

NWL CCGs Financial Turnaround Financial Update – M6 Results

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Executive Summary

In year position

Variances

£(5.0)m Adv YTD
£0.3m better than M5

£(7.7)m Adv FOT
No change since M5

All CCGs forecast to achieve the planned position with the exception of Harrow, which forecasts a deficit of £7.7m. Harrow reported a YTD adverse variance of £4.5m, driven by over spend on acute SLAs (particularly out of sector) and Mental health placements. H&F's £0.5m adv YTD position is due to QIPP slippage. Forecast assumes that other than Harrow CCG adverse QIPP is mitigated through slippage of community reinvestments, underspend on prescribing and release of reserves. Assumes that the H&F GP at hand pressures are mitigated.

QIPP

Variances

£(11.7)m Adv YTD
£(2.2)m worse than M5

£(26.0)m Adv FOT
£(1.5)m worse than M5

YTD actual QIPP equates to 78% of the plan. CCGs full year forecast is £26m adverse. Main reason for forecast adverse variance is slippage of schemes, particularly on acute NEL activity. Apportionment of benefit between local and NWL wide schemes has been reviewed and continues to be monitored.

Provider Performance

Variances

£(17.9)m Adv YTD
£0.8m better than M5

M6 reported cost is 2% above plan while Activity is 3% above plan, resulting in an adverse YTD variance of £17.9m. Main YTD in sector provider adverse variances are CWHFT £4.2m and ICHT £4.3m. The main outer sector adverse variances are with Guys 2.1m, Moorfields £1m & Royal Free £2.7m. By CCG the main YTD impact is; Brent £(4.8)m, H&F £(3.4)m, Harrow £(2.6)m.

Risks & Opportunities

Net position

£(33.4)m Risk
£7.7 better than M5

Most likely position has improved by £1.1m from benefits in Brent and Central London. Full year R&O NHSE reported position highlights a net risk of £33.4m, a reduction of £7.7m since M5. 84% of the total risk relates to acute services £(27.9)m followed by unidentified QIPP (£5.2m, in Central & Harrow) and Mental Health (placement risks).

Underlying Run rate

Underlying position

£(36.4)m Deficit
£(6.8)m worse than in M5

After adjusting for non recurrent items NWL CCGs collectively are reporting an underlying position of £36.4m deficit. This is a decrease of £6.8m compared to M5 position.

Reported in year position – by CCG

Variations

£(5.0)m Adv YTD
£0.3m better than M5

£(7.7)m Adv FOT
No change since M5

All CCGs forecast to achieve the planned position with the exception of Harrow, which forecasts a deficit of £7.7m. Harrow reported a YTD adverse variance of £4.5m, driven by over spend on acute SLAs (particularly out of sector) and Mental health placements. H&F's £0.5m adv YTD position is due to QIPP slippage. Forecast assumes that other than Harrow CCG adverse QIPP is mitigated through slippage of community reinvestments, underspend on prescribing and release of reserves. Assumes that the H&F GP at hand pressures are mitigated.

M6 (Deficit) / Surplus	YTD			Forecast			Comments
	Plan £m	Actual £m	Var £m	Plan £m	Actual £m	Var £m	
Central	0.4	0.4	0.0	0.7	0.7	0.0	The CCG is reporting on plan with a FOT in year surplus of £0.729m & a YTD surplus of £0.365m. The forecast position is however reliant on significant QIPP delivery particularly in Mental Health, Community and CHC Services and investment standards (MH).
West	2.1	2.1	0.0	4.2	4.2	0.0	Mth6 YTD remains on plan, the acute overspend has reduced slightly and prescribing and CHC continue to underspend. The risk for acute over performance has reduced and opportunities have improved with potential underspend in MCMW budgets, resulting in net opportunity of £0.5m.
H&F	0.5	(0.0)	(0.5)	0.4	0.4	0.0	YTD breakeven position is off plan by £0.5m due to QIPP slippage. FOT surplus £0.4m on plan but retains £1.6m of NWL support. GP at Hand income assumed £4.7m/£11.3m YTD/FOT needs actioning by NHSE; other risks are £9m gross/£3m net – and includes a further £1.4m of NWL support.
Hounslow	1.1	1.1	0.0	2.3	2.3	0.0	The YTD and FOT position continues to be on plan however there is a net risk of £2m facing the CCG which is being reviewed rigorously. The ULP has moved from a planned position of £2.6m to £0.2m, this reflects in year performance across directorates.
Ealing	0.9	0.9	0.0	1.9	1.9	0.0	Continues to be on track for year to date and forecast position. LD and joint funded placements have worsened this month. The position is supported by contingency/reserves, prior year gain and back-ended QIPP delivery covering both NWL and local QIPP schemes. Net risk £3.6m, ULP £0.4m deficit.
Brent	0.6	0.6	0.0	1.2	1.2	0.0	YTD and FOT in line with plan. NWL risk share requirement reduced to £1.4m. Overspending on Acute commissioning, QIPP risk, Mental Health and Prescribing offset by slippage in Community, QIPP re-provision budgets and the release of reserves.
Harrow	(10.1)	(14.6)	(4.5)	(20.2)	(27.9)	(7.7)	Year to date in-year deficit (£14.57m), a further (£4.48m) over plan. Main overperformance on Acute SLAs, Mental health cost per case placements and prescribing. Unidentified QIPP £5.7m. FOT (£27.903m), (£7.7m) above planned deficit (£20.2m).
Hillingdon	0.1	0.1	0.0	0.2	0.2	0.0	The CCG is reporting a balanced position at M6 both YTD and FOT. Overspends on Acute, MH and CHC, plus balance sheet losses are mitigated by Contingency Reserve and underspend on Prescribing. QIPP behind plan (£1.1m)YTD, (£1.5m) FOT. Net risks £6.2m.
NWL Total	(4.4)	(9.4)	(5.0)	(9.4)	(17.1)	(7.7)	

In year position variance - by Program

Variations

£(5.0)m Adv YTD

£(7.7)m Adv FC

YTD adverse variations reported of £5m across NWL includes overspend on Acute £16.4m and Mental Health £3.5m, which is partially offset by underspend in Prescribing £3m and Other Programme Services £23.5m which is made up of one off contingency, investment provision and balance sheet releases.

Year to Date £m Variance	Central 9A	West 8Y	H&F 8C	Hounslow 7Y	Ealing 7W	Brent 7P	Harrow 8E	Hillingdon 8G	Total
Acute Services	(2.0)	(2.4)	(1.5)	0.0	(2.9)	(3.6)	(3.4)	(0.7)	(16.4)
Mental Health Services	(1.1)	0.2	(0.1)	(0.1)	(0.6)	(0.3)	(1.1)	(0.5)	(3.5)
Community Health Services	(0.3)	(0.5)	0.7	(0.0)	0.1	2.1	0.1	0.2	2.5
Continuing Care Services	(0.5)	1.3	(0.2)	(0.1)	(1.1)	0.4	(0.1)	(0.4)	(0.6)
Primary Care Services	0.5	0.1	(0.2)	(0.0)	(0.4)	(0.1)	0.2	0.2	0.2
<i>Prescribing</i>	0.1	0.9	1.4	(0.2)	(0.6)	(0.2)	(0.9)	0.7	1.2
Primary Care Co-Commissioning	(0.1)	(0.1)	0.4	0.0	(0.0)	0.4	0.3	0.1	0.9
Other Programme Services	3.3	0.3	(0.9)	0.4	4.9	0.9	0.2	0.2	9.3
Running Costs	0.0	0.2	0.0	0.0	0.6	0.3	0.2	0.2	1.5
TOTAL CCG NET EXPENDITURE	0.0	0.0	(0.5)	0.0	0.0	0.0	(4.5)	0.0	(5.0)

Forecast £m Variance	Central 9A	West 8Y	H&F 8C	Hounslow 7Y	Ealing 7W	Brent 7P	Harrow 8E	Hillingdon 8G	Total
Acute Services	(4.4)	(4.3)	(3.1)	(0.9)	(4.9)	(8.6)	(7.7)	(2.1)	(35.9)
Mental Health Services	(1.3)	1.0	1.1	0.2	(1.4)	(0.7)	(1.3)	(1.1)	(3.5)
Community Health Services	0.3	(1.2)	1.8	(0.5)	0.2	3.7	0.4	0.6	5.4
Continuing Care Services	(0.2)	2.6	(1.7)	(0.9)	(2.0)	0.9	(0.1)	(0.8)	(2.1)
Primary Care Services	0.0	1.0	(1.6)	0.5	(0.6)	(0.3)	0.3	0.2	(0.4)
<i>Prescribing</i>	0.0	1.9	3.1	(0.5)	(1.0)	(0.3)	(1.7)	1.4	3.0
Primary Care Co-Commissioning	0.0	(1.2)	1.5	0.0	(0.2)	0.3	0.5	0.2	1.1
Other Programme Services	5.6	(0.0)	(1.1)	2.0	9.2	4.7	1.8	1.3	23.5
Running Costs	0.0	0.2	0.0	0.0	0.6	0.2	0.0	0.3	1.3
TOTAL CCG NET EXPENDITURE	0.0	0.0	0.0	0.0	0.0	0.0	(7.7)	0.0	(7.7)

Note: Spend by programme area above may differ to local reporting, particularly in mental health and CHC areas due to differences in how mental health placement spend is grouped for internal CCG reporting to external reporting to NHSE. This should not affect total financial variances by CCG

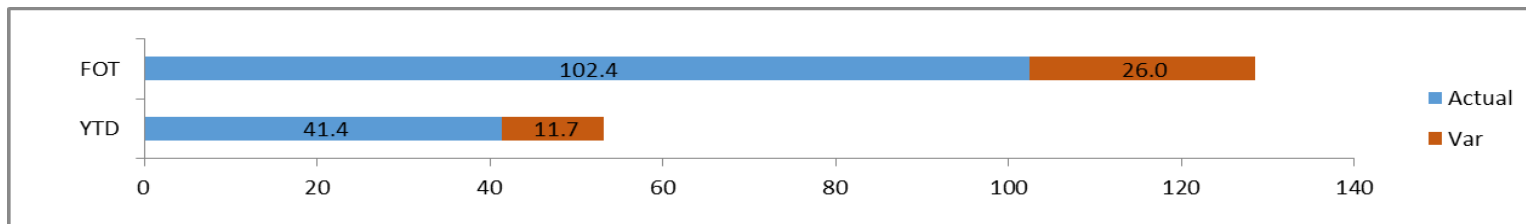
QIPP by CCG (as per Non ISFE)

Variations

£(11.7)m Adv YTD
 £(2.2)m worse than M5

£(26.0)m Adv FOT
 £(1.5)m worse than M5

YTD actual QIPP equates to 78% of the plan. CCGs full year forecast is £26m adverse. Main reason for forecast adverse variance is slippage of schemes, particularly on acute NEL activity. Apportionment of benefit between local and NWL wide schemes has been reviewed and continues to be monitored.



M6	YTD					Forecast				FY Non Recurrent	
	QIPP	Plan £m	Actual £m	Var £m	% of YTD Plan	% of FY Plan	Plan £m	Forecast £m	Var £m	% of Plan	Plan £m
Central	8.3	6.1	(2.2)	74%	35%	17.6	11.7	(5.9)	67%	1.4	1.2
West	7.7	6.6	(1.1)	85%	43%	15.4	13.6	(1.8)	89%	0.0	0.0
H&F	3.6	3.2	(0.4)	89%	19%	17.3	12.6	(4.7)	73%	0.6	5.1
Hounslow	5.5	4.2	(1.3)	76%	35%	12.0	9.6	(2.4)	80%	0.0	0.1
Ealing	7.3	5.3	(2.1)	72%	29%	18.2	14.6	(3.6)	80%	0.0	0.0
Brent	8.4	6.7	(1.6)	80%	44%	15.3	14.2	(1.1)	93%	0.0	0.0
Harrow	7.7	5.8	(1.9)	76%	29%	20.2	15.2	(5.0)	75%	5.7	0.0
Hillingdon	4.6	3.5	(1.1)	75%	28%	12.4	10.9	(1.5)	88%	0.0	0.4
Grand Total	53.2	41.4	(11.7)	78%	32%	128.4	102.4	(26.0)	80%	7.7	6.8

RAG rating criteria for % delivery of plan, Green: >95%, Amber: 75% - 95%, Red: <75%

Provider Performance by CCG and Provider

Variations

£(17.9)m Adv YTD
£0.8m better than M5

M6 reported cost is 2% above plan while Activity is 3% above plan, resulting in an adverse YTD variance of £17.9m. Main YTD in sector provider adverse variances are CWHFT £4.2m and ICHT £4.3m. The main outer sector adverse variances are with Guys 2.1m, Moorfields £1m & Royal Free £2.7m. By CCG the main YTD impact is; Brent £(4.8)m, H&F £(3.4)m, Harrow £(2.6)m.

CCG	Month 5 (actual)		Month 6 (Est.)		QIPP M5 YTD Cost £000	Forecast Var £000 as at 05/10
	M5 cost variance £000	% Cost variance M5	M6 cost variance £000	% Cost variance M6		
Brent	-3,982	-3%	-4,820	-3%	-3,553	-9,831
Harrow	-1,893	-2%	-2,565	-2%	-1,924	-5,690
Hillingdon	-377	0%	-609	0%	-1,627	-1,683
Sub total BHH	-6,252	-2%	-7,994	-2%	-7,104	-17,204
Central London	-1,236	-2%	-1,618	0%	-691	-3,545
Ealing	-670	0%	-973	0%	-1,775	-3,630
H&F	-2,794	-4%	-3,405	0%	-869	-6,162
Hounslow	-1,350	-1%	-1,630	0%	-1,268	-2,644
West London	-1,870	-2%	-2,305	0%	-1,825	-4,435
Sub total CWHHE	-7,920	-2%	-9,930	-2%	-6,428	-20,416
Grand Total	-14,172	-2%	-17,924	-2%	-13,533	-37,620

Provider	M5 cost variance £000	% Cost variance M5	M6 cost variance £000	% Cost variance M6	QIPP M5 YTD Cost £000	Forecast Var £000 as at 05/10
LNWH	-655	0%	-1,104	-1%	-4,885	-4,476
CWHFT	-3,340	-3%	-4,152	-3%	-2,433	-8,566
ICHT	-3,415	-2%	-4,257	-2%	-3,332	-8,014
RBHFT	-344	-5%	-388	-4%	-53	-548
THHFT	1,371	2%	1,279	1%	-1,415	968
In sector acute	-6,382	-6%	-8,621	-6%	-12,118	-20,636
Guys & St Thomas's	-1,691	-15%	-2,065	-15%		-£3,815
Moorfields	-790	-8%	-953	-8%		-£1,886
Royal Free	-2,222	-13%	-2,690	-13%		-£4,393
UCLHFT	-731	-4%	-896	-4%		-£1,808
All other OOS	-2,500	0%	-2,875	0%	-1,415	-5,636
Sub total OOS Sector acute	-7,935	-9%	-9,478	-9%	-1,415	-17,538
London Ambulance	437	1%	525	1%		1,049
Sub total LAS	437	1%	525	1%	0	1,049
Community	-15	0%	-18	0%	0	152
Mental Health	-276	0%	-332	0%	0	-646
Grand Total	-14,172	-2%	-17,924	-2%	-13,533	-37,620

Notes:

The above demonstrates that while in sector acute overspend continues to be an issue there is a particularly large adverse variance on out of sector providers.

Provider (over)/under performance FOT by CCG

ProviderName	Brent	Harrow	Hillingdon	Central London	Ealing	H&F	Hounslow	West London	NWL Total
ICTH	(1,234)	(632)	(92)	(698)	(1,031)	254	242	(1,066)	(4,257)
THHFT	(29)	140	711	25	466	101	(155)	20	1,279
RBHFT	(106)	(314)	(241)	225	147	(157)	51	7	(388)
LNWH	(954)	(234)	(156)	8	407	(176)	92	(90)	(1,104)
CWHFT	(60)	(97)	(101)	(119)	(468)	(352)	(1,917)	(1,037)	(4,152)
In sector acute	(2,383)	(1,137)	121	(559)	(479)	(329)	(1,688)	(2,167)	(8,621)
Guys & St Thomas's	(220)	(51)	(389)	(738)	(53)	(504)	2	(112)	(2,065)
Moorfields	(118)	(541)	(4)	(73)	(97)	(111)	5	(13)	(953)
Royal Free	(1,683)	(678)	136	(97)	(89)	(251)	25	(54)	(2,690)
UCLHFT	(626)	270	47	(97)	70	(521)	85	(123)	(896)
Other Out of Sector	160	(476)	(506)	255	(323)	(1,359)	(177)	77	(2,350)
Out of Sector acute (including LAS)	(2,487)	(1,475)	(716)	(749)	(493)	(2,747)	(60)	(225)	(8,953)
Community	1	(11)	(13)	23	(2)	(50)	38	(6)	(18)
Mental Health	49	57	0	(333)	1	(279)	80	93	(332)
Grand Total	(4,820)	(2,565)	(609)	(1,618)	(973)	(3,405)	(1,630)	(2,305)	(17,924)

Notes:

All CCGs have overspend in out of sector acute providers. Brent, Harrow and Hammersmith & Fulham have significantly been affected by the out of sector activity.

Provider Performance – Overall by POD

CCG	Month 5 (actual)				Month 6 (Est.)			
	M5 Activity variance	% activity variance M5	M5 cost variance £000	% Cost variance M5	M6 Activity variance	% activity variance M6	M6 cost variance £000	% Cost variance M6
A&E & UCC	-3,942	-2%	-603	-2%	-4,917	-2%	-749	-2%
Critical Care	799	4%	-667	-3%	950	4%	-898	-3%
Non Elective	-1,926	-2%	-12,295	-7%	-2,327	-2%	-14,859	-7%
Daycase & Elective	1,021	1%	-274	0%	1,120	1%	-649	-1%
Outpatients	-42,786	-5%	-4,587	-4%	-54,290	-5%	-5,760	-4%
Direct Access	-115,092	-7%	-671	-4%	-136,127	-7%	-583	-3%
Maternity	1,122	3%	1,007	1%	1,309	3%	1,151	1%
Other	61,085	18%	-12	0%	71,750	17%	-213	0%
Fines/Claims/Metrics			5,273	-28%			6,537	-29%
Drugs & Devices			-1,344	-6%			-1,900	-7%
Grand Total	-99,720	-3%	-14,172	-2%	-122,532	-3%	-17,924	-2%
In sector acute (incl. LAS)	-115,877	-4%	-6,382	-1%	-141,401	-4%	-8,621	-1%
Out of sector acute	12,206	2%	-7,498	-6%	14,126	2%	-8,953	-6%
Community	3,951	3%	-15	0%	4,743	3%	-18	0%
Mental Health	0		-276	0%	0		-332	0%
Grand Total	-99,720	-3%	-14,172	-2%	-122,532	-3%	-17,924	-2%

Provider Activity by POD and CCG

Delivery point	Month 5 YTD (actual)		2018/19 M5 YTD								
	Activity	Activity variance	+% favourable/-% adverse activity movement								
			Total	Brent	Central	Ealing	H&F	Harrow	Hillingdon	Hounslow	West
A&E & UCC	251,342	-3,942	-2%	-2%	-1%	2%	-8%	3%	1%	-7%	-1%
Critical Care (Note 1)	18,391	799	4%	1%	45%	19%	-14%	-19%	-18%	-9%	11%
Non Elective	93,688	-1,926	-2%	-15%	-12%	-1%	-8%	-9%	-6%	22%	-11%
Daycase & Elective	91,989	1,021	1%	-2%	2%	4%	0%	4%	1%	-3%	2%
Outpatients	980,040	-42,786	-5%	-10%	1%	-1%	-5%	-12%	-2%	-3%	-4%
Direct Access	1,759,937	-115,092	-7%	-16%	2%	-162%	-3%	-29%	-6%	-20%	-6%
Maternity	39,010	1,122	3%	9%	4%	5%	1%	4%	-9%	6%	2%
Other(1)	283,435	61,085	18%	16%	3%	29%	2%	24%	19%	20%	4%
Grand Total	3,517,832	-99,720	-3%	-8%	2%	-5%	-3%	-10%	0%	-1%	-5%

Delivery point	Month 5 YTD (actual)		Growth vs 2017/18 M5 YTD +ve = Growth								
	Activity	Activity variance	+% growth /-% reduction								
			Total	Brent	Central	Ealing	H&F	Harrow	Hillingdon	Hounslow	West
A&E & UCC	251,342	-3,942	3%	1%	7%	-1%	11%	-2%	1%	6%	2%
Critical Care (Note 1)	18,391	799	0%	7%	-58%	-20%	18%	19%	15%	1%	-10%
Non Elective	93,688	-1,926	10%	19%	15%	6%	15%	16%	1%	-1%	16%
Daycase & Elective	91,989	1,021	6%	12%	3%	5%	5%	9%	-1%	9%	2%
Outpatients	980,040	-42,786	2%	8%	-2%	2%	9%	5%	-11%	6%	5%
Direct Access	1,759,937	-115,092	-5%	-5%	1%	8%	5%	-6%	4%	-513%	7%
Maternity	39,010	1,122	-7%	-12%	-8%	-11%	-4%	-5%	-2%	-10%	-5%
Other(1)	283,435	61,085	66%	64%	80%	71%	74%	55%	51%	73%	77%
Grand Total	3,517,832	-99,720	2%	7%	5%	7%	8%	5%	3%	-57%	9%

Risks & Opportunities– by CCG (as per Non ISFE)

Net position

£(33.4)m Risk

£7.7 better than M5

Most likely position has improved by £1.1m from benefits in Brent and Central London. Full year R&O NHSE reported position highlights a net risk of £33.4m, a reduction of £7.7m since M5. 84% of the total risk relates to acute services £(27.9)m followed by unidentified QIPP (£5.2m, in Central & Harrow) and Mental Health (placement risks).

CCG RISKS & MITIGATIONS M6	Central £m	West £m	H&F £m	Hounslow £m	Ealing £m	Brent £m	Harrow £m	Hillingdon £m	Total £m
REVENUE RESOURCE LIMIT (IN YEAR)	331.9	416.2	299.0	400.1	561.0	501.7	325.3	410.0	3,245.2
Acute Services	(2.5)	(2.5)	(5.8)	(2.0)	(3.5)	(2.7)	(4.2)	(4.7)	(27.9)
Mental Health Services	(4.0)	0.0	(0.6)	(0.6)	0.1	(0.2)	(1.5)	(0.1)	(6.8)
Community Health Services	0.0	0.0	0.4	(0.0)	0.2	(0.1)	1.0	(0.1)	1.4
Continuing Care Services	0.0	0.0	(1.2)	(0.1)	0.3	(0.1)	(0.3)	(0.8)	(2.2)
Prescribing & Primary Care Services	(0.4)	0.0	(0.3)	(0.9)	(0.6)	(0.4)	(0.8)	(0.3)	(3.7)
Primary Care Co-Commissioning	0.0	0.0	0.0	0.0	0.0	(0.1)	0.0	0.2	0.1
Other Programme Services	2.2	3.0	4.8	1.5	(0.2)	0.4	(0.3)	(0.4)	11.1
Commissioning Services Total	(4.7)	0.5	(2.8)	(2.1)	(3.6)	(3.1)	(6.1)	(6.2)	(28.0)
Running Costs	0.0	0.0	0.0	0.0	0.0	(0.2)	0.0	0.0	(0.2)
Unidentified QIPP	(3.2)	0.0	0.0	0.0	0.0	0.0	(2.0)	0.0	(5.2)
TOTAL CCG NET RISK	(7.8)	0.5	(2.8)	(2.1)	(3.6)	(3.3)	(8.1)	(6.2)	(33.4)
Qipp	(7.2)	(1.5)	(3.2)	(0.8)	0.0	(1.1)	(4.9)	(3.3)	(21.9)
Other	(0.7)	2.0	0.4	(1.3)	(3.6)	(2.3)	(3.3)	(2.9)	(11.5)

Risk adjusted outturn assessment	Central £m	West £m	H&F £m	Hounslow £m	Ealing £m	Brent £m	Harrow £m	Hillingdon £m	Total £m	Comments
Reported Forecast Outturn @ M6	0.7	4.2	0.4	2.3	1.9	1.2	(27.9)	0.2	(17.1)	As per current Control Totals
Control Total	0.7	4.2	0.4	2.3	1.9	1.2	(20.2)	0.2	(9.4)	
Variance to control total reported	-	-	-	-	-	-	(7.7)	-	(7.7)	Variance driven by Harrow's M5 reassessment of risks to a most likely forecast
Risk/Opportunities assessment*	(3.5)	7.9	(3.0)	-	-	(1.4)	-	-	0.0	Most likely assessment of risks in Central, Brent and H&F show a £7.9m pressure, which is a reduction of £1.1m from M5. West have offsetting unreported opportunities including release of contingency, funds lodged with Local Authority and balance sheet releases.
Most likely variance to CT	(3.5)	7.9	(3.0)	-	-	(1.4)	(7.7)	-	(7.7)	
Other risks/opportunities	(7.8)	0.5	(2.8)	(2.1)	(3.6)	(3.3)	(8.1)	(6.2)	(33.4)	Balance of reported risks/opportunities
Net Risks to forecast	(7.8)	0.5	(2.8)	(2.1)	(3.6)	(3.3)	(8.1)	(6.2)	(33.4)	As reported to NHSE
Worst case Variance to CT	(11.3)	8.4	(5.8)	(2.1)	(3.6)	(4.7)	(15.8)	(6.2)	(41.2)	

* Assessment of risks/opportunities includes potential NHSE offset of overseas visitors allocation shortfalls (c. £1m each in Central and H&F) and short stock pressures

Underlying Run Rate – by CCG

Underlying position

£(36.4)m Deficit

£(6.8)m worse than in M5

After adjusting for non recurrent items NWL CCGs collectively are reporting an underlying position of £36.4m deficit. This is a decrease of £6.8m compared to M5 position.

CCG UNDERLYING POSITION £m	Forecast Net Expenditure			Remove Non Recurrent Items				Part/Full Year Effects		2018/19 Underlying Position
	Plan	Actual	Variance	NR Allocations & Matched Expenditure	NR QIPP Benefit	Contingency	Other NR Spend / Income	QIPP	Other	
Central	0.7	0.7	(0.0)	(5.3)	(1.2)	-	(2.7)	-	-	(8.4)
West	4.2	4.2	(0.0)	-	-	-	2.8	-	(2.8)	4.1
H&F	0.4	0.4	0.0	-	(5.1)	-	(2.3)	0.6	(3.3)	(9.8)
Hounslow	2.3	2.3	-	-	(0.1)	0.1	(1.7)	-	(0.4)	0.2
Ealing	1.9	1.9	-	-	-	-	(2.3)	-	-	(0.4)
Brent	1.2	1.2	0.0	(9.3)	-	-	(0.9)	1.1	-	(8.0)
Harrow	(20.2)	(27.9)	(7.7)	12.7	-	-	(3.8)	-	-	(19.0)
Hillingdon	0.2	0.2	0.0	5.6	(0.4)	-	(0.4)	-	-	5.0
NWL Total	(9.4)	(17.1)	(7.7)	3.6	(6.8)	0.1	(11.3)	1.7	(6.6)	(36.4)

Glossary

Finance

YTD	– Year To Date
FOT	– Forecast Out Turn
FY	– Full Year
PY	– Part Year
FYE	– Full Year Effect
Fav	– Favourable
Adv	– Adverse
CIP	– Cost Improvement Programmes
QIPP	– Quality, Innovation, Productivity & Prevention
CT	– Control Total
STF	– Sustainability Transformation Fund
CEP	– Capped Expenditure Process
NHSI	– NHS Improvement
NSHE	– NHS England

Trusts

CWFT	– Chelsea And Westminster Hospital NHS Foundation Trust
CLCH	– Central London Community Healthcare NHS Trust
CNWL	– Central And North West London MH NHS Foundation Trust
ICHT	– Imperial College Healthcare NHS Trust
LNWH	– London North West Hospitals NHS Trust
RBH	– Royal Brompton And Harefield NHS Foundation Trust
THH	– The Hillingdon Hospital NHS Foundation Trust
WLMH	– West London Mental Health NHS Trust
LAS	– London Ambulance Service

Other

NSCO	– No Cheaper Stock Obtainable (Drugs)
CHC	– Continuing healthcare

Definitions

QIPP/CIP – Efficiency programmes, with CIP for providers and QIPP for commissioners. Net QIPP/CIP is the efficiency less any investment required to deliver the program.

CEP - The Capped Expenditure Process was introduced by NHSE following submission of the operating plans, targeting those STP footprints that had a gap to control totals greater than 1.5% of Revenue Resource Limit (RRL). The process required commissioners and providers to work together to agree a plan to meet the control totals. The objective was to ensure that every available opportunity had been taken to maximise QIPP/CIP so that organisations in STP footprints delivered their control totals.

Underlying Position – This is the financial position that has been adjusted for one off occurrences which would be considered outside business as usual, this applied to both expenditure and income. Additional adjustments are applied for the full year impact of recurrent events which started in year (eg a new service started in month 6).

Net risk – Risks and opportunity which do not have a high enough level of certainty to be added to the financial position are included in the risk log. Net risk is the sum of all the risks less all the opportunities.

1. To review the net risk position reported by NWL CCGs at months 5 and 6, including key assumptions underpinning the forecast outturn
2. To develop an in year recovery plan to as far as possible a) address the net risk position identified at month 5/6 and b) in addition address the adverse variance to control total reported at month 5.

Note –the requirements of NHSE are:

- **A recovery plan across NWL to return to the control total, and to reduce the level of risk to delivery.**
- **A plan for Harrow CCG to return to underlying financial balance.**
- **A recovery plan for those CCGs forecasting less than 80% QIPP delivery (Central, Harrow, Hammersmith and Fulham and Ealing CCGs) at Month 5 reporting**

The first and third are within scope of the in year FRP.

The second is not within the scope of the in year FRP but the link to underlying positions will be covered in the next steps, and a timeline for the production of a recovery plan for Harrow will be included as part of this.

1. That there has to be a 'whole collaborative' approach with every CCG and NWL wide team doing as much as they can. All benefits accrue to CCG financial positions.
2. That a system wide view is taken where relevant eg an aligned approach to integration.
3. That the FRP is connected to Performance and Quality targets, and with the STP and clinical strategy, with interactions explicitly discussed.
4. That consistent NWL wide approaches to risk are taken.
5. That working across NWL should support delivery at local level.
6. That leverage beyond NWL should be sought where appropriate eg out of STP contracts.

1. Confirm key assumptions required to deliver current forecasts, and risk assessment assumptions across NWL.
2. Collate/develop/strengthen all CCG specific action plans and trajectories to address the identified risks.
3. Collate/develop/strengthen action plan to address acute activity and contract issues, both in sector and out of sector.
4. Collate/review key issues and actions across other spend areas eg continuing care, prescribing etc
5. Review delivery and reporting of NWL wide QIPP programme.
6. Review outstanding prior year risks/opportunities across NWL.
7. Review and confirm assumptions regarding nationally driven pressures and identified mitigations.
8. Review investment assumptions included in current 18/19 forecasts
9. Review enablers to delivery, including oversight, capacity and incentives.
10. Update and confirm overall risk and mitigation plans profile based on outputs of above.

Timeline and next steps for October/early November

W/c	Actions	Meetings
1/10	<ul style="list-style-type: none"> ✓ Agree objectives, review month 5 ✓ Develop draft outline contents 	1/10 SMT 4/10 Joint Finance committee
8/10	<ul style="list-style-type: none"> ✓ Collate inputs/updates from CCGs etc ✓ Month 6 submission (10/10) ✓ Develop draft FRP 	
15/10	<ul style="list-style-type: none"> ✓ Draft FRP submitted to NHSE ✓ Collate inputs/updates from CCGs etc 	15/10 SMT 17/10 NHSE
22/10	<ul style="list-style-type: none"> ✓ Preparation for AO/CFO sessions 	25/10 BPRG
29/10	AO/CFO review sessions with CCGs and NWL wide Directors (30/10-31/10) Develop draft FRP to reflect outputs	29/10 SMT 29/10 NHSE/I
5/11	Finalise draft and submit to SMT and Joint Finance Committee	
12/11	Month 7 submission (12/11) Sign off FRP	12/11 SMT 15/11 Joint Finance Committee

- The next steps timeline to early/mid November was set out on the previous slide
- This section sets out the **outline plan for early/mid November to Xmas**, where the key elements are assumed to be:
 - Review the delivery of actions on a weekly basis, and update future timelines and impacts where applicable
 - Escalate issues to AO/CFO as required
 - Update and review underlying normalised positions
 - Develop business planning process for 19/20, including:
 - ❑ QIPP/ transformation plans
 - ❑ Overall draft financial position
 - ❑ Approach to ICS development
 - ❑ Approach to the contracting process
 - ❑ All of the above in the context of national guidance in respect of 10 year plan, 19/20 operating plans, business planning framework changes (tariff, control totals, STF, performance targets etc)
- A draft of key dates are set out on the following slide.

DRAFT Timeline and next steps for early/mid November to December

W/c	Actions	Meetings
12/11	Month 7 submission (12/11) Sign off FRP	12/11 SMT 15/11 Joint Finance Committee
19/11	Weekly highlight report to AO/CFO/SMT Review underlying position Develop approach to 19/20	22/11 BPRG TBC NHSE meeting
26/11	Weekly highlight report to AO/CFO/SMT Develop approach to 19/20	26/11 SMT
3/12	Weekly highlight report to AO/CFO/SMT Develop approach to 19/20	5/12 BPRG
10/12	Month 8 (12/12) Review underlying position Weekly highlight report to AO/CFO/SMT	10/12 SMT
17/12	Weekly highlight report to AO/CFO/SMT Develop approach to 19/20	17/12 SMT TBC NHSE meeting

Note- QLSG held weekly.

Joint finance committee dates TBC