

Finance Report

Governing Body meeting

K

6 October 2016

Author(s)	Jackie Mills, Deputy Director of Finance Chris Cotton, Senior Finance Manager
Sponsor	Julia Newton, Director of Finance
Is your report for Approval / Consideration / Noting	
<p>This report is for consideration: It provides information on the financial position at Month 5 (August 2016), together with a discussion on key risks and challenges to deliver the planned year end surplus of £3.5m (0.5%). A range of pressures have been identified, the most significant in relation to QIPP under-delivery, Sheffield Children's emergency admissions and funded nursing care due to the nationally agreed 40% increase in the weekly rate for clients. At present, these pressures are forecast to be manageable within the scope of underspends on other budgets, in addition to the available contingency reserves.</p>	
Are there any Resource Implications (including Financial, Staffing etc)?	
None.	
Audit Requirement	
<p><u>CCG Objectives</u></p> <p><i>Which of the CCG's objectives does this paper support?</i> Strategic Objective - To ensure there is a sustainable, affordable healthcare system in Sheffield. It supports management of the CCG's principal risks 3.1, 4.1, 4.2 and 4.3 in the Assurance Framework.</p>	
<p><u>Equality impact assessment</u></p> <p><i>Have you carried out an Equality Impact Assessment and is it attached?</i> No. <i>If not, why not?</i> There are no specific issues associated with this report.</p>	
<p><u>PPE Activity</u></p> <p><i>How does your paper support involving patients, carers and the public?</i> Not Applicable.</p>	
Recommendations	
<p>Governing Body is asked to consider the risks and challenges to delivery of the planned £3.5m surplus.</p>	

Finance Report

Governing Body meeting

6 October 2016

1. Executive Summary

Key Duties	Year to date	Forecast	Key Issues
Deliver £3.5m Surplus (CCG's Control Total) against Commissioning Revenue Resource Limit (RRL) + RCA combined	(£1.9m) Under Spend	(£3.5m) Under Spend	<p>A CCG's statutory duty is to breakeven but NHSE have set a business rule of a 1% surplus as part of Planning Guidance and CCG Assurance Framework. After significant work and discussion with NHSE, Sheffield CCG planned for a 0.5% surplus.</p> <p>NHS England requested the CCG complete a Financial Recovery Plan setting out the actions that it will put in place to return the CCG to a 1% cumulative surplus as soon as possible and how this position will be sustained from 2017/18 onwards. The CCG has received positive feedback on its recovery plan and while we have been asked to continue to work towards a 1% surplus in 2016/17 the recent document issued by NHS England 'Strengthening Financial Performance and Accountability in 2016/ 17 confirms the minimum control requirement of £3.5m.</p>
a) Achieve a surplus against the Programme Allocation	(£1.4m) Under Spend	(£2.5m) Under Spend	The CCG is on track to deliver the planned surplus in relation to our programme spend. Whilst a number of risks have been identified, currently it is envisaged that these can be managed through use of reserves or corrective action during the year.
b) Remain within Running Cost Allowance (RCA) of £12.65m.	(£0.5m) Under Spend	(£1.0m) Under Spend	At the plan stage, we agreed £1.0m of our surplus should come from the RCA, leaving the CCG with £11.65m to spend on running costs, noting that this would present challenges as we look to deliver an ambitious service change programme.
Remain within Cash Limit (i.e. Maximum draw down set by NHS England)	£3.2m closing balance	Breakeven	The CCG's maximum draw down for 2016/17 is £828.0m and it is expected we will remain within this limit.
Hold 1% of CCG resources as a reserve to be released only with agreement of NHSE and only spent non recurrently.			The CCG is holding a 1% reserve, which demonstrates compliance with this requirement.

Key:

Red	Significant risk of non-delivery. Additional actions need to be urgently pursued.
Amber	Medium risk of non-delivery requires additional management effort.
Green	Low risk of non-delivery – current management effort should deliver success.

2. Forecast Revenue Position

2.0 Overview

The financial position at month 5 is shown in summary on Appendix A. This shows a surplus of £1.9m year-to-date (YTD) and forecast outturn (FOT) achievement of the planned surplus of £3.5m. Appendix B breaks down the financial position by programme category. There are identified financial pressures, particularly in relation to QIPP under-delivery, Sheffield Children's emergency admissions and funded nursing care due to the nationally agreed 40% increase in the weekly rate for clients. To counterbalance this we have some year to date underspends against budget, in particular elective activity at Sheffield Teaching Hospitals (STH) as well as accounting for actions within the CCG's recovery plan submitted to NHS England to reduce the level of risk to achieve a £3.5m surplus.

However, as discussed in section 2.2 below, there are a wide range of risks and uncertainties to be managed to be able to deliver this position. The upside risk assessment would give us an additional £7.8m resources in year but the downside risk assessment would require actions to reduce spend by over £15.8m. Clearly this is a wide range of risks, spread over a number of different areas, which requires close monitoring and evaluation.

Table 1: Summary Position at 31 August 2016

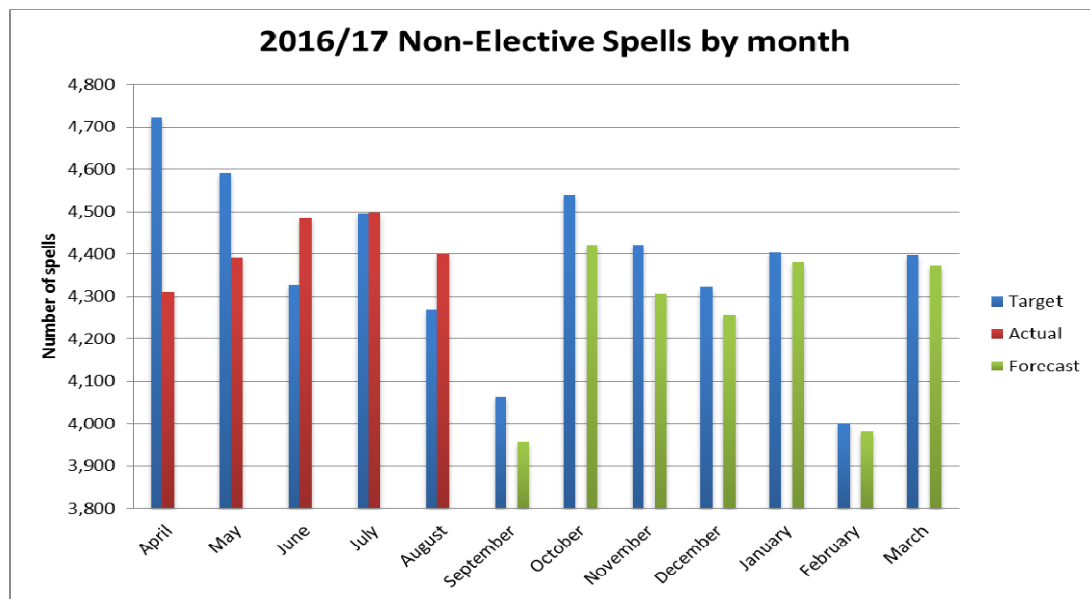
	Annual Budget £'000s	Year to Date Variance £'000s	Forecast Variance £'000s	Forecast Variance %
Acute Hospital Care	396,828	(204)	(1,928)	-0.5%
Mental Health & Learning Disabilities	81,450	34	44	0.1%
Primary & Community Services (Incl. CHC)	242,209	702	2,346	1.0%
Primary Care	83,481	(848)	(287)	-0.3%
Reserves including planned surplus	16,255	(1,358)	(2,658)	-16.4%
Programme Costs	820,225	(1,358)	(2,483)	-0.3%
Running Costs (analysis in section 2.1.12)	12,654	(521)	(1,017)	-8.0%
Total Budget 2016/17	832,879	(1,879)	(3,500)	-0.5%

2.1 Key Financial Risks, Issues and Challenges

2.1.1 Acute Hospital Activity: **Sheffield Teaching Hospitals (STH)** is by far the most significant contract in value terms as it is planned to account for £342m (excluding the MSK contract).

At month 5, there is a £0.2m (0.1%) underspend for the contract overall. Planned care expenditure remains at £1.0m (1.6%) below plan. Cumulative urgent care expenditure is now at the planned level, this is mainly because August activity continued at similar levels to previous months against a lower target (the phasing of this target is based on an historic average with QIPP adjusted in specific months). The chart below shows the activity target and actual numbers of spells for April – August and a forecast for September to the end of the year. This assumes that we achieve the majority of planned

QIPP in the last 7 months (to a value of £3.0m against planned QIPP savings in that period of £4m).



Note the vertical axis starts at 3,800 spells (not zero).

The phasing of QIPP delivery is heavily weighted to the end of the year with only 21% of the full target (£13m) in the first five months; any further under-delivery of QIPP will obviously impact in future months and affect the year end position. The expected financial impact of QIPP schemes has been factored into the forecast spend (in line with the performance reported in the QIPP report produced by the Interim Director of Commissioning). This projects that almost £10m of the planned £13.1m QIPP schemes relating to STHFT services will be delivered.

High cost drugs and Community budgets are over-spending partly as a result of slippage against QIPP scheme start dates.

Challenges have been made to the Trust in relation to Q1 activity, to a total value of £343k for Sheffield CCG, this incorporates a mixture of routine challenges (i.e. where we are not the responsible commissioner) and areas where we have spotted unusual activity patterns which could relate to unanticipated service changes or counting / coding shifts.

Month 5 data from **Sheffield Children's (SCH)** shows a breakeven position for August, resulting in a year to date cumulative overspend of £414k. A&E, AAU and Non-Elective combined (Urgent Care) continued to overspend but at a lower level (compared to previous months). This was offset by a small under performance against planned care. The forecast position projects an overall overspend of £940k, which is an improvement of £212k compared to the M4 forecast position. Urgent Care activity is forecast to continue to over-perform, offset by an underperformance in relation to elective activity (in particular day case activity). The Urgent Care overspend is across the whole pathway. Data provided by SCH shows that the majority of the Non-Elective and AAU overspend is mainly due to increased admissions from A&E rather than GP referrals. Discussions are ongoing with SCH to understand the reasons behind the increases and decide next steps.

2.1.2 Independent Sector/Extended Choice: The reported underspend expected for 2016/17 relates to Neurosurgery activity which is expected to be below the resources

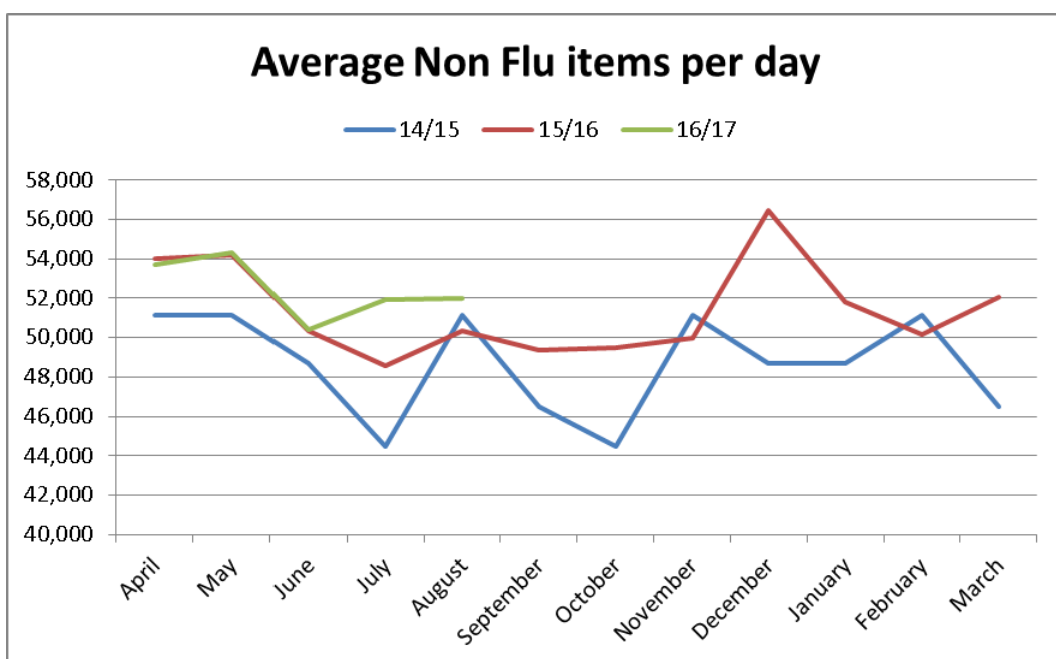
transferred from NHS England, associated with the agreed transfer of commissioning responsibility to CCGs for specific independent sector contracts.

2.1.3 Individual Funding Requests (IFR): Spend on IFRs is expected to overspend by £379k for the year, the number of brain injury rehabilitation patients (7) continues to be higher than historical levels. It is expected that the QIPP target will not be achieved as the majority of patients have been reapproved to continue treatment.

2.1.4 Continuing Health Care (CHC) and Funded Nursing Care (FNC): In relation to adult CHC, Month 5 data shows spend continues to be in line with the small projected year end underspend of around £256k. Based on current children's CHC patients the forecast is a £239k underspend. However, it should be noted that, spend can be volatile as it relates to a small number of patients at any one time and their individual packages of care can vary in cost significantly. As reported in previous months, the national increase of the FNC rate from £112.00 per week to £156.25 (40% increase) has given the CCG a £2.4m pressure. This is the main factor in the forecast overspend of £2.2m.

2.1.5 Primary Care: A detailed report will be presented to the Primary Care Commissioning Committee. The forecast position across co-commissioning and locally commissioned primary care is an underspend of £287k. This is as a mainly as a result of an underspend against premises reimbursements as confirmation has been received from Community Health Partnerships in relation to the annual charges for practices within LIFT premises.

2.1.6 Prescribing: The actual July data showed spend of £7.7m, with the local estimate of spend in August, this gives a year to date underspend of £275k. The number of items prescribed per day has increased as shown in the chart below however this is offset by further reductions in the cost per item average to £7.11, the budget is based on £7.18. Based on current information, we have forecast the year position to be an underspend of £169k, which takes in to account the latest estimate of delivery of Prescribing QIPP schemes and is after a small contingency for increase in items in winter months. The volatility of spend in this area can mean over or underspends of £1m to 2m are not uncommon and need to be factored into our risk management arrangements.



2.1.7 Quality Innovation, Productivity & Prevention (QIPP): A separate report is available to governing body members from the interim Director of Commissioning. The month 5 position shows a shortfall of £969k (21%) against the net QIPP plan to date and the forecast outturn shows a shortfall of £2.9m (15%) on net QIPP, including recovery plan actions.

2.1.8 Section 75 Framework Partnership Agreement (Better Care Fund): Appendix E shows the citywide position in relation to the Better Care Fund. Overall, a forecast overspend of £11.6m is being reported (£5.0m in relation to CCG commissioned services and £6.6m in relation to SCC commissioned services) before any deployment of contingencies reserves or other mitigating actions.

Information reported on the CCG expenditure within the Better Care Fund (BCF) is included within the overall CCG reported position in appendix A to D. Overspends are forecast for the following: £0.4m is forecast in relation to the Independent Living Solutions contract; £1.9m in relation to Ongoing Care, mainly in relation to the national review of funded nursing care (see section 2.1.4) and £1.9m in relation to medical emergency admissions within the scope of the BCF.

Information received from Sheffield City Council (SCC) shows a forecast overspend of £6.6m against the SCC budgets of £106m (which equates to 6%). The main areas of overspend relate to:

- Forecast overspends against Purchasing Budgets (Learning Disabilities, Adult and Mental Health) which all show additional cost demands versus budget assumptions (all within Theme 4 : On-going care);
- Pressures on the Independent Living Solutions contract

Work is underway to address these overspends and mitigate the non-delivery of proposed savings.

2.1.9 1.0% Non-Recurrent Reserve: (£8.1m, including primary care co –commissioning £748k) Planning guidance from NHS England requires that all CCGs hold back at least 1% of the programme revenue resource limit to be used on a non recurrent basis. In response to a HM Treasury requirement, NHSE have changed the business rule which in 2016/17 now requires CCGs to hold and not commit any of the resource, until agreed by NHSE, which is dependent on how well ALL organisations in the Sustainability & Transformation Programme (STP) are performing. If any organisations are failing to meet their finance targets, CCGs will be required to release all/portion of the 1% reserve to increase our reported surplus. If all organisations are demonstrating on plan, funding may be available to spend on non recurrent initiatives later in the year.

2.1.10 General Contingency Reserve: At month 5, contingency reserve stands at £4.1m. This is likely to be required to manage some of the key risks identified in section 2.2.

2.1.11 Running Costs: The split of the £12.6m running cost allocation is summarised in the table below. The Governing Body approved at the planning stage to allocate £1.0m towards the delivered of the overall surplus.

Table 2: Running Cost Variances

Category	Annual Budget £'000s	YTD Variance £'000s	Forecast Variance £'000s
Pay	8,917	(98)	116
Non Pay	4,015	(30)	171
Income	(1,401)	24	(181)
Running Costs Reserve	123	0	(123)
Running Costs Planned Surplus	1,000	(417)	(1,000)
Running Cost Budget	12,654	(521)	(1,017)

The forecast year end underspend continues to show achievement of the £1m saving as declared to NHS E as part of the financial planning process. This has partly been met through the release of the £123k running cost reserve.

2.2 Key Risks. NHS England requires all CCGs to submit a summary of their key financial risks and mitigations on a monthly basis. Given the level of financial risk inherent in this year's financial plan and the size of the QIPP plan as well as system wide financial challenge, this analysis is being shared with Governing Body members. The latest assessment of the range of risks faced by the CCG is attached as Appendix F.

At M5, the balanced assessment of risk indicates that the available contingency reserves/other actions are sufficient to cover the risks identified to date. However, there are a number of areas where there is a wide range of upside/downside risks which will require close monitoring.

3. Delivery of Cash Position

The CCG was notified of a maximum cash drawdown limit of £828.0m at month 5. The total cash used to the end of August was £304.8m against a requested cash drawdown of £299.1m and other income of £8.9m. The cash balance at bank at the end of the month was £3.2m. The profile of spend is in line with the previous year and detailed forecast is underway to reduce the cash balance at the end of each month.

4. Key Budget Movements

In line with the Scheme of Budgetary Delegation, the Governing Body is required to sign off all budget movements over £2m. One budget movement occurred above this value in Month 3 which is listed in the section below as it moved £2.9m from BCF medical emergency admissions to emergency admissions outside the scope of the BCF. This budget movement reflected the final 2016/17 contract agreement with STHFT and QIPP plan at specialty level.

In line with the section 75 agreement with Sheffield City Council (SCC), any proposed changes to the financial contributions of either party to the Better Care Fund are required to be signed off by the Governing Body (as well as the SCC Cabinet). The changes for Month 3 – 5 are listed in the table below.

Reference Number	Requested by	Justification	Theme/Service	Financial Value (£'000s)	
				Rec	Non Rec
Month 3					
FVA04a	SCC	Re Align Public Health Budgets to income	Theme 1 - Keeping People Well	-159.0	
FVA04b	SCC	Community Grants - additional payment from reserves	Theme 1 - Keeping People Well		15.0
FVA04c	SCC	Reallocation of STIT staff	Theme 2 - Active Support & Recovery	227.0	
FVA05a	CCG	Locally commissioned services saving	Theme 1 - Keeping People Well		-33.0
FVA05b	CCG	Align Community Services to contract with STH	Theme 2 - Active Support & Recovery	427.4	
FVA05c	CCG	Medical Emergency Admissions - Align to contract with STH	Theme 5 - Adult in patient Medical	-2,879.0	
				-2,383.6	-18.0
Month 4					
FVA06a	SCC	Re Align Public Health Budgets to income	Theme 1 - Keeping People Well	9.0	
FVA06b	SCC	STIT - Reallocation of pay and transport costs	Theme 2 - Active Support & Recovery	175.0	
FVA06c	SCC	Additional CHC Income	Theme 4 - Ongoing Care		-1,200
FVA06c	SCC	Additional Adult Social Care costs	Theme 4 - Ongoing Care		500
FVA06c	SCC	Additional LD care costs	Theme 4 - Ongoing Care		700
				184.0	0.0
Month 5					
FVA07a	SCC	STIT Severance costs funded from reserves	Theme 2 - Active Support & Recovery		290.0
FVA07b	SCC	STIT transfer of outsourced services (Capital) to Resources	Theme 2 - Active Support & Recovery	-183.0	
FVA07c	SCC	Supported Living transfer of outsourced services (Capital) to Resources	Theme 4 - Ongoing Care	-3.0	
FVA08a	CCG	Adjust STH Community Services - inclusion of Care Select and further alignment to contract	Theme 2 - Active Support & Recovery	-348.0	
FVA08b	CCG	Medical Emergency Admissions - Align QIPP inside and outside of BCF	Theme 5 - Adult in patient Medical	47.0	
				-487.0	290.0
Sub Total Months 3 to 5				-2,686.6	272.0
				-2,414.6	

5. Recommendations

Governing Body is asked to consider the risks and challenges to delivery of the planned 0.5% surplus identified in this report. Governing Body is asked to approve the budget changes outlined in section 4 above.

Paper prepared by: Jackie Mills, Deputy Director of Finance, Chris Cotton, Senior Finance Manager

On behalf of: Julia Newton, Director of Finance

September 2016

NHS Sheffield Clinical Commissioning Group
Finance Report 2016/17 - Financial Position for Period Ending 31 August 2016

	Year to Date: August				Year End Forecast Out-turn				Forecast
	Budget	Expenditure	Variance		Budget	Forecast	Variance		Variance @
	£'000s	£'000s	£'000s	%	£'000s	£'000s	£'000s	%	Month 4
PROGRAMME COSTS									£'000s
Revenue Resource Limit	338,165	338,165	0	0%	820,225	820,225	0	0%	0
EXPENDITURE									
Acute Hospital Care									
Elective	67,969	66,794	(1,175)	-2%	160,706	157,014	(3,692)	-2%	(3,993)
Urgent care	58,573	58,953	380	1%	138,062	138,383	322	0%	(1,018)
Other Acute Care / Ambulance Services	40,954	41,545	591	1%	98,061	99,503	1,442	1%	2,636
	167,496	167,292	(204)	0%	396,828	394,900	(1,928)	0%	(2,375)
Mental Health & Learning Disabilities									
Mental Health & Learning Disabilities	33,925	33,959	34	0%	81,450	81,494	44	0%	84
Community Services									
Elective Community Care	11,620	11,593	(27)	0%	27,653	27,418	(235)	-1%	(198)
Urgent Community Care	3,189	3,197	8	0%	7,606	7,673	67	1%	100
Intermediate Care & Reablement	18,604	19,205	601	3%	44,648	45,792	1,143	3%	1,116
Long Term Care and End of Life	25,973	26,670	697	3%	61,247	63,034	1,787	3%	1,523
Prescribing	41,033	40,711	(321)	-1%	98,820	98,556	(264)	0%	(205)
Other Commissioning	916	659	(257)	-28%	2,235	2,083	(152)	-7%	(104)
	101,335	102,036	702	1%	242,209	244,556	2,346	1%	2,233
Primary Care									
Primary Care Co-commissioning	29,530	29,100	(430)	-1%	71,182	70,751	(431)	-1%	(177)
Locally Commissioned Primary Care Services	4,837	4,420	(418)	-9%	12,300	12,444	144	1%	246
	34,367	33,520	(848)	-2%	83,481	83,194	(287)	0%	69
Reserves									
Reserves	1,042	0	(1,042)	-100%	16,255	13,598	(2,658)	-16.4%	(2,500)
TOTAL EXPENDITURE - PROGRAMME COSTS	338,165	336,807	(1,358)	0%	820,225	817,742	(2,483)	0%	(2,489)
(UNDER)/OVER SPEND - Programme Costs	0	(1,358)	(1,358)		(0)	(2,483)	(2,483)		(2,489)
RUNNING COSTS ALLOWANCE									
Running Cost Funding	5,158	5,158	0	0%	12,654	12,654	0	0%	0
Total Running Cost Expenditure	5,158	4,637	(521)	-10%	12,654	11,637	(1,017)	-8.0%	(1,011)
(UNDER)/OVER SPEND - Running Costs	0	(521)	(521)		0	(1,017)	(1,017)		(1,011)
TOTAL									
Revenue Resource Limit	343,322	343,322	0	0%	832,879	832,879	0	0%	0
Expenditure	343,323	341,443	(1,879)	-1%	832,879	829,379	(3,500)	0%	(3,500)
TOTAL (A)	0	(1,879)	(1,879)		(0)	(3,500)	(3,500)		(3,500)

RESOURCE LIMIT ALLOCATIONS	Revenue			Maximum Cash Drawdown incl Capital		
	Recurrent	Non Rec	Total	Confirmed	Anticipated	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Programme Costs						
Initial CCG Programme Allocation	737,037		737,037	828,024		828,024
Primary Care Co-Commissioning	74,747		74,747			
2015/16 recurrent transfers post allocation setting (mth07)	(249)		(249)			
Brought Forward surplus/(deficit)		7,490	7,490			
PMS Premium	362		362			
Q1 Eating Disorder Service Correction		302	302			
Q1 TB Corrections		21	21			
PYE transfer of One Health July - March 2017		66	66			
PYE transfer of Claremont July- March 2017		250	250			
Transfer of NHSE support re Embed and Third Party Contracts		41	41			
PYE April-June 2016 transfer of Claremont		86	86			
PYE April-June 2016 transfer of One health		21	21			
GP Development Programme - reception & clerical training		51	51			
Month 5 Programme Costs Resource Limit	811,897	8,328	820,225	828,024	0	828,024
Running Costs						
Initial Running Costs allocation	12,654		12,654			
Month 5 Running Cost Resource Limit	12,654	0	12,654			
CLOSING LIMITS (B)	824,551	8,328	832,879	828,024	0	828,024

Memo Table: NHS England Presentation of CCGs financial position

In-year allocation:		
16/17 Core Allocation	832,879	C
Allocation of prior years surplus for drawdown	-7,490	D
Total share of NHSE mandate for 2016/17	825,389	E=C+D
Expenditure:		
Forecast Expenditure (Programme Spend plus Running Costs)	828,378	A
Forecast under/(over)-spend against in year allocation	-2,989	E-A
In-year performance:		
Performance against 16/17 core allocation	4,501	F=C-A
Made up of:		
Planned use of prior year surpluses (agreed drawdown)	-7,490	D
Other in year under/(over)-spend against resource limit	-2,989	G=D+F
Memorandum: cumulative (historic) surplus/(deficit)		
Total share of NHSE mandate for 2016/17	825,389	E
Return of remaining prior year surplus/(deficit)	7,490	H
Total allocation plus historic surplus/deficit (equals closing limits per table above)	832,879	B (or E+H)
Forecast Surplus / (deficit) against total allocation	3,500	I=B-A
Target additional surplus/(deficit) required to meet business rules	-3,990	I-H

NHS Sheffield Clinical Commissioning Group
Finance Report 2016/17 - Financial Position for Period Ending 31 August 2016

	Year to Date: August				Forecast Out-turn				Forecast Variance @ Month 4 £'000s
	Budget	Expenditure	Variance		Budget	Forecast	Variance		
	£'000s	£'000s	£'000s	%	£'000s	£'000s	£'000s	%	
PROGRAMME COSTS									
Revenue Resource Limit	338,165	338,165	0	0%	820,225	820,225	0	0%	0
EXPENDITURE									
Acute Hospital Care									
Planned Care									
Sheffield Teaching Hospitals NHS FT	59,838	58,898	(939)	-2%	141,255	138,161	(3,094)	-2%	(3,594)
Sheffield Children's NHS FT	5,292	5,113	(179)	-3%	12,700	12,235	(465)	-4%	(292)
Other NHS Trusts	1,387	1,489	102	7%	3,276	3,420	144	4%	192
ISTC & Extended Choice	1,452	1,294	(158)	-11%	3,475	3,198	(278)	-8%	(299)
Planned Care	67,969	66,794	(1,175)	-2%	160,706	157,014	(3,692)	-2%	(3,993)
Urgent Care									
Sheffield Teaching Hospitals NHS FT	51,243	51,206	(37)	0%	120,560	120,129	(431)	0%	(1,816)
Sheffield Children's NHS FT	4,827	5,253	425	9%	11,586	12,357	771	7%	774
Other NHS Trusts	2,489	2,480	(8)	0%	5,879	5,861	(18)	0%	24
ISTC & Extended Choice	14	13	(0)	-3%	37	37	(0)	-1%	(0)
Urgent Care	58,573	58,953	380	1%	138,062	138,383	322	0%	(1,018)
Other Acute Care / Ambulance Services									
Sheffield Teaching Hospitals NHS FT	27,903	28,088	184	1%	66,718	67,040	321	0%	1,760
Sheffield Children's NHS FT	646	789	142	22%	1,823	2,425	602	33%	599
Other NHS Trusts	761	601	(160)	-21%	1,900	1,704	(196)	-5%	(139)
ISTC & Extended Choice	33	45	12	37%	79	88	9	12%	13
Ambulance Services	9,552	9,530	(22)	0%	22,828	22,877	(49)	0%	10
Other Acute Services	2,058	2,493	434	21%	4,715	5,369	654	14%	393
Other Acute Care	40,954	41,545	591	1%	98,061	99,503	1,442	1%	2,636
Mental Health & Learning Disabilities									
Sheffield Health and Social Care NHS FT	30,579	30,579	0	0%	73,419	73,419	0	0%	0
Sheffield Children's NHS FT	1,842	1,868	25	1%	4,421	4,452	31	1%	70
Local Authority	1,168	1,168	0	0%	2,803	2,803	0	0%	0
Other Mental Health Services	337	345	8	2%	808	820	13	2%	14
Mental Health & Learning Disabilities	33,925	33,959	34	0%	81,450	81,494	44	0%	84
Community Services									
Planned Care									
Sheffield Teaching Hospitals NHS FT	3,378	3,413	35	1%	7,867	7,707	(160)	-2%	(160)
Sheffield Children's NHS FT	1,823	1,823	0	0%	4,376	4,376	0	0%	0
Local Authority	5,755	5,755	0	0%	13,811	13,811	0	0%	0
Development Nurses	197	136	(62)	-31%	474	401	(73)	-15%	(36)
Other Community Services	467	466	(0)	0%	1,125	1,123	(2)	0%	(2)
Planned Community Care	11,620	11,593	(27)	0%	27,653	27,418	(235)	-1%	(198)
Urgent Care									
Primary Care Access Centre	1,156	1,156	0	0%	2,774	2,774	0	0%	0
111	498	484	(14)	-3%	1,194	1,161	(33)	-3%	0
Out of Hours	1,536	1,558	22	1%	3,638	3,738	100	3%	100
Urgent Community Care	3,189	3,197	8	0%	7,606	7,673	67	1%	100
Intermediate Care & Reablement									
Sheffield Teaching Hospitals NHS FT	17,044	17,461	417	2%	40,906	41,606	700	2%	673
Local Authority	757	757	0	0%	1,817	1,817	0	0%	0
Community Equipment	802	987	185	23%	1,925	2,368	443	23%	443
Intermediate Care	18,604	19,205	601	3%	44,648	45,792	1,143	3%	1,116
Long Term Care and End of Life									
Continuing Care	19,406	19,200	(206)	-1%	46,926	46,431	(495)	-1%	(480)
Continuing Care Retrospectives	1,028	1,028	0	0%	1,028	1,028	0	0%	0
Continuing Healthcare Assessments	1,044	946	(98)	-9%	2,507	2,387	(120)	-5%	(118)
Continuing Care - IFRs	27	31	4	13%	66	72	7	10%	6
Funded Nursing Care	2,630	3,548	918	35%	6,313	8,516	2,203	35%	2,286
St Lukes Hospice	957	957	0	0%	2,296	2,296	0	0%	0
Sheffield Teaching Hospitals NHS FT	880	960	80	9%	2,112	2,304	192	9%	(171)
Long Term Care	25,973	26,670	697	3%	61,247	63,034	1,787	3%	1,523
GP Prescribing									
Prescribing	40,435	40,160	(275)	-1%	97,269	97,100	(169)	0%	(122)
Medicines Management Team	597	551	(46)	-8%	1,551	1,456	(95)	-6%	(83)
Prescribing	41,033	40,711	(321)	-1%	98,820	98,556	(264)	0%	(205)
Other Commissioning	916	659	(257)	-28%	2,235	2,083	(152)	-7%	(104)
Other Commissioning	916	659	(257)	-28%	2,235	2,083	(152)	-7%	(104)
Primary Care									
Co-Commissioning									
Core Contract	19,997	19,847	(150)	-1%	47,993	47,893	(100)	0%	0
Premises	4,279	4,068	(210)	-5%	10,269	9,939	(331)	-3%	129
QoF	3,097	3,097	0	0%	7,433	7,433	0	0%	0
Enhanced Services	1,319	1,319	0	0%	3,166	3,166	0	0%	0
Primary Care Other	839	769	(70)	-8%	2,015	2,015	0	0%	0
Reserve	0	0	0	#DIV/0!	306	306	0	0%	(306)
Locally Commissioned Primary Care Services	4,837	4,420	(418)	-9%	12,300	12,444	144	1%	246
Primary Care	34,367	33,520	(848)	0%	83,481	83,194	(287)	0%	69
Reserves									
Commissioning Reserves	0	0	(0)	-100%	1,544	1,387	(158)	-10%	0
General Contingency Reserve	0	0	0	0%	4,097	4,097	0	0%	0
Primary Care	0	0	0	0%	0	0	0	#DIV/0!	0
1.0% Non Recurrent Reserve	0	0	0	0%	8,114	8,114	0	0%	0
Planned Surplus	1,042	0	(1,042)	-100%	2,500	0	(2,500)	-100%	(2,500)
Reserves	1,042	0	(1,042)	-100%	16,255	13,598	(2,658)	-16%	(2,500)
TOTAL EXPENDITURE - PROGRAMME COSTS	338,165	336,807	(1,358)	0%	820,225	817,742	(2,483)	0%	(2,489)
(UNDER/OVER SPEND - Programme Costs)	0	(1,358)	(1,358)		(0)	(2,483)	(2,483)		(2,489)
RUNNING COSTS ALLOWANCE									
Funding net of £1.5m transfer to commissioning budgets	5,158	5,158	0	0%	12,654	12,654	0	0%	0
EXPENDITURE									
Governing Body & Chief Officers	1,152	1,133	(19)	-2%	2,867	3,204	337	12%	100
Clinical Quality & Clinical Services	954	895	(59)	-6%	2,289	2,217	(73)	-3%	(49)
Finance, Contracting & Procurement	906	841	(65)	-7%	2,145	1,975	(170)	-8%	(6)
Health Reform & Transformation	228	346	118	52%	547	573	26	5%	(4)
Delivery	1,463	1,489	26	2%	3,591	3,598	8	0%	(17)
Primary Care Development	38	(67)	(105)	-276%	91	69	(22)	-24%	(36)
Running Cost Reserve - Contingency	0	0	0	#DIV/0!	63	0	(63)	-100%	0
Running Cost Reserve	0	0	0	#DIV/0!	60	0	(60)	-100%	0
Running Cost Planned surplus	417	0	(417)	-100%	1,000	0	(1,000)	-100%	(1,000)
TOTAL EXPENDITURE - RUNNING COSTS	5,158	4,637	(521)	-10%	12,654	11,637	(1,017)	-8%	(1,011)
(UNDER/OVER SPEND - Running Costs)	0	(521)	(521)		0	(1,017)	(1,017)		(1,011)
TOTAL (UNDER/OVER SPEND)	0	(1,879)	(1,879)	-	(0)	(3,500)	(3,500)	-	(3,500)

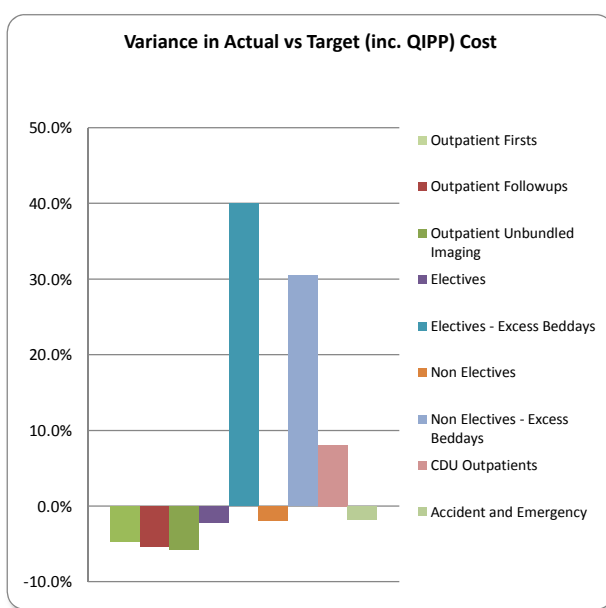
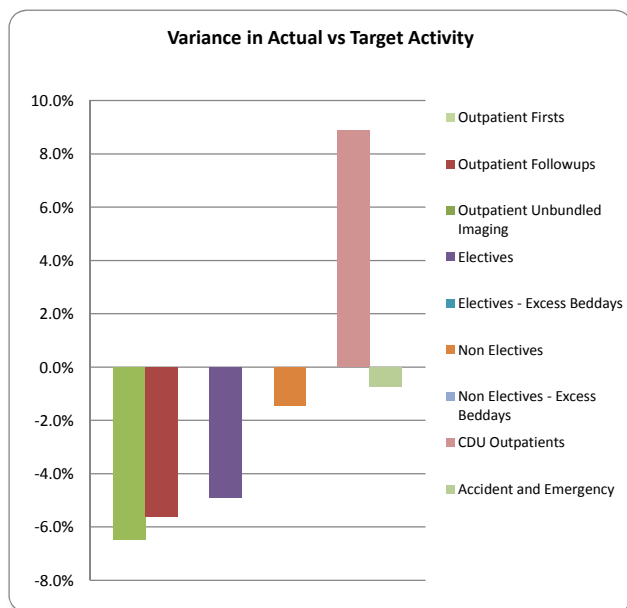
NHS Sheffield Clinical Commissioning Group
Finance Report 2016/17 - Financial Position for Period Ending 31 August 2016

Main Provider Contracts

	Year to Date: August				Year End Forecast Out-turn			
	Budget	Expenditure	Variance		Budget	Forecast	Variance	
	£'000	£'000	Over (+)/ Under(-)	%	£'000	£'000	Over (+)/ Under(-)	%
EXPENDITURE								
Sheffield Teaching Hospitals NHS FT								
Planned Care - STH	59,838	58,898	(939)	-1.6%	141,255	138,161	(3,094)	-2.2%
Urgent Care - STH	51,243	51,206	(37)	-0.1%	120,560	120,129	(431)	-0.4%
Community Care - STH	3,378	3,413	35	1.0%	7,867	7,707	(160)	-2.0%
Other Acute - STH	17,597	17,512	(84)	-0.5%	41,982	41,839	(143)	-0.3%
High Cost Drugs - STH	5,138	5,545	407	7.9%	12,332	13,130	797	6.5%
Maternity Services	5,168	5,030	(139)	-2.7%	12,404	12,072	(333)	-2.7%
Primary Care - Out of Hours	1,536	1,558	22	1.4%	3,638	3,738	100	2.7%
Intermediate Care & Reablement	17,044	17,461	417	2.4%	40,906	41,606	700	1.7%
End of Life Care	880	960	80	9.1%	2,112	2,304	192	9.1%
<i>Sub Total</i>	161,823	161,584	(239)	-0.1%	383,057	380,685	(2,371)	-0.6%
Sheffield Children's NHS FT								
Planned Care - SCH	5,292	5,113	(179)	-3.4%	12,700	12,235	(465)	-3.7%
Urgent Care - SCH	4,827	5,253	425	8.8%	11,586	12,357	771	6.7%
Community Care - SCH	1,674	1,674	0	0.0%	4,019	4,019	0	0.0%
Mental Health Services - SCH	1,842	1,868	25	1.4%	4,421	4,452	31	0.7%
Other Acute - SCH	353	471	119	33.6%	1,118	1,664	546	48.8%
High Cost Drugs - SCH	293	317	23	8.0%	704	761	56	8.0%
Safeguarding	149	149	0	0.0%	357	357	0	0.0%
<i>Sub Total</i>	14,430	14,844	414	2.9%	34,905	35,845	940	2.7%
Sheffield Health and Social Care NHS FT								
Mental Health & Learning Disabilities	30,579	30,579	0	0.0%	73,419	73,419	0	0.0%
<i>Sub Total</i>	30,579	30,579	0	0.0%	73,419	73,419	0	0.0%
	206,832	207,007	175	0.1%	491,381	489,949	(1,432)	-0.3%

Sheffield CCG Commissioned Activity and Costs - July 2016

Sheffield Teaching Hospitals NHS FT



Point of Delivery	Year to Date Activity Plan	Year to Date Actual Activity	Variance	
			Activity	%
Outpatient Firsts	53,492	50,024	-3,468	-6.5%
Outpatient Followups	122,693	115,791	-6,902	-5.6%
Outpatient Unbundled Imaging				
Electives	28,229	26,845	-1,384	-4.9%
Electives - Excess Beddays				
Non Electives	22,405	22,080	-325	-1.5%
Non Electives - Excess Beddays				
CDU Outpatients	12,466	13,574	1,108	8.9%
Accident and Emergency	55,570	55,158	-412	-0.7%
Total				

Year to Date Budget	Actual Expenditure	Variance	
		£'000s	%
£'000s	£'000s	£'000s	%
8,205	7,816	-389	-4.7%
10,852	10,271	-581	-5.4%
1,624	1,530	-94	-5.8%
22,332	21,838	-494	-2.2%
203	284	81	39.9%
41,266	40,457	-810	-2.0%
2,808	3,662	854	30.4%
691	746	56	8.1%
6,382	6,269	-113	-1.8%
94,363	92,873	-1,490	-1.6%

Note - This appendix currently reflects the total position at STHFT (including activity and original funding which now falls within the MSK Outcomes contract) and as such does not show the same position as the other appendices in the Governing Body report.

NHS Sheffield Clinical Commissioning Group
Finance Report 2016/17 - Financial Position for Period Ending 31 August 2016

Memorandum: Section 75 - Better Care Fund

Theme	Year to Date: August				Year End Forecast Out-turn			
	Budget	Expenditure	Variance		Budget	Forecast	Variance	
	£'000s	£'000s	£'000s	%	£'000s	£'000s	£'000s	%
Citywide Position								
People Keeping Well in their local community	3,402	3,326	(76)	-2.2%	7,969	7,774	(195)	-2.4%
Active Support & Recovery	21,268	22,465	1,197	5.6%	50,636	51,358	722	1.4%
Independent Living Solutions	1,616	1,897	281	17.4%	3,879	4,519	639	16.5%
Ongoing Care	63,871	67,225	3,354	5.3%	151,930	160,974	9,044	6.0%
Emergency Medical Admissions - STH	23,839	24,513	674	2.8%	54,565	56,505	1,940	3.6%
Capital Grants	1,797	883	(913)	-50.8%	5,015	4,426	(589)	-11.7%
TOTAL EXPENDITURE	115,794	120,309	4,516	3.9%	273,995	285,556	11,561	4.2%
NHS Sheffield CCG								
People Keeping Well in their local community	755	632	(123)	-16.3%	1,859	1,809	(50)	-2.7%
Active Support & Recovery	17,987	18,404	417	2.3%	43,169	43,869	700	1.6%
Independent Living Solutions	802	987	185	23.0%	1,925	2,368	443	23.0%
Ongoing Care	27,630	28,467	836	3.0%	66,079	68,026	1,947	2.9%
Emergency Medical Admissions - STH	23,839	24,513	674	2.8%	54,565	56,505	1,940	3.6%
Capital Grants	0	0	0	0.0%	0	0	0	0.0%
CCG Total	71,013	73,002	1,989	2.80%	167,597	172,577	4,979	3.0%
Sheffield City Council (SCC)								
People Keeping Well in their local community	2,647	2,694	47	1.8%	6,110	5,965	(145)	-2.4%
Active Support & Recovery	3,281	4,061	780	23.8%	7,468	7,490	22	0.3%
Independent Living Solutions	814	910	96	11.8%	1,954	2,150	196	10.0%
Ongoing Care	36,241	38,759	2,518	6.9%	85,851	92,948	7,097	8.3%
Emergency Medical Admissions - STH	0	0	0	0.0%	0	0	0	0.0%
Capital Grants	1,797	883	(913)	-50.8%	5,015	4,426	(589)	-11.7%
SCC Total	44,780	47,307	2,527	5.6%	106,398	112,979	6,582	6.2%

Notes:

Key elements of each theme are summarised below:

People Keeping Well in their local community	Includes Care Planning, Health trainers/ Community Support Workers, Community Grants and Support to VCF sector, Public Health, Housing related support to Older People and other support services
Active Support & Recovery	Includes community nursing, Intermediate Care Beds, CICs, Transfer of Care Teams, STIT, Intermediate Care Assessment teams
Independent Living Solutions	Includes community equipment and adaptations
Ongoing Care	Includes CHC& FNC, Learning Disabilities, Adult Social Care
Emergency Medical Admissions - STH	Includes Adult Inpatient Medical Emergency Admissions (excluding gastroenterology)

Risks & Opportunities

Risks	Full Risk Value £m	Probability of risk being realised %	Potential Risk Value £m	Commentary
Acute SLAs	6.00	35.37%	2.12	Allow for elective catch up (given current performance issues and focus on reducing waiting lists), as well as potential for increase in NEL activity
Community SLAs	0.00		0.00	Nil as block contracts
Mental Health SLAs	1.50	25.07%	0.38	Impact of Transforming Care requirements. Potential transfer of high cost MH patients from NHSE to CCG. This would be a part year impact.
Continuing Care SLAs	2.00	8.00%	0.16	Run rate (ie new patients to deaths/discharges) could increase above current forecast
QIPP Under-Delivery	14.40	37.69%	5.43	Current assessment by Directors is possible slippage of c£2.9m (after the impact of additional schemes approved in the recovery plan). This is reflected in the reported forecast outturn position. QIPP savings are profiled to latter months of the financial year (23% of the annual target is profiled into the ytd budgets), and there is a risk that current forecasts are optimistic. A more prudent view is potential slippage of £8.3m (ie an additional £5.4m). Most of the slippage would be non recurrent.
Performance Issues	(2.50)	63.66%	(1.59)	CCG plan assumes Trusts deliver against all CQUIN, KPIs etc. National CQUINS are challenging and two of the main providers have highlighted risks to delivery. In addition, a range of queries have been raised with the providers which may deliver an additional financial saving.
Primary Care	(1.50)	27.33%	(0.41)	The current forecast assumes that expenditure will be in line with budgets. There is potential for further slippage in relation to QIPP and enhanced services within the scope of the national contract, as well as further slippage in relation to premises spend.
Prescribing	(1.00)	0.00%	0.00	We have factored in £2m price benefit reflecting NHSE e-mail end of March on what likely to be proposed nationally. Estimate of activity in June relatively low which may be an indication that planned activity growth rates may not materialise. However, monthly activity can be volatile.
Running Costs	(0.80)	12.50%	(0.10)	We plan to use £1m of RCA to spend against programme costs leaving us limited headroom. The forecast position incorporates some additional slippage from the tightening of internal controls as part of the financial recovery plan. Additional pressures from capacity required to support QIPP/STP/place based plans etc potentially offset by non pay underspends.
Other Risks	1.08	0.00%	0.00	We have been asked to include 3% increase in elective admissions and a further increase in outpatients - total estimated cost if comes to fruition £2.15m. These costs are not included in our plan or contracts, as these assumptions are out with our own modelling. M2 ytd activity indicates that our planned contract targets are sufficient. As a result the risk of this additional activity materialising has been reset to 0%.

TOTAL RISKS	19.18		5.98
--------------------	--------------	--	-------------

Mitigations	Full Mitigation Value £m	Probability of success of mitigating action %	Expected Mitigation Value £m	Commentary
Uncommitted Funds (Excl 1% Headroom)				
Contingency Held	4.32	100.00%	4.32	Utilise all contingency
Contract Reserves			0.00	
Investments Uncommitted	1.01	100.00%	1.01	slippage on planned investments
Uncommitted Funds Sub-Total	5.33		5.33	
Actions to Implement				
Further QIPP Extensions	1.00	0.00%	0.00	Recovery plan factored into reported position
Non-Recurrent Measures	0.47	100.00%	0.47	Negotiate reduced contribution to Integrated Commissioning Programme in 2016/17
Delay/ Reduce Investment Plans	0.00	0.00%	0.00	Recovery plan factored into reported position
Other Mitigations	0.19	100.00%	0.19	Through arbitration or negotiation with NHSE prevent transfer of responsibility for high cost MH patient
Mitigations relying on potential funding	0.00		0.00	
Actions to Implement Sub-Total	1.66		0.66	
TOTAL MITIGATION	6.98		5.98	
NET RISK / HEADROOM			(0.00)	