

# NHS Rotherham Clinical Commissioning Group

Clinical Commissioning Group Governing Body - 4 March 2020

## Finance and Contracting Performance Report

Lead Executive:	<b>Wendy Allott, Chief Finance Officer</b>
Lead Officer:	<b>Joanne Sarsby, Head of Financial Management</b>
Lead GP:	<b>Jason Page</b>

<b>Purpose:</b>
To provide an update to members on the financial and contracting performance position as at 31 January 2020, also referred to as month 10.
<b>Background:</b>
The final version of the CCG's financial plan was approved at the May 2019 Governing body meeting. This paper provides a financial summary against the key categories of expenditure.
<b>Analysis of key issues and of risks</b>
Included in the report
<b>Patient, Public and Stakeholder Involvement:</b>
N/A
<b>Equality Impact:</b>
N/A
<b>Financial Implications:</b>
The CCG is on plan.
<b>Human Resource Implications:</b>
N/A
<b>Procurement Advice:</b>
N/A
<b>Data Protection Impact Assessment:</b>
N/A
<b>Approval history:</b>
N/A
<b>Recommendations:</b>
Governing Body is asked to note the current position and the additional commentary to support the operating cost statement.
<b>Paper is for Approval / Noting / Discussion / Advice</b>

## 1. Revenue Resource Allocation

NHS Rotherham CCG was notified of a revenue resource allocation of £431.1m at the start of 2019/20 for operational purposes. The CCG has received in year allocation adjustments totalling £3.4m, a list of these can be found at appendix 1.

## 2. Cash

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20
	£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m
Monthly Cash drawings	37.5	29.0	32.8	32.8	32.7	32.0	28.0	29.0	38.0	33.0
Ledger Cash Balance	5.1	5.3	6.3	4.7	8.2	7.6	3.8	0.8	3.5	4.3
Cash Balance as a %	13.6%	18.3%	19.2%	14.3%	25.1%	23.8%	13.6%	2.8%	9.2%	13.0%

CCGs are allocated an Annual Cash Drawdown (ACD) figure previously referred to as Maximum Cash Drawdown (MCD) from the NHSE Cash Management Team. The CCGs notified ACD for 2019-20 at month 10 is £435.5m.

## 3. Better Payment Practice Code

NHS Rotherham CCG has signed up to the Prompt Payment Code administered by the Institute of Credit Management which requires the CCG to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later.

April 19 - January 20	Number of Invoices	Value of Invoices
Percentage of Non-NHS Trade invoices paid within target	99.99%	99.59%
Percentage of NHS Trade invoices paid within target.	100.00%	100.00%

## 4. Reporting of Historical Control Total

NHSE require CCGs to report a historical control total, shown below.

	£'000
Opening Balance	17,501
Agreed 2019-20 drawdown	(4,000)
<b>Closing Balance</b>	<b>13,501</b>

## 5. Operating Cost Statement (OCS)

	Prior Month		Year to Date (Month 10)			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
<b>Acute Services</b>								
Rotherham NHS Foundation Trust - Acute	(16)	(11)	129,228	129,209	(18)	154,610	154,591	(19)
Sheffield Teaching Hospitals NHS FT	544	792	21,399	22,295	896	25,708	26,758	1,051
Doncaster & Bassetlaw Hospitals NHS FT	(30)	(48)	8,216	8,236	20	9,845	9,829	(16)
Other NHS Contracts	182	246	3,899	4,138	239	4,677	4,960	283
Ambulance Services ( including PTS and 111)	(25)	(13)	10,139	10,124	(15)	12,144	12,126	(18)
Other Non NHS Acute Services	951	1,255	2,289	3,287	998	2,831	4,016	1,185
Other Non Contract (including NCA's)	259	350	2,245	2,551	306	2,694	3,067	373
<b>Sub total Acute Services</b>	<b>1,865</b>	<b>2,570</b>	<b>177,415</b>	<b>179,840</b>	<b>2,425</b>	<b>212,509</b>	<b>215,348</b>	<b>2,839</b>
<b>Mental Health &amp; Learning Disability</b>								
Rotherham, Doncaster & South Humber FT	24	32	26,902	26,929	27	32,282	32,315	32
Other Providers (Mental Health & LD)	(122)	(168)	7,467	7,406	(61)	8,961	8,886	(75)
<b>Sub total Mental Health &amp; LD</b>	<b>(97)</b>	<b>(136)</b>	<b>34,369</b>	<b>34,335</b>	<b>(34)</b>	<b>41,243</b>	<b>41,201</b>	<b>(42)</b>
<b>Community Services</b>								
Rotherham NHS Foundation Trust - Community	0	0	23,054	23,054	0	27,554	27,554	0
Rotherham Hospice	(0)	0	2,888	2,886	(1)	3,899	3,899	(0)
Other Providers (Community)	(22)	(15)	1,964	1,933	(31)	2,320	2,290	(30)
<b>Sub total Community Services</b>	<b>(22)</b>	<b>(15)</b>	<b>27,906</b>	<b>27,873</b>	<b>(32)</b>	<b>33,774</b>	<b>33,744</b>	<b>(30)</b>
<b>Primary Care</b>								
Prescribing	(436)	135	40,441	39,799	(642)	48,427	48,283	(144)
GP Primary Care Services (Primary Care Committee)	(822)	(4)	31,752	30,937	(815)	38,127	38,123	(4)
Commissioned Primary Care Services (Other)	(19)	(36)	4,855	4,758	(97)	6,377	6,291	(86)
GP Information Technology	1	0	778	778	0	934	934	0
<b>Sub total Primary Care Services</b>	<b>(1,276)</b>	<b>95</b>	<b>77,826</b>	<b>76,272</b>	<b>(1,554)</b>	<b>93,864</b>	<b>93,630</b>	<b>(234)</b>
<b>Other Programme Services</b>								
Local Authority / Joint Services	(189)	(104)	9,688	9,605	(83)	13,126	13,022	(104)
Continuing Care & Funded Nursing Care	(125)	(143)	21,192	21,107	(85)	25,430	25,344	(86)
Voluntary Sector Grants / Services	(9)	(10)	1,344	1,332	(12)	1,613	1,603	(10)
<b>Sub total Other Programme Services</b>	<b>(324)</b>	<b>(257)</b>	<b>32,224</b>	<b>32,044</b>	<b>(180)</b>	<b>40,169</b>	<b>39,969</b>	<b>(200)</b>
<b>Corporate</b>								
Corporate : Running Costs	(135)	(153)	3,966	3,826	(140)	4,759	4,596	(164)
Corporate : Non- Running Costs	(142)	(163)	2,242	2,089	(154)	2,692	2,521	(171)
<b>Sub total Corporate</b>	<b>(277)</b>	<b>(316)</b>	<b>6,208</b>	<b>5,914</b>	<b>(294)</b>	<b>7,451</b>	<b>7,117</b>	<b>(334)</b>
<b>Sub total - all areas</b>	<b>(132)</b>	<b>1,941</b>	<b>355,948</b>	<b>356,279</b>	<b>331</b>	<b>429,010</b>	<b>431,008</b>	<b>1,998</b>
<b>Central</b>								
Centrally held Budgets	132	(1,941)	331	0	(331)	5,537	3,539	(1,998)
<b>Sub total Central</b>	<b>132</b>	<b>(1,941)</b>	<b>331</b>	<b>0</b>	<b>(331)</b>	<b>5,537</b>	<b>3,539</b>	<b>(1,998)</b>
<b>TOTAL (Surplus)/ Deficit</b>	<b>0</b>	<b>0</b>	<b>356,279</b>	<b>356,279</b>	<b>0</b>	<b>434,547</b>	<b>434,547</b>	<b>0</b>

## 6. Acute Services

### 6.1. The Rotherham Foundation Trust (TRFT)

Access to nine months data is indicating a £441k over-performance against plan before applying the agreed QIPP risk reserve.

TRFT Acute Contract	OCS YTD Variance £000	Activity				
		Dec-18	Dec-19	Year on Year +/-	Year on Year % +/-	% against plan
Planned Care Block	59	204,792	201,002	(3,790)	(1.9%)	4.5%
Emergency Block	1,402	20,762	22,654	1,892	9.1%	8.2%
UECC & GP OOH Block	326	1,550,926	1,605,097	54,171	3.5%	(0.3%)
Other Block	(1,345)					
<b>Contract Variance</b>	<b>441</b>					
Risk Reserve	(1,313)					
Contract Block Adjustments	871					
<b>Total</b>	<b>(0)</b>	<b>1,776,480</b>	<b>1,828,753</b>	<b>52,272</b>	<b>2.9%</b>	<b>3.4%</b>

**Planned Care Block** – £59k over-performance / £8k increase in month; mainly due to increase in Outpatient Diagnostics.

**Emergency Block** – £1.4m over-performance/ £412k increase in month; continuing increase in General surgery and Paediatric assessments, along with increase in Geriatric Medicine and Cardiology Emergency admissions and Obstetrics where there are recoding changes and activity is now recorded and included in the Other Block line.

**UECC & GP OOH Block** – £326k over-performance / £380k increase in month; A&E assessments are now being forecast back to block position as per contract agreement.

**Other Block** – £1.3m under-performance/ £171k further decrease in month; continuing reduction in non-emergency Obstetrics which is being offset by the over-performance in emergency.

### 6.2. Other Secondary Care Contracts

Access to nine months data is indicating a £2.4m over performance in other secondary care contracts overall. There has been a movements in month at Sheffield Teaching Hospitals of £290k which is mainly an increase in Critical Care, Emergency Admissions, Daycase and Elective.

Other Acute Contract	OCS YTD Variance £000
AandE	87
Assessments	18
Emergency Admissions	360
Outpatient First Attendances	19
Outpatient Follow up Attendance	199
Day Case & Elective	735
Maternity Pathway	35
Other	672
Non Contract Activity	146
<b>Total</b>	<b>2,270</b>

Activity				
Dec-18	Dec-19	Year on Year +/-	Year on Year % +/-	% against plan
12,748	13,418	670	5.3%	4.8%
244	262	18	7.4%	12.6%
2,889	3,132	243	8.4%	(2.5%)
12,862	13,666	804	6.3%	1.7%
36,809	37,504	695	1.9%	5.0%
6,770	7,012	242	3.6%	(1.8%)
565	562	(3)	(0.5%)	6.1%
<b>72,887</b>	<b>75,557</b>	<b>2,670</b>	<b>3.7%</b>	<b>(0.9%)</b>

## 7. Mental Health & Learning Disabilities

### 7.1. RDaSH

The CCG holds a block contract with Rotherham, Doncaster and South Humber (RDaSH) FT which is unlikely to show any variance throughout the year. Separate to this is a budget to fund section 117 placements which is currently slightly over plan.

### 7.2. Other Providers - Mental Health (MH) and Learning Disabilities (LD)

Underlying activity to date continues to indicate lower than expected pressure from growth. However, this is being offset currently by a number of potential risks which are being dealt with prudently in the forecast outturn whilst they can be clinically resolved.

## 8. Prescribing

GP prescribing data for month eight is now available and showing a further reduction on month seven, resulting in a reduction to the forecast outturn position of £279k.

Price pressure for Category M and NSCO's continue to be a risk to the forecast outturn.

## 9. Continuing Healthcare Care (CHC) and Funded Nursing Care

At its core, financial reporting utilises data from the CHC team's clinical system (Broadcare) to provide information regarding care packages and costs. The position and explanations of significant variances are set out below.

Client Group	Annual Budget 19/20 £'000	Forecast Outturn @ Mth 10 £'000	Forecast Variance @ Mth 10 £'000	Month 10 Activity	Month 9 Activity	Increase/ (decrease) Activity
Mental Health	1,470	1,124	(346)	28	32	(4)
Learning Difficulties	9,788	9,770	(18)	130	130	0
Physical Difficulties	7,240	7,208	(31)	161	152	9
Fast Track	2,630	2,874	243	108	97	11
Interim Funding	125	258	133	2	3	(1)
Funded Nursing Care	2,046	2,064	18	217	225	(8)
Children	972	875	(97)	15	15	0
Staffing / non pay	1,159	1,172	13	n/a	n/a	
<b>TOTAL</b>	<b>25,430</b>	<b>25,344</b>	<b>(86)</b>	<b>661</b>	<b>654</b>	<b>7</b>

**Mental Health** - Level of expected growth based on 18/19 activity not materialised.

**Learning Difficulties** – Although QIPP is under achieving, growth is less than expected. The net result is a small forecast underspend.

**Physical Disabilities** – 9 additional clients this month have brought the forecast more in line with budget than in the previous month.

**Fast Track** – 11 additional clients this month, but overspend increased only marginally on the previous month. Overall, growth still remains higher than expected in this cohort of clients.

**Interim Funding** – Once assessed, costs of this cohort will move into other client groups.

## 10. GP Primary Care services

The CCG has a £38,127k allocation delegated from NHSE; a further £6,267k is from the CCG's core allocation.

Primary Care	19/20 Approved Plan	Variance at Month 10 (under) / over	FOT Variance (under) / over
	£'000	£'000	£'000
PMS/ GMS/ APMS Contract & QOF	29,072	(106)	(127)
Additional Roles, Clinical Lead, PC Network Participation	999	(113)	1
Primary Care ES, PMS Premium reinvestment e.g Quality contract	2,448	29	37
Direct reimbursement to Practices for Premises/Rent	3,055	57	67
Seniority payments, professional fees, discretionary spend	949	(4)	0
Central GP Services e.g. clinical waste, interpreter fees etc.	330	(19)	5
NHS Property Services void space and subsidies	485	26	31
Central Budget	790	(685)	(18)
<b>Total: Delegated primary care medical services</b>	<b>38,127</b>	<b>(815)</b>	<b>(4)</b>
CCG Local Enhanced Services	2,440	(80)	(100)
GP IT	910	0	0
Commissioning and Prescribing LIS	540	0	0
PCN Administration fee £1.50 p/ head	400	0	0
Improving Access	1,600	0	0
GP 5 year forward view initiatives	380	0	0
<b>Total: Other primary care</b>	<b>6,270</b>	<b>(80)</b>	<b>(100)</b>
<b>TOTAL ALL</b>	<b>44,397</b>	<b>(895)</b>	<b>(104)</b>

**Contract & QOF** – Forecast list size growth is less than planned.

**Additional roles** – NHSE have confirmed underspends will not be clawed back, therefore PCNs are working closely with Connect Healthcare Rotherham to minimise this underspend by bringing forward the recruitment of future years posts.

**Central budget** - A number of investments have been agreed at Primary Care Committee and are currently being put into action to ensure this funding is spent by the end of the financial year.

**CCG Local Enhanced Services** – underperformance relates primarily to the anticoagulation LES where activity has reduced as patients move off warfarin and onto new anticoagulants that don't require monitoring.

## 11. Centrally held budgets

Budgets for the 0.5% contingency and drawdown are held centrally at this stage of the financial year.

## 12. Quality, Innovation, Productivity and Prevention (QIPP) Position

QIPP performance is covered by a separate report which reviews both operational progress and financial performance.

### 13. Key risks to the forecast

At month 10 the overall residual risk to forecast outturn is assessed as minimal but nonetheless existing, in the following key areas

- (i) The CCG has a challenging QIPP plan and failure to deliver poses a general risk to the forecast, particularly in those schemes kicking in during the second part of the year.
- (ii) Failure of the system to suitably manage unwarranted growth in hospital activity and/or experiencing warranted growth in excess of plan particularly at the Other secondary care providers.
- (iii) Risk of new Mental Health and Learning Disability placements including further pressure from Transforming Care Partnerships initiative beyond current expectation.
- (iv) Rotherham is a high volume prescriber and despite waste and other volume reduction QIPP schemes this situation remains to some extent. High volumes potentially exacerbate the financial effect of other issues such as shortages in the supply chain forcing prices to increase.
- (v) Previous years have seen significant increases in the overall cost of continuing healthcare and mental health and learning disability specialist placements. Whilst a logical approach has been taken to setting both budgets in the financial plan, the nature of patient need can make this a financially volatile area.



## Appendix 1

Allocation Type	Recurrent £'000	Non Recurrent £'000	Total £'000
Published Allocations -Final allocation after place-based pace of change	383,525		383,525
Published Delegated Allocations - Final allocation after place-based pace of change	38,127		38,127
Published Allocations - Running Costs	5,485		5,485
Historic Drawdown		4,000	4,000
	<b>427,137</b>	<b>4,000</b>	<b>431,137</b>
<b><i>In year allocations:</i></b>			
2018/19 FYE - IR Final Changes	(24)		(24)
Excess Treatment Costs		(16)	(16)
Diabetes Transformation		11	11
Improving Access Allocations 19/20 from National Programme		1,615	1,615
CYP Green Paper MH Educational Support Teams & 4 week waiting time pilot		325	325
Maternity Transformation Funding		119	119
Suicide Prevention Funding		101	101
GPFV 2019/20 Allocation - Ensuring safe administration of anti-coagulation management in primary care		9	9
GPFV STP funding		212	212
Morbid Obesity monies	150		150
Diabetes Transformation		11	11
MH Clinical Standards Review		100	100
Flash glucose monitoring Q1		20	20
BCF support		117	117
CYP Green Paper MH Support Teams Trailblazers		101	101
4-Week Waiting Time Pilot		30	30
Personalisation monies		25	25
Adult and Children's Palliative and End of Life Care Services		122	122
Enhanced GP IT infrastructure and resilience arrangements		66	66
IR Exercise	49		49
GPFV Primary Care Networks		163	163
Charge Exempt Overseas Visitor (CEOV) Adjustments		(598)	(598)
Q2 Flash Glucose sensor reimbursement		28	28
Diabetes Transformation		12	12
CYP Green Paper MHST Trailblazers comm '18/19		208	208
CYP Green Paper 4 week WT Pilot comm '18/19		74	74
HSCN CCG Corporate Connections costs		12	12
Urgent & Emergency MH Clinical Review of Standards field testing		100	100
HSCN migration support funding		27	27
6.3% pension uplift 1920		241	241
	<b>427,312</b>	<b>7,235</b>	<b>434,547</b>