3	G	A	41	0	-41	83	100	17
	Technology Assisted Cohort Management to reduce emergency admissions	UC4	A	R	37	0	-37	75	20	-55
	Green Envelope Summary Care Record to assist OOH and paramedic decisions	UC6	G	A	0	0	0	0	0	0
	Dedicated Tissue Viability Nurse to improve wound care in the community	UC7	G	A	0	0	0	0	23	23
	BCF Early Benefit Realisation - Development of Integrated Care Model	UC5a	A	G	0	0	0	0	86	86
	BCF Early Benefit Realisation - Integrated Reablement Service	UC5b	A	G	0	0	0	0	6	6
	BCF Early Benefit Realisation - Integration to Reduce Admissions and Aid Discharge	UC5c	A	A	0	0	0	0	0	0
	BCF Early Benefit Realisation - Supporting Independence and Wellbeing	UC5d	A	G	0	0	0	0	0	0
	BCF Early Benefit Realisation - Dementia Care Strategy	UC5e	A	R	0	0	0	0	0	0
	Review of Wheelchair Contract	-	Ceased		100	0	-100	150	0	-150
Sub-total				511	0	-511	827	610	-217	
Continuing Healthcare	Continuing Healthcare Optimisation - reduce baseline growth from 10% to 2%	CH1	A	R	715	408	-307	953	646	-307
Sub-total				715	408	-307	953	646	-307	
Planned Care	Maintain QEH elective admissions / day cases at 13/14 levels		Planning Value		130	0	-130	173	0	-173
	Maintain QEH outpatient attendances at 13/14 levels		Planning Value		133	0	-133	178	0	-178
	Maintain QEH other costs at 13/14 levels (e.g. direct access diagnostics)		Planning Value		94	0	-94	126	0	-126
	Pathology Test Volume Reduction through review of GP requesting	PC1	R	R	67	0	-67	100	0	-100
	Peer Review of Referrals to deliver actions and education to address outliers	PC2	R	R	550	0	-550	825	0	-825
	Pain Management Pathway Redesign including service redesign at QEH	PC3	R	R	80	0	-80	160	0	-160
	Urology Various Proposals	PC4	Ceased		0	0	0	0	0	0
	Deploy Map of Medicine to standardise GP pathways and referral processes	PC5	G	G	0	0	0	0	0	0
Prior Approval Process	PC7	R	R	0	0	0	0	0	0	
Sub-total				1,055	0	-1,055	1,562	0	-1,562	
Prescribing	Medicines Optimisation QIPP 2014-15	PR1	G	G	940	731	-209	1,253	1,022	-231
Sub-total				940	731	-209	1,253	1,022	-231	
System Sustainability	Impact of System Sustainability review	SS1	Not Under QIPP		275	0	-275	550	0	-550
Sub-total				275	0	-275	550	0	-550	
Contract Management	Provider contract management	CM1	N/A	G	585	645	60	780	825	45
	Reduction in Pathology pricing following County-wide EPA procurement	CM2	N/A	C	300	395	94	400	526	126
	Cessation of contract with Referral Management Centre	CM3	N/A	C	100	104	4	150	159	9
	Review non-clinical contracts	CM4	N/A	C	188	188	0	250	250	0
Sub-total				1,173	1,332	159	1,580	1,760	180	
TOTAL PLANNED SAVINGS				4,668	2,470	-2,198	6,725	4,038	-2,687	
PLANNED HEADROOM / (GAP)					-767	0	767	-1,104	0	1,104
NET QIPP REQUIREMENT					3,902	2,470	-1,431	5,621	4,038	-1,583

West Norfolk CCG - Cash Flow Summary 2014/15										
	Apr-14 £000s	May-14 £000s	Jun-14 £000s	Jul-14 £000s	Aug-14 £000s	Sep-14 £000s	Oct-14 £000s	Nov-14 £000s	Dec-14 £000s	Total to date £000s
Opening Balance	178	2,590	5,900	7,660	7,712	5,365	3,764	1,407	924	178
Receipts										
Allocation (CCG Funding)	16,929	19,835	17,400	15,650	14,100	14,720	15,450	15,575	17,330	146,989
VAT & Other	235	40	334	91	116	390	511	67	91	1,875
Total Receipts	17,164	19,875	17,734	15,741	14,216	15,110	15,961	15,642	17,421	148,864
Payments										
SLA & Non SLA	-11,072	-13,786	-12,692	-12,569	-13,713	-13,885	-14,454	-12,760	-12,051	-116,982
Salaries, Tax, NI & Pensions	-165	-116	-151	-164	-133	-152	-135	-145	-116	-1,277
GP Payments	-870	-900	-1,133	-1,062	-965	-907	-947	-1,198	-1,071	-9,053
Other	-2,645	-1,763	-1,998	-1,893	-1,753	-1,767	-2,781	-2,023	-2,746	-19,370
Total Payments	-14,753	-16,564	-15,975	-15,688	-16,563	-16,711	-18,318	-16,126	-15,983	-146,681
Closing Balance	2,590	5,900	7,660	7,712	5,365	3,764	1,407	924	2,361	2,361

2014/15 Statement of Financial Performance (ie Balance Sheet)

	Position as at 31/03/14	Position as at 31/12/14	Comments
Non-current assets	0	0	
Total non-current assets	0	0	
Current assets:			
Trade and Other Receivables	4,690	3,748	The year end balance included £3.4m of one-off NHS Receivables which included a reimbursement of Marginal Rate credit from the QEH.
Cash and Cash Equivalents	178	2,361	The cash balance at 31/3/14 was managed to a low figure in line with NHS England expectations. Plans to hold cash balances of c.£1m from the end of October onwards have been established with the CSU .
Total current assets	4,868	6,109	
Trade and Other Payables	(14,270)	(16,919)	
Provisions for liabilities and charges	(602)	(443)	
Total current liabilities	(14,872)	(17,363)	
Non-current assets plus/less net current assets/liabilities	(10,004)	(11,254)	
FINANCED BY TAXPAYERS EQUITY			
General fund	(10,004)	(11,254)	Negative as liabilities exceed assets
TOTAL TAXPAYERS EQUITY	(10,004)	(11,254)	