

## FINANCIAL PERFORMANCE TO DECEMBER 2014

### MONTH 9 2014/15

#### Section A1 – Finance Dashboard

Indicator	Target	Actual £'000	Actual %age	Rating this month	%age	Explanation of target measure
Financial Position year to date	Planned ytd Surplus	636		!	(34.76%)	+ve/-ve variation from plan target
Financial position forecast outturn	Planned annual surplus	1,380		!	(69.62%)	+ve/-ve variation from plan target
Running Costs forecast outturn	Break even	(0)		✓	0.00%	+ve/-ve variation from plan target
QIPP year to date	Actual	(176)		X	12.00%	Achievement against plan
QIPP forecast outturn	Actual	(715)		X	31.00%	Achievement against plan
Creditors - Better Payment Practice Code	Target of 95%		93.30%	X	(1.70%)	Target number of Non NHS invoices paid in 30 days
Cash	1.75% bank balance		28.81%	X	27.06%	Balance at bank at end of month compared to cash drawn down

Financial position forecast outturn has been flagged as an amber (take note) rating although there has been an improvement to the forecast surplus of £870k since last month. This is due to the reduction of £370k in the required CHC risk pool contribution announced in early January following the CHC provision review exercise which took place in November 2014 and an anticipated slippage in the value of the integration costs required by Frimley Health in this financial year.

#### Key:

On Plan  
Take Note  
Action Required



#### Note:

+ve £ = positive performance (underspend against budget),  
-(ve) £ = negative performance (overspend against budget)  
(this convention applies to all but the specific QIPP tables)

## Section A2 – Key Issues and Actions in Financial Position

Actions	Issue	Key Drivers	Forecast Financial Impact £'000	Action	Owner	Timeline
<b>CSU</b>	Acute and Other Contracts overperformance	Overperformance	(3,842)	Overperformance areas reviewed in greater detail. Challenges raised with Providers. Currently reviewing maternity and NEL activity.	Liz McLean	Update for Month 10
<b>Joint</b>	Financial Recovery Plan requested by Area Team	Budget management		Finalised report, identifying how additional £3m surplus can be delivered (total across three CCGs), submitted 15th January 2015. Increased surplus was achieved by £1m from the FRP, CHC £1m and £1m slippage on Integration costs	Nigel Foster	Update for Month 10
	Contract Agreement	Budget management		HWPH Contract was signed on 22 Dec 2014	Liz McLean	
<b>CCG</b>	QIPP Delivery	QIPP underachievement		All QIPP projects are being reviewed and work is underway to develop of new QIPP schemes. Further actions are being reviewed to reduce Non-elective.	Rachel Wakefield / Anshu Varma	Update for Month 10
	Premises Costs	NHS Property Services	(772)	Discussions are ongoing regarding the value of the charges with NHS Property Services. Additionally, two key areas have been identified in baseline return where resources appear to have transferred to NHS England, this is currently being followed up with NHS England.	Debbie Fraser	Update for Month 10

---

**Section B – Contents**

		<b>Page</b>
<b>Section A:</b>	A1 - Finance Dashboard	1
	A2 - Key Issues and Actions in Financial Position	2
<b>Section B:</b>	Contents	3
	B1 - Abbreviations and acronyms used	4
<b>Section C:</b>	<b>Financial Performance</b>	5
<b>Section D:</b>	<b>Changes to Plan</b>	6
<b>Section E:</b>	<b>Treasury Management</b>	7 – 9
<b>Section F:</b>	<b>QIPP Overview and Forecast Performance 2014-15</b>	10
	F1 - QIPP (Actual Performance)	11
	F2 - QIPP Schemes (Actual Performance)	12
	F3 - QIPP Schemes	13

## B1 – Abbreviations and acronyms used

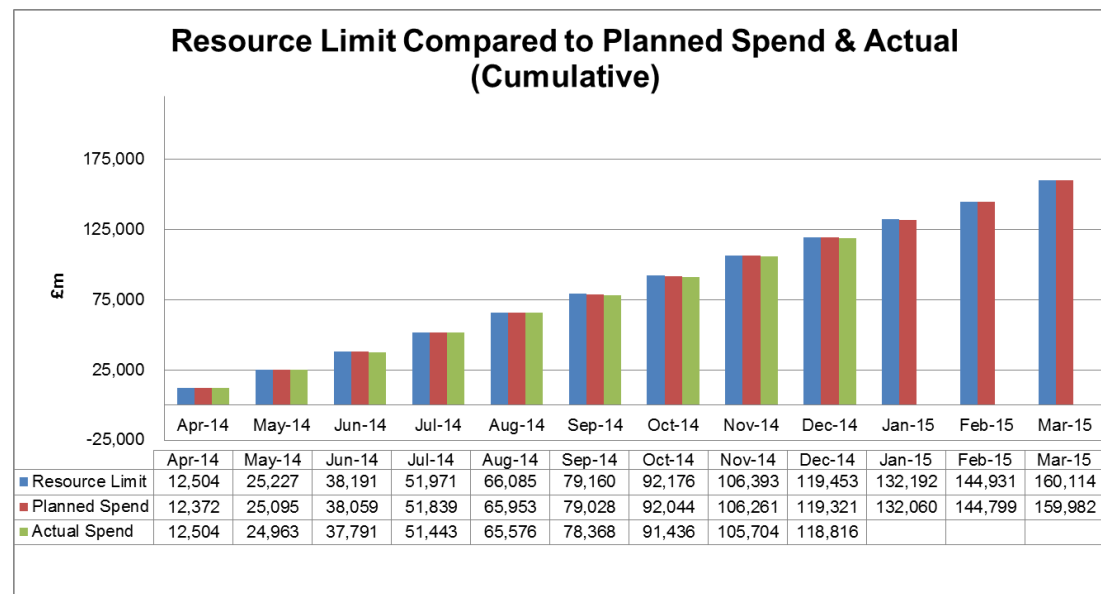
<b>2014/15</b>	Financial Year from 1 April 2014 – 31 March 2015
<b>A&amp;E</b>	Accident and Emergency
<b>AT</b>	Area Team
<b>BPPC</b>	Better Payment Practice Code –target (currently 95%) of invoices to be paid within 30 days of receipt of invoice or goods/service.
<b>Break-even</b>	Position where actual costs are same as planned i.e. not in deficit or surplus
<b>Budget</b>	A sum of money allocated for a specific purpose
<b>CCG</b>	Clinical Commissioning Group
<b>CHC</b>	Continuing Health Care
<b>CQUIN</b>	Commissioning Quality & Innovation
<b>Deficit</b>	Financial variance where overall net costs are more than planned
<b>ESD</b>	Early Supported Discharge
<b>Excess Bed Days</b>	Term used in acute contracts to describe days chargeable under PBR in excess of the standard tariff (for example a tariff might set 5 days as standard stay and days above this are charged to the CCG)
<b>FPH</b>	Frimley Park Hospital NHS Foundation Trust
<b>FOT</b>	Forecast Outturn
<b>HWPB</b>	Heatherwood & Wexham Park Hospitals NHS Foundation Trust
<b>k</b>	Thousand
<b>m</b>	Million

<b>NHSE</b>	NHS England
<b>NEL</b>	Non Elective
<b>PBR</b>	Payment By Results – payment system (based on Healthcare Resource Groups) used mainly in acute contracts
<b>PLCV</b>	Procedures of Limited Clinical Value
<b>POD</b>	Point of Delivery – area of acute care activity of similar type (e.g. Inpatient or Outpatient)
<b>QIPP</b>	Quality, Innovation, Prevention and Productivity – plans and associated savings / changes in financial costs
<b>Reserves</b>	Monies set aside for a specific purpose eg Contingency reserves for unforeseen spend in year.
<b>RTT</b>	Referral to Treatment is the definition by which patients waiting to be treated are measured
<b>Revenue Resource Limit (RRL)</b>	Total funding allocated for the year set by the Department of Health
<b>RBH</b>	Royal Berkshire Hospital
<b>SCAS</b>	South Central Ambulance Service
<b>SLAM</b>	Service Level Agreement Monitoring – i.e. contract monitoring information
<b>Surplus</b>	Financial variance where overall net costs are less than planned
<b>Variance (Adverse)</b>	Difference against plan (overspend)
<b>Variance (Favourable)</b>	Difference against plan (underspend)
<b>YTD</b>	Year-to-date(1 April-end of reported month)

## Section C – Financial Performance

Summary of position (variance against plan)	Month 9 December 2014			Previous month	Forecast			Previous month
	YTD Plan	YTD Actual	Variance to plan	Variance to plan	Annual Plan	Forecast outturn	Forecast Variance	Forecast Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Commissioning</b>								
Planned and Unscheduled Care	68,660	72,465	(3,805)	(3,091)	91,567	95,639	(4,072)	(3,950)
Prescribing	12,852	12,941	(89)	(51)	17,136	17,271	(135)	(92)
Mental Health, Joint & Continuing Care	20,427	19,545	882	258	27,461	26,716	745	(245)
Community	10,032	9,957	75	73	13,376	13,248	128	78
Reserves	3,239	-	3,239	2,888	4,935	745	4,190	4,189
Other Services	439	1,292	(853)	(460)	570	1,655	(1,085)	(1,095)
<b>Commissioning sub-total</b>	<b>115,649</b>	<b>116,200</b>	<b>(551)</b>	<b>(382)</b>	<b>155,045</b>	<b>155,275</b>	<b>(230)</b>	<b>(1,115)</b>
Running Costs	2,617	2,616	0	15	3,489	3,489	(0)	15
Planned Surplus	1,185	636	549	366	1,580	1,350	230	1,100
<b>Total CCG</b>	<b>119,451</b>	<b>119,452</b>	<b>(2)</b>	<b>(0)</b>	<b>160,114</b>	<b>160,114</b>	<b>(0)</b>	<b>(0)</b>

**Resource Limit Compared to Planned Spend & Actual (Cumulative)**



## Key Points

- The year-to-date (9 months) surplus is £636k, but the forecast surplus for the year has now increased to £1.35m, against a target surplus of £1.58m. The improvement to the forecast surplus of £870k is due to the reduction of the required CHC risk pool contribution of £370k announced in early January following the CHC provision review exercise which took place in November 2014 and slippage of £500k in the integration costs being incurred by Frimley Health. The year to date position still reflects the phasing of the integration costs over the period October to March 15, but not the increase surplus which is just reflected in the forecast.
- Actual spend within Planned and Unscheduled Care is based on the available month 8 Contract Reports and estimated for month 9. The over spend of £3.9m remains mainly driven from reported over-performance at HWPB and non – delivery of QIPP Plans, together with potential pressures with the London portfolio.
- The forecast for Joint and Continuing Care now includes a reduction in the expected contribution towards the CHC Risk share and as a result of a review of 13/14 accruals resulting in some accruals being released at month 9,
- To maintain the year to date planned surplus, a total of £3.2m has been released from current reserves of £4.9m.

## Section D – Changes to Plan

<b>Confirmed Resource Limit to Current Budget</b>	<b>£'000</b>
<b>Initial Resource Limit</b>	
- Commissioning Costs	154,482
- Running Costs	3,489
<b>Confirmed Initial Resource Limit</b>	<b>157,971</b>
GP IT allocation	371
Specialist Services transfer to NHSE	(443)
14-15 RTT Funding	776
Community Pharmacy Enhanced Services	11
Overseas Health Visitors	226
Winter resilience Funding	829
RRL correction	1
RRL Specialist Wessex additional take	(73)
Mental Health Resilience 14/15	423
Quality Premium awards 2013-14	22
<b>Month 9 Resource Limit</b>	<b>160,114</b>

## Key Points

- The increased resource limit reflects the additional non recurrent allocations of Winter Resilience (ORCP) monies for Mental Health, and Quality Premium Awards.

Month 9 December 2014	Planned and Unscheduled Care £'000	Prescribing £'000	Joint & Continuing Care £'000	Community Care £'000	Other £'000	Primary Care IT £'000	Running Costs £'000	Reserves £'000	Surplus £'000	Total £'000
<b>Month 8 Plan</b>	91,567	17,136	27,038	13,376	199	371	3,489	4,913	1,580	159,669
<b>Month 9 Adjustments</b>										
Mental Health Resilience 14/15			423							423
Quality Premium awards 2013-14								22		22
<b>Month 9 Plan</b>	<b>91,567</b>	<b>17,136</b>	<b>27,461</b>	<b>13,376</b>	<b>199</b>	<b>371</b>	<b>3,489</b>	<b>4,935</b>	<b>1,580</b>	<b>160,114</b>

## Section E – Treasury Management

### Statement of Financial position as at 31 December 2014

Statement of Financial Position as at:	As at 31 Mar 14	As at 30 Nov 14	Movement	As at 31 Dec 14
31-Dec-14	£000	£000	£000	£000
Non Current Assets	0	0	0	0
<b>Total Non Current Assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
NHS Receivables - Revenue	575	1,267	(79)	1,188
NHS Prepayments and Accrued Income	1,688	140	807	947
Non-NHS Receivables - Revenue	82	(92)	139	47
Non-NHS Prepayments and Accrued Income	308	892	(390)	502
Other Receivables	106	(6)	23	17
<b>Total Trade and Other</b>	<b>2,759</b>	<b>2,201</b>	<b>500</b>	<b>2,701</b>
Cash	6,174	8,508	(5,248)	3,260
<b>Total Current Assets</b>	<b>8,933</b>	<b>10,709</b>	<b>(4,748)</b>	<b>5,961</b>
NHS Payables - Revenue	(12,005)	(16,069)	(1,029)	(17,098)
NHS Accruals and Deferred Income	(1,111)	(411)	7,687	7,276
Non-NHS payables - Revenue	(1,692)	(6,598)	(348)	(6,946)
Non-NHS Accruals and Deferred Income	(3,199)	(2,281)	(1,815)	(4,096)
Other Payables	(244)	(162)	(5)	(167)
Provisions	(432)	(385)	0	(385)
<b>Total Current Liabilities</b>	<b>(18,683)</b>	<b>(25,906)</b>	<b>4,490</b>	<b>(21,416)</b>
Total non Current Liabilities	0	0	0	0
<b>Total Assets Employed</b>	<b>(9,750)</b>	<b>(15,197)</b>	<b>(258)</b>	<b>(15,455)</b>
General Fund	(9,750)	(13,068)	(2,387)	(15,455)
<b>Total Taxpayers Equity</b>	<b>(9,750)</b>	<b>(13,068)</b>	<b>(2,387)</b>	<b>(15,455)</b>

### Key Points:

- Current Trade and Other have increased by £500k in December largely due to increase in NHS Prepayments and Accrued Income of £807k. Non-NHS Receivables – Revenue increased by £139k.
- Cash balance at 31st December stands at £3.2m a decrease of £5.2m on previous month.
- Total Current Liabilities have decreased by £4.4m on previous month and now stand at £21.4m.

### Debtors

Aged Debtors	NHS Debtors		Non NHS Debtors		Total	
	Value (£000)	No	Value (£000)	No	Value (£000)	No
Less than 31 days (Not Due)	3,863	29	-	-	3,863	29
Between 31 - 60 days	373	6	1	2	374	8
Between 61 - 90 days	-	-	5	1	5	1
Greater than 90 days	373	8	42	10	415	18
<b>Total</b>	<b>4,609</b>	<b>43</b>	<b>48</b>	<b>13</b>	<b>4,657</b>	<b>56</b>

### Key Points:

- At the end of month 9 the CCG has debtors totaling £4.6m of which £0.7m is overdue and considered recoverable.
- The majority of the NHS Debt relates to London Trust Recharges to other CCG of which £2.783k has been received. Frimley Health disputes £320k relating to SCAS charges.

### Cash Drawings

Main Cash	Drawdown To Date	Prescribing Cash Charge To Date	Total Cash Drawings To Date	Current Allocation	Drawings to Date as a % of Allocation
£000	£000	£000	£000	£000	£000
101,401	11,713	113,114	156,672	72.20%	

**Key Points:**

- The CCG processed a cash draw down of £11.3m in December totalling £101.4m year to date. The charge against the prescribing to date stands at £11.7m giving a total charge to date of £113.1m. This is against our current cash allocation of £156.6m. With 9 months of the year gone, the level of cash drawing stands at 72.2% which is lower than expected drawings. At the end of the month the CCG had £3.260k which is 28.81% of cash drawn down for the month therefore outside the 1.75% closing balance considered to be good practice.

**Creditors**

Aged Creditors - value	Not Due £000	Overdue 1-30 days £000	Overdue 31-60 days £000	Overdue 61-90 days £000	Overdue 90+ days £000	Total £000
At 31 October	7,031	2,745	3,823	189	2,676	<b>16,464</b>
At 30 November	6,503	3,836	2,132	3,587	1,565	<b>17,623</b>
At December	6,222	1,330	3,074	2,720	2,223	<b>15,569</b>
Aged Creditors - volume	Nos	Nos	Nos	Nos	Nos	
At 31 October	419	198	104	102	414	<b>1,237</b>
At 30 November	265	253	108	82	337	<b>1,045</b>
At December	335	162	123	50	286	<b>956</b>

**Key Points:**

- Creditors (unpaid invoices on the system) stand at £15.6m at 31st December a decrease of £2m over the previous month. Creditors over 90 days stand at £2.2m.

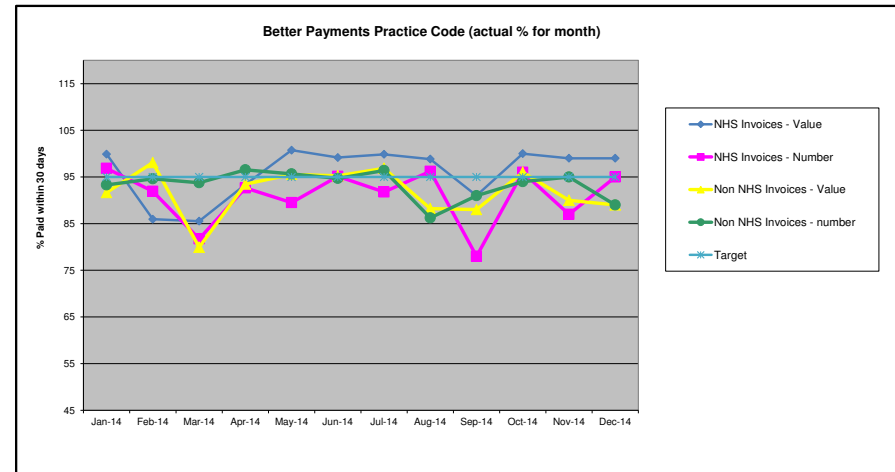
**Better Payment Practice Code**

Better Payment Practice Code - payment within 30 days (cumulative YTD)	NHS Invoices		Non NHS Invoices		Total	
	Value of invoice (YTD) £'000	Number (YTD)	Value of invoices (YTD) £'000	Number (YTD)	Value of invoice (YTD) £'000	Number (YTD)
Total invoices paid	96,262	2651	11,810	2,724	108,072	5375
Total invoices paid within 30 days	94,353	2415	10,957	2,542	105,310	4957
% Paid within 30 days	98.0%	91.1%	92.8%	93.3%	97.4%	92.2%
Rating	Green	Amber	Amber	Amber	Green	Amber

The above position relates to the average total performance in year of invoices paid within a 30 day period at the end of Month 9, in comparison to the DH target of paying 95% supplier invoices within 30 days.

**Key Points:**

- NHS invoices by value continues to be above the 95% target while all the other categories have slight fallen below the target.
- In December Non NHS Invoices by Value and NHS by Number failed to reach the 95% target





**Section F – QIPP Overview and Forecast Performance 2014-15**

QIPP Impact On Provider	Month Budget	Month Actual	Month Variance	Achieved Month	Impact Rating	Year to Date Budget	Year to Date Actual	Year to Date Variance	Achieved Year to Date	Impact Rating	Annual Budget	Forecast Actual	Forecast Variance	Forecast Achievement	Risk Rating
	£000	£000	£000	%age		£000	£000	£000	%age		£000	£000	£000	%	
Transformation Acute	(212)	(35)	177	17 %	●	(1,617)	(132)	1,485	8 %	●	(2,257)	(498)	1,759	22 %	●
Transformation Community	18	28	10	0 %	●	54	28	(26)	0 %	●	109	28	(81)	26 %	●
Transformation MH	13	12	(1)	95 %	●	111	111	0	100 %	●	148	148	0	100 %	●
Transformation Primary Care	(29)	45	74	(157%)	●	(264)	(133)	131	50 %	●	(355)	(280)	75	79 %	●
Transformation other	0	0	0	0 %	●	67	0	(67)	0 %	●	67	67	0	100 %	●
<b>Total Transformational Net Savings</b>	<b>(210)</b>	<b>50</b>	<b>260</b>	<b>(24%)</b>	<b>●</b>	<b>(1,649)</b>	<b>(126)</b>	<b>1,523</b>	<b>8 %</b>	<b>●</b>	<b>(2,288)</b>	<b>(535)</b>	<b>1,753</b>	<b>23 %</b>	<b>●</b>
Key Performance RAG Rating (Finance)	>=95% of plan	>=75% of plan and <95% of plan	<75% of plan												

Slough - At month 9 QIPP Programme is forecasting a shortfall of approx. £1,7k and is achieving 23% of the planned net savings of £2.2m.

**Medicine Management (Prescribing)** – there is an overspent in this budget and the forecast is that only 79% of the original planned QIPP will be achieved and the overspent has reduced from last month. A prescribing task force has been set up to review each practice overspend and agree local actions with practices who are deviating from their budget.

**Non elective activity** – although the trend is still increasing upwards compared to last year and against QIPP target. The following actions are being undertaken:

To review paediatrics triage and dermatology triage and manage overspends by challenging triage outcomes and peer review of triage. Learn from other practices how they managed to deliver the reduction against increasing trend, work with the ACG lists and identify at risk patients and utilise community services.

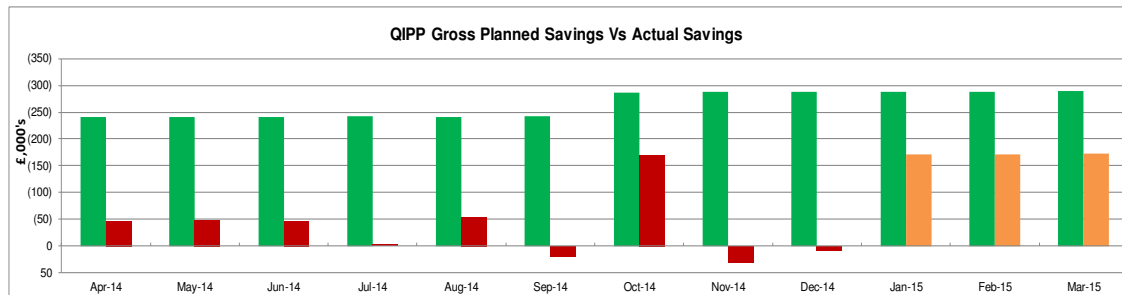
Work with SCAS, has been approved to the Slough BCF for community Paediatric Respiratory with a focus on asthma service. The aim is to deliver early supported discharge; avoid hospital attendance, hospital admission and readmission

MIG has been approved and will be piloted in A&E. Consultants will be working with GPs in A&E majors department to facilitate decisions to admit and agree care plans.

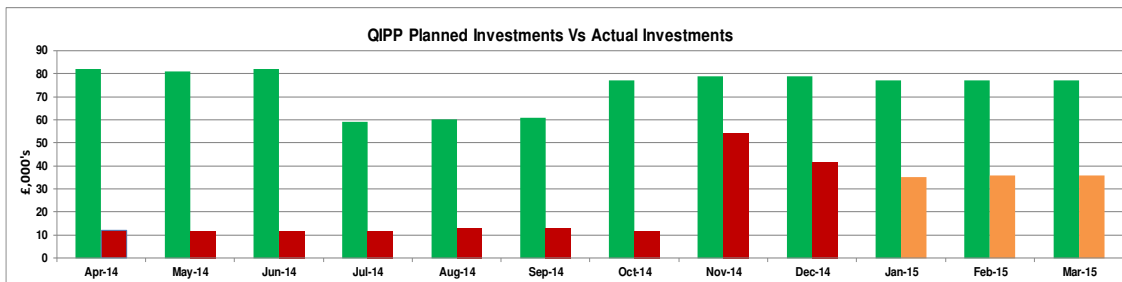
All practices have approve plans to deliver reductions in non-elective admissions with a combination of measures including identifying frequent admissions, ACG at risk populations with contact telephone numbers provided to patients and families.

**A & E attendances** - each cluster asked to produce their recovery plan to bring us into plan. Work with the acute trust to enable registration for all patients who are attending and not registered with practices

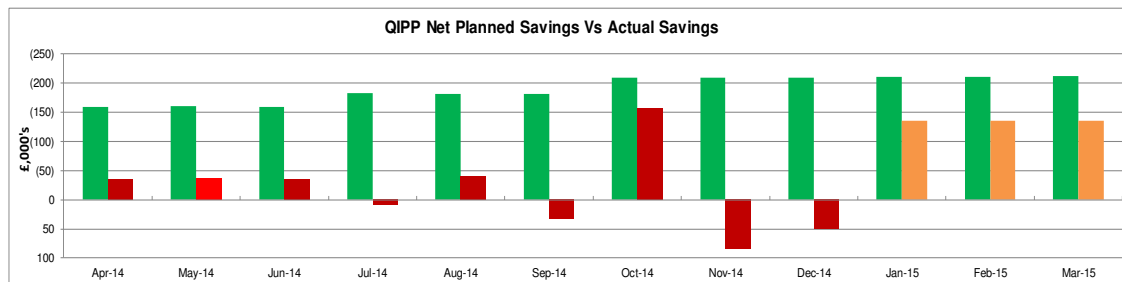
### Section F1 – QIPP (Actual Performance)



	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Total
Plan	(241)	(241)	(241)	(242)	(241)	(242)	(286)	(289)	(289)	(288)	(288)	(289)	(3,178)
Actual / Revised	(47)	(48)	(47)	(3)	(54)	20	(170)	31	8	(171)	(171)	(172)	(824)



	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Total
Plan	82	81	82	59	60	61	77	79	79	77	77	77	891
Actual / Revised	12	12	12	12	13	13	12	54	42	35	36	36	289



	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Total
Plan	(159)	(160)	(159)	(183)	(181)	(181)	(209)	(210)	(210)	(211)	(211)	(212)	(2,287)
Actual / Revised	(35)	(36)	(35)	9	(41)	33	(158)	85	50	(136)	(135)	(136)	(535)

The graph shows how the QIPP plan is phased over the year along with actuals delivered, and the relative run rates.

**Note**

+ve = investment

-(ve) = savings

**Section F2 – QIPP Schemes (Actual Performance)**

QIPP Schemes	Savings	Year to Date	Year to Date	Year to Date	Annual	Forecast	Forecast
		Budget	Actual	Variance	Budget	Actual	Variance
		£000	£000	£000	£000	£000	£000
PLCV	Gross Savings	(169)	0	169	(225)	0	225
	Investments	0	0	0	0	0	0
	Net	(169)	0	169	(225)	0	225
Pathology & Radiology	Gross Savings	(40)	0	40	(80)	0	80
	Investments	0	0	0	0	0	0
	Net	(40)	0	40	(80)	0	80
A & E Target	Gross Savings	(312)	0	312	(416)	(100)	316
	Investments	0	0	0	0	0	0
	Net	(312)	0	312	(416)	(100)	316
Impact on Outpatient	Gross Savings	(436)	(132)	304	(655)	(315)	340
	Investments	137	28	(109)	216	28	(188)
	Net	(299)	(104)	195	(439)	(287)	152
Ward 8 EsD	Gross Savings	(309)	0	309	(412)	0	412
	Investments	0	0	0	0	0	0
	Net	(309)	0	309	(412)	0	412
Non Electives Impact	Gross Savings	(624)	0	624	(832)	(83)	749
	Investments	272	0	(272)	363	0	(363)
	Net	(352)	0	352	(469)	(83)	386
Medicine Management	Gross Savings	(421)	(177)	244	(558)	(326)	232
	Investments	17	0	(17)	23	0	(23)
	Net	(404)	(177)	227	(535)	(326)	209
Other QIPP Schemes	Gross Savings	0	0	0	0	0	0
	Investments	234	155	(79)	288	261	(27)
	Net	234	155	(79)	288	261	(27)
Total	Gross Savings	(2,310)	(309)	2,001	(3,178)	(824)	2,354
	Investments	661	183	(478)	890	289	(601)
	Net	(1,649)	(126)	1,523	(2,288)	(535)	1,753

The table shows the QIPP plan and delivery for the period to date.

**Note**

+ve = investment

-(ve) = savings