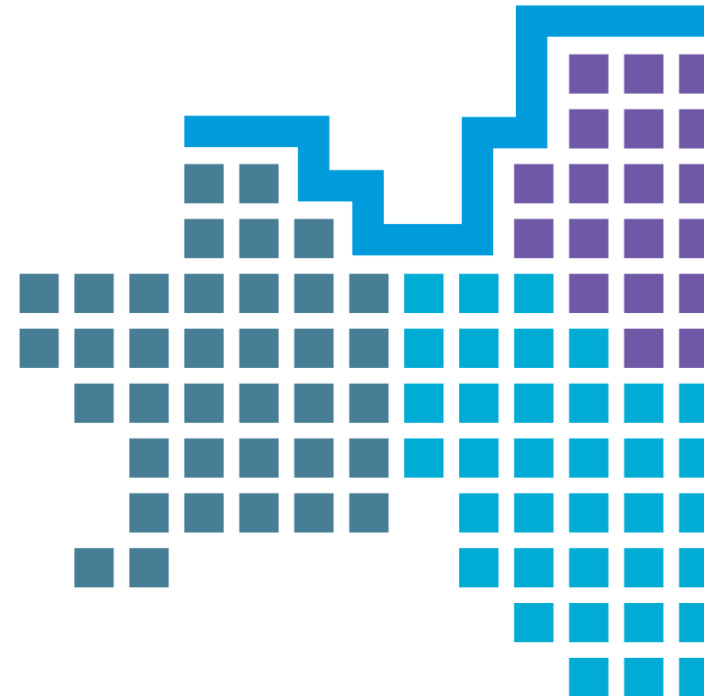


# 2015/16 Draft Finance Plan

06/03/2015



# Contents

1. Timetable
2. Summary of Resource Allocation
3. Draft Expenditure Plan
4. QIPP
5. Risks to 2015/16 planned budgets
6. Recommendations



# 1. Timetable

	Area	Date
1	Submission of Draft Finance and Activity Plans to NHSE	27 <sup>th</sup> Feb*
2	Confirmation by providers of chosen tariff option	4 <sup>th</sup> March
3	Budget Holder sign off completed	27 <sup>th</sup> March
4	Contract signature deadline	31 <sup>st</sup> March
5	Submission of full commissioning plans	7 <sup>th</sup> April
6	Draft Budgets approved by Management Team	8 <sup>th</sup> April
7	Budget sign off by Board	15 <sup>th</sup> April

*\*Draft finance and activity plans were submitted on time*



## 2. Summary of Resource Allocations

	2014/15 £'000	2015/16 £'000
Recurrent Baseline B/fwd	376,692	384,305
Recurrent Uplift 2014/15 2.14% 2015/16 1.94%	8,061	7,456
In Year Adjustment	-448	
<b>Subtotal Uplifted Recurrent Baseline (Programme)</b>	<b>384,305</b>	<b>391,761</b>
Late recurrent adjustment	-466	-466
Running Cost Allocation	8,321	7,516
<b>Subtotal of Notified Allocations</b>	<b>392,160</b>	<b>398,811</b>
Better Care Fund		5,947
<i>Non Recurrent Allocations:</i>		
Return of Prior Year Surplus	7,364	10,010
Non Recurrent Allocations	9,587	0
<b>Subtotal Non Recurrent Allocations</b>	<b>16,951</b>	<b>10,010</b>
<b>Total Allocation</b>	<b>409,111</b>	<b>414,768</b>



# 3. Draft Expenditure Plan

Draft Expenditure	Baseline Budget	Tariff & Growth		BCF £'000	Adjust £'000	QIPP £'000	Draft Budget £'000
		%	£'000				
Acute Commissioning	210,730	2.09%	4,399	-1,670	0	-5,755	207,704
Mental Health incl Learning Disabilities	51,362	1.70%	873	0	600	-500	52,335
Community health Services	30,376	1.53%	465	-11,950	0	0	18,891
Continuing Care	20,763	8.00%	1,662	0	0	-500	21,924
Re-ablement	662	1.53%	10	0	0	0	672
End of life Care	1,655	1.53%	26	0	0	0	1,681
Better Care Fund (BCF)	0	0.00%	0	20,007	0	0	20,007
Other Non Acute	7,705	1.53%	118	-295	0	0	7,528
Prescribing	35,664	6.50%	2,318	0	0	-2,000	35,982
Primary Care	11,286	1.53%	173	0	0	0	11,459
Corporate	12,109	1.40%	170	0	753	-500	12,532
Other	1,072	0.00%	0	0	0	0	1,072
<b>Sub total</b>	<b>383,384</b>		<b>10,214</b>	<b>6,092</b>	<b>1,353</b>	<b>-9,255</b>	<b>391,787</b>
<b>Reserves &amp; Commitments</b>							
Non Recurrent Reserve							2,313
Investment Agreed (funded from NR Reserve)							2,500
0.5% Contingency Reserve							2,074
Transformation Fund (London)							783
LAS cost pressure (estimated)							1,200
Performance Fund							1,308
General Reserve							3,878
Draw Down investment							1,500
System Resilience							2,091
Delivering SWI initiatives (CHC Drawdown)							1,124
<b>TOTAL DRAFT EXPENDITURE PLAN</b>	<b>383,384</b>		<b>10,214</b>	<b>6,092</b>	<b>1,353</b>	<b>-9,255</b>	<b>410,558</b>
<b>1% Surplus Target</b>							<b>4,210</b>
<b>Total Applications</b>							<b>414,768</b>
<b>Total Sources</b>							<b>414,768</b>



# Reserves Assumptions

- £2.5m of non-recurrent 15/16 funding has been set aside as recommended from FRC
- Deadline for Submission of Business cases- 23<sup>rd</sup> February
- Release funding once;
  1. Contracts are signed
  2. Budgets are signed
  3. Drawdown position is clear
  4. Plan is agreed



# Drawdown Status

- Surplus in 14/15 = £10.0m
- Planned Surplus in 15/16 = £4.2m
- Therefore CCG is planning a drawdown of £5.8m

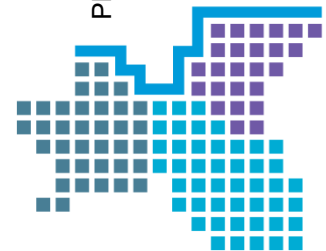
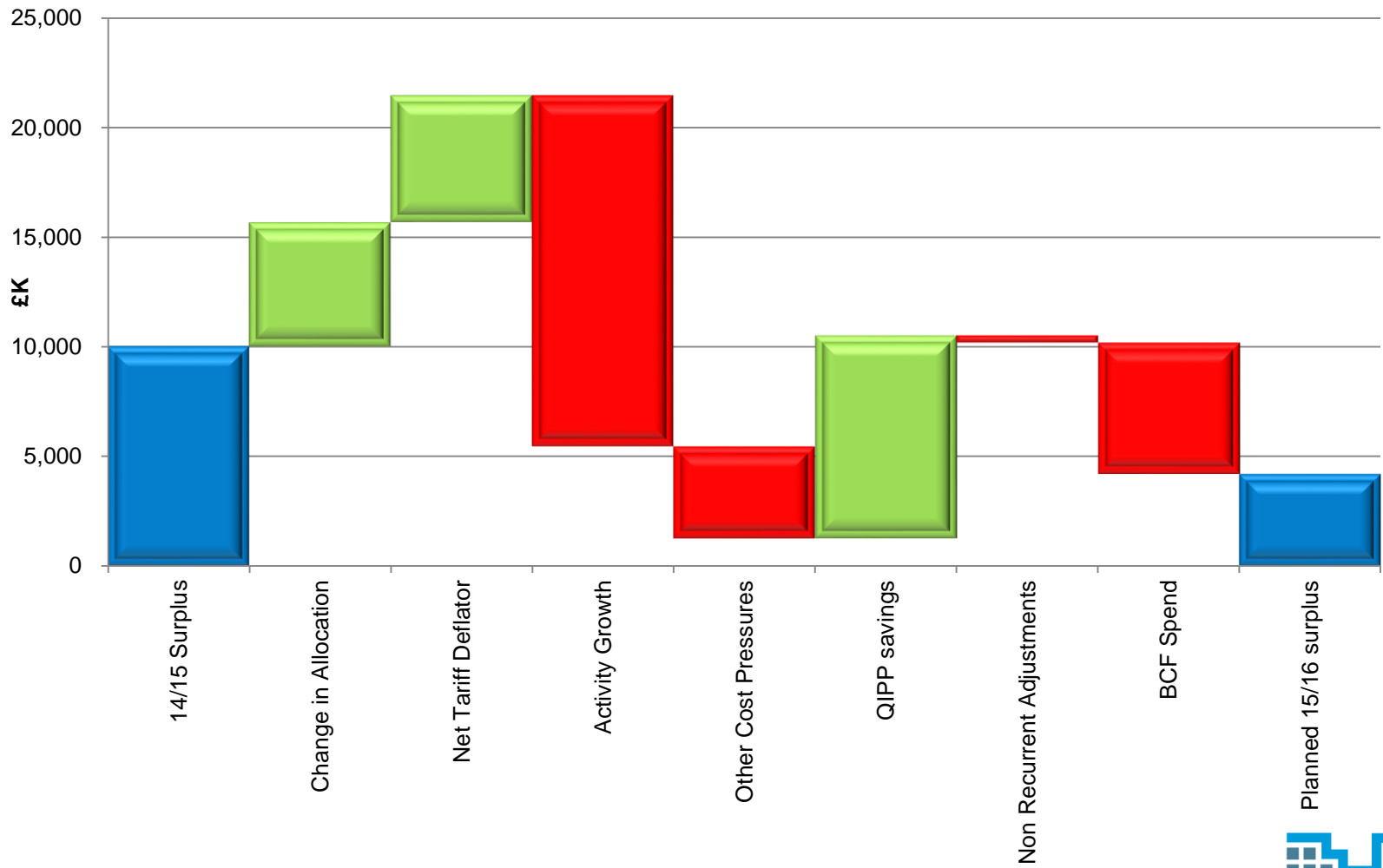
	Amount £'000
Original Drawdown	£3,163
Surplus arising from Continuing Care Refund	£1,139
Late additional Surplus	£1,500
<b>Total</b>	<b>£5,802</b>

Provisionally agreed

Agreed

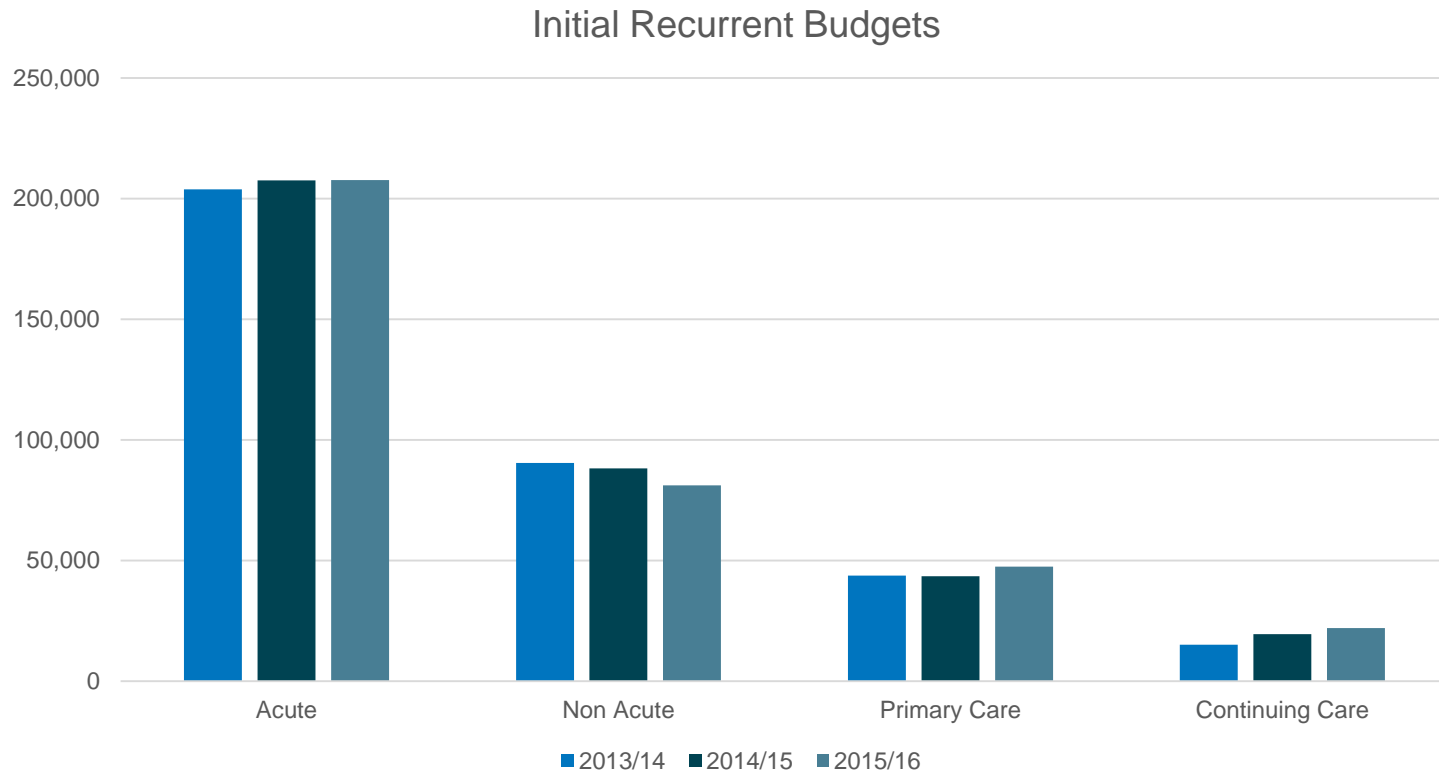


## Movement between 14/15 Surplus and 15/16 Plan Surplus

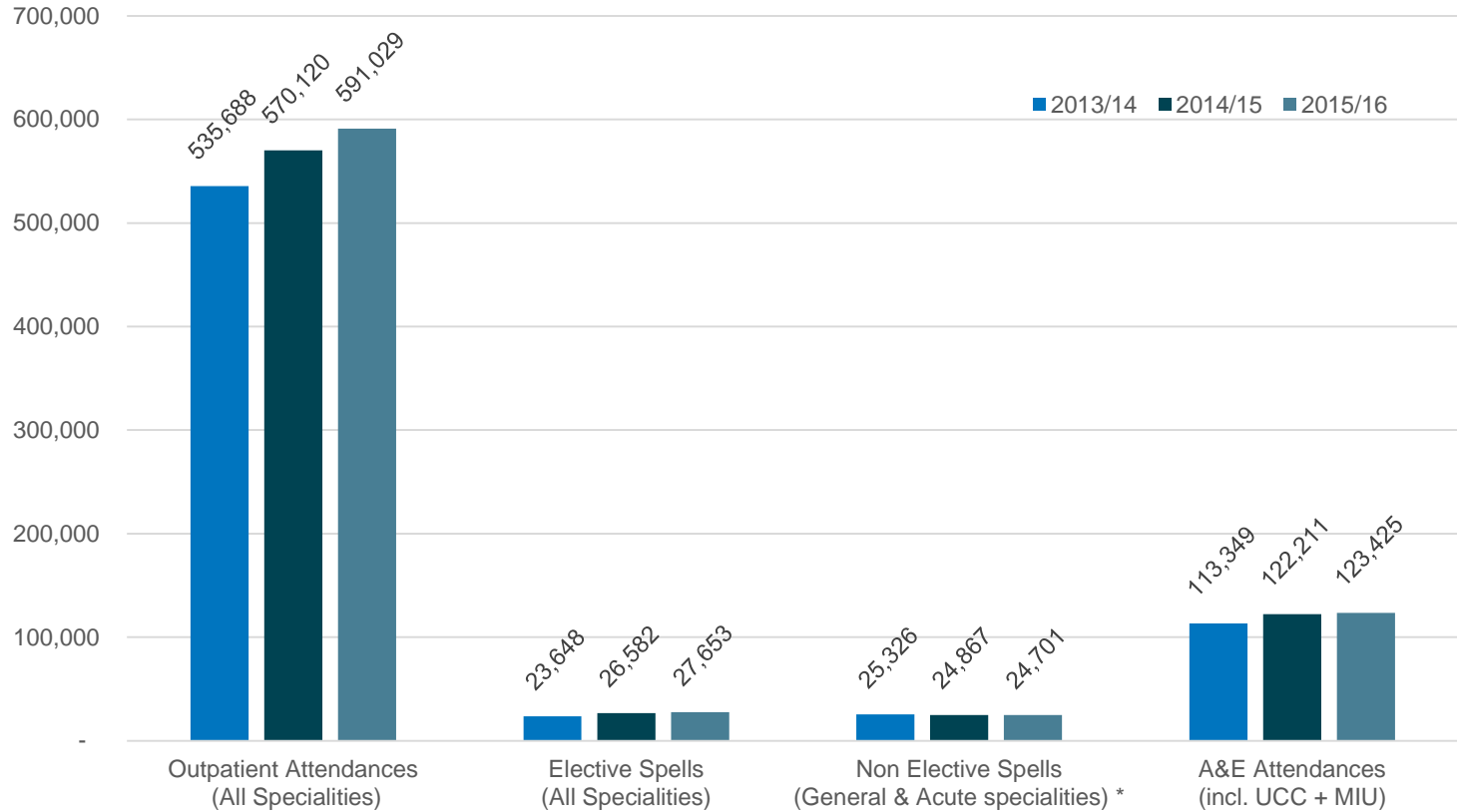




# Initial Budgets from 2013/14 to 2015/16

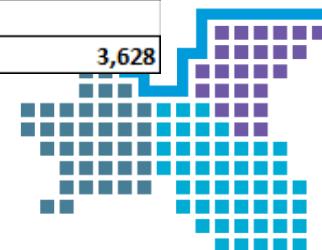


## Activity by Year



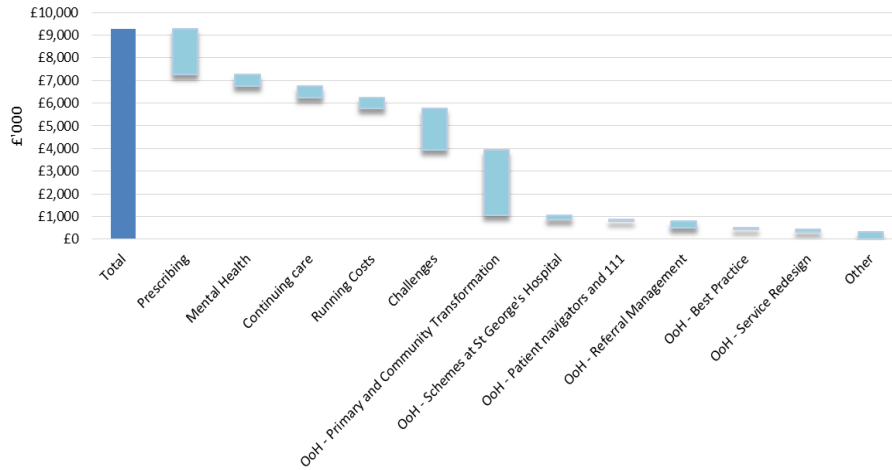
## 4. QIPP Plan for 2015/16

Category	Impact / objective	Agreed Target £k	Estimate of what is possible £k
Prescribing	Cost effective medicines	2,000	2,000
Mental Health	Block opportunities Tariff neg and placements	500	500
Continuing care	Benchmarking different models	500	500
Running Costs	Deep Dive 5% & Void space	500	500
Challenges	KPIs and High Cost Drugs	1,800	1,800
OoH - Primary and Community Transformation	NEL avoidance (BCF target) over 70s	2,490	2,490
OoH - Primary and Community Transformation	Excess Bed Days reduction over 70s	200	248
OoH - Primary and Community Transformation	Attendance avoidance adults	259	163
St George's - Short Stay Admissions	NEL Avoidance 0 - 1 day Adults	236	177
St George's - Cabin	NEL 0 and 1 day admisisions Paediatrics (Cabin)	97	10
OoH - Patient navigators and 111	Attendance lower tariff (diverted back to primary care)	116	58
OoH - Referral Management	Out patient avoidance All ages	583	289
OoH - Out Patient Shifts	MSK Adults	158	0
OoH - Out Patient Shifts	Dermatology Adults	125	0
OoH - Out Patient Shifts	Ophthalmology Adults	256	0
OoH - Best Practice	Diagnostics all ages	160	80
OoH - Service Redesign	End of Life Care	430	112
Other	Schemes identified from SWL Collaberative Strategic Plan - implementation not yet agreed	345	327
	<b>Total</b>	<b>10,755</b>	<b>9,254</b>
	<b>OoH impact</b>	<b>5,110</b>	<b>3,628</b>



# QIPP Plan 15-16

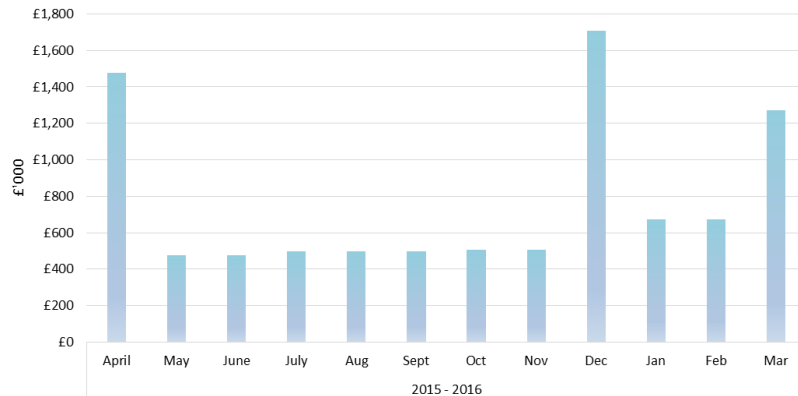
QIPP Scheme 2015-16



QIPP Savings 15-16



QIPP Savings Phased over Year



QIPP Target for 15-16 is £9.254 million

36% of the savings are being made through contractual negotiations or other efficiencies  
64% will be made through transformation activity designed to improve health and prevent avoidable use of secondary care services.



# Budget Holder Sign off Process

## Meetings Schedule

- Lucie Waters – 10<sup>th</sup> February
- Sandra Iskander – 13<sup>th</sup> February
- Graham MacKenzie – 23<sup>rd</sup> February
- Andy McMyllor – 24<sup>th</sup> February

Provisional Budget Sign off – 11<sup>th</sup> March



## 5. Risks for 15/16 Budgets

- Business Cases for Drawdown provisionally approved by NHSE
- 2015/16 National Tariff not yet finalised- two options are available for providers to decide by 4<sup>th</sup> March

Option A) Use proposed 15/16 tariff with the following modifications:

- Specialist commissioning risk share 30:70
- Use 14/15 outturn as baseline
- Provider efficiency requirement at 3.5%
- Non-elective marginal rate at 70%

Option B) Use 14/15 tariff but without CQUINS

**Wandsworth Clinical Commissioning Group**



## 6. Recommendations

- Board are asked to note the report
- Board should be aware that due to national timetable changes the indicative budgets will be approved at the April Board meeting

