

FINANCIAL PERFORMANCE TO MARCH 2015

MONTH 12 2014/15

Section A1 – Finance Dashboard

Indicator	Target	Actual £'000	Actual %age	Rating this month	%age	Explanation of target measure
Financial Position actual outturn	Planned ytd Surplus	2,087		!	32.09%	Achievement of Plan target - See note below
Running Costs actual outturn	Break even	18		!	0.51%	Achievement of Plan target - See note below
QIPP actual outturn	Actual	(476)		X	21.00%	Achievement against plan
Creditors - Better Payment Practice Code	Target of 95%		91.50%	X	(3.50%)	Target number of Non NHS invoices paid in 30 days
Cash	1.75% bank balance		0.78%	✓	(0.97%)	Balance at bank at end of month compared to cash drawn down

There has been an overachievement of the target surplus by £0.5m in part due to the slippage in incurring the Transformational Integration Costs following the acquisition of Heatherwood and Wexham Park Hospitals by Frimley Park Hospital to form the new Frimley Health group. There has been an additional allocation of £22k for Quality Premium added to the amount available for running costs. There have been costs incurred in support of this funding in Programme activities, and this has led to the apparent Admin underspend.

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 QIPP)

Section A2 – Key Issues and Actions in Financial Position

Actions	Issue	Key Drivers	Forecast Financial Impact £'000	Action	Owner	Timeline
CSU	Acute and Other Contracts overperformance	Overperformance	(6,117)	Overperformance areas reviewed in greater detail. Challenges raised with Providers. Currently reviewing elective activity.	Liz McLean	Ongoing
Joint	QIPP Delivery	QIPP underachievement		All QIPP projects have been reviewed and new QIPP have been developed for 15/16 Operating plan.	Anshu Varma	Ongoing
CCG	Premises Costs	NHS Property Services		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	Ongoing

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B1 – Abbreviations and acronyms used

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

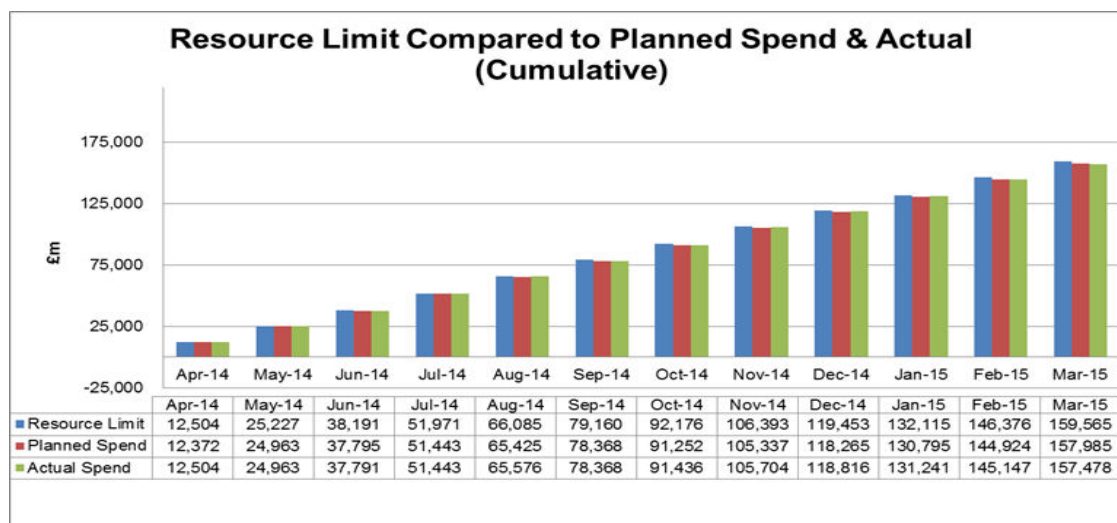
NHSE	NHS England
NEL	Non Elective
PBR	Payment By Results – payment system (based on Healthcare Resource Groups) used mainly in acute contracts
PLCV	Procedures of Limited Clinical Value
POD	Point of Delivery – area of acute care activity of similar type (e.g. Inpatient or Outpatient)
QIPP	Quality, Innovation,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

Section C – Financial Performance

Summary of position (variance against plan)	Month 12 March 2015			February Forecast
	Plan	Actual	Variance to plan	Variance Adjusted for Changes to Plan
	£'000	£'000	£'000	£'000
Commissioning				
Planned and Unscheduled Care	91,497	96,409	(4,912)	(4,620)
Prescribing	17,136	16,902	234	52
Mental Health, Joint & Continuing Care	27,461	25,914	1,547	1,137
Community	13,376	13,364	12	84
Reserves	4,297	-	4,297	4,006
Other Services	707	1,396	(689)	(1,050)
Commissioning sub-total	154,474	153,985	489	(392)
Running Costs	3,511	3,493	18	22
Planned/Actual Spend Sub Total	157,985	157,478	507	(370)
Planned Surplus	1,580	2,087	(507)	370
Total CCG	159,565	159,565	0	(0)

Key Points

- The surplus target level of £1.5m for the year has been overachieved by £0.5m, primarily driven by slippage in the integration costs being incurred by Frimley Health.
- The over spend of £4.9m within Planned and Unscheduled Care is mainly driven from reported over-performance including RTT and increase in the provision for incomplete spells (the latter equates to £400k) and non – delivery of QIPP Plans, together with pressures from the London portfolio.
- The predominant pressure in Other Services is the provision for void and subsidy costs notified by NHS Property Services offset by the slippage for integration. The Property Services pressure has been fair shared across the three CCGs.



Section D – Changes to Plan

Confirmed Resource Limit to Current Budget	£'000
Initial Resource Limit	
- Commissioning Costs	154,482
- Running Costs	3,489
Confirmed Initial Resource Limit	157,971
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
Unwinding of Historic Risk Share	(179)
Clawback on the RTT funding	(70)
RRL Reduction	(300)
Month 12 Resource Limit	159,565

Key Points

- There was a reduction in the Resource Limit of £300k at the direction of NHS England.
- Due to underperformance in RTT activity, there was a reduction in that specific additional allocation of £70k.

Month 12 March 2015	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
Month 11 Plan	91,567	17,136	27,461	13,376	199	371	3,489	4,756	1,580	159,935
Month 12 Adjustments										
Clawback on the RTT funding	(70)									(70)
RRL reduction								(300)		(300)
Quality Premium awards 2013-14 out of Reserves							22	(22)		0
Ward 8 Closure out of Reserves					137			(137)		0
Month 12 Plan	91,497	17,136	27,461	13,376	336	371	3,511	4,297	1,580	159,565

Section E – Treasury Management

Statement of Financial position as at 31 March 2015

Statement of Financial Position as at:	As at 31 Mar 14	As at 28 Feb 15	Movement	As at 31 March 15
31-Mar-15	£000	£000	£000	£000
Non Current Assets	0	0	0	208
Total Non Current Assets	0	0	0	208
NHS Receivables - Revenue	575	603	6,426	7,029
NHS Prepayments and Accrued Income	1,688	948	26	974
Non-NHS Receivables - Revenue	82	71	47	118
Non-NHS Prepayments and Accrued Income	308	1,682	(1,562)	120
Other Receivables	106	30	(23)	7
Total Trade and Other	2,759	3,334	4,914	8,248
Cash	6,174	8,660	(8,576)	84
Total Current Assets	8,933	11,994	(3,662)	8,540
NHS Payables - Revenue	(12,005)	(11,245)	4,035	(7,210)
NHS Accruals and Deferred Income	(1,111)	(662)	(2,691)	(3,353)
Non-NHS payables - Revenue	(1,692)	(7,065)	4,270	(2,795)
Non-NHS payables - Capital	0	0	(135)	(135)
Non-NHS Accruals and Deferred Income	(3,199)	(1,866)	(1,467)	(3,333)
Other Payables	(244)	(382)	163	(219)
Provisions	(432)	(385)	(872)	(1,257)
Total Current Liabilities	(18,683)	(21,605)	3,303	(18,302)
Total non Current Liabilities	0	0	0	0
Total Assets Employed	(9,750)	(9,611)	(359)	(9,762)
General Fund	(9,750)	(9,611)	(151)	(9,762)
Total Taxpayers Equity	(9,750)	(9,611)	(151)	(9,762)

Key Points:

- Current Trade and Other have increased by £4.9m in March largely due to increase in NHS Receivables Revenue of £6.4m. Non-NHS Prepayments and Accrued Income have decreased by £1,562k.
- Cash balance at 31st March stands at £84k, a decrease of £8.6m on previous month.
- Total Current Liabilities have decreased by £3.3m on previous month and now stand at £18.3m.

Aged Debtors	NHS Debtors		Non NHS Debtors		Total	
	Value (£000)	No	Value (£000)	No	Value (£000)	No
Less than 31 days (Not Due)	-118	28	75	12	-43	40
Between 31 - 60 days	-	13	6	5	-	12
Between 61 - 90 days	61	2	-	-	61	2
Greater than 90 days	335	3	42	9	377	12
Total	265	39	118	26	383	65

• Debtors

Key Points:

- At the end of month 12 the CCG has debtors totaling £383k of which £450k is overdue and considered recoverable.

Cash Drawings

Main Cash Drawdown To Date £000	Prescribing Cash Charge To Date £000	Total Cash Drawings To Date £000	Current Allocation £000	Drawings to Date as a % of Allocation £000
141,599	15,868	157,467	161,719	97.37%

Key Points:

- The CCG processed a cash draw down of £10.7m in March totaling £141.6m for the year date. The charge against prescribing stands at £15.9m giving a total charge of £157.5m for the year against our cash allocation of £161.7m.
- At the end of the month the CCG had £83.8k which is 0.78% of cash drawn down for the month therefore inside the 1.25% 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 January	5,955	1,658	2,089	1,132	2,513	13,347
At 28 February	5,093	1,711	1,324	1,271	3,139	12,538
At 31 March	5,058	1,162	315	1,271	4,761	13,272

Aged Creditors - volume	Nos	Nos	Nos	Nos	Nos	
At 31 January	313	167	197	90	295	1,062
At 28 February	354	157	177	81	345	1,114
At 31 March	560	242	91	122	357	1,372

Key Points:

- Creditors (unpaid invoices on the system) stand at £13.2m at 31 March a decrease of £0.7m over the previous month. Creditors over 90 days stand at £4.7m.

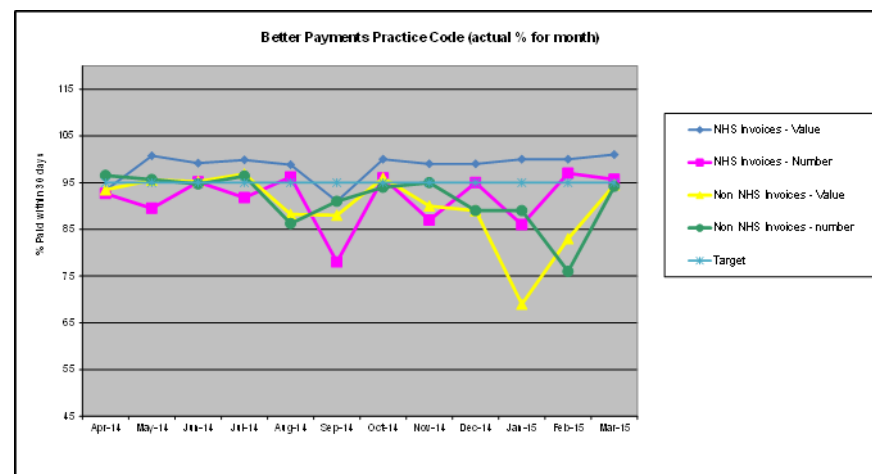
Better Payment Practice Code

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	128,562	3449	16,179	3,572	144,741	7021
Total invoices paid within 30 days	126,726	3162	14,608	3,268	141,334	6430
% Paid within 30 days	98.6%	91.7%	90.3%	91.5%	97.6%	91.6%
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 10 in comparison to the DH target of paying 95% supplier invoices within 30 days.

Key Points:

- In March all categories achieved 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
	£000	£000	£000	%age		£000	£000	£000	%age	
Transformation Acute	(212)	(98)	114	46 %	●	(2,257)	(267)	1,990	12 %	●
Transformation Community	18	0	(18)	0 %	●	108	28	(80)	0 %	●
Transformation MH	13	12	(1)	95 %	●	148	148	0	100 %	●
Transformation Primary Care	(28)	(267)	(239)	965 %	●	(355)	(452)	(97)	127 %	●
Transformation other	0	67	67	0 %	●	67	67	0	100 %	●
Total Transformational Net Savings	(209)	(286)	(77)	137 %	●	(2,289)	(476)	1,813	21 %	●
Key Performance RAG Rating (Finance)	>=95% of plan	>=75% of plan and <95% of plan	<75% of plan							

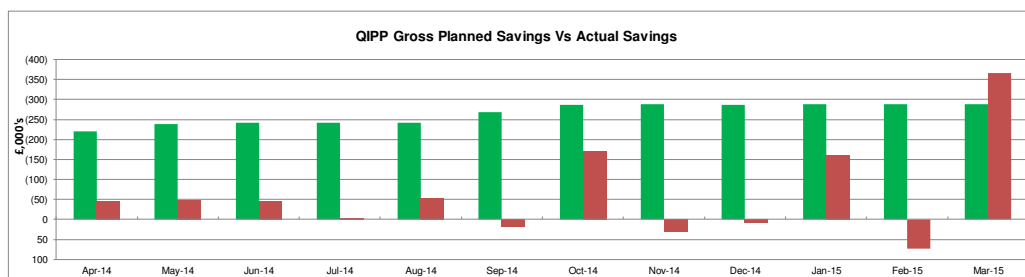
At month 12, the QIPP Programme delivered £476k savings on a net target of £2.28m (21%).

Note:

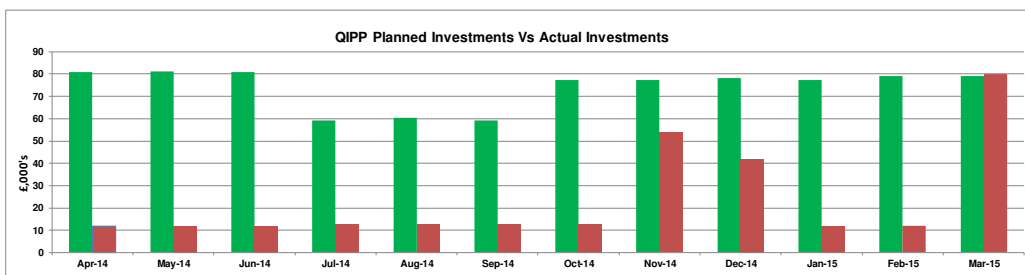
+ve = investment

/ -(ve) = savings

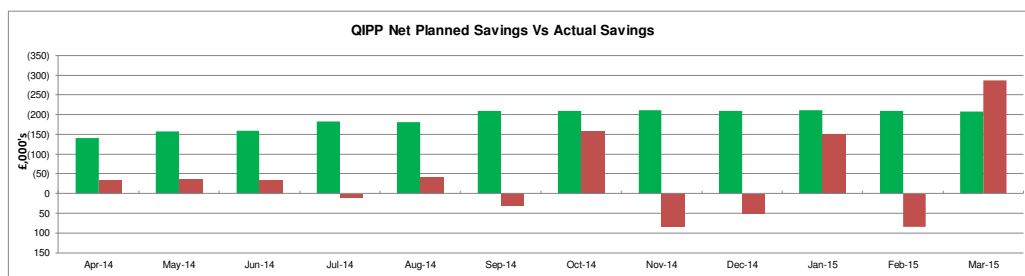
Section F1 – QIPP (Actual Performance)



	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	(221)	(239)	(241)	(242)	(241)	(269)	(286)	(288)	(287)	(288)	(288)	(288)	(3,178)
Actual / Revised	(47)	(48)	(47)	(3)	(54)	20	(170)	31	8	(162)	73	(366)	(765)



	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	81	81	81	59	60	59	77	77	78	77	79	79	890
Actual / Revised	12	12	12	13	13	13	13	54	42	12	12	80	288



	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	(140)	(158)	(160)	(183)	(181)	(210)	(209)	(211)	(209)	(211)	(209)	(209)	(2,288)
Actual / Revised	(35)	(36)	(35)	10	(41)	33	(157)	85	50	(150)	85	(286)	(477)

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	Achieved	Risk Rating
		Budget	Actual	Variance	Year to Date	
		£000	£000	£000	% age	
PLCV	Gross Savings	(225)	0	225	0 %	●
	Investments	0	0	0	0 %	●
	Net	(225)	0	225	0 %	●
Pathology & Radiology	Gross Savings	(80)	0	80	0 %	●
	Investments	0	0	0	0 %	●
	Net	(80)	0	80	0 %	●
A & E Target	Gross Savings	(416)	0	416	0 %	●
	Investments	0	0	0	0 %	●
	Net	(416)	0	416	0 %	●
Impact on Outpatient	Gross Savings	(655)	(267)	388	41 %	●
	Investments	215	28	(187)	13 %	●
	Net	(440)	(239)	201	54 %	●
Ward 8 EsD	Gross Savings	(412)	0	412	0 %	●
	Investments	0	0	0	0 %	●
	Net	(412)	0	412	0 %	●
Non Electives Impact	Gross Savings	(832)	0	832	0 %	●
	Investments	363	0	(363)	0 %	●
	Net	(469)	0	469	0 %	●
Medicine Management	Gross Savings	(558)	(497)	61	89 %	●
	Investments	23	0	(23)	0 %	●
	Net	(535)	(497)	38	93 %	●
Other QIPP Schemes	Gross Savings	0	0	0	0 %	●
	Investments	288	260	(28)	90 %	●
	Net	288	260	(28)	90 %	●
Total	Gross Savings	(3,178)	(764)	2,414	24 %	●
	Investments	889	288	(601)	32 %	●
	Net	(2,289)	(476)	1,813	21 %	●

The table shows the QIPP plan and delivery for the year to date actual and forecast outturn to date. The majority of individual QIPP detailed plans will be reported through the specific programme report.

Note

+ve = investment

-(ve) = savings