Finance & Contracting Performance Report: *Period ended 31 October 2016*

Introduction

This report provides the headlines of the finance and contracting position for the first seven months of the year.

1 Revenue Resource Allocation

NHS Rotherham CCG has a revenue resource allocation of £399.4m for operational purposes. The CCG received an additional allocation in month 7 for £58k relating to children and young people's (CYP) local transformation in mental health, via Mental Health Five Year Forward View. A further £58k is expected to be received in January 2017.

2 Cash

	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
Monthly Cash Drawings	£31m	£27.5m	£27.5m	£29.0m	£27.5m	£25.0m	£29.5m					
Ledger Cash Balance	£5k	£3.6m	£3.9m	£4.1m	£5.0m	£1.2m	£4.4m					
Cash Balance as % of Drawings	0.01%	13.09%	14.18%	14.14%	18.22%	4.80%	14.9%					

The CCG has been notified of an initial Maximum Cash Drawdown (MCD) of £394.9m at month 7. As previously advised, the CCG has opportunity to revise this figure at month 7 and month 10 as its planned cash position for the year crystallises. Following a review of working capital, the CCG has submitted a revised return into NHS England for £395.9m, and will be notified next month of any revised MCD.

3 Better Payment Practice Code

The Better Payment Practice Code requires the CCG to pay all valid invoices by the due date or within 30 days of a receipt of a valid invoice, whichever is later. The target has been set at 95% for all of the below criteria. This is currently being achieved.

April 2016 to October 2016	**Number of Invoices 2016-17**	**Value of Invoices 2016-17**
Percentage of non-NHS trade invoices paid within target	99.9%	99.9%
Percentage of NHS trade invoices paid within target	99.7%	99.9%

4. Reporting of Control Total

As previously reported there is a £9.8m non-recurrent fund which relates to the return of previous years' surpluses (pre-CCG). NHSE have instructed all CCGs to report this figure in the form of a control total which needs to be added to the 1% surplus figure which all CCGs are obligated to achieve from operating activities. NHSE also requires CCGs to express both of these numbers combined as a total which for 2016-17 is a total of £13.5m.

5. Operating Cost Statement (OCS)

The overall position for the CCG is shown below. Further details regarding exceptional variances against specific lines are provided in the remainder of this report.

	Prior Month		Year to Date (Month 7)			Forecast Outturn		
	Variance to Date	Forecast Outturn Variance	Budget	Actual	Variance to Date	Annual Budget	Forecast Outturn	Forecast Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Acute Services								
Rotherham NHS Foundation Trust - Acute	642	1,493	79,764	79,970	207	136,738	137,659	922
Sheffield Teaching Hospitals NHS FT	87	80	13,171	13,269	98	22,578	22,623	44
Doncaster & Bassetlaw Hospitals NHS FT	117	225	5,999	6,060	62	10,253	10,439	186
Other NHS Contracts	80	147	2,332	2,455	124	4,046	4,271	225
Ambulance Services (including PTS and 111)	106	54	6,049	6,125	75	10,370	10,421	51
Other Non NHS Acute Services	60	172	3,321	3,408	87	5,674	5,874	199
Other Non Contract (including NCA's)	4	8	1,120	1,130	10	1,920	1,936	17
Sub total Acute Services	**1,096**	**2,178**	**111,755**	**112,418**	**663**	**191,579**	**193,223**	**1,644**
Mental Health & Learning Disability								
Rotherham, Doncaster & South Humber FT	163	240	17,721	17,840	119	30,380	30,584	204
Other Providers (Mental Health & LD)	59	199	2,960	3,107	147	5,075	5,368	293
Sub total Mental Health & LD	**222**	**439**	**20,682**	**20,948**	**266**	**35,455**	**35,952**	**497**
Community Services								
Rotherham NHS Foundation Trust - Community	-	-	16,709	16,709	0	28,644	28,644	-
Rotherham Hospice	0	(0)	1,824	1,824	(0)	3,127	3,126	(0)
Other Providers (Community)	(1)	(4)	135	130	(4)	231	227	(4)
Sub total Community Services	**(1)**	**(4)**	**18,667**	**18,663**	**(4)**	**32,001**	**31,997**	**(4)**
Primary Care								
Prescribing	399	1,117	28,551	29,082	531	48,668	49,519	851
GP Primary Care Services (Primary Care Committee)	(861)	(1,198)	21,799	20,832	(967)	37,372	36,174	(1,198)
Commissioned Primary Care Services (Other)	(37)	(71)	1,727	1,669	(58)	2,954	2,883	(71)
GP Information Technology	(19)	-	387	351	(35)	663	663	-
Sub total Primary Care Services	**(519)**	**(152)**	**52,464**	**51,934**	**(530)**	**89,657**	**89,239**	**(418)**
Other Programme Services								
Local Authority / Joint Services	(147)	(250)	6,710	6,543	(166)	11,502	11,252	(250)
Continuing Care & Free Nursing Care	(94)	(141)	12,451	12,211	(240)	20,704	20,446	(258)
Voluntary Sector Grants / Services	(12)	(24)	940	926	(14)	1,612	1,588	(24)
Sub total Other Programme Services	**(253)**	**(415)**	**20,101**	**19,681**	**(420)**	**33,819**	**33,286**	**(532)**
Corporate								
Corporate : Running Costs	(200)	(250)	3,098	2,953	(146)	5,312	5,062	(250)
Corporate : Non- Running Costs	15	(7)	1,165	1,197	32	1,998	1,987	(10)
Sub total Corporate	**(185)**	**(257)**	**4,264**	**4,149**	**(114)**	**7,310**	**7,049**	**(261)**
Sub total - all areas	**360**	**1,789**	**227,933**	**227,793**	**(140)**	**389,820**	**390,745**	**925**
Central								
Centrally held Budgets	(360)	(1,789)	1,156	1,296	140	5,872	4,947	(925)
Surplus required by business rules	(1,864)	(3,729)	2,175	-	(2,175)	3,729	-	(3,729)
Sub total Central	**(2,225)**	**(5,518)**	**3,331**	**1,296**	**(2,035)**	**9,601**	**4,947**	**(4,654)**
TOTAL	**(1,864)**	**(3,729)**	**231,263**	**229,088**	**(2,175)**	**399,421**	**395,692**	**(3,729)**

6. Acute Services

6.1 Contract position (using data up to the end of September not fully validated)

The Rotherham NHS Foundation Trust (TRFT) data includes a lower level of uncoded activity (493 spells) at flex, therefore we have not adjusted the Trust's Contract Monitoring as we have in previous months. However we have still amended the monitoring for other adjustments (e.g. Non-Elective threshold omitted).

A summary of the TRFT contract position at month 6 is set out below

TRFT Acute Contract	OCS YTD Variance £m	Activity Apr-Sept 2015	Activity Apr-Sept 2016	Activity Year on Year +/-	Activity % +/-
AandE	0.1	31,583	32,642	1,059	3.4%
Assessments	0.5	2,780	3,527	747	26.9%
Emergency Admissions	0.1	10,220	10,594	374	3.7%
Outpatient First Attendances	0.0	31,313	31,416	103	0.3%
Outpatient Follow up Attendances	0.3	69,954	66,430	(3,524)	-5.0%
Day Case & Elective	(0.6)	14,087	13,931	(156)	-1.1%
Maternity Pathway	0.3	2,524	3,124	600	23.8%
Other	(0.1)				
Contract Adjustments (e.g. OP ratios/CDU block)	(0.5)				
Total	**0.2**	**162,461**	**161,664**	**(797)**	**-0.5%**

Last month the Trust were showing a £0.6m year to date over-performance. In month this has reduced by £0.4m due to; £0.2m reduction in planned care, £0.1m reduction in outpatient first attendances, £0.2m reduction in emergency admissions and £0.1m increase in assessments. This shift could be due to the effects of annual leave over the main summer holiday period not being adequately reflected in the activity plan profile for planned and emergency activity.

Activity trends against the same period last year are as follows:

(i) **AandE:** continues to over-perform. RCCG analysis indicates the increase in A&E attendance is mainly attributable to Ambulance arrivals.

(ii) **Assessments and Emergency Admissions:** Assessments continue to over-perform in all specialties, and emergency admissions in General Medicine, Elderly Medicine, T&O, and General Surgery. RCCG have carried out detailed analysis at specialty level across emergency admissions and assessments, indicating the increase in both emergency admissions and surgical assessments to be related to referrals from A&E.

Action: Undertake audits in both areas. The Surgical Assessment Unit audit has been completed and the results are being analysed. The A&E audit is scheduled for the end of November. In addition further work is being undertaken to understand the increase in paediatric emergency assessments and admissions in total.

(iii) **Outpatient first attendances**: Slightly up against planned activity in medicine specialties, vascular surgery, colorectal surgery, rheumatology and gynaecology. Vascular activity was transferred into the Sheffield Teaching contract for the full year but the service did not actually transfer until July 16. Ophthalmology is under-performing but paediatric ophthalmology is over. This is likely to be as a consequence of issues raised previously where paediatric activity was being recorded against adult ophthalmology. Activity recording has been rectified but it may not have been reflected in the activity plan.

Action : Issue of correct plan levels will be addressed for 2017-18

(iv) **Outpatient follow ups:** Down 5% on last year's activity, however we contracted for an 11% reduction in follow-ups, therefore the Trust are over planned activity.

The over-performance is in Respiratory Medicine, Ophthalmology, Dermatology, ENT, Vascular, T&O, Rheumatology, Cardiology, Stroke Medicine, Paediatrics and Paediatric Ophthalmology but as previously reported we have an agreed ratio in the contract above which the CCG will not pay. This equates to a £0.37m reduction at month 6 flex. There is an under-performance in Colorectal Surgery, Gastroenterology, Orthoptics, Clinical Haematology, Anticoagulant Service and Gynaecology.

Action: TRFT have stated that by year end contracted ratios will be achieved. This concords with the current assessment of forecast outturn therefore no further action required by RCCG Finance.

(v) **Day Case and Elective:** Under-performing overall, with two areas being investigated:

(a) a significant £0.3m underperformance in Obstetrics being offset by an overperformance in obstetric non elective activity, suggesting a potential recording issue/ recording change;
(b) DRI ENT up 23.1% up on activity compared to last year, being offset by DRI ENT emergency activity being down 62.5% down, suggesting a potential recording change.

Action : Agreed with TRFT to address both issues as part of 2017-18 activity planning

(vi) **Maternity pathway:** Continues to be a problem both in increased activity against plan and case-mix. Although the over-performance this year is not as a result of casemix shift but as a result of a 23.8% increase in activity, the plan was set at a high casemix with an agreement that an audit would take place during 2016/17.

Action: The scope of the audit has been agreed with the Trust and was undertaken on Friday 18th November.

(vii) **Other:** Critical Care is under-performing but is being offset by a marginal rate adjustment. Excluded Drugs are underperforming. Direct Access Imaging and outpatient unbundled diagnostics (OPDIAG) are significantly over-performing; the main tests being CT scans, ultrasound scans and nuclear medicine category 1 activity.

Action: We understand this trend to be common across south yorkshire but have asked TRFT to reflect on whether this is due to say pathway changes and are awaiting a response.

SUMMARY

CCG Officers will continue to work with the Trust to explore and understand the activity dataset and investigate the variances above. Based on the unvalidated month 6 data a £0.9m over-performance at year end is forecast. This has been adjusted from £2.2m by a £1.3m refund from 2015/16. To date the Trust have not agreed the 15/16 refund.

6.2 Other secondary care contracts

Other Acute contracts are over-performing in total by £0.3m.

		Activity			
Other Acute Contract	OCS YTD Variance £m	Apr-Sept 2015	Apr-Sept 2016	Year on Year +/-	% +/-
AandE	0.0	8,058	8,398	340	4.2%
Assessments	0.0	124	147	23	18.5%
Emergency Admissions	0.3	1,998	1,924	(74)	-3.7%
Outpatient First Attendances	(0.1)	8,312	8,267	(45)	-0.5%
Outpatient Follow up Attendances	0.0	22,300	22,208	(92)	-0.4%
Day Case & Elective	0.1	5,985	6,276	291	4.9%
Maternity Pathway	0.0	371	391	20	5.4%
Other	(0.2)				
Contract Adjustments (e.g. OP ratios/CDU block)					
Total	**0.3**	**47,148**	**47,612**	**463**	**1.0%**

(i) **AandE**: Doncaster and Bassetlaw Hospitals and Sheffield Chidrens Hospital continue to see a slight year on year over-performance in A&E.

(ii) **Emergency admissions:** Although activity is down on last year (3.7%) we are seeing an over-performance against plan of £0.3m being £0.2m at Sheffield Teaching and £0.1m at Doncaster & Bassetlaw. Sheffield Teaching's over-performance is in General Surgery and Spinal Surgery, General Medicine, Elderly Medicine, Neurology, and Diabetic Medicine.
Doncaster and Bassetlaw's main over-performance is in ENT and General Medicine.

(iii) **Outpatient first attendances:** are slightly down on last years activity and against plan, this is mainly at Sheffield Teaching in Ophthalmology and Vascular. The under-performance against plan in Vascular is as detailed above at TRFT, where the service transferred from TRFT to Sheffield in July but a full year activity plan was transferred.

(iv) **Outpatient follow ups:** are slightly down on last year mainly at Doncaster & Bassetlaw in Trauma &Orthopaedics, Urology and Ophthalmology. There is a slight over-performance against planned levels at Sheffield Teaching in Plastic Surgery, Upper Gastro Intestinal Surgery, Diabetic Medicine and Hepatology.

(v) **Day Case and Elective:** slightly over plan mainly at Sheffield Childrens Hospital in Paediatric Clinincal Immunology and Paediatric Surgery and at Sheffield Teaching in Oncology and Gastroenterology.

(vi) **Maternity pathway:** slightly over-performing.

(vii) **Other:** variances mainly at Sheffield Teaching who are under on Non Elective Non Emergency admissions in Obstetrics, General Surgery and Vascular.

Summary
The above variances continue to be monitored and discussed with providers at contract performance meetings.

6.3 Mental Health and LD activity

RDaSH
The main RDaSH contract is a block contract and therefore generally will not show a variance. Separate to the block contract is budget to fund Section 117 placements, which is currently overspending with a forecast overspend of £0.2m.

Other Providers (Mental Health & LD)

This line contains a number of specialist placements including

(i) A patient who's package had recently been reviewed and transferred to a new provider from June. The ambition for the patient was to require a less intensive care package from October onwards and this expectation was built into forecast outturn. Following a clinical review this will not be achieved within the originally anticipated timeframe and therefore forecast outturn has been adjusted at month 7. The current forecast outturn could increase by a further £31k, should this sitiuation now continue for the remainder of the financial year.

(ii) An unusually high number of brain injury placements, whose placements are also being extended beyond initial expectation. As previously reported the CCG assess forecast outturn on the basis of the length of the currently agreed placement, however as patients are clinically reviewed packages may be extended in length. Forecast outturn has been further revised during October to reflect the latest placement information. The current forecast outturn could increase by a further £100k should care for all three patients end up extending to the end of March 2017.

(iii) There are clinical plans in place to review and assess patients to ensure the appropriate packages and prices are being commissioned. There is confidence that this improvement in

efficiency and effectiveness will contribute to the cost of new patients whilst still achieving the QIPP target.

(iv) As previously reported, there is one QIPP scheme which is unlikely to be achieved following a review by RDaSH and the CCG to establish whether any out of area patients could be cared for more appropriately in a more local setting. There is no evidence to suggest that this is the case therefore a saving of £0.2m remains unachieved. This has been mitigated by slippage in developments until the start of 2017/18.

7. Prescribing

(i) Figures are based on five months' actual prescribing data, overlaid with the CCG's assessment of other activities such as its own prescribing projects and intelligence and assessment of QIPP scheme performance for the remainder of the year.

(ii) As previously reported prescribing is volatile and presents a risk to forecast outturn in terms of price and volume due to multiple factors including nationally negotiated price deals, national and international supply issues and local dispensing behaviours. We received notification in-month that the Category M price reductions in force until end of October 2016 will now continue to the end of the financial year.

(iii) The CCG has developed a number of QIPP schemes targeting specific price and volume issues it can have influence over. These schemes are being implemented on a rolling basis and consequently the financial effects are exponentially increasing as the year progresses.

(iv) There is a delay of around two months in drug data becoming available which presents an added challenge to assessing forecast outturn and the figures may prove to be overly prudent because of this. However in terms of actual evidence on prices changes, the Medicines Management Team can link the vast majority of the top 20 price increases and decreases to targeted QIPP interventions, for example branded generics and product switching schemes. This is evidence of the schemes delivering effectively to date.

(v) In terms of volumes, these will mainly be impacted through our waste schemes which are being implemented on a rolling basis but predominantly throughout the second half of the financial year. As at the end of September four GP Practices were signed up to the scheme, at the end of October there were 12, and a further twelve have now signed meaning by 1 April 2016 twenty four out of thirty one Practices will be signed up. Scant data is available to date other than for 1 practice which was an early implementer, however modelling this up suggests the targeted £0.7m QIPP scheme will be achieved and may be exceeded (although we are not forecasting for this potential over-achievement as yet).

(vi) In summary the medicines management team are continuing to monitor all schemes and good progress is being evidenced against schemes currently up and running. Based on five months' prescribing data, QIPP progress has been reviewed and there is now evidence to suggest around £2.9m of the £3.2m QIPP could be achieved by year end.

(vii) Significant risks to the prescribing budget continue to be in-year volume growth and price volatility in excess of planning and QIPP assumptions, and delivery and assessment of QIPP schemes.

8 GP Primary Care services (Co-Committee)

Practice related elements of the GP primary care allocation delegated to the CCG from NHSE have been combined with the £3.2m of CCG funds to create a total allocation of £37.4m which the Primary Care Committee will oversee. The Walk in Centre and GP Out of Hours services are shown separately. Both the in-year and forecast outturn positions remain broadly in line with last month, with no signficant changes to report.

Area of Spend	Month 7	
	Variance to Date	Forecast Outturn Variance
	£m	£m
Premises Cost Reimbursement	0.0	0.0
Other Premises costs	(0.0)	0.0
Enhanced Services (DES + LES)	0.2	0.5
General Practice - APMS	0.0	(0.0)
General Practice - GMS	(0.0)	0.0
General Practice - PMS	(0.6)	(1.0)
Other GP Services	(0.0)	0.0
Other Misc - Reserves	(0.5)	(0.6)
QOF	(0.1)	(0.1)
TOTAL	**(1.0)**	**(1.2)**

As previously reported, the underspend on PMS lines is as a result of NHSE's national equitable funding exercise whereby the value of Rotherham PMS contracts will decrease by circa £1.9m over 4 years. 2016-17 is year 2 of 4 and 50% (£1m) of funds are withdrawn to date.
The CCG has worked with GP Practices to devise PMS Reinvestment Local LES schemes capable of reinvesting 100% of the withdrawn funds back with Rotherham GP Practices, for delivery of agreed outputs. These schemes are included within the Enhanced Services line above alongside the CCG's longer-standing LES schemes.

For transparency purposes a £0.5m reserve line has been created to house residual growth monies not yet committed. In addition £0.2m of under-utilised accruals from 2015-16 are being recognised and brought into the financial position against this same line. From month 6 we have been additionally recognising a potential £0.1m total cost pressure arising from three new items; £65k revenue consequences from two Estates Transformation and Technology Fund (ETTF) bids with provisional approval but only partial NHSE funding (ie 66%), and £30k Federation development.

9 Continuing Care

Individual care packages are being reviewed more frequently by clinical teams to ensure that appropriate packages are in place. The data cleansing work between CCG and RMBC prioritising Adult Funded Nursing Care (FNC) and Fast Track cases is ongoing. The assessment of forecast outturn has been revised based on the latest package data for Adult Continuing Health Care (CHC) and has improved by a further £0.1m . As previously reported FNC rates have been increased in-year and backdated to April 2016 at an estimated full year cost of £0.6m to the CCG, and the forecast outturn has already been adjusted for this.

As we are advised that these rates are 9 month interim rates only and there remains a risk to forecast outturn, which is unlikely to be quantifiable before January 2017. The Department of Health set the FNC rate for patients that require 24 hour care that do not meet full CHC funding but need healthcare.

The increased FNC rate has potential to trigger an associated financial risk to the CCG element of CHC packages funded jointly with the council. This could give rise to a further £0.3m cost pressure in a full year, again based on the 9 month interim rate described above.

An additional risk to forecast outturn is in Childrens CHC as, with limited data from RMBC, the CCG are currently forecasting to budget. CCG finance met with RMBC in October to discuss the lack of actual data and RMBC have committed to progress. We will continue to review this risk.

10 Centrally held Budgets

Predominantly include reserves for the 0.5% contingency monies, the non recurrent 1% we have been instructed to hold as uncommitted, and the QIPP target not yet identified.

11. Risks to the Current Forecast for 2016/17

Challenges to achieving the current forecast are considered below:

(i) Operational delivery of the QIPP requirement (section 12);

(ii) The CCG's ability to handle any additional unforeseen in-year cost pressures from within existing resource when there are limited reserves to call upon;

(iii) Potential further changes to the FNC rate from January 2017 plus an additional but associated risk of £0.3m on CHC weekly rate, plus a separate risk on childrens packages, as described at section 9 above;

(iv) High Cost brain injury and MH/LD placements being extended beyond current projections, potentially £0.1m, as described at section 6.3 above

(v) National influence over drugs pricing in prescribing;

(vi) Unforeseen pressures arising from the movement towards a South Yorkshire footprint for the Sustainability and Transformation Fund (STP).

Following the planning guidance being published, Finance colleagues were required to submit a plan to NHSE on the 18th November. This will be shared in detail with the governing body in December.

12. QIPP Position - additional analysis

The table below sets out the list of schemes on a page together with an estimated forecast outturn and a RAG rating of the risk of success against this estimate.

Rotherham Clinical Commissioning Group - QIPP Schemes on a Page					
	SCHEME DESCRIPTION	Planned savings £000s	Forecast Savings £000s	Forecast Variance £000s	Rag Rating
1	Reduction in follow-ups where provider is above peer average.	816	816	0	Green
2	Reducing levels of Activity growth in direct access pathology in line with clinical pathways.	73	73	0	Amber
3	Delivery of A and E Assessments through the Clinical Decision Unit.	286	286	0	Green
4	Reduce the levels of growth in A&E, assessments and non elective non emergency admission activity in line with local trend analysis to ensure impact of previous QIPP schemes are captured.	280	280	0	Amber
5	Reduce the levels of growth in emergency admission through reconfiguration of the neuro rehab unit, introduction of the Integrated Rapid Response Service and Integrated Locality Teams.	1,039	(154)	(1,193)	Red
6	Acute Services Other Contracts - Unscheduled Care.	226	(117)	(343)	Red
7	Acute Services Other Contracts - Planned care.	509	389	(120)	Red
8	Review of Assessment and Treatment Unit capacity in block purchase or spot purchase.	483	483	0	Green
9	Mental Health & Learning Disabilities - working with RDASH to reduce the Out of Area activity.	369	169	(200)	Red
10	Medicines Waste reduction.	700	700	0	Amber
11	Product switch schemes to more cost effective products, pen needles, blood glucose monitoring, vitamin D, gliptin+metformin, glucosamine combination products.	550	338	(212)	Amber
12	Switching a range of drugs prescribed generically to a specific brand that is below drug tariff price as of March 2016.	250	300	50	Green
13	Participating in rebate schemes as identified by PRESCQIPP.	200	0	(200)	Amber
14	Reduction in prescribing rates of a limited range of drugs to national average prescribing rates.	150	0	(150)	Amber
15	Negotiated price reductions.	1,000	1,512	512	Green
16	Service redesign - Nutrition/Gluten Free Schemes.	90	90	0	Amber
17	Prescribing QIPP schemes for £190k yet to be identifed.	190	0	(190)	Red
18	Primary Care APMS Core Contract re-tendered.	125	125	0	Green
19	Premises Costs reimbursements.	118	118	0	Green
20	Slippage on Primary Care Premises Developments.	274	274	0	Green
21	Review of all 40 cases against the new framework.	250	250	0	Amber
22	Review of Assessment tool for determining care packages.	150	150	0	Amber
23	Review of High Cost Care packages.	100	100	0	Amber
24	Reductions in Running Costs - various initiatives achieved.	250	500	250	Green
25	Other savings and non recurrent underspends	2,700	4,496	1,796	Green
26	Tariff efficiency through prices.	4,400	4,400	0	Green
	TOTAL SAVINGS PLANS	**15,578**	**15,578**	**0**	Green

(i) Line 2 - Reductions in Direct Access Pathology in line with Clinical Pathways

As previously reported, the QIPP was a financial assumption predicated on a observation by Clinical Referrals Management Committee (CRMC) of the existence of duplicate testing and a commitment to reduce it. To date TRFT data alone does not evidence any net reduction in tests. To fully assess the QIPP therefore data from GP systems is required in order to validate and/or challenge the TRFT data. We understand that RCCG's GPIT service are scoping out what can be extracted in order for this to happen.

(ii) Lines 4, 5 and 6 – Reductions in levels of growth in A&E, admissions and non elective admissions

The forecast at this stage is that these schemes will not achieve the required savings and are flagged as red to highlight the fact that whilst all schemes are fully in place the system hs seen a 5.6% increase in footfall - in line with national trends. This has therefore led to higher conversion rates which is impacting on our non elective position.

(iii) Line 7 – Other Contracts Planned Care

The forecast currently is that this area will not achieve the required savings due to above expected volumes of activity being performed in the Independent Sector, mainly for T&O / Spines. A piece of work is needed to understand whether this is indicative of an overall increase in T&O/Spinal work or merely work being diverted for capacity reasons.

(iv) Line 9 – Mental Health and Learning Disabilities

There is one QIPP scheme which is unlikely to be achieved following a review by RDaSH and the CCG to establish whether any out of area patients could be cared for more appropriately in a more local setting. There is no evidence to suggest that this is the case therefore a saving of £200k remains unachieved. This has been mitigated by slippage in developments until the start of 2017/18.

(v) Lines 10 to 17 Medicines Management

The forecast at this stage is that these schemes will achieve the required savings but they are flagged either red or amber to highlight the fact that not all schemes are fully in place.

The CCG has developed a number of QIPP schemes targeting specific price and volume issues it can have influence over. These schemes are being implemented on a rolling basis and therefore the financial effects will exponentially increase as the year progresses.

This QIPP projection takes into account those parts of schemes the medicines management team can currently confirm are operationally in place and where savings can be evidenced. Work is ongoing to continually assess trends and evaluate where possible the impact of intervention.

(vi) Lines 21, 22 and 23 Continuing Healthcare Initiatives

There is no further update at this point in time. Progress has been made in the improved utilisation of the Childrens' Community Nursing Service whereby the CCG is applying the assessment rules correctly. Application of the national framework for children and young people has identified potential cost savings of £0.3m and £0.5m by year end.

Reviews of the assessment tool and high cost packages are having a positive impact upon the costs of continuing healthcare after 4 years of steep increases in costs.

(vii) Line 25 Other Savings still to be determined

This represents the mitigating actions in year including the use of the 0.5% contingency and underspends in areas such as primary care and the BCF risk pool.