

NHS BERKSHIRE WEST CCG

FINANCIAL PERFORMANCE TO July 2018/19

MONTH 4 2018/19

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Section A1- Finance Dashboard:

Financial Duties		Target	Target £'000s	Actual £'000	% achieved	Rating this month	Explanation of target measure
1	In Year Financial Position - Forecast Outturn	Achievement of breakeven position	£0	£0	Yes		
2	Runnings Costs Forecast Outturn	Not overspend Running cost allocation	£10,801	£10,200	Yes		
3	Capital expenditure not to exceed resource		£0	£0	Yes		Capital allocations not yet agreed

Non statutory financial duties		Target	Target £'000s	Actual £'000	% achieved	Rating this month	Explanation of target measure
4a	YTD Creditors - Better Payment Practice Code	95% paid within 30 days	£162,426	£160,970	99.1%		Achieved target by value of the invoices
4b	YTD Creditors - Better Payment Practice Code (By volume)	95% paid within 30 days	5,632	5,392	95.7%		
5	Mental Health Parity of Esteem target achieved	Set % increase in spend in year.	3.1%	3.7%	Yes		
6	YTD Cash drawing	% of total allocation drawn	218,500	215,197	98%		
7	Month end cash balances	1.25% Bank Balance or within £250k	597	91	Yes		

Financial Indicators		Target	Target £'000s	Actual £'000	% achieved	Rating this month	Explanation of target measure
8	In Year Financial Position year to date	Achievement of breakeven position	£216,505	£216,505	Yes		
9	QIPP Year to Date	Actual	2,669	2,160	81%	0.809202	
10	QIPP Forecast Outturn	Actual	16,875	7,712	46%		
11	Net risks to Outturn	All risks able to be mitigated	0	(11)	Yes		

Key

Note:

On Plan
Take Note
Action Required



The CCG is forecasting to achieve all its main financial targets at year end, however, achievement of its £16.9m of savings targets continues to be its main risk with YTD underperformance against savings plans (81% achievement). Achievement of QIPP savings for the year has been downgraded to £13.8m, with an additional risk of £6.1m recognised within net risks (rather than within the FOT position).

FINANCIAL PERFORMANCE TO July 2018/19

MONTH 4 2018/19

Section B1 -Financial Performance

Summary of Position against Plan

Area	YTD Variance against			Forecast			Previous Month Forecast Variance
	YTD Plan	YTD Actual	Plan	Annual Plan	Forecast	Variance	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Commissioning							
Acute Services	108,828	109,670	842	334,284	335,666	1,383	793
Mental Health Services	22,580	22,778	198	67,739	68,313	574	468
Community Health Services	18,161	18,637	476	54,284	54,276	(8)	(8)
Other Commissioning	9,288	6,732	(2,557)	27,665	25,133	(2,532)	(2,732)
Primary Care	47,970	47,955	(15)	144,653	144,613	(40)	0
Continuing Care	7,412	7,317	(94)	22,235	22,271	36	0
Reserves	(1,334)	0	1,334	(5,204)	(4,015)	1,189	2,082
Commissioning Sub Total	212,905	213,089	184	645,656	646,257	601	601
Running Costs	3,600	3,417	(184)	10,801	10,200	(601)	(601)
Total in year	216,505	216,505	(0)	656,457	656,457	(0)	0
Retained Surplus brought forward	4,159	0	(4,159)	12,477	0	(12,477)	(12,477)
Cumulative position	220,664	216,505	(4,159)	668,934	656,457	(12,477)	(12,477)

The CCGs has achieved a breakeven position YTD and is forecasting to break even by year end, as well as also carrying forward prior year surpluses of £12.5m per NHS England guidance. Overperformance in Acute contracts and Mental Health placements currently offset by balances brought forward from last year.

FINANCIAL PERFORMANCE TO July 2018/19

MONTH 4 2018/19

Section C1 -Acute Services

Summary of Position against Plan

Area	YTD Variance against Plan			Forecast Variance			Previous Month Forecast Variance £'000
	YTD Plan £'000	YTD Actual £'000	£'000	Annual Plan £'000	Forecast £'000	£'000	
Royal Berkshire NHS Foundation Trust	76,833	76,833	0	238,298	238,298	0	0
Hampshire Hospitals NHS Foundation Trust	4,814	4,770	(44)	14,441	14,366	(75)	(234)
Great Western NHS Foundation Trust	2,545	2,493	(52)	7,634	7,479	(155)	(283)
Oxford University Hospitals NHS Trust	2,659	2,788	129	7,977	8,269	292	26
Buckinghamshire Healthcare NHS Trust	72	145	73	215	223	8	0
Royal Surrey County NHS Foundation Trust	0	0	0	0	0	0	0
Frimley Park NHS Foundation Trust	2,618	2,931	312	7,855	8,356	501	501
Non NHS Providers *	6,201	6,580	378	18,603	19,131	527	467
London Trust's	1,954	2,048	95	5,861	6,145	284	275
Ambulance Services	5,530	5,476	(54)	16,589	16,589	0	0
Collaborative Commissioning	80	80	(0)	241	241	0	0
High Cost Drugs	3,558	3,556	(2)	10,673	10,673	0	0
Non Contracted Activity (NCA)	1,704	1,692	(12)	5,113	5,071	(42)	0
Winter Pressures	48	48	0	143	143	0	0
End of Life Care	0	0	0	0	0	0	0
Urgent Care	154	171	17	463	506	43	41
Other	59	59	1	176	176	0	0
Total	108,828	109,670	842	334,284	335,666	1,383	793
* Non NHS Providers:							
Berkshire Independent Hospitals (Ramsay)	1,599	1,882	283	4,796	5,213	417	343
Circle Reading	2,793	2,975	182	8,380	8,640	260	255
Spire Dunedin	1,248	1,191	(57)	3,744	3,699	(44)	1
Hampshire Clinics	225	172	(53)	675	519	(156)	(181)
Marie Stopes	6	5	(2)	19	14	(5)	(5)
Oxford Fertility Unit	139	139	0	416	416	0	0
British Pregnancy Advice Society	139	153	14	416	458	42	36
Independent Health Group	4	5	1	13	16	3	7
Other	0	0	0	0	0	0	0
Nuffield Health	10	13	3	30	40	10	10
London Trust admin	59	44	(15)	176	176	0	0
Other recharges	(21)	0	21	(62)	(62)	0	0
	0	0	0	0	0	0	0
	6,201	6,580	378	18,603	19,131	527	0

The contractual arrangement with the Royal Berkshire FT for 2018-19, is cost based and risk shared (rather than based on activity counted within PbR). The position at M3 (rolled forward into the M4 reports), is that the Trust is operating within its net budgets, and is not indicating at this stage that a cost pressure exists.

Performance at the non local trusts is primarily driven by activity over plan in elective admissions at the non NHS providers (reflecting some recovery from a drop in activity in 2017-18), and growth in emergency admissions over plan in NHS providers.

FINANCIAL PERFORMANCE TO July 2018/19

MONTH 4 2018/19

Section C2 - Royal Berkshire Foundation Trust

Area	YTD Plan		YTD Variance
	£'m	YTD Actual £'m	against Plan £'m
Networked Care	16.8	17.2	0.4
Planned Care	24.0	25.2	1.3
Urgent Care	22.9	23.5	0.6
Corporate	25.8	25.2	(0.6)
Drugs	12.1	12.1	(0.0)
Other	1.9	1.9	0.0
Provisions	1.7	0.0	(1.7)
Sub Total	105	105	(0)
Challenges	0	0	0
Total	105	105	(0)

The contractual form of the 2018-19 contract with RBFT is based on the cost to the Trust of providing the services, with net additional costs incurred by the provider being shared equally with the CCG. The latest report available from the Trust relates to YTD M3, and indicates that net of all reserves the Trust remains on target to achieve its financial control total for the year.

FINANCIAL PERFORMANCE TO July 2018/19

MONTH 4 2018/19

Section C3 -Mental, Community Health Services and Continuing Care

Summary of Position against Plan

Area	YTD			Annual			Previous Month Forecast Variance £'000
	YTD Plan £'000	YTD Actual £'000	Variance against Plan £'000	Plan £'000	Forecast £'000	Forecast Variance £'000	
Mental Health Services							
Berkshire Healthcare Foundation NHS Trust	19,006	19,006	0	57,018	57,018	0	0
Child Mental Health Placements	372	341	(30)	1,115	1,009	(106)	135
IAPT	41	44	3	123	126	3	0
Dementia Drugs	0	0	0	0	0	0	0
Southern Health	0	0	0	0	0	0	0
Mental Health Services – Not Contracted Activity	126	126	(0)	377	377	0	0
CAHMSs Income	0	0	0	0	0	0	0
Mental Health Services - Winter Resilience	0	0	0	0	0	0	0
Mental Health Services - Collaborative Commissioning	0	0	0	0	0	0	0
Child and Adolescent Mental Health	137	137	0	411	411	0	0
Learning Difficulties	0	0	0	0	0	0	0
Adult Mental Health Placements	2,899	3,124	225	8,696	9,372	676	333
	22,580	22,778	198	67,739	68,313	574	468

Variance to plan relates to MH placements costs (Adult), which due to their nature can be very volatile (ie small numbers). For this reason much of the potential costs have been recognised as a risk, rather than in Outturn. Increase in this month relates to 9 new placements (including from child) partially offset by leavers/deaths. Child placement variance due to one child moved to adult placements and reduction partially offset by a new patient.

Area	YTD			Annual			Previous Month Forecast Variance £'000
	YTD Plan £'000	YTD Actual £'000	Variance against Plan £'000	Plan £'000	Forecast £'000	Forecast Variance £'000	
Community Services							
Berkshire Healthcare Foundation NHS Trust	15,922	15,922	0	47,767	47,767	0	0
BHFT Community SLA Exclusions	0	0	0	0	0	0	0
Neuro Rehab (52161005)	146	124	(22)	439	250	(189)	(189)
Integrated Community Equipment (NRS)	782	1,282	500	2,346	2,527	181	181
Other Community Equipment	17	15	(2)	52	52	0	0
Carers	64	64	0	193	193	0	0
Hospices	1,229	1,229	0	3,487	3,487	0	0
YOT	0	0	0	0	0	0	0
Long Term Conditions	0	(0)	(0)	0	0	0	0
	18,161	18,637	476	54,284	54,276	(8)	(8)

Neuro Rehab underspend related to patients moving out of Neuro Rehab. NRS Equipment expenditure has been consistently above budget for Q1 due to increased volume of equipment orders compared with Q1 2017/18. However since the top 5 reasons for equipment orders are, facilitating hospital discharge, pressure damage prevention, palliative care at home, maintaining promoting independence and long term conditions, any savings in equipment orders might result in increased inpatient expenditure. The increase in expenditure will however be investigated with the budget holders.

Area	YTD			Annual			Previous Month Forecast Variance £'000
	YTD Plan £'000	YTD Actual £'000	Variance against Plan £'000	Plan £'000	Forecast £'000	Forecast Variance £'000	
Continuing Care							
Continuing Health Care -Adult -100%	3,158	3,212	53	9,475	9,475	0	0
Continuing Health Care -Adult -joint funded	935	790	(145)	2,806	2,806	0	0
Continuing HealthCare -Children	569	660	92	1,706	1,706	0	0
Funding Nursing Care	2,144	1,994	(150)	6,432	6,432	0	0
Continuing Care Assessment Team	487	493	6	1,460	1,496	36	0
CHC Adult Fully Funded Personal Health Budgets	101	133	33	303	303	0	0
CHC Children Personal Health Budgets	13	24	11	39	39	0	0
CHC Adult Joint Funded Personal Health Budgets	5	11	6	15	15	0	0
	7,412	7,317	(94)	22,235	22,271	36	0

CHC YTD is based on current number of clients, however this cannot be extrapolated up to full outturn position as the volume of clients can increase during the year.

FINANCIAL PERFORMANCE TO July 2018/19

MONTH 4 2018/19

Section C4 -Other Commissioning Services

Summary of Position against Plan

Area	YTD Variance against			Forecast Variance			Previous Month Forecast Variance £'000
	YTD Plan £'000	YTD Actual £'000	Plan £'000	Annual Plan £'000	Forecast £'000	Forecast Variance £'000	
Commissioning - Non Acute*	1,851	1,831	(21)	5,554	5,493	(61)	0
Non Recurrent Programmes	0	(2,530)	(2,530)	0	(2,530)	(2,530)	(2,732)
Patient Transport	863	828	(35)	2,589	2,589	0	0
Programme Projects	51	52	1	154	160	6	0
Exceptions & Prior Approvals	26	37	11	79	91	12	0
Safeguarding	0	0	0	0	0	0	0
NHS 111	651	652	2	1,952	1,956	5	0
QUALITY PREMIUM PROGRAMME	0	0	0	0	0	0	0
Better Care Fund	5,434	5,450	15	16,303	16,339	36	0
Recharges NHS Property Services Ltd	411	411	(0)	1,034	1,034	0	0
Nursing and Quality Programme	0	0	0	0	0	0	0
Clinical Leads (ACS)	0	0	0	0	0	0	0
	9,288	6,732	(2,557)	27,665	25,133	(2,532)	(2,732)

Underspends in non recurrent programmes relate to the reversal of net overaccruals in 17/18 month 12 positions (corrected when final costs known). The remaining budgets are all operating within plan.

FINANCIAL PERFORMANCE TO July 2018/19

MONTH 4 2018/19

Section C5 - Primary Care

Summary of Position against Plan

Area	YTD Variance against			Forecast			Previous Month Forecast Variance £'000
	YTD Plan £'000	YTD Actual £'000	Plan £'000	Annual Plan £'000	Forecast £'000	Variance £'000	
Primary care co commissioning	21,813	21,812	(1)	66,184	66,184	0	0
Primary Care IT	495	495	0	1,484	1,484	(0)	0
Local Enhanced Services	2,083	2,083	0	6,250	6,250	0	0
Westcall	1,886	1,886	0	5,658	5,658	0	0
Primary Care Investments	0	0	0	0	0	0	0
Primary Care Developments	0	0	0	0	0	0	0
GP Forward View	184	184	0	553	553	0	0
	26,462	26,460	(1)	80,129	80,129	(0)	0

Prescribing

GP Prescribing	20,083	20,089	5	60,250	60,266	15	0
Out of Hours Prescribing	112	112	(0)	337	337	0	0
Centrally held drug charge	596	596	0	1,787	1,787	0	0
Dressing Products	615	597	(17)	1,844	1,792	(52)	0
Prescribing Incentive	167	167	0	500	500	0	0
GPC Medicines Mgmt. Meeting	9	9	0	26	26	0	0
Home Oxygen Therapy	150	150	0	451	451	0	0
Script Switch	71	70	(1)	214	211	(3)	0
Other income/rebates	(295)	(295)	(0)	(885)	(885)	0	0
	21,508	21,495	(13)	64,524	64,484	(40)	0

The CCG currently has two months of prescribing data (April to May), therefore forecasts have been matched to budgets. Known costs to date do not indicate any material variance. Primary Care budgets are currently being matched to budget. Known costs to date do not indicate any material variance.

FINANCIAL PERFORMANCE TO July 2018/19

MONTH 4 2018/19

Section D1 - Running Costs

Summary of Position against Plan

Area	YTD Plan		YTD Variance against Plan		Annual Plan	Forecast	Forecast Variance	Previous Month Forecast Variance
	£'000	YTD Actual	£'000	Plan £'000	£'000	£'000	£'000	£'000
Pay	1,396	1,464	68		4,189	4,189	0	0
Non Pay	1,007	695	(313)		3,023	2,421	(601)	(601)
CSU SLA	1,197	1,258	61		3,590	3,590	0	0
	3,600	3,417	(184)		10,801	10,200	(601)	(601)

Corporate underspend largely related to QIPP target for running costs for the year of £750k.

Section D2 - Reserves and contingencies

Area	YTD Plan		YTD Variance against Plan		Annual Plan	Forecast	Forecast Variance	Previous Month Forecast Variance
	£'000	YTD Actual	£'000	Plan £'000	£'000	£'000	£'000	£'000
Contingency	0	0	0		2,938	2,938	0	0
Other	(103)	0	103		3,833	1,512	(2,321)	(1,428)
QIPP reserve	(1,230)	0	1,230		(11,975)	(8,465)	3,510	3,510
Headroom	0	0	0		0	0	0	0
	(1,334)	0	1,334		(5,204)	(4,015)	1,189	2,082

The 0.5% contingency budget has not yet been fed into the OT position (ie not used), as it forms part of the CCGs mitigations.

Other reserves relate primarily to expected increases in allocation following the correction of the IR process, while the negative QIPP budget reflects required savings (which could not be allocated against a specific budget, and so remain in reserves). Against this savings target, a £3.5m underperformance has been fed into the FOT, and of the remaining £8.5m, £6.1m has been recognised as a risk within the risk schedule.

FINANCIAL PERFORMANCE TO July 2018/19

MONTH 4 2018/19

Risks and Mitigations	
Risks	Potential risk value £k
Savings schemes underperformance	6,083
Mental Health placements	1,074
Community Equipment	600
Primary Care award	523
Acute activity growth - non local	1,200
Acute activity growth - local	1,552
Connected care	300
Total	11,332
Mitigations	Potential mitigations value £k
Contingency reserve	3,269
Underspends on budgets	3,025
Expected additional allocations	1,276
Other Reserves	2,000
Primary Care award - allocation	523
Other	1,250
Total	11,343
Net reported risks	-11

Major risk relates to the potential underperformance of the QIPP schmes (£6m), potential for activity growth in the acute sector (£2.7m), and emerging pressures in MH placements and Community Equipment. These are currently balanced by use of the CCG contingency, some potential underspends in budgets and expected additional allocations.

FINANCIAL PERFORMANCE TO July 2018/19

MONTH 4 2018/19

Section F - Changes to Allocations

Confirmed Resource limit to Current Budget	£'000
Initial Resource Limit	
Recurrent commissioning allocation	643,093
Running Costs	10,742
Confirmed Initial Resource Limit	653,835
<u>Non Recurrent changes to allocation</u>	
2017/18 Brought Forward Surplus/Deficit	12,477
M2 changes	402
M3 changes	1,790
Perinatal funding Apr-Sep 2018	126
Transformation - M04 IR Changes	38
LeDeR LD funding	10
LD Transformation Funding to TCP	256
MONTH 4 2018/19 Resource Limit	668,934

FINANCIAL PERFORMANCE TO July 2018/19

MONTH 4 2018/19

Cost Improvement and efficiency schemes					
					underperformance
	Annual Plan £	Forecast achievement £	variance £	Recognised in OT £	Recognised in Risk £
CCG cost improvement Schemes					
Prescribing	2,500,000	2,205,827	-294,173	-294,173	0
Running Costs	750,000	634,150	-115,850	-115,850	0
Mental Health placements	600,000	600,000	0	0	0
Community equipment	500,000	500,000	0	0	0
Other	1,500,000	1,350,000	-150,000	-150,000	0
	5,850,000	5,289,977	-560,023	-560,023	0
ICS Schemes					
Green schemes	200,000	1,178,355	978,355	978,355	0
Amber Schemes	2,444,000	1,244,000	-1,200,000		-1,200,000
Red Schemes	2,400,000	0	-2,400,000		-2,400,000
	5,044,000	2,422,355	-2,621,645	978,355	-3,600,000
Right Care Schemes	5,981,000		-5,981,000	-3,497,500	-2,483,500
Total Savings Schemes	16,875,000	7,712,332	-9,162,668	-3,079,168	-6,083,500

The month 3 QIPP report indicated that of the £16.9m savings target, only £7.7m would be achieved. Of the £9.2m underperformance, £3.1m has been recognised in the FOT and the remaining £6.1m is recognised in risk.