

Finance & Contracting Performance Report: *Period ended 30th September 2015*

Introduction

This report provides a headline summary view of the finance and contracting position. In light of the changing financial landscape we are currently considering how this report may be strengthened moving forwards.

1 Revenue Resource Allocation

NHS Rotherham has been notified of a revenue resource allocation of £392.9m for operational purposes. The total includes £34.7m for GP Primary Care, which is still being transacted by NHS England until national systems are updated.

2 Cash

	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Monthly Cash Drawings	£25m	£24.5m	£25.5m	£28.0m	£20.5m	£24.0m						
Ledger Cash Balance	£23k	£900k	£2,905k	£2,542k	£,1287k	£18k						
Cash Balance as % of Drawings	0.09%	3.68%	11.39%	9.08%	6.28%	0.08%						

CCG's are not allocated Cash Resource Limits but instead negotiate a Maximum Cash Drawdown (MCD) figure with the NHS England Cash Management Team. The CCG'S MCD has been set at £388.6m but is subject to revision. This figure includes prescribing. The percentage of total MCD utilised as at September 2015 is 48.1%.

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 clinical commissioning group to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later.

Period: April 2015 to September 2015	Number of Invoices 2015-16	Value of invoices 2015-16
Percentage of non-NHS trade invoices paid within target	99.80%	99.40%
Percentage of NHS trade invoices paid within target	100%	100%

4. Secondary Care (and QIPP) position

Data is now available up to the end of July but not fully validated. The Rotherham NHS Foundation Trust's (TFRT) levels of uncoded activity have improved again in month from 17% to 12% on average within which non elective activity still uncoded is down to 18% from 24% last month.

The Month 5 contract monitoring report received from the Trust showed a £0.2m over-performance against plan. We have adjusted expenditure by £1.0m to show a £0.8m underspend as TRFT's contract monitoring system calculates the income due to them for un-coded activity at an average price. It does not adjust for short stay/same day admissions which are a lower price – all uncoded activity is costed as an emergency admission hence the large adjustment.

If trends continue we expect to see a £0.2m underspend against the TRFT contract. This is lower than the year to date position as we expect specific areas of activity to increase where they are currently under plan eg daycases.

Other secondary care contracts continue to overperform and in broadly the same areas as last month: Sheffield Childrens on outpatient follow up and non elective; Sheffield Teaching on excluded drugs and critical care; and Doncaster and Bassetlaw and Barnsley on non elective.

QIPP Position

QIPP Plans	2015/16 YTD Plan	2015/16 YTD actual savings	Under/ (Over)- achievement	2015/16 Full Year Plan	2015/16 FOT savings	FOT Under/ (Over)- achievement
	£'000	£'000	£'000	£'000	£'000	£'000
Medicine Management	(960)	(960)	0	(1,919)	(1,919)	0
Unscheduled Care	(710)	(695)	16	(1,421)	(1,076)	345
Clinical Referrals	(2,613)	(3,064)	(452)	(5,205)	(5,632)	(427)
Mental Health	(253)	(253)	0	(506)	(506)	0
Corporate Services	(50)	(49)	1	(100)	(100)	0
Total	(4,586)	(5,021)	(435)	(9,151)	(9,234)	(83)

- The QIPP position is assessed through contract monitoring information, currently being adjusted for levels of uncoded data at TRFT.
- Clinical Referrals : **favourable** due to under-performance in day case and elective admissions overall.
- Unscheduled Care : **adverse** due to emergency admissions overall being above plan. This is a change since last month and reflects increases in activity across all providers.

5. Other

- Prescribing

Ongoing price volatility and prescribing decisions (particularly in secondary care @ £0.5m) are a particular risk to outturn, but are being monitored by the team. The year-end forecast has been increased since last month to reflect persistent increasing trends in price and volume data seen on GP prescribing and central drugs lines. Prescribing spend is an area which is quite turbulent and forecasts vary based on the information available. The planned in-depth validation of quarter 2 data by the medicines management team should be available in time for next month's report, and will provide some further more clinical assurance over the forecast.

- Delegated Primary Care services

NHS England currently manage the financial transactions as the national systems have not been amended to facilitate CCGs to take over the processing of payments. The year to date position shows an underspend of £0.7m. Forecast is currently breakeven reflecting that costs are expected to come through in the second part of the year for new capital developments and the position regarding business rates rebates remains only partially clear.

- Continuing Care

Individual care packages are being reviewed more frequently by clinical teams to ensure that appropriate packages are in place. There are reductions in costs in some cases which has allowed resources to be made available to address the increased demand from new patients. There is also likely to be a provision at the end of this year for new appeals to CHC decisions. This is currently being assessed and the potential financial risk will be provided in future reports – it is not included in any forecasts at this stage.

As previously reported, anticipated costs for a specific individual package of care is included within the forecast outturn @ £0.5m. There are two more recent cases which are also likely to increase costs by approx £0.2m which is not yet included in the forecast outturn.

- Centrally held Budgets

Include reserves for a small number of specific schemes and the 0.5% contingency monies.

6a. Operating Cost Statement (OCS)

	Prior Month		Year to Date			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	(737)	(436)	69,262	68,822	(440)	137,838	137,631	(207)
Sheffield Teaching Hospitals NHS FT	35	66	10,899	10,908	9	21,798	21,810	12
Doncaster & Bassetlaw Hospitals NHS FT	109	387	4,799	4,951	152	9,631	10,020	389
Other NHS Contracts	156	273	1,849	2,122	273	3,731	4,083	352
Ambulance Services (including PTS and 111)	(45)	10	5,165	5,097	(68)	10,329	10,312	(17)
Other Non NHS Acute Services	104	118	2,553	2,659	106	5,054	5,263	209
Other Non Contract (including NCA's)	18	42	907	928	21	1,814	1,856	42
Sub total Acute Services	(362)	460	95,432	95,487	55	190,195	190,975	780
Mental Health & Learning Disability								
Rotherham, Doncaster & South Humber FT	0	-	15,358	15,358	0	30,715	30,715	0
Other Providers (Mental Health & LD)	64	125	1,598	1,694	96	3,196	3,338	142
Sub total Mental Health & LD	64	125	16,956	17,052	97	33,911	34,053	142
Community Services								
Rotherham NHS Foundation Trust - Community	-	-	14,239	14,239	-	28,478	28,478	-
Rotherham Hospice	-	-	1,547	1,547	-	3,093	3,093	-
Other Providers (Community)	7	-	203	203	0	406	406	-
Sub total Community Services	7	-	15,988	15,988	0	31,977	31,977	-
Primary Care								
Prescribing	343	661	23,300	23,705	404	46,567	47,459	892
Commissioned Primary Care Services (Delegated)	(565)	-	17,349	16,612	(737)	34,698	34,698	-
Commissioned Primary Care Services (Other)	30	(217)	3,142	3,051	(91)	6,283	5,958	(325)
GP Information Technology	(13)	-	332	315	(17)	663	663	-
Sub total Primary Care Services	(204)	443	44,123	43,682	(440)	88,211	88,778	567
Other Programme Services								
Local Authority / Joint Services	52	106	5,734	5,787	53	11,416	11,522	106
Continuing Care & Free Nursing Care	(794)	(1,426)	12,189	11,208	(981)	22,135	20,656	(1,479)
Voluntary Sector Grants / Services	31	33	647	674	27	1,293	1,326	33
Sub total Other Programme Services	(711)	(1,287)	18,570	17,668	(901)	34,844	33,504	(1,340)
Corporate								
Corporate : Running Costs	(7)	-	2,767	2,730	(37)	5,534	5,464	(70)
Corporate : Non- Running Costs	(8)	10	1,112	1,117	5	2,198	2,209	11
Sub total Corporate	(15)	10	3,879	3,847	(32)	7,733	7,673	(59)
Sub total - all areas	(1,222)	(249)	194,947	193,725	(1,222)	386,871	386,961	90
Central								
Centrally held Budgets	1,222	249	1,173	2,395	1,222	2,397	2,308	(90)
Internal Planned Surplus	(1,531)	(3,676)	1,838	-	(1,838)	3,676	-	(3,676)
Sub total Central	(310)	(3,427)	3,011	2,395	(616)	6,073	2,308	(3,765)
TOTAL FUNDS : AVAILABLE TO CCG FOR OPERATING ACTIVITIES	(1,531)	(3,676)	197,957	196,120	(1,838)	392,944	389,268	(3,676)

6b. 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) which is not cash backed therefore not included in the Operating Cost Statement (OCS) for reporting purposes. NHSE have instructed all CCG's 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 CCG's to express both of these numbers combined as a total for 2015-16 which is a total of £13.5m.