

Report To:	Governing Body 9 April 2015
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Title of Report:	Finance, Contracting and QIPP Report for Month 11 2014/15
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FOI Exemption Category:	Open
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Responsible Officer:	Julie Lawreniuk - Chief Finance Officer
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Report Author and Job Title:	Julie Lawreniuk - Chief Finance Officer
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Executive Summary:	We are on track to deliver a surplus of £7.6m.
Finance/Resource Implications:	Any implications informed within the body of the paper.
Risk Assessment:	Risks identified within the body of the paper.
Legal Implications:	None identified
Health Benefits:	No change arising from this report
Staffing/Workforce Implications:	No change arising from this report
Outcome of Equality Impact Assessment:	None identified
Sub Group/Committee:	Governing Body
Recommendation (s):	The Governing Body is asked to note the contents of this report.

1.0 Purpose of the Report

The purpose of the report is to present to the Governing Body the financial and contracts position for 14/15.

NHS Calderdale CCG has confirmed allocations for 2014/15 to the value of £271.3m for programme expenditure. In addition to this the CCG has a £5.2m running cost allocation.

2.0 Key Messages

Key messages at month 11 are:

- The CCG is forecasting to deliver a £7.6m surplus, an increase of £0.5m on that reported last month. NHS England has confirmed that this increase in surplus will be returned to us in 15/16.
- The table below summarises our forecast performance against our financial duties and targets.

FINANCIAL PERFORMANCE DUTIES AND TARGETS	
Statutory Financial Duties and Targets	RAG RATING
Expenditure does not exceed income	Green
Revenue expenditure remains within specified limits	Green
Capital expenditure remains within specified limits	Green
Administration costs remains within specified limits	Green
Non Statutory Financial Duties and Targets	
Achieve better payment practice code	Red
Deliver CCG QIPP target	Green
Management of non-recurrent funds	Green

3.0 Financial Performance 2014/15 – Delivery of Planned Surplus

- The CCG is forecasting to deliver a £7.6m surplus in 2014/15.
- **Acute** – Acute budgets are forecast to overspend by £0.2m this is a slight reduction on last month figure. As at month 10 we received an in year allocation to amend Leeds Teaching NHS Trust contract baseline by £0.2m, which resulted in a corresponding increase in expenditure. We are continuing to forecast an over trade of £0.7m and are forecasting a £0.1m over trade with Bradford Teaching NHS Trust. We have increased Spire's forecast outturn by £0.2m, offset by a reduction in NCA activity of £0.7m.

- **Mental Health** – The CCG is continuing to forecast an under spend of £0.8m - £0.6m of which is based on our latest assessment of care packages and £0.2m is an under spend on the IAPT contract.
- **Continuing Healthcare** – At month 11 the forecast has increase by £0.2m to £0.6m due to additional expenditure on equipment.
- **Community Healthcare** – Currently showing an under spend of £0.6m due to prior year release of accruals and a number of Intermediate Care contracts coming to an end.
- **Prescribing** – The CCG continues to forecast an under spend £0.4m.
- **Contingency** – As at month 11 the forecast has reduced by £0.5m due to the increased surplus.

4.0 Management of Non-Recurrent Funds and Contingency

The CCG has committed all reserves to fund system transformation.

The CCG has committed £5.2m and £1.3m through additional in year spending plans, these plans are been monitored to ensure we deliver our £7.6m surplus.

5.0 Delivery of QIPP

The current stretch plan includes £4.9m of schemes with an aim to deliver the £4m target included within the financial plan. We are now forecasting to deliver the target of £4m; more detail is included in the QIPP report.

6.0 Running Costs

The CCG has a running cost budget of £5.2m for 2014/15 and we are currently forecasting to fully utilise this budget.

Under spends on Contract Management and Finance are in part due to the release of accruals that are no longer required, have created a forecast underspend of £0.4m.

7.0 Public Sector Payment Policy

The CCG's performance has improved in the month to 92.99% of NHS invoices by volume and 99.04% by value within the target period. This has had an effect on the cumulative NHS position moving to 90.73% by volume and 99.75% by value.

With only 1 month remaining to the end of the financial year the position is irrecoverable; therefore the rag rating remains at Red.

The cumulative performance for non NHS invoices is 99.75% by volume and 99.23% by value.

The failure of the NHS target is due to the delay in processing and authorising non contracted activity invoices. The finance team are working with the CSU to see if this process can be improved in the future.

8.0 Risks/Opportunities

There are a number of financial risks and opportunities that the Finance and Performance Committee need to be aware of:

- **Risk** - activity in acute, mental health and continuing care increases above that included in budget.
- **Risk** – our spending plans do not deliver
- **Risk** – Prescribing increases or decreases.

9.0 Recommendations

The Governing Body is asked to note the financial position.

10.0 Key Messages Contracts

Calderdale & Huddersfield NHS Foundation Trust (CHFT)

- The contract position with CHFT as at the end of Month 10 is showing a notional under-trade of £1.8m (£1.7m after the adjustment for decommissioning of wheelchairs) which represents a further shift from an under-trade of £1.2m at Month 9 (£1.1m after the adjustment for decommissioning of wheelchairs). This position represents a shift in the forecast under-trade at the end of the year from £1.55m to £2.11m (£1.6 to £2.0m after the adjustment for decommissioning of wheelchairs).
- 18 weeks performance has been achieved at specialty level for both the trust and the CCG for admitted, non-admitted and incomplete.
- The availability of appointment slots through Choose and Book continues to breach the local target of 5%. January's performance significantly deteriorated to 19.4% compared to 9.7% in December. This was mainly attributed by a Choose and Book system error.

Other acute and Independent Sector providers

- The contract position with our main acute providers: Leeds Teaching Hospitals is over-trading against plan by £490k, Bradford Teaching Hospitals Trust is over-trading by £49k, and Pennine Acute Hospital Trust is £46k above the expected plan; Mid Yorkshire Hospitals Trust is £108k under plan and Sheffield Teaching Hospital Trust is £97k below expected levels. In respect of our main independent sector providers: Spire Elland is trading £355k above the indicative plan; BMI is over-trading by £135k and Yorkshire Clinic is over-trading by £288k.

South West Yorkshire Partnership NHS Foundation Trust (SWYPFT)

- Calderdale CCG activity is following a similar trajectory in Month 10 on the majority of service lines compared to previous months. In Psychiatric Intensive Care Units the average usage was equivalent to 3.37 against an allocation of 3 beds. This includes beds within the shared bed base and 'out of authority' beds.

Child Adolescent Mental Health Services (CAMHS Tier 3)

- There continue to be challenges in relation to delivery of the Recovery Action Plan, the progress against which is being closely monitored through contract and quality governance processes as well as oversight from a Programme Board.
- Work has been undertaken in relation to development of the service specifications. This will result in a new specification for learning disability CAMHS services and more details in the existing specification in relation to looked after children, urgent response and CAPA. New performance requirements have also been identified both for activity and outcomes for patients. The specifications will be forwarded to Quality and Safety Committee for approval in March 2015.
- In Month 10 there were 52 referrals to the service.

Yorkshire Ambulance Service (YAS) Ambulance

- Activity at the end of Month 10 was 0.7% lower than plan. Monthly performance has improved against the 8 minutes target (i.e. immediately life threatening

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conditions), over previous month with R1 (e.g. cardiac arrest or life threatening traumatic injuries) 76.7% and R2 (e.g. serious breathing difficulties or suspected stroke with serious symptoms) 65.8% against the targets of 75%.

- Performance on Green targets (e.g. G1 & G2 are serious calls but not life threatening and G3 and G4 are non-emergency calls) are achieving performance with the exception of G2 and G3 Response.

NHS 111 and West Yorkshire Urgent Care (WYUC)

- For NHS 111, activity information received for January indicates that the volume of calls for Calderdale was 4,165; which is a significant reduction on Month 9. Call answering performance improved from a poor Month 9 and for Calderdale the percentage of calls directed to 999 for ambulance dispatch was 10.4%; and the percentage of calls that resulted in patients being advised to attend A&E was 7.6%. Performance against targets for call-backs within 10 minutes; warm transfer of calls to clinical advisors; and the aggregation of both remain below target thresholds.
- For WYUC, activity information received for January indicates that the volume of cases for Calderdale was 1,733 which was a large reduction from Month 9 (2,226). Despite improvements against most of the contractual key performance indicators, most remain well below target thresholds; Emergency face to face consultations to commence within 60 minutes at 54.9%; and Urgent face to face consultations to commence within 120 minutes at 63.7% against the targets of 95%.

Quest for Quality in Care Homes

- The main aim of this service is to provide and support the delivery of standardised, high quality, evidence based, and safe patient centred care for residents residing in the 25 care homes involved in this project across Calderdale. There is also a QIPP benefit associated to this project as it is expected to reduce emergency admissions from care homes.
- Active caseloads for Month 10 was 482 (51% of all residents in Quest for Quality care homes). 85% of individuals with an open referral with the Quest service had a care plan. The average YTD is 92%. The number of hospital admissions in Month 10 from Quest for Quality Care Homes was 45 which is 55% lower than Month 10 in 2014 – (100 admissions).

End of Life

- The primary aim of this service is to increase community capacity to safely and effectively care for people approaching end of life in their own home by improving the identification and coordination of care for patients approaching end of life.
- The number of referrals in Month 10 (34) is slightly lower than previous month (41). Year to date, the service has received 368 referrals. Avoidable admissions in Month 10 (5) equates to a notional saving of £3k. Year to date the notional savings in avoidable admissions is £46k.

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- Performance in relation to urgent referrals seen within 1 hour increased in Month 10 remains at 100%. Face to face contact numbers have fallen (97) compared to last month (128) although the previous 3 months (Oct-Dec) had shown a strong rise).

Posture and Mobility (Wheelchairs) Service (Opcare)

- This service has been commissioned for a period of 3 years commencing in October 2014. As of Month 10 there were 113 clients awaiting assessment (a reduction of 18.6% on the previous month) and the number of clients awaiting equipment was 225 (the split by CCG is: Greater Huddersfield 96, Calderdale 60; and North Kirklees 69), this represents a reduction of 9.6% on the previous month. The number of new referrals received in Month 10 was 216 of which 64 were urgent.
- The lack of facilities at the current premises is restricting the number of clients that can be seen. The Provider has, therefore, expedited the process of relocation in order to increase the output of the service and bring clients in line with the expected timeframes for referral pathways.

Walk-in Centre

- Walk-in Services are currently commissioned from Locala at Todmorden and Horne Street at weekends and Bank Holidays. Month 10 activity indicates that 604 patients were seen at the Walk in Centres which is a slight decrease on Month 9 (631); activity continues to be above contracted levels. The percentage of patients seen within 1 Hour of Arrival in Month 10 was 92.4% compared to 89.0% in Month 9 against a performance target of 95%.

12.0 Recommendations

The Governing Body is asked to note the content of the report.