Bedfordshire Clinical Commissioning Group

Governing Body Meeting in Public
Thursday 24th November 2016

Title: **Finance Report Month 6**	**Agenda Item:** **18.0**
Presented by: **Ben Jay, Chief Finance Officer**	
Author: **Malcolm Miller, Deputy Chief Finance Officer**	
Responsible Executive Director: **Ben Jay, Chief Finance Officer**	
Has this paper been signed off by the Responsible Executive Director? Yes	
Actions/ Recommendations required by the Governing Body: To note the reported position for the year to date and the forecast outturn position. To note the increased level of risk in the forecast since the month 5 report.	
Purpose of Paper: This report provides the Governing Body with a routine monthly update on the financial position of the CCG.	
Background: It is good practice to provide a routine update on financial matters. This monthly report has been developed in the context of the financial turnaround of the CCG in 2015/16 and addressing the financial requirement to be met in order to exit legal directions.	
Audit Trail: The report will have been considered by the Finance and Performance Committee on the 26th October 2016. The Chair will be able to report back on the discussion that took place at that Committee regarding this paper.	
Strategy Implications: Support the delivery of good governance and transparency and accountability in financial management.	
Financial Implications: The subject of the report	
Risks: The subject of the report.	
Legal The CCG has an obligation to report its financial position in a transparent way and to be properly accountable for the spending of public money.	
Has appropriate engagement and consultation taken place? **N/A**	
Has an appropriate equality and diversity assessment taken place? **N/A**	

Bedfordshire
Clinical Commissioning Group

Financial Performance Dashboard

	Measure	Month 6 performance	RAG Rating	Commentary
1	Forecast performance against plan: Overall	£12m plan surplus is not expected to be delivered based on current plans. The current forecast indicates delivery of a reduced surplus of £9.3m.	High	The forecast position at month 6 is an overspend on Programme Costs of £5.0m & an overspend on Running Costs of £0.1m offset by the application of surplus reseves £2.4m leaving a shortfall against plan of £2.7m
2	Full year forecast QiPP Delivery	A shortfall of £1.9m against the QiPP plan has been assumed in the month 6 forecast	High	More detailed work required to cover firm up new scheme details, high degree of risk attached to them.
3	Year to date performance against plan: Programme Costs	£1,557k adverse variance	High	Over performance in acute contracts and QIPP schemes delivering less rapidly than planned.
4	Year to date performance against plan: Running Costs	£198k favourable variance	Low	Running costs underspent for the first 6 months but forecast to be £115k over on plan.
5a	Public Sector Payment Policy: NHS Invoices (95% target) Non-NHS Invoices (95% target)	 83% by number paid within 30days 95% by number paid within 30days	 Negligible Negligible	 91% achieved by value for NHS 96% achieved by value for Non-NHS
5b	Cashflow	Cash managed within allowed tolerance of Cash Resource Limit	Negligible	Cash year to date managed within plan
5c	Capital Investment	No investment made year to date	Negligible	Capital programme projected to be delivered in 2016/17 - £140k qtr 3, £100k qtr 4
5d	Accounts delivered to national timetable	All deadlines achieved	Negligible	Monthly timetable and key deliverables issued by NHSE
5e	Un-coded invoices at month end	185 un-coded Non Purchase Order invoices un-coded	Low	Internal target set at 150 which represents 1 weeks average invoices
5f	Invoices pending authorisation at month end	1,753 pending invoices	Low	Internal target set at 500 pending

Agenda Item 18.1

Financial Report – September 2016 (Month 6 2016/17)

Summary
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Context

1. ‘Stretch’ surplus target. Late in the planning process for 2016/17, the CCG was directed to deliver a higher level of surplus than is usual for the current year. This is not, however, available as uncommitted funds for the CCG but is committed elsewhere in the NHS system. This moved the level of surplus from £5.3m (1% per the business rules – see below) to £12m (or 2.3%). The adjustments required to achieve this higher surplus, reducing investment and increased QIPP, have resulted in a higher level of inherent risk to the delivery of the financial targets.

2. Business rules. The plan that was agreed included compliance with CCG business rules. These are set out below, together with the value and compliance.

Business Rule	Application for BCCG	Current Position
1 % surplus	1% surplus (£5.3m) is planned for, plus a further 1.3% in the current year. The total surplus is £12m. This is shown in Appendix 1.	The CCG is forecasting to deliver a surplus of £9.3m 1.8%, 0.8% in excess of the Business Rule
1% non-recurrent headroom	1% non-recurrent headroom is included in current expenditure as required by NHSE. This amounts to £5.3m and is shown on the face of Appendix 1.	This planned expenditure is uncommitted in its entirety as required by NHSE. No expenditure is shown in the year to date, but the forecast is required to show that this is fully ‘committed’. Discussion with NHSE is ongoing over when this may become available to the CCG.
0.5% contingency	This has been planned for in the current year (value £2.7m). This is shown in Appendix 1.	The current over performance on acute contracts indicates that the full amount of the contingency fund is required to offset that performance over plan.

3. Recurrent balance. The CCG is also required to be able to demonstrate that the underpinning ‘recurrent’ financial position is also in balance. (There is a risk that one-off benefits could be used to report a position financial position, disguising an underlying deficit position.) The CCG is currently planning to deliver an overall surplus, and is therefore compliant with the requirement to demonstrate ‘recurrent revenue balance’.

Year to date

4. In the year so far, BCCG has overspent by £1.557m (0.6%) compared with planned expenditure of £265.4m for the period **(Section 2 and Appendix 1)**.

5. The year to date position has been adversely effected by two main factors:

a. Over-performance by the acute providers, particularly
   - East & North Herts Trusts cost profile: cost has risen sharply despite only a small increase in activity leading to further investigation and analysis with the lead commissioner – E&NH CCG.
   - Luton & Dunstable Hospital treatment of MRET and Readmissions: treatment of MRET & Readmission fines for quarter 1 in their invoicing
   - Bedford Hospital general activity: the general level of activity increased during June and has remained high in July.

b. Spot purchases of out of county beds at a premium

Forecast outturn

6. The forecast position for the whole of the year to March 2017 is for an adverse variance of £2.7m (0.5%) on a planned expenditure of £528.7m. This will yield an overall surplus of £9.3m against the currently agreed NHSE total of £12m, **(section 3)**.

7. The deterioration in the forecast surplus is substantially driven by the following factors which can be broadly divided into 3 categories:

a. Cost pressures already absorbed, not in the original budget (£4.4m).

Following the closure of stroke services at BHT it has not been possible to secure a split tariff agreement with BHT & L&D resulting in the CCG effectively paying twice for the service. The full year impact is estimated to be approximately £500k (year to date impact approximately £250k) which has been built into the forecast position although the CCG continues to seek mitigation with the providers.

The challenge to the CCG by Luton & Dunstable FT on the application of fines in respect of MRET & Readmissions full year impact £825k, year to date impact £414k.

The inclusion of a Clinical Academic Reserve of £500k in the forecast outturn position which was not a clearly defined liability at the start of the year.

Financially challenged ambulance and non-emergency patient transport services which has resulted in an additional cost of £350k for EEAST and an additional £100k for PTS to maintain services.

Free Nursing Care costs which were subject to a 40% price increase by NHS England in July this year, backdated to 1st April 2016, resulting in an additional, unplanned cost pressure of £1m for the year.

The inability to levy constitutional challenges in 2016/17 as notified by the sustainability and transformational fund guidance in March 2016 which realised a benefit of £1.1m to the CCG in 2015/16 and which has been foregone this year.

b. Emerging in-year activity pressures

Activity pressures at Luton & Dunstable FT, particularly in relation to Outpatients has resulted in a cost pressure which has been absorbed into the forecast outturn (£0.9m).

Cost pressures at East & North Herts Trust where the activity levels are running at approximately 3% above the planned levels but the associated costs are 23% higher than the plan (Elective & Non-elective activity). The significant price increase is driven by an improvement in the 'depth of coding' which leads to a higher charge being levied as additional complications are built into the cost baseline e.g. Long Term Conditions. These additional cost were not built into the standard planning model and have resulted in a full year cost pressure of approximately £1.9m. Working in conjunction with the lead commissioner, East & North Herts CCG, the CCG is challenging this price increase on the basis that costs should be constrained to those set out in the underlying contract. The forecast assumes that this challenge will be successful and a mitigated position is built into the forecast outturn at month 6.

c. QiPP – delivery to date and outlook

The QiPP position is monitored in detail each month and a statement of year to date performance and forecast outturn is produced, **Appendix 2.**

Current performance shows underachievement against plan (£362k) although the position has improved slightly since last month which had an adverse variance of £516k.

The CCG continues to show a level of unidentified QiPP i.e. within the overall target there is an amount of £1.85m where plans are not yet in place to deliver the savings. This has been a consistent factor in each month, albeit at differing levels, and plans are actively being sought to address this shortfall. Outside of that amount, a risk-based assessment of all schemes has identified potential 'at risk' elements of QiPP schemes amounting to £2.5m and work continues to de-risk this figure as far as possible.

The range of risk £1.85m rising to £4.35m is a cause for concern but must be viewed against the counterbalancing increased certainty in the rest of the programme i.e. a high level of confidence in 75% of the programme.

The QiPP programme continues to be heavily 'back-loaded' in that the majority of the programme is planned to be delivered in the last few months of the year. This creates additional pressure as there is less time to address any slippage in delivery during those months. It is also where delivery risks are concentrated as per the risk-based review set out above.

It is worth drawing attention to the fact that some of the schemes which have demonstrated the greatest volatility are those schemes which were put in place rapidly at the same time that the surplus target was extended. The evidence is therefore clear that QiPP schemes that have had more time to be developed and refined have proven to be more successful, and it is for this reason that plans are well advanced for next year's QiPP programme where approximately 2/3 of the schemes have already been identified.

For the remainder of the current year, effort will continue to be directed to finding schemes that are cash releasing within the year. Attention is now turning to a number of non-activity related schemes including technical financial measures, as well as to securing a higher level of challenges against tariff-based contracts.

It is the delivery of the QiPP programme that constitutes the greatest threat to the CCG's financial position, but it is clear that the underlying pressures already absorbed and acute activity over plan are key contributory factors.

8. Financial Recovery Plan

In the context of the challenged financial position described above, a financial recovery plan is now being brought together with the intention of securing the £12m surplus by the end of the year. To do this, the plan needs, in the first instance to identify measures equating to £2.7m in year, but it is recognised that a broader target of circa £4.5m should be addressed to mitigate the risk of delayed delivery.

This financial recovery is plan separate to, but closely aligned with, the ongoing activity around QiPP. The financial recovery plan is informed by a detailed month by month forecast of anticipated costs which will help identify 'pressure points' and potential remedial action.

9. The CCG has undertaken an analysis of possible scenarios for the remainder of the financial year which were tabled at the Finance and Performance Committee meeting. This shows that the planned £12.0m surplus is now aligned towards the 'best case' outturn position £12.2m, and that a more likely position is a surplus of c £9.3m. The worst case would be a surplus of c£7.0m. (This would still comply with the business rules requirement to deliver a 1% surplus, but would jeopardise the achievement of the control total for the CCG, as agreed with NHSE and set out in the July publication "strengthening financial performance and accountability in the NHS, 2016/2017". This may affect the lifting of legal directions.)

10. The technical accounting indicators (i.e. Public Sector Payment Policy targets, invoice control, debtors and cash), which all continue to perform within required limits providing assurance of the fundamental financial processes with the exception of the number of NHS invoices paid within the stipulated timescale. This is due to a minor delay as a result of holiday disruption.

11. The position to 31 August includes delivered QIPP of £5.9m (£362k down on plan) while the full year forecast outturn includes QIPP of £15.5m (£1.9m down on plan which relates to unidentified schemes). The actual QIPP performance will be incorporated in future months when the data becomes available.

1. Background

1.1. Following the significant overspend in 2014/15, Bedfordshire CCG has been in financial 'turnaround' during 2015/16. This is part of the intervention by the CCG regulator (NHS England) which placed BCCG under 'legal directions'.

1.2. As part of its financial turnaround plan, Bedfordshire CCG is committed to recovering its financial position from one of significant recurrent deficit to one of financial balance. This has been agreed with NHS England and the CCG continues in financial turnaround in 2016/17 under the legal directions of NHSE.

1.3. Following the approval of the Financial Plan for 2016/17 by the Governing Body in April 2016 the CCG was subsequently directed to amend the plan in order to deliver a higher level of surplus. The direction received from NHS England was to increase the level of surplus from £5.3m (1% per the usual business rules) to £12m (2.3%). The revised plan requires that expenditure in the current financial year is contained to £528.7m some £12m less than the available allocated resources of £540.7m in order to achieve the target surplus.

2. Financial results for the year so far (April to September 2016)

2.1. The position for the first six months of the financial year is a loss of £1,557k compared to the planned expenditure for the period. This position is shown below in table 1, and in more detail in the Appendices**.**

2.2. The position can be seen to be relatively finely balanced, with a net loss equating to 0.6% of the budget.

2.3. The overall position contains a number of areas of over and underspending;

- Acute Commissioning is overspent by £1,966k mainly driven by over-performance on East & North Herts Trust & Luton & Dunstable
- Out of Hospital services by approximately £860k mainly due to the unplanned spot purchase of beds, inclusion of the Remedial Action Plan (RAP) for EEAST and increased cost pressures on the non-emergency patient transport services
- Continuing Healthcare by £386K mainly due to nationally agreed 40% increase to funded nursing care rates.
- Offsetting the above overspends Prescribing underspent by £777k and GPIT by £226k with the planned release of contingency reserves of £764k still leaving a shortfall resulting in the adverse position

Details of the key variances on expenditure are detailed on **Appendices 1a & 1b.**

Table 1: Bedfordshire CCG financial position for the year to September 2016

	Budget £'000	Spending £'000	Variance £'000
Acute Commissioning	116,573	117,661	(1,088)
Other Acute	27,341	26,219	(878)
Commissioning Partnerships	36,848	37,206	(358)
Out of Hospital	30,709	31,569	(860)

CHC	11,830	12,216	(386)
Prescribing	30,574	29,797	777
GPIT	546	320	226
Safeguarding	455	408	47
Subtotal	**254,877**	**257,396**	**(2,519)**
Reserves applied	4,513	3,749	764
Running costs	4,496	4,298	198
Subtotal	**9,009**	**8,047**	**962**
Overall	**263,886**	**265,443**	**(1,557)**

2.4. A number of critical assumptions support the year to date position. These relate particularly to use of reserves, the anticipated profile of expenditure, and the planned delivery of QIPP (savings),

2.5. It is assumed that the QIPP program will achieve £15.5m some £1.9m down on the plan target of £17.4m, and the delivery in the year so far assumes that £5.9m has been achieved. A number of the QIPP schemes are in the early stages of development which has resulted in a back-loaded programme with 36% delivered in the first half of the year and 64% in the second half, **Appendix 2**.

3. Forecast year-end position

3.1. Based on the financial position at the end of September, the forecast position for the end of the financial year is a surplus of £9.3m (1.8%) some £2.7m down on the planned target of £12.0m. The key reason for the shortfall are a combination of unplanned cost pressures, over performance on acute tariff based contracts and a shortfall on the delivery of the QiPP programme the described in more detail above The position is shown in table 2.

Table 2: Bedfordshire CCG financial position for the full year to March 2017

	Budget £'000	**Spending £'000**	**Variance £'000**
Acute Commissioning	229,904	231,401	(1,497)
Other Acute	54,362	57,122	(2,760)
Commissioning Partnerships	73,697	73,125	572
Out of Hospital	61,610	63,744	(2,134)
CHC	23,661	24,756	(1,095)
Prescribing	61,036	59,432	1,604
GPIT	1,092	950	142
Safeguarding	947	815	132
Subtotal	**506,309**	**511,345**	**(5,036)**
Reserves applied	13,406	10,942	2,464
Running costs	9,040	9,156	(115)
Subtotal	**22,446**	**20,098**	**2,348**

Overall	**528,755**	**531,443**	**(2,688)**

3.2. The overall surplus of £9.3m has been achieved by the use of reserves to offset the overspending on programme costs.

3.3. Details of the variances in spend against budget are shown in Appendix 1a and 1b.

4. Financial Risks

4.1. The main financial risks are:

- Delivery of the QIPP Program in full during the remainder 2016/17, bearing in mind that 64% of schemes are only planned to deliver in the last half of the year.
- Managing Acute over Performance on the Top 6 Contracts (and specifically on non-elective activity);
- Formally reconciling, and evidencing, the reported contract position with individual providers on a monthly “closedown” basis
- Managing the East London FT Mental Health contract within the financial envelope
- Unplanned growth in CHC
- Management of spot purchase of beds

5. Financial/Technical Accounting 2016/17

There are also a number of other useful financial indicators of performance that can be derived from sources within the financial ledger, in order to both help manage performance and also track improvements, **Appendix 3**, namely;

5.1. Public Sector Payment Policy

This shows that for Month 6, 95% (number) and 96% (value) of Non NHS invoices were paid within 30 days of being approved (against the 95% target). It also shows that for Month 6, 83% (number) and 91% (value) of NHS invoices were paid within 30 days of being approved (against the 95% target).

5.2. Invoices awaiting authorisation

The analysis shows that, at Thursday 13th October 2016, there were 1,753 invoices (previously 1,763 at 13th September 2016) within the financial ledger, awaiting processing (either coding, and/or approval, and/or formally in dispute).

The analysis shows the value of these pending invoices as at 13h October 2016 was £27.6m (previously £24.6m as at 13th September 2016), being a £3.0m increase in unauthorised invoices held on the system driven by a short term phasing issue.

5.3. Cash Flow

Using the agreed annual budget of £528m, as a proxy indicator for available cash, it is possible to gauge whether, or not, cash expenditure is in line with the plan.

Accordingly, the forecast cash “drawdown” for Months 01 to 06 is circa £264.4m, with an actual drawdown occurring of £266.5m.

Hence, as at 30th September 2016 the under drawn of cash, against the plan, is £2.1m, which is caused by minor variation in the phasing of payments.

Whilst it is a relatively crude analysis, it does help triangulate financial performance, and provide another indicator of financial control.

5.4. Aged Debtors

The total outstanding debtors balance (i.e. monies owed to the CCG) as at 30th September 2016 is £5.6m (previously £5.9m).

	£	No.	%age
30 days or less	1,477,619	47	49.8%
31to 60 days	1,584,448	20	1.2%
61 to 90 days	42,469	6	3.2%
91 to 120 days	173,049	13	19.2%
121 days or more	2,294,766	47	26.6%
	5,572,351	**133**	**100.%**

- 121 days or more includes £396k for Circle & £216k relating to Optum & £965k to BBC which is being paid in instalments which is the main reason for the year on year differential.

The comparative period in 2015/16 had total debtors outstanding of £5,855,729 of which £841,378 had been outstanding for 121 days or more.

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Appendix 1a

Summary of financial position at 30 September 2016 (Month 6)

	2015/16 Outturn £'000	Annual Budget £'000	Forecast Outturn £'000	Variance Full Year £'000	Variance Full Year %	Budget YTD £'000	Actual YTD £'000	Variance Year to Date £'000	Variance Year to Date %
Income									
Recurrent Resource Allocation	(486,013)	(530,054)	(530,054)	0	0.00%	(264,535)	(264,535)	0	0.00%
Running Cost Allowance	(9,732)	(9,814)	(9,814)	0	0.00%	(4,907)	(4,907)	0	0.00%
Deficit brought forward	43,228	63,149	63,149	0	0.00%	31,575	31,575	0	0.00%
Others	2,620	(891)	(891)			(446)	(446)		
Total Income	**(449,897)**	**(477,610)**	**(477,610)**	**0**	**0.00%**	**(238,313)**	**(238,313)**	**0**	**0.00%**
Expenditure									
Acute Commissioning Top six providers	223,554	229,904	231,401	(1,497)	-0.65%	116,573	117,661	(1,088)	-0.93%
Other Acute Commissioning	57,360	54,362	57,122	(2,760)	-5.08%	27,341	28,219	(878)	-3.21%
Commissioning partnerships	73,179	73,697	73,125	572	0.78%	36,848	37,206	(358)	-0.97%
Out of Hospital	58,695	61,610	63,744	(2,134)	-3.46%	30,709	31,569	(860)	-2.80%
Continuing Healthcare	23,570	23,661	24,756	(1,095)	-4.63%	11,830	12,216	(386)	-3.26%
Primary Care Prescribing	59,855	61,036	59,432	1,604	2.63%	30,574	29,797	777	2.54%
GP IM&T	862	1,092	950	142	13.00%	546	320	226	41.33%
Safeguarding	725	947	815	132	13.94%	455	408	47	10.42%
TOTAL EXPENDITURE BEFORE APPLICATION OF RESERVES	**497,800**	**506,309**	**511,345**	**(5,036)**	**-0.99%**	**254,877**	**257,396**	**(2,519)**	**-0.99%**
Reserves									
Transformation Fund	4,080	4,534	4,720	(186)	-4.10%	2,267	2,828	(561)	-24.75%
Contingency Reserve	0	2,650	0	2,650	100.00%	1,325	0	1,325	100.00%
CHC Risk Pool	2,303	921	921	0	0.00%	921	921	0	0.00%
Non Recurrent Headroom	0	5,301	5,301	0	0.00%	0	0	0	0.00%
Sub Total	6,383	13,406	10,942	2,464	**18.38%**	4,513	3,749	764	**16.93%**
TOTAL PROGRAMME EXPENDITURE AFTER APPLICATION OF RESERVES	**504,183**	**519,715**	**522,287**	**(2,572)**	**-0.49%**	**259,390**	**261,145**	**(1,755)**	**-0.68%**
Running Costs	8,863	9,040	9,156	(115)	-1.28%	4,496	4,298	198	4.40%
SURPLUS/(DEFICIT)	**(63,149)**	**(51,146)**	**(53,833)**	**2,687**	**-5.25%**	**(25,573)**	**(27,131)**	**(1,557)**	**6.09%**
IN YEAR SURPLUS/(DEFICIT)	**(19,921)**	**12,003**	**9,316**	**2,687**	**22.39%**	**6,001**	**4,444**	**(1,557)**	**-25.95%**

Bedfordshire Clinical Commissioning Group

Appendix 1b

Explanation of Key Variances at 30 September 2016 (Month 6)	2015/16 Outturn £'000	Annual Budget £'000	Forecast Outturn £'000	Variance Full Year £'000	Variance Full Year %	Variance Year to Date £'000	Variance Year to Date %	Comments
Income								
Recurrent Resource Allocation	(486,013)	(530,054)	(530,054)	0	0.00%	0	0.00%	
Running Cost Allowance	(9,732)	(9,814)	(9,814)	0	0.00%	0	0.00%	
Others	43,228	62,258	62,258	0	0.00%	0	0.00%	
Total Income	**(449,897)**	**(477,610)**	**(477,610)**	**0**	**0.00%**	**0**	**0.00%**	
Expenditure								
Acute Commissioning Top six providers	223,554	229,904	231,401	(1,497)	-0.65%	(1,088)	-0.93%	)
Other Acute Commissioning	57,360	54,362	57,122	(2,760)	-5.08%	(878)	-3.21%	)
Commissioning partnerships	73,179	73,697	73,125	572	0.78%	(358)	-0.97%	) See Appendix 2b.
Out of Hospital	58,695	61,610	63,744	(2,134)	-3.46%	(860)	-2.80%	)
Continuing Healthcare	23,570	23,661	24,756	(1,095)	-4.63%	(386)	-3.26%	Figures reconciled to Broadcare database & reflect the impact of the 40% increase to Free Nursing Care rates as determined by NHSE
Primary Care Prescribing	59,855	61,036	59,432	1,604	2.63%	777	2.54%	Both ytd & forecast position reflect additional savings anticipated on top of the stretch QiPP target which has been incorporated into the base budget position
GP IM&T	862	1,092	950	142	13.00%	226	41.33%	Ytd savings partially generated by phasing (which will reverse in future months) & the FOT is predicated on a more cost effective SLA for the delivery of support services
Safeguarding	725	947	815	132	13.94%	47	10.42%	
TOTAL EXPENDITURE BEFORE APPLICATION OF RESERVES	**497,800**	**506,309**	**511,345**	**(5,036)**	**-0.99%**	**(2,519)**	**-0.99%**	
Reserves								
Transformation Fund	4,080	4,534	4,720	(186)	-4.10%	(561)	-24.75%	The forecast position reflects that transition costs have been over committed by £186K at month 6. The position is being reviewed to identify any potential reductions.
Contingency Reserve	0	2,650	0	2,650	100.00%	1,325	100.00%	Contingency released to support target surplus in line with plan profile .
CHC Risk Pool	2,303	921	921	0	0.00%	0	0.00%	
Non Recurrent Headroom	0	5,301	5,301	0	0.00%	0	0.00%	
Sub Total	6,383	13,406	10,942	2,464	**18.38%**	764	**16.93%**	
TOTAL PROGRAMME EXPENDITURE AFTER APPLICATION OF RESERVES	**504,183**	**519,715**	**522,287**	**(2,572)**	**-0.49%**	**(1,755)**	**-0.68%**	
Running Costs	8,863	9,040	9,156	(115)	-1.28%	198	4.40%	Based on directorate level forecast, additional costs in later half of year as new structures are appointed to.
SURPLUS/(DEFICIT)	**(63,149)**	**(51,146)**	**(53,833)**	**(2,687)**	**5.25%**	**(1,557)**	**2.38%**	
IN YEAR SURPLUS/(DEFICIT)	**(19,921)**	**12,003**	**9,316**	**(2,687)**	**-22.39%**	**(1,557)**	**3.99%**	

Bedfordshire CCG
QIPP STATUS REPORT - Period Ending 30 September 2016 (Month 6)

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Appendix 2

No.	Status Scheme	Programme	Actual April Month 01 £'000	Actual May Month 02 £'000	Actual June Month 03 £'000	Actual July Month 04 £'000	Actual August Month 05 £'000	Actual September Month 06 £'000	Forecast October Month 07 £'000	Forecast November Month 08 £'000	Forecast December Month 09 £'000	Forecast January Month 10 £'000	Forecast February Month 11 £'000	Forecast March Month 12 £'000	Estimated Total Impact £'000	Currency/Measurement	Previous Forecast	Movement (Inc/(Red))
1	CHC Optimisation	CHC	58	58	58	77	77	77	77	77	77	95	95	95	**920**	Complex case panel (VFM) / Net budget performance	**920**	**0**
10	Tackling Admissions for Asthma in children	Children, Young People & Maternity													**0**	Admissions (Non-elective) / Reduction from baseline	**13**	**-13**
20	Medicines Optimisation	Medicines Management	84	63	90	64	50	93	19	19	34	30	18	21	**585**	KPIs suite / Net budget	**556**	**29**
21	Urology Equipment Formulary Switches	Medicines Management										9	9	9	**27**	KPIs / Reduction from baseline	**73**	**-46**
22	Home Oxygen Services for the East of England Region	Medicines Management	4	4	4	4	4	4	4	4	4	4	4	4	**50**	KPIs / Reduction from baseline	**50**	**0**
23	Biosimilars: Infliximab & Etanercept	Medicines Management	1	1	2	4	6	8	11	14	16	18	22	26	**129**	High cost drug recharge / Reduction from baseline	**129**	**0**
24	Medicines Management Stretch	Medicines Management	156	156	156	352	181	181	181	181	181	181	181	181	**2,264**	Net budget performance	**2,264**	**0**
25	Script Switch Contract Efficiency	Medicines Management				6	6	6	6	6	6	6	6	6	**51**	KPIs/Reduction from baseline	**51**	**0**
26	Care Home Pharmacy	Medicines Management									1	2	2	3	**8**	Expenditure / Reduction of unnecessary scripts issued	**8**	**0**
40	ELFT Contract - Mental Health Stepped Care Model - Year 2	Mental Health & Learning Disability	50	50	50	50	50	50	50	50	50	50	50	50	**601**	Contractual savings / Reduction from budget	**601**	**0**
41	Reconfiguration of Acute Adult Mental Health Beds - FYE	Mental Health & Learning Disability	88	88	88	-264									**0**	Scheme removed / benefit taken at budget-setting	**0**	**0**
42	Carers in Bedfordshire & Alzheimer's Society contract efficiency	Mental Health & Learning Disability				3	3	3	3	3	3	3	3	3	**29**	Contract variation / Reduction from budget	**29**	**0**
43	Advocacy Contract Efficiency	Mental Health & Learning Disability	8	8	8	8	8	8	8	8	8	8	8	8	**101**	Contractual savings / Reduction from budget	**101**	**0**
44	Street Triage	Mental Health & Learning Disability						50	8	8	8	8	8	8	**100**	Activity (Non-elective) / Non-conveyance to acute setting		**100**
50	VBEC 1 (Declined & Admin Closures)	Planned Care	130	192	169	130	130	202	198	198	220	210	210	210	**2,199**	Activity (Elective) / Reduction in agreed basket of procedures	**1,560**	**639**
51	VBEC 1 (Contracting Challenges)	Planned Care					146	134	121	109	96	84	71	58	**817**	Expenditure / Enforcement of prior-approval schemes	**817**	**0**
52	FYE 2015/16 IVF Policy Change	Planned Care	6	19	18	18	18	18	18	18	18	18	18	18	**200**	Activity / Reduction in volume of patients receiving 3 cycles	**200**	**0**
53	EoL: Additional Training	Planned Care	30	30	30	30	15	8	8	8	8	8	8	8	**194**	Activity (Non-elective) / Non-conveyance to acute setting	**244**	**-50**
54	Ophthalmology Pilot	Planned Care	9	12	12	12	0	0	0	0	0	0	0	0	**45**	Activity (Elective) / Reduction in admissions from baseline	**45**	**0**
55	Stroke - Early Supported Discharge	Planned Care							60	60	60	60	60	60	**360**	Activity / Shorter length of stay and focussed discharge care	**360**	**0**
56	Ear, Nose and Throat pathways review	Planned Care							5	5	6	6	6	6	**34**	Expenditure / volume of activity transferred to a community setting	**34**	**0**
57	Integrated COPD Service	Planned Care				7	7	7	7	7	7	7	7	7	**60**	Activity (NEL) / Reduction in COPD admissions run-rate	**60**	**0**
58	VBEC 2	Planned Care											18	48	**66**	Activity / Reduction from baseline expenditure	**243**	**-177**
59	VBEC 3 : Fit for your op policy	Planned Care													**0**	Activity / Reduction from baseline expnditure	**276**	**-276**
60	Psychology Integration with MSK	Planned Care							16	16	16	16	16	16	**96**	Activity (NEL) / Reduction from patient baseline	**96**	**0**
62	Improvement of Diabetic Footcare Pathway	Planned Care										0	0	0	**0**	Activity (NEL) / Reduction from patient baseline	**227**	**-227**
63	Gastroenterology (Faecal Calprotectin)	Planned Care						11	11	11	11	11	11	11	**79**	Activity (OP) / Reduction in OP activity due to improved diagnostics	**79**	**0**
64	Consultant to Consultant Referrals	Planned Care							8	8	8	8	8	8	**50**	Activity / Reduction from baseline	**50**	**0**
65	Community Beds - Rehab	Planned Care						71	71	71	71	71	71	71	**500**	Spot purchase expenditure/ Reduction in run-rate	**500**	**0**
80	Falls Training	Unplanned Care	21	21	21	21	9	98	9	9	9	9	9	9	**245**	Activity (NEL) / Reduction from baseline activity	**156**	**89**
81	Fracture Liaison Service	Unplanned Care													**0**	Activity (NEL) / Reduction in admisions due to fractures	**42**	**-42**
82	Strength and Balance training	Unplanned Care													**0**	Activity (NEL) / Reduction in admissions due to fractures	**40**	**-40**
84	Frequent A&E attenders	Unplanned Care							3	3	3	3	3	3	**20**	Attendences (A&E) / Reduction in level oF A&E admissions	**20**	**0**
85	Urgent Connect	Unplanned Care							13	13	14	13	13	14	**80**	Activity (A&E/NEL) / Reduction in level oF A&E and NEL admissions	**80**	**0**
86	NCA Ambulances	Unplanned Care							3	3	3	3	3	3	**17**	Expenditure / Reduction in NCA run-rate	**17**	**0**
87	Acute Care Opportunities	Unplanned Care										143	143	143	**429**	Activity (A&E/NEL) / Reduction in level oF A&E and NEL admissions	**510**	**-81**
100	Building Capacity in Anticoagulation Services	Primary Care							12	12	12	12	12	12	**72**	Expenditure / Reduction in stoke risk and associate admissions	**144**	**-72**
101	Circle Referral Bypassing	Primary Care	218	48	48	48	48	48	33	33	33	33	33	33	**658**	Expendiure / Reduction in referrals bypassing the Circle hub	**658**	**0**
102	General Practice Quality and Performance	Primary Care				9	9	37	37	72	72	72	72	73	**453**	OP attendences / Reduction in GP variation for selected specialties	**453**	**0**
104	Hospice @ Home	Primary Care				3	3	3	3	3	3	3	3	3	**29**	Expenditure / Contractual reduction	**29**	**0**
105	Referral Advice and Guidance	Primary Care										25	25	25	**75**	Admissions (Elective) / Reduction in run-rate expenditure	**500**	**-425**
106	Primary Care Opportunities	Primary Care										26	26	26	**78**	Admissions (NEL) / Reduction in frail elderly admissions	**232**	**-154**
120	Reduced Corporate Contracts (MFD & IA / CF / GP IT)	Transactional	23	23	23	23	23	23	23	23	23	23	23	23	**272**	Expenditure / Reduced CCG overheads	**272**	**0**
121	Reduced Corporate Costs (Temp / Agency Staff / Running Costs)	Transactional				310	55	55	55	55	55	55	55	55	**750**	Expenditure / Delivery via CCG overhead costs	**750**	**0**
122	Property Efficiency	Transactional				17	17	17	17	17	17	17	17	17	**150**	Expenditure / Reduction in Property baseline	**150**	**0**
123	Anticoagulation Management Variation	Transactional													**0**	Scheme removed / no saving achievable	**0**	**0**
124	EEAST Contract Rebase	Transactional	26	26	26	96	43	43	43	43	43	43	43	43	**520**	Financial / Contractual budget adjustment	**520**	**0**
125	Provider Performance (Quality Premium / CQUIN)	Transactional							167	167	167	167	167	167	**1,000**	Financial / Successful demonstation of deliverables	**1,000**	**0**
126	Retained Investments	Transactional	75	75	75	-225	0	0	0	0	0	0	0	0	**0**	Scheme removed / transformation expenditure committed	**0**	**0**
127	Challenges (Contracting / CSU)	Transactional					74	74	74	74	73	74	74	73	**590**	Expenditure / Successful challenges recognised	**590**	**0**
128	Expenditure Review	Transactional							83	83	83	83	83	83	**500**	Expenditure / Reduction of budget to recongnise n/r opportunities	**500**	**0**
140	QIPP to be identified	Transactional										617	617	617	**1,850**		**1,104**	**746**
	Total		**987**	**874**	**878**	**802**	**981**	**1,329**	**1,466**	**1,492**	**1,520**	**2,335**	**2,332**	**2,357**	**17,354**		**17,354**	**0**
	Cumulative Actual		**987**	**1,862**	**2,740**	**3,542**	**4,523**	**5,852**	**7,318**	**8,810**	**10,330**	**12,665**	**14,997**	**17,354**				
	Cumulative Plan		**890**	**1,803**	**2,738**	**3,889**	**5,039**	**6,214**	**7,640**	**9,112**	**10,606**	**12,847**	**15,070**	**17,352**				
	Over/(Under) Plan		**97**	**59**	**2**	**(347)**	**(516)**	**(362)**	**(322)**	**(302)**	**(276)**	**(182)**	**(73)**	**2**				
															36%	Plan M1 to 6		
	In month Plan		890	913	935	1,151	1,150	1,175	1,426	1,472	1,494	2,241	2,223	2,282	64%			
	In month Actual		987	874	878	802	981	1,329	1,466	1,492	1,520	2,335	2,332	2,357	34%	Actual/Forecast M1 to 6		
															66%	Forecast M7 to 12		

NHS
Bedfordshire
Clinical Commissioning Group

Financial Accounting update at 30th September 2016 (Month 6) **Appendix 3**

1 **PSPP September**

	Number of invoices		%	Value of invoices		%
	Total	**Within Target**		**Total**	**Within Target**	
NHS	**528**	**438**	**83%**	**33,681,078**	**30,680,189**	**91%**
NON NHS	**1512**	**1431**	**95%**	**8,612,887**	**8,274,897**	**96%**

2 **Unauthorised Invoices**

	12/10/2016		Disputed /Queried/Backing requested	
	Number	**Value**	**%**	**Value**
On Hold	**1349**	**11,866,115**	**48%**	**6,530,364**
Not on Hold	**404**	**15,780,693**		
Total	**1753**	**27,646,808**		

TOP 5	**On Hold**	
	Number	**Value**
06FJHAYTER	624	1,614,191
06FSFINCH	223	1,183,393
06FMMILLER	119	923,481
06FAGALE	92	337,914
06FGMANNING	55	180,278
Total	**1113**	**4,239,256**

Top 5	**Not on Hold**	
	Number	**Value**
06FASELLAR	31	40,223
06FDPICKING	23	62,592
06FDDERBY	17	116,191
06FBJAY	17	7,182,160
06FAGALE	15	84,584
Total	**103**	**7,485,750**

3 Cashflow

	Actual Drawdown to Sept 2016	Forecast Drawdown to Sept 16	(Under)/ Over Drawdown	Assumed Annual Cash Limit
Monthly Drawdown	239,010	236,841	2,169	473,682
Prescribing/Drug Topslice	26,610	26,679	-69	53,358
CHC Risk pool adjustment	921	921	0	921
Total	266,541	264,441	2,100	527,961
	Percentage of MCD utilised			50.5%
	Percentage of months completed in financial year			50.0%

4 Aged Debtors -30/09/2016

	30 days or less		1-30 days overdue		31-60 days overdue		61-90 days overdue		91-120 days overdue		Greater than 121 days overdue		Totals - all debtors	
	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value			Number	Value
ALL	27	896,185	20	581,434	20	1,584,448	6	42,469	13	173,049	47	2,294,766	133	5,572,351
NHS	3	259,630	5	306,832	10	216,734	0	0	4	12,176	26	520,691	48	1,316,063
NON NHS	24	636,555	15	274,602	10	1,367,714	6	42,469	9	160,873	21	1,774,075	85	4,256,288
Non NHS invoices include -														
CIRCLE CLINICAL SERVICES LIMITED					3	1,085,510			2	4,319	4	395,555	9	1,485,384
UNITED HEALTH UK LTD	1	418,643			1	241,644			1	128,875	2	215,648	5	1,004,810

121 DAYS + NON NHS BMI - Reablement £83k, CBC £78K S256, £396K underpayt by Circle for MSK penalties. Optum £216k. BBC £965K (being paid in installements)

121 DAYS + NHS Includes Medeanalytics £337k, IG reccharges to Luton CCG £88k and SEPT recharges £115k