

Report to the NHS Somerset Clinical Commissioning Group on 29 January 2015

Title: Finance 2014/15 1 April 2014 – 30 November 2014	Enclosure G
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Report Version Number / Status:	1
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Name of Clinical Lead:	N/A
Name of Individual(s) Presenting to Meeting:	Alison Henly, Interim Chief Finance Officer and Director of Performance

Rationale / Executive Summary:	<p>This report sets out the overall financial position for the Somerset Clinical Commissioning Group for the period 1 April to 30 November 2014, and provides an analysis of the financial performance across the following areas:</p> <ul style="list-style-type: none"> • Financial Framework • Clinical Commissioning Group • QIPP • Summary Financial Position 			
Recommended Action to be Taken by Meeting:	To Discuss <input type="checkbox"/>	To Note <input checked="" type="checkbox"/>	To Endorse <input type="checkbox"/>	To Approve <input type="checkbox"/>
Purpose:	The Somerset CCG Governing Body is asked to note the financial position.			
Links CCG Priorities:	Core Values: <ol style="list-style-type: none"> (a) a collaborative approach (b) to be people, patient and carer centred (c) ensuring best value (d) open and transparent processes (e) supporting innovation (f) continuously improving quality 			

	<p>Priorities:</p> <p>(a) to use resources wisely – delivering the best possible value for service users</p>
<p>Links to the NHS Constitution:</p>	<ul style="list-style-type: none"> • you have the right to expect your local NHS to assess the health requirements of the local community and to commission and put in place the services to meet those needs as considered necessary • the NHS commits to make decisions in a clear and transparent way, so that patients and the public can understand how services are planned and delivered • the NHS commits to provide convenient, easy access to services within waiting times set out in the Handbook to the NHS Constitution • you have the right to drugs and treatments that have been recommended by NICE for use in the NHS, if your doctor says they are clinically appropriate for you • you have the right to receive the vaccinations that the Joint Committee on Vaccination and Immunisation recommends that you should receive under an NHS provided national immunisation programme • the NHS commits to provide programmes as recommended by the UK Screening Committee • the NHS commits to make the transition as smooth as possible when you are referred between services, and to include you in relevant discussions • you have the right to be treated with a professional standard of care, by appropriately qualified and experienced staff, in a properly approved or registered organisation that meets required levels of safety and quality • you have the right to expect NHS organisations to monitor, and make efforts to improve, the quality of healthcare they commission or provide • the NHS commits to ensure that services are provided in a clean and safe environment that is fit for purpose, based on national best practice • the NHS commits to continuous improvement in the quality of services you receive, identifying and sharing best practice in quality of care and treatments

	<ul style="list-style-type: none"> • you have the right to expect local decisions on funding of other drugs and treatments to be made rationally following proper consideration of the evidence. If the local NHS decides not to fund a drug or treatment you or your doctor feel would be right for you, they will explain that decision to you • you have the right to be treated with dignity and respect, in accordance with your human rights • you have the right to accept or refuse treatment that is offered to you, and not to be given any physical examination or treatment unless you have given valid consent. If you do not have the capacity to do so, consent must be obtained from a person legally able to act on your behalf, or the treatment must be in your best interests • you have the right to be given information about your proposed treatment in advance, including any significant risks and any alternative treatments which may be available, and the risks involved in doing nothing • you have the right to privacy and confidentiality and to expect the NHS to keep your confidential information safe and secure • the NHS commits to share with you any letters sent between clinicians about your care • you have the right to make choices about your NHS care and to information to support these choices. The options available to you will develop over time and depend on your individual needs • you have the right to be involved in discussions and decisions about your healthcare, and to be given information to enable you to do this
<p>Summary of Key Risks / Issues:</p>	<p>The Somerset Clinical Commissioning Group must ensure it delivers financial targets.</p>
<p>Financial / Resource Implications:</p>	<p>The Somerset Clinical Commissioning Group has a budget of £673,872,000 in 2014/15. The resource implications are included within the Finance Report.</p>
<p>Any Legal Implications or Links to Legislation:</p>	<p>Financial duties of Somerset Clinical Commissioning Group not to exceed its cash limit and comply with relevant accounting standards.</p>

Equality and Diversity Considerations:	<p>Equality and diversity are at the heart of Somerset Clinical Commissioning Group's work, giving due regard to eliminate discrimination, harassment and victimisation, to advance equality of opportunity, and to foster good relations between people who share a relevant protected characteristic (as cited in under the Equality Act 2010) and those who do not share it, in its functions including financial performance.</p>
Staff, Stakeholder, Clinical, Patient and Public Engagement History:	<p>No issues identified.</p>
Report History:	<p>The Somerset Clinical Commissioning Group receives a monthly report on the financial position.</p>
Next Steps:	<p>The Somerset Clinical Commissioning Group is asked to receive and note the financial position.</p>



Somerset
Clinical Commissioning Group

Finance Report 2014/15

1 April – 30 November 2014

SOMERSET CLINICAL COMMISSIONING GROUP

**FINANCE REPORT 2014/15
1 APRIL – 30 NOVEMBER 2014**

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1 FINANCIAL FRAMEWORK

- 1.1 This report sets out details of the financial framework and summarises the financial position of the Somerset Clinical Commissioning Group, outlining how revenue funding is allocated across the organisation, to deliver the organisation's key targets for 2014/15.

2014/15 Growth Allocation

- 1.2 The Somerset Clinical Commissioning Group received growth of 2.14% (£13,543,000) in 2014/15. Table 1 set's out the growth allocation available to the Somerset Clinical Commissioning Group in 2014/15.

Table 1: 2014/15 Growth Allocation

Description	£'000
Growth in recurrent allocations	13,543
Other sources of funds:	
Return of 2013/14 underspend	6,367
Total Growth Allocation	19,910

Financial Health

- 1.3 The Somerset Clinical Commissioning Group consistently achieved all its financial targets and delivered a surplus of £6,367,000 in 2013/14, in line with planning assumptions and national expectations.
- 1.4 The Somerset Clinical Commissioning Group plans to deliver a surplus of £6,693,000 in 2014/15 against the portfolio of services it commissions.

Financial Framework

Key Objectives

- 1.5 The Financial Framework for 2014/15 details operational plans for the delivery of goals set out in 'NHS Somerset Clinical Commissioning Group's Two Year Commissioning Plan 2014-16' and 'Five Year Strategy 2014-2019'.
- 1.6 The Financial Framework for 2014/15 is underpinned by the vision of the Somerset Clinical Commissioning Group, namely:

People in Somerset will be encouraged to stay healthy and well through a focus on:

- building support for people in our local communities and neighborhoods;
- supporting healthy lifestyle choices to be the easier choices;
- supporting people to self-care and be actively engaged in managing their condition

When people need to access care or support this will be through joined up health, social care and wellbeing services. The result will be a healthier population with access to high quality care that is affordable and sustainable.

- 1.7 The Somerset Clinical Commissioning Group clinical and management leaders have developed a set of commissioning principles that have underpinned the development of the five year strategy and two year commissioning plan.

Commissioning principles supporting this vision are set out below:

- we will drive a system approach to health, wellbeing and care that is about people and not organisations
- we will support people to be the best they can be through equitable and person-centred services
- we will create a system that ensures the right care is available at the right time for the patient
- we will continue to listen to what people want and respond to need
- we will commission coordinated and person centred care, which will be delivered through new partnerships
- we will commission high quality care that is clinically and cost effective and based on evidence
- we will commission for a sustainable future

- 1.8 The Somerset Clinical Commissioning Group have developed four strategic themes to support the vision and underpin the financial framework:

- Theme 1: Encouraging communities and individuals to take more control of and responsibility for their own health and wellbeing:
- Theme 2: Developing joined up person centred care
- Theme 3: Transform the effectiveness and efficiency of urgent and acute care across all services
- Theme 4: Sustain and continually improve the quality of all services

- 1.9 Underpinning the four themes are six work programmes that are built from the workstreams that will deliver change. The six core work programmes are:

- Collaborative Working
- Community Services, including End of Life Care
- Emergency Care
- Acute Services
- Elective Care
- Improving quality and patient experience

Sources of Funds

1.10 Table 2 sets out the resource allocations for the Somerset Clinical Commissioning Group in 2014/15.

Table 2: Sources of Funds

Description	Amount £'000
Recurrent baseline brought forward from 2013/14	632,828
2014/15 growth funding	13,543
Sub total	646,371
Notified adjustments:	
• Running Cost allocation	13,169
• Return of 2013/14 underspend	6,367
• Resilience Funding (Tranche 1&2)	5,289
• Funding Adjustments with Area Team	(864)
Sub Total	23,961
Anticipated Adjustments:	
Quality Premium	1,240
Funding Adjustments with Area Team	2,300
Sub Total	3,540
Total Sources	673,872

1.11 Within the sources of funds shown in Table 2, the following funding adjustments have been taken into account:

Notified Adjustments:

- the 2014/15 running costs allocation of £13,169,000, which has been published separately from the opening Somerset Clinical Commissioning Group funding baseline
- adjustments to secure cost and income neutrality in respect of the transfer of specialised services
- the return of the underspend from 2013/14
- Funding allocation for GP IT totalling £1,393,000
- £1,995,000 relating to the allocation for referral to treatment targets
- A deduction in relation to the reallocation of funds for charge exempt overseas visitors and non-rechargeable services totalling £362,000
- Resilience funding allocation of £5,289,000 to fund robust plans for managing operational resilience through 2014/15

Anticipated Adjustments:

- Included in the above table is £2.3 million funding for capital charges from NHS England. This funding has yet to be identified by NHS England but a commitment has been given to find the funding top sliced from the PCT. If this is not identified then the Clinical Commissioning Group's plan will need to be amended and the surplus adjusted accordingly
- Quality Premium Allocation of £1,240,000 is earned through achievement of key measures and NHS Constitution Target Compliance during 2013/14. The value of the Quality Premium Allocation has now been confirmed by NHS England.

Applications of Funds

- 1.12 Table 3 sets out the distribution of funding for the programmes managed by the Somerset Clinical Commissioning Group.

Table 3: Budget Framework

Programme	Annual Budget £'000
Secondary Care Commissioning:	
NHS Contracts	457,159
Independent and Private Sector	93,605
Total Secondary Care Commissioning	550,764
Prescribing:	
GP Prescribing	74,221
Other Prescribing	2,684
Total Prescribing	76,905
Other Programmes	12,610
Running Costs	13,169
2014/15 Development Programme	-
Managed Programmes	20,424
TOTAL	673,872

Secondary Care Commissioning: NHS and Non NHS Contracts

- 1.13 Approximately 82% of the Clinical Commissioning Group's annual budget is spent on secondary care commissioning.
- 1.14 NHS contracts by provider for 2014/15 are set out below in Table 4. A further analysis of spend to 30 November 2014 is included in Appendix 1.

Table 4: Contract Values by Provider

Secondary Care Commissioning	Initial Programme £'000	Contract Variations £'000	Revised Value £'000	Year to Date (under) / overspend £'000
Foundation Trusts:				
Dorset County Hospital NHS Foundation Trust	2,406	(61)	2,345	49
Great Western Hospital NHS Foundation Trust	2,472	(2,041)	431	-
Royal Devon and Exeter NHS Foundation Trust	6,294	152	6,446	188
Royal National Hospital for Rheumatic Diseases NHS Foundation Trust	2,193	2	2,195	73
Royal United Hospitals Bath NHS Foundation Trust	22,043	191	22,234	1,200
Royal United Hospitals Bath NHS Foundation Trust – Maternity Contract	-	2,207	2,207	-
Salisbury NHS Foundation Trust	614	(26)	588	7
Somerset Partnership NHS Foundation Trust	119,190	10,888	130,078	-
South Western Ambulance Service NHS Foundation Trust	18,665	805	19,470	-
Taunton and Somerset NHS Foundation Trust	157,301	8,437	165,738	-
University Hospitals Bristol NHS Foundation Trust	7,538	(140)	7,398	169
Yeovil District Hospital NHS Foundation Trust	72,332	3,885	76,217	-
Sub Total	411,048	24,299	435,347	1,686
Other NHS Trusts:				
North Bristol NHS Trust	6,912	(179)	6,733	(148)
Northern Devon Healthcare NHS Trust	385	7	392	(19)
Sirona Care and Health	539	(34)	505	-
Weston Area Health NHS Trust (Includes NICE Drugs)	13,313	869	14,182	9
Sub Total	21,149	663	21,812	(158)
Total NHS Service Level Agreements	432,197	24,962	457,159	1,528

- 1.15 Frameworks are based on a roll-forward of 2013/14 contract out-turn adjusted to reflect commissioning responsibility changes, agreed developments, non-recurring adjustments actioned in 2013/14 and application of the national tariff.
- 1.16 The Somerset Clinical Commissioning Group worked with the Area Team during 2013/14 to finalise the scope and value of services falling under their remit. Final adjustments have been actioned by the Area Team and are reflected within this report.
- 1.17 Contract variations have been actioned to reflect:
- CQUIN funding of circa. £12 million allocated to contracts, based on providers achieving 100% performance against CQUIN targets and this will be monitored in year. Table 16 later in this report shows how this funding is allocated by provider organisation
 - a further £12 million allocated from headroom to fund agreed commitments in respect of change funds for providers to ensure stability across services whilst the Systems Transformation Group is looking at system wide changes to meet future financial challenges
 - adjustments to reflect signed contract values including a new provider for maternity services
 - allocations from the prioritisation fund to fund schemes agreed during 2013/14

Significant year to date variances are being reported against contract values with the following NHS Providers:

- Royal United Hospitals Bath NHS Foundation Trust
 - The provider is on plan for elective care with some variation between specialties however there are four elective care areas that are causing the provider problems with capacity namely, dermatology, ENT, cardiology and gastroenterology.
 - There is over activity in critical care, non-elective admissions and high cost drugs and devices. Somerset Clinical Commissioning Group is pursuing a formal challenge in relation to the over performance in critical care. The RUH has written to Somerset Clinical Commissioning Group expressing concerns about the level of non-elective over performance, which was projected at £1.8 million at month 6. The CCG is working with the RUH to better understand the drivers behind the over performance with a view to developing a recovery plan which should see this overspend position reduce by year-end.
- Royal Devon and Exeter NHS Foundation Trust
 - Somerset contract is currently showing an over performance as at month 8 of £188k, following the adjustment of £167k to Specialist Commissioning activity.
 - This is mainly due to over performance against the wheelchair service contract.

- North Bristol NHS Trust
 - Under activity against plan is being reported in day-cases, inpatients and outpatients
 - This underperformance in planned care is due to a large extent to disruptions caused by the Frenchay Hospital move earlier in the year, however the CSU has advised that this position is unlikely to recover
 - There is also over performance in non-elective care which offsets some of the planned care underperformance.

- University Hospitals Bristol NHS Foundation Trust
 - The reported position has changed significantly between month 7 and month 8. The Trust is now reporting over performance particularly in emergency inpatients and within paediatric specialties and ophthalmology.

- Weston Area Health NHS Trust
 - The provider is currently reporting a year to date over spend of £61k. However this includes activity funded from RTT allocations, which when adjusted reduces the year to date overspend to £9k. This position is a significant improvement from the previous month.
 - The Clinical Commissioning Group formally wrote to the CSU requesting an action plan to address over performance particularly in relation to: rehabilitation, A&E, one stop clinics, outpatient procedures, best practice tariff, NICE funding and maternity services. In terms of A&E there has been a 10% increase at Weston Area Health NHS Trust. This is in line with the increases seen at local MIU's.

Secondary Care Services

Performance Expectations for Quality, Innovation, Productivity and Prevention

- 1.18 There is a broad range of national performance standards applicable to secondary care services. Many of these are targeted at improving access and choice and at ensuring that the services provided are of a high standard and quality. The Operational Framework (Everyone Counts: Planning for Patients for 2014/15) reinforces the need to maintain delivery of existing standards and to ensure that where further progress is required that it is achieved. In addition, there is a significantly increased focus on patient experience, clinical quality and improving patient outcomes. All providers of secondary care services are expected to meet all national targets and to make progress towards local targets.

Waiting Times

Admitted, Non Admitted and Incomplete Care Pathways

- 1.19 The Somerset Clinical Commissioning Group has commissioned providers to ensure that 90% of admitted and 95% of non-admitted patients complete their patient pathway from GP referral to treatment within 18 weeks at a specialty level and that no more than 8% of patients on an incomplete pathway wait longer than 18 weeks at a specialty level with a zero tolerance of any waits in excess of 52 weeks. During November 2014 on a commissioned basis the non-admitted and incomplete pathway operational standards were met. The admitted pathway (81.50%) was under achieved.

Ambulance Response Times (Somerset Commissioner)

- 1.20 The ambulance response times of South Western Ambulance NHS Foundation Trust for emergency calls within 8 (71.35%) and 19 (92.39%) minutes during November 2014 were not met. Somerset is working with the Foundation Trust to ensure delivery of these standards are met and maintained within Somerset.

Ambulance Handovers

- 1.21 Ambulance handover performance between South Western Ambulance NHS Foundation Trust and Yeovil District Hospital has been sustained during 2014/15 whereas there have been performance issues at Taunton and Somerset NHS Foundation Trust, these are being monitored and are slowly improving. Regular meetings are occurring between the providers and South Western Ambulance NHS Foundation Trust to resolve any issues.

Accident and Emergency

- 1.22 The Somerset Clinical Commissioning Group has commissioned providers to ensure that 95% of patients attending accident and emergency departments are treated and either admitted or discharged within four hours of their arrival and are working with the foundation trusts to ensure that this standard is achieved.

Cancelled Operations

- 1.23 All patients who have operations cancelled, on or after the day of admission (including the day of surgery), for non-clinical reasons should be offered another binding date within 28 days of the cancellation and, in support of this, no patients should have an urgent operation cancelled for a second time.

Cancer Screening Programme

- 1.24 Somerset continues to make progress towards the implementation of the Cancer Reform Strategy. The emphasis is to diagnose cancer earlier by raising awareness, extending screening programmes and ensuring faster access to treatments.

Maternity Matters

- 1.25 There have been changes in the national Payment by Results tariff for maternity services. The Somerset Clinical Commissioning Group is supporting the implementation and delivery of 'Maternity Matters' by ensuring both Taunton and Somerset NHS Foundation Trust and Yeovil District Hospital NHS Foundation Trust are recompensed for the improved quality that is being commissioned from the service.

Mental Health and Community Services

- 1.26 The Somerset Clinical Commissioning Group will continue to support and challenge Somerset Partnership NHS Foundation Trust to identify and improve outcomes for patients and to meet key performance indicators relating to activity, financial performance and quality requirements. Working with the provider, commissioners will ensure that key deliverables are achieved and that the service impacts of the required cost improvement programme are identified and, wherever possible, mitigated by targeted service improvement initiatives.

Payment by Results for Mental Health

- 1.27 In 2014/15 the national Payment by Results system is being maintained to support local payment arrangements for mental health, providing an opportunity for providers and commissioners to make progress on quality reporting and development of local cluster prices. The requirement to report referrals and activity by cluster group and by GP federation area will enhance the intelligence available to commissioners and will inform the Somerset Clinical Commissioning Group's commissioning intentions for future years.
- 1.28 A summary of performance against baseline activity is included at Appendix 2.

Summary

- 1.29 At this stage of the financial year, a year-end overspend position of £2,200,000 is forecast against NHS contracts relating, in particular, to Royal Devon and Exeter NHS Foundation Trust, Royal United Hospitals Bath NHS Foundation Trust and University Hospitals Bristol NHS Foundation Trust and offset against a forecast underspend position at North Bristol NHS Trust.

Non NHS Contracts

1.30 In addition to commissioning services from NHS providers, the Somerset Clinical Commissioning Group commissions a range of services from the independent and private sector. Contract values are set out in Table 5.

Table 5: Contract Values for Services from the Independent and Private Sector

Scheme/Provider	Initial Programme £'000	Contract Variations £'000	Revised Value £'000	Year to Date (under) / overspend £'000
British Pregnancy Advisory service	40	-	40	-
British Red Cross	406	(5)	401	-
Continuing Care	30,773	-	30,773	1,173
COPD Contract	663	-	663	-
Cruse Bereavement	15	-	15	-
Dorothy House Hospice	227	30	257	-
Exceptional Treatments	753	(305)	448	-
Flexible Healthcare	15	-	15	-
Marie Stopes	341	-	341	(92)
NHS Funded Nursing Care	10,170	-	10,170	-
Non Contractual Activity	5,980	13	5,993	-
Oasis	802	-	802	71
Odstock Medical Limited	30	-	30	-
Other Commissioning	6,515	(2,484)	4,031	(2,007)
Palliative Care Funding	374	-	374	-
Partnership Working – Other	389	-	389	-
Partnership Working – Pooled Budgets	16,717	-	16,717	-
Patient Transport Services	467	130	597	-
Private Sector Diagnostic Capacity	231	(231)	-	-
Shepton Mallet Treatment Centre	12,399	(681)	11,718	-
Spells in Private Sector	6,525	163	6,688	840
St Margaret's Hospice	2,000	143	2,143	-
Voluntary Car Services	865	-	865	-
Weston Hospice	132	3	135	-
TOTAL	96,829	(3,224)	93,605	(15)

1.31 A further analysis of spend to 30 November 2014 is included at Appendix 3.

Continuing Healthcare

1.32 Continuing healthcare budgets for 2014/15 have been based on a roll forward from 2013/14. This budget is projected to continue to overspend with the forecast outturn projection remaining at £2.346 million, and funding will be transferred from the contingency reserve to cover this and to meet further increases relating to expected growth in numbers of packages and increasing length of care packages as we move into the winter.

NHS Funded Nursing Care

- 1.33 NHS funded nursing care is care provided by a registered nurse, paid for by the NHS, for people who live in a care home. Patients are eligible for NHS funded nursing care if:
- you live in a care home registered to provide nursing care and
 - you do not qualify for NHS continuing healthcare but have been assessed as needing care from a registered nurse
- 1.34 Somerset County Council makes a payment directly to the care home to fund care from registered nurses who are usually employed by the care home, on behalf of the CCG.
- 1.35 The budget for 2014/15 is based on the previous financial year but has been increased by 1% to take into account the national increase announced by the Department of Health.

Non Contractual Activity

- 1.36 Non contractual activity relates to NHS funded services delivered by providers that do not have a written contract with the patient's responsible commissioner (but where the provider holds a written contract with another commissioner). This principally applies to emergency treatments provided by a hospital that the responsible commissioner would not normally contract with, but can also apply for elective activity and where the patient has exercised choice.
- 1.37 The non-contractual activity budget for 2014/15 has been based on a roll forward from 2013/14. Due to the nature of this activity, there is high volatility in this area. This will continue to be reviewed as the year progresses.

Partnership Agreements

- 1.38 Included within the non NHS contracts are three pooled budget agreements (joint funding) which have been agreed under Section 75 of the National Health Service Act 2006.
- 1.39 These arrangements are based on a formal partnership agreement which sets out the services covered by the pooled budget, the aims and outcomes of pooling financial resources, the funds to be contributed by each partner and the percentage of risk share. The three schemes are detailed in Table 6.

Table 6: Partnership Agreements with the Local Authority

Scheme	Somerset Clinical Commissioning Group Contribution £'000
Integrated Community Equipment Service	1,040
Learning Disabilities Services	15,474
Carers Services	203
Total	16,717

Integrated Community Equipment Service

1.40 The Somerset Integrated Community Equipment Service (ICES) is a partnership of organisations that include Somerset County Council and the Somerset CCG. The ICES Partnership seeks to create and sustain an Integrated Community Equipment Service for Somerset residents which is fully capable of meeting demand and that delivers the goals of all ICES partners.

1.41 Launched in 2001, jointly commissioned and funded arrangements for the delivery of a countywide ICES service are well established. The principal aim of the service is to provide simple aids to daily living and nursing equipment to:

- enable people to live as independently as possible in their own homes
- prevent avoidable hospital admissions
- ensure a speedy discharge from hospital following an inpatient stay

1.42 The ICES pooled budget is projecting an overspend of £32,000 at month 8, which is a continued improvement from the previous month's forecast. The Clinical Commissioning Group's share of this overspend is 50%.

Learning Disability Service

1.43 The Somerset Clinical Commissioning Group funds services within this partnership arrangement to meet the health needs of people with a learning disability. Somerset County Council acts as both commissioner and provider for the service and sub-commissions Somerset Partnership NHS Foundation Trust, from pooled health and social care funds, to manage the health needs of adults with learning disabilities. The Somerset Clinical Commissioning Group is responsible for ensuring that funds dedicated to the health needs of people with learning disabilities are used as effectively and efficiently as possible.

1.44 At the end of 2013/14, significant pressures caused an overspend on the LD pooled budget of £3.7 million. In 2014/15 Somerset County Council have presented a projected overspend at month 8 of £6.9 million, which is £0.1 million lower than the month 7 projection. This position is broken down by £3.4 million on the purchasing budget and £1.7 million against the LD provider service both due to higher demand than planned based on historical trends and higher acuity of patients, resulting in more intensive packages of care being required to support individuals. In

addition there is a shortfall of £1.8 million against the savings programme planned as part of the budget setting process for 2014/15. The Clinical Commissioning Group's share of this projected overspend equates to 25% (£1.7 million). It has been agreed that this will be funded non-recurrently from section 256 funding in 2014/15, and the recurrent impact of this will need to be taken into account as part of the discussions on the 2015/16 budget increase.

Carers Services

- 1.45 A pooled budget arrangement is in place between Somerset Clinical Commissioning Group and Somerset County Council to provide funding for the 'Somerset Offer to Carers' service. This service provides emotional and personal support for adult carers, caring for people with any condition. The county wide service model is based around the nine GP Federation areas in Somerset and works closely with existing GP practice based carers champions, social work teams and community organisations.

The Better Care Fund

- 1.46 Launched through the Spending Round in June 2013 and highlighted as a key element of public service reform, the Better Care Fund has a primary aim to 'drive closer integration and improve outcomes for patients and service users and carers'. The fund will be set up as a pooled budget from 1 April 2015.
- 1.47 NHS Somerset and Somerset County Council have developed and signed up to a Better Care Fund (BCF) plan which has involved the development of a number of schemes to achieve the performance outcomes expected from the BCF, namely a 3.5% reduction in Emergency Admissions to hospital.
- 1.48 There are a number of National Conditions that this funding must achieve namely, protecting social care services, 7 day services to support discharge, Data Sharing and Joint assessment and accountable lead professional for high risk populations.
- 1.49 Table 7 details the Source of Funds to be put into the BCF pooled budget, as well as the schemes and funding allocated to achieve the expected outcomes.

Table 7: Summary of the 2015/16 Better Care Fund

Source of Funds	£'000	Application of Funds	Budget £'000
NHS Somerset CCG	35,067	Reablement and ILTs	16,404
Somerset County Council	4,171	Person Centric Care	17,831
District Councils	2,105	Local FOPAS	3,612
		Housing Support to Enable Independence	2,105
		Capital Funding	1,391
Total	41,343	Total	41,343

- 1.50 The NHS Somerset Clinical Commissioning Group source of funds (£35m) includes the existing £11.4m, currently allocated to Somerset County Council under a Section 256 agreement via NHS England. The remaining source of funds £23.6m is current funding allocated to existing contracts in 2014/15, therefore already committed against services and not available for redevelopment unless savings are generated.

Shepton Mallet NHS Treatment Centre

- 1.51 Shepton Mallet NHS Treatment Centre is run by Care UK, and specialises in providing NHS patients with swift access to elective and diagnostic procedures such as ear, nose and throat procedures, dental extraction, endoscopy, general surgery, gynaecology, joint replacements, minor orthopedic surgery, ophthalmology and urology.
- 1.52 The 2014/15 budget for Shepton Mallet NHS Treatment Centre is based on 2013/14 forecast outturn.

Spells in the Independent Sector

- 1.53 Within the programme, funding is also set aside for the commissioning of activity from the independent sector to support the operation of patient choice. The Somerset CCG has agreed a range of procedures covered under the Department of Health's Any Qualified Provider programme.
- 1.54 The 2014/15 budget for spells in the independent sector is based on 2013/14 forecast outturn. Activity with independent sector providers continues to grow and is expected to increase further, with an over-performance of £1.2 million against planned activity anticipated at the year end.

Summary

- 1.55 An underspend is anticipated against other commissioning funds to partly offset the forecast overspend position on NHS contracts and activity with private sector providers, with the balance of this overspend funded from slippage against Primary Care Collaboration funds. Continuing healthcare budgets are expected to overspend and a planned underspend is held within the Clinical Commissioning Group contingency reserve.

Prescribing

- 1.56 Funding totaling £76,905,000 is set aside to support prescribing in 2014/15. This is shown in table 8 below:

Table 8: 2014/15 Prescribing Budgets

	Initial Programme	Budget Adjustment	Revised Value	Year-end (under) / overspend
	£'000	£'000	£'000	£'000
GP Prescribing	74,261	(40)	74,221	1,010
Other Prescribing	3,256	(572)	2,684	(810)
Total Prescribing	77,517	(612)	76,905	200

1.57 A further analysis of spend to 30 November 2014 is included in Appendix 4

GP Prescribing

1.58 Prescribing budgets for 2014/15 have been set taking into account growth in 2014/15 offset by opportunities to deliver Quality, Innovation, Productivity and Prevention savings.

1.59 Further funding of £500,000 has been released to reflect the final settlement agreed for 2014/15 for GP prescribing budgets.

1.60 Funding of £540,000 has also been released from prescribing budgets in order to support the implementation of new dressings supply routes being managed by Somerset Partnership NHS Foundation Trust.

1.61 As part of establishing the Clinical Commissioning Group's baseline funding position, £1,573,000 has been removed to support the cost of prescribing relating to public health services, which have transferred to the Local Authority. This will be recovered from Somerset County Council through a recharge for the cost of the drugs prescribed.

1.62 The Business Services Authority has released a forecast based on data to October that indicates a projected overspend of £1,660,000.

1.63 The position now includes the impact of the Community Pharmacy funding settlement in 2014/15 linked to category M price increases. The actual category M spend for October was higher than the predicted figures. It is anticipated this was partly due to a high increase in the prescription volumes for October, partly linked to the volume of influenza vaccines. It is expected these volumes will decrease over the next few months once the flu season is over. The Somerset Clinical Commissioning Group are estimating this will have an effect of around a £300,000 reduction on the projected overspend position.

1.64 Projected variances relating to other GP Prescribing expenditure such as dressings, central drugs and income from rebates are currently expected to underspend by £350,000.

Other Prescribing

1.65 In addition to GP prescribing, funding has been set aside to support the following programmes:

- prescribing contingency
- contribution to the national allocation adjustment for unknown prescriptions
- home oxygen

1.66 A budget reduction of £200,000 has been actioned to reflect the budget settlement agreed for 2014/15 including an assumption on receiving prescribing rebates. In addition a budget adjustment of £65,000 was moved to enhanced services for compression bandages (leg ulcers) and a further £307,000 transferred to Somerset Partnership NHS Foundation Trust for dressings.

1.67 A projected underspend in respect of the Home Oxygen Service is forecast relating to current year under-usage and the prior year refunds of £350,000, alongside an underspend of £460,000 on other prescribing.

1.68 Overall, a year-end overspend of £200,000 is forecast against prescribing.

Other Programmes

1.69 Within Table 9, resources totaling £12,610,000 are identified to support other programmes. Other programmes comprise a range of important priority areas for the Somerset CCG but which do not fall within the scope of secondary healthcare services. Table 9 below sets out details of other programmes.

Table 9: Other Programmes

Programme	£'000
Out-of-Hours	5,439
111 Service	1,367
Enhanced Services	4,194
Clinical Innovation Fund	217
GP IT	1,393
Total	12,610

Out of Hours

1.70 The Somerset Clinical Commissioning Group is responsible for ensuring that appropriate out-of-hours service arrangements are in place for the population of Somerset. The Somerset Clinical Commissioning Group is in the process of re-procuring out-of-hours services and has agreed a contract with South Western Ambulance Service NHS Foundation Trust for the provision of this service for 2014/15.

111 Service

NHS 111 is a national specified but locally commissioned service. Somerset Clinical Commissioning Group is responsible for commissioning NHS 111 for the population of Somerset. The Somerset Clinical Commissioning Group has agreed a contract with South Western

Ambulance Service NHS Foundation Trust for 2014/15. Somerset Clinical Commissioning Group has started a re-procurement for the NHS 111 services for Somerset.

Enhanced Services

1.72 Clinical Commissioning Groups are free to commission a wide range of community based services funded from their overall funding allocation. With the exception of any local improvement schemes commissioned on behalf of NHS England and proposed transitional arrangements for current local enhanced services, Clinical Commissioning Group's will commission these services through the NHS standard contract. This can include services delivered by GP practices, provided they go beyond the services provided under the GP contract. Table 10 sets out the approved Enhanced Services Programmes for 2014/15

Table 10: Enhanced Services

Scheme	Annual Budget £'000
Enhanced Services:	
NES:	
Anti-Coagulation	1,376
Immediate Care and First Response	19
Minor Injuries	77
Near Patient Testing	299
Local Enhanced Services:	
Compressions Bandaging	74
Neonatal Checks	6
Pre and Post-Operative Care	330
Injectable Risperidone	1
Vasectomy	103
Diabetes Insulin Initiation	10
Biopsy Clinic	3
Complimentary Therapy	26
DVT Clinic	5
Eye, ENT and Microsuction	14
Dermatology	148
Endometrial Biopsies	3
Fracture Clinic	11
Extended Geriatric Care	25
Homeless Care	15
Nurse Development	2
Young Peoples Sexual Health	17
Young Peoples Clinics	35
Tongue Ties	34
Complex Care	460
Leg Ulcer	210
LES PBC Scheme:	
Complex Care	89
Urgent Care Pilot - YDH	293
Optometry Enhanced Service:	
Acute Community Eye Care Service	360
Low Vision Scheme	60
CQUIN	89
Total	4,194

1.73 £460,000 has been transferred from the Clinical Innovation Fund to support complex care.

1.74 A balanced year-end position is anticipated against these schemes.

Clinical Innovation Fund

1.75 An important element of the Clinical Commissioning Group allocations is working with GP practices through the Clinical Innovation Fund, which enables primary care clinicians to lead the development of new local services.

1.76 Funding of £1,100,000 was earmarked to support this programme in 2014/15. The programme of schemes funded through the Clinical Innovation Fund is summarised in Table 11 below.

Table 11: Clinical Innovation Fund

Scheme	Initial Programme 2014/15 £'000	Budget Adjustment £'000	Revised Budget £'000
Complex Care	460	(460)	-
Mendip ESD	250	(250)	-
Assessment Beds Frome	102	(102)	-
Diabetes Pack	5	-	5
Diabetes LES	10	(10)	-
Gold standard Framework	28	3	31
Urgent Care Pilot	94	(94)	-
D Dimer in Primary Care	7	(7)	-
Compression to Prevent DVT	20	(20)	-
Electrical Stimulation Service	9	34	43
Spirometry	12	(12)	-
Health and Wellbeing Workers	82	(82)	-
Mendip	-	-	-
Discharge Liaison Nurses RUH	62	(62)	-
Health Weight	39	(39)	-
Weight loss	21	(21)	-
Mendip Patient Support Group	54	(44)	10
Coordinator	-	-	-
Ambulatory Care	-	109	109
Balance	(155)	174	19
Total	1,100	(883)	217

1.77 The funding of £460,000 relating to the complex care scheme has been moved to the enhanced services budget, in line with the commitment. Other funds totaling £423,000 have been released to budgets, leaving a balance of £217,000 within the fund.

1.78 A balanced year-end position is anticipated against these schemes.

1.79 Overall a year-end break-even position is forecast against the other programmes.

Running Cost Programmes

- 1.80 Within Table 11, £13,169,000, equating to £24.73 per head of weighted population, is identified to support the headquarters and central functions of the Somerset Clinical Commissioning Group. To support their effective running, the Somerset Clinical Commissioning Group has reviewed those functions which it will provide in house and those which it will commission from South West Commissioning Support Services.
- 1.81 Table 12 sets out the Running Cost Programmes for the Somerset Clinical Commissioning Group, which is now in the format of the new Clinical Commissioning group structure. A further analysis of spend is shown in Appendix 5.

Table 12: Running Cost Programmes

Running Cost Programmes	Whole Time Equivalent Establishment	Whole Time Equivalent Actual	Annual Budget £'000	Movement in Budget £'000	Revised Annual Budget £'000	Year-to-Date (under) / overspend £'000
Governing Body	2.7	2.3	862	-	862	(2)
Senior Leadership Team	5.7	4.6	883	-	883	(1)
Executive Office	3.0	3.0	122	-	122	-
Directorate of Finance and Performance and Acute Commissioning	18.1	14.5	1,091	380	1,471	(2)
Directorate of Clinical and Collaborative Commissioning	37.4	38.5	2,291	319	2,610	(3)
Directorate of Quality, Safety and Governance	21.2	19.3	666	1,272	1,938	(2)
Directorate of Patient Engagement and Strategy	-	-	1,751	(1,751)	-	-
CSU Costs	-	-	5,244	(27)	5,217	-
Procurement	-	-	259	(259)	-	-
Reserve	1.0	-	-	66	66	-
Total Running Cost Programme	89.1	82.2	13,169	-	13,169	(10)

- 1.82 All costs in Table 12 are stated at 2014/15 pay and prices.
- 1.83 A year-end break-even is forecast against the running cost programme.

GP IT

- 1.84 In addition to the Clinical Commissioning Group's running cost allocation, Somerset Clinical Commissioning Group has received £1,393,000 revenue funding from NHS England, in line with Securing Excellence in GP IT Services; Operating Model, 2nd Edition (2014-16). This will enable Somerset Clinical Commissioning Group to deliver the requirements to its 75 member general practices, including funding of core clinical system maintenance and IT support, in line with General Practice System of Choice Framework (GPSoC). The allocation also enables local delivery of national initiatives, with project management and training support for implementation of Summary Care Records and Electronic Prescription Service. Operational support and delivery is achieved with this funding via Service Level Agreements with South West Commissioning Support.

2014/15 Development Programme

1.85 As part of the 2014/15 Local Delivery Plan the Somerset Clinical Commissioning Group has developed a recurring development programme totalling £13,543,000.

1.86 The programme is summarised in Table 13.

Table 13: 2014/15 Development Programme

Scheme	Initial Programme £'000	Issued to Programme £'000	Revised Programme £'000
CHC	3,000	(3,000)	-
Prescribing	3,000	(3,000)	-
Bridgwater Community Hospital	2,000	(2,000)	-
Out of Hospital Services	1,500	(1,500)	-
Out of County Services	2,000	(2,000)	-
Demand Management Services	2,043	(2,043)	-
	13,543	(13,543)	-

1.87 This funding has been fully allocated to programme budgets

Managed Programmes

1.88 Managed programmes comprise a series of specific allocations of funding pending their transfer to budgets during the year. An analysis of the managed programmes is set out in Table 14.

Table 14: Managed Programmes

Scheme	Programme £'000	Issued £'000	Balance £'000
Contingency	3,346	(1,000)	2,346
Headroom funding	16,163	(14,953)	1,210
Continuing Healthcare Risk Pool	-	2,512	2,512
Surplus	6,693	-	6,693
Commissioning for Quality and Innovation (CQUIN)	12,175	(11,796)	379
Resilience Funding	5,289	-	5,289
RTT Funding	1,995	-	1,995
Total	45,661	(25,237)	20,424

1.89 Managed programmes, and the development programme, comprise an important element of the Somerset Clinical Commissioning Group's risk management strategy. Funds are held centrally and are only released to individual programmes once the programme has been agreed and expenditure commitments identified. This provides flexibility to manage any in year pressures or volatility, and requires robust financial control by budget managers.

Contingency

1.90 'Everyone Counts: Planning for Patients 2014/15 to 2018/19' outlines the national requirement for Clinical Commissioning Group's to hold a

contingency of at least 0.5% to mitigate risks within the local health community. Funding of £3,346,000 has been set aside as a contingency to manage in-year pressures. £1,000,000 of this contingency has now been released to secondary care budgets, with the remaining funding set aside to fund the projected Continuing Health Care overspend.

Headroom Funding – Non Recurring for Clinical Groups

1.91 In 2014/15 Clinical Commissioning Groups are required to set aside 2.5% of funding for non-recurring expenditure, including a 1.0% call to action fund. In subsequent years clinical Commissioning Groups are only required to hold a 1.0% fund. This recognises the need to accelerate efficiencies in 2014/15 both to prepare for the challenges in 2015/16 and create a fund for sustainable change.

1.92 Against the funding earmarked for the headroom fund, a number of applications have been developed and funding has been allocated to the programmes in respect of:

- funding to support the delivery of transformational change
- funding to support the pump priming of quality, innovation, productivity and prevention schemes agenda
- the development of a programme of service developments focusing on access standards

Continuing Healthcare Risk Pool

1.93 Funding of £2,512,000 has been identified within managed programmes to cover the Clinical Commissioning Group's commitment to a national pooled risk share arrangement for retrospective funding claims.

£5 per head for Over 75 Care

1.94 Within the headroom allocation, the Somerset Clinical Commissioning Group has set aside £2,776,000 to support the transformation of care of patients aged 75 or older and reduce avoidable admissions by providing funding for federation plans to do so.

1.95 The Somerset Clinical Commissioning Group has developed, in consultation with the Somerset Local Medical Committee, a plan on how this funding will be utilised in 2014/15. A summary of the plan is shown in the table below. Due to the delayed commencement of a number of these schemes, slippage is anticipated against this funding in 2014/15. This slippage will support the forecast financial overspend position on secondary care commissioning and prescribing.

Table 15: Utilisation of £5 per Head Funding

Description	Amount £'000
Ambulatory Care service	200
Weekend Dressing Clinics	50
Community Phlebotomy Service	180
District Nurse Capacity	570
Out of Hours Service	250
Community Resources	600
Other Local Federation Priorities	926
Total	2,776

Surplus

- 1.96 Within the 2014/15 managed programmes, the Somerset Clinical Commissioning Group has an underspend of £6,693,000 earmarked, in line with its commitments agreed with NHS England.

Commissioning for Quality and Innovation (CQUIN)

- 1.97 Within the figures shown in Table 14 is £12 million representing 2.5% of the contract value to support CQUIN for 2014/15. This funding reflects the focus on promoting quality and ensures that quality improvements are considered as part of each financial discussion.
- 1.98 Providers can non recurrently earn the additional CQUIN money for meeting agreed quality standards through their local CQUIN scheme, once the gateways of existing national targets as a minimum has been achieved. The CQUIN goals must be stretching and focused and reflect local priorities.
- 1.99 The majority of this funding has now been released to contracts to support the agreed CQUIN schemes based on 100% achievement and this will be reviewed during the financial year. Funding of £11,796,000 has been allocated to specific providers and the table below indicates how CQUIN funding has been allocated to date.

Table 16: CQUIN Funding Issued to Budgets

Description	Amount £'000
Dorset County Hospital NHS Foundation Trust	60
Great Western Hospital NHS Foundation Trust	62
North Bristol NHS Trust	178
Northern Devon Healthcare NHS Trust	10
Royal Devon and Exeter NHS Foundation Trust	145
Royal National Hospital for Rheumatic Diseases NHS Foundation Trust	55
Royal United Hospitals Bath NHS Foundation Trust	559
Salisbury Healthcare NHS Foundation Trust	15
Somerset Partnership NHS Foundation Trust	2,932
South Western Ambulance Service NHS Trust	272
Taunton and Somerset NHS Foundation Trust	4,018
University Hospitals Bristol NHS Foundation Trust	205
Weston Area Health NHS Trust	333
Yeovil District Hospital NHS Foundation Trust	1,808
Shepton Mallet Treatment Centre	305
Other private sector / charitable providers	839
Total	11,796

- 1.100 Providers of acute ambulance, community, mental health and learning disability services on a national standard contract, were eligible to earn the full 2.5% of contract value subject to agreeing and achieving the agreed CQUIN goals.

Social Care Funding

- 1.101 In 2014/15 a further £200 million was made available from the NHS to support social care, in addition to the £859 million made available in 2013/14. From this allocation Somerset County Council will receive funding totaling £11,447,183. The funding must be used to support adult social care services, which also has a health benefit, although it is flexible for local areas to determine how this investment in social care is best used, and the outcomes expected from this investment.
- 1.102 This funding will be transferred directly from NHS England to Somerset County Council, once spending plans and outcome measures have been agreed through the Joint Commissioning Board. This funding has been used to maintain service delivery of social care, support the rollout of the Reablement programme, implementing 7 day services to support discharge and to assist the reconfiguration of the learning disability service.

Resilience Funding

- 1.103 Urgent care funding was allocated to Clinical Commissioning Groups on a fair-share basis to be distributed amongst local systems. Somerset Clinical Commissioning Group received a total of £5,289,000.

1.104 Monies have been made available upon successful assurance of our plans. These plans must build on the good work undertaken throughout the last year. In particular they must include the use of primary care, community and mental health services as well as social services to support patients with urgent care needs or to help avoid such urgent episodes altogether. The Clinical Commissioning Group has allocated the funding, in conjunction with stakeholders, and is monitoring the impact of this against the agreed outcomes for each scheme.

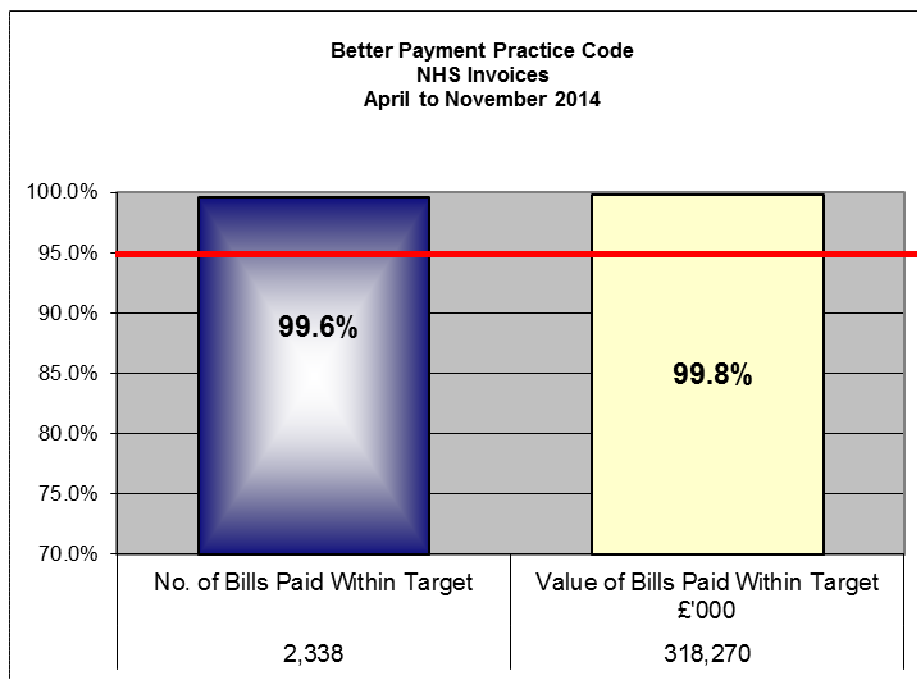
RTT Funding

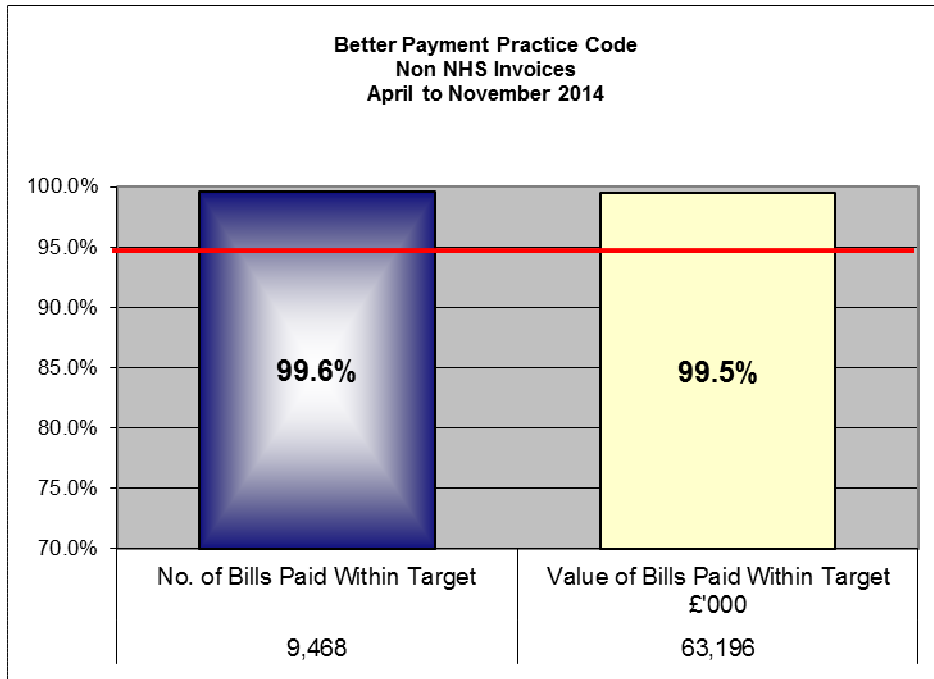
1.105 The Clinical Commissioning Group has received an allocation of £1,995,000 to support the delivery of additional elective activity to improve performance on RTT standards, clear backlog and reduce the number of long wait patients.

1.106 The Clinical Commissioning Group has agreed the allocation of this funding across providers.

Better Payment Practice Code

1.107 NHS bodies are required to pay NHS and trade creditors in accordance with the Better Payment Practice Code. The target is to pay 95% of NHS and trade creditors within 30 days of receipt of goods or a valid invoice, whichever is the later, unless other payment terms have been agreed with the supplier. This will be monitored during 2014/15 to ensure compliance.





Performance against Cash Limit

- 1.108 The Somerset Clinical Commissioning Group has a statutory duty not to exceed its annual cash limit. This will be managed during 2014/15.
- 1.109 Appendix 6 shows more analysis of the cash flow for 2014/15.

Quality, Innovation, Productivity and Prevention

- 1.110 On 20 October 2010, the Government announced details of the spending review covering the four years 2011/12 to 2014/15. This reflected the Government's commitment to protecting the health budget.
- 1.111 The plan has been developed to ensure that real quality improvements are made in Somerset through a strong partnership approach, joint planning and decision making. Appendix 7 summarises details of QIPP savings for 2014/15.

SUMMARY

- 1.112 Table 17 sets out the forecast year end position as at 30 November 2014.

Table 17: Year End Position against Programmes

Programme	Year-end (under) / overspend £'000
Secondary Care Commissioning	2,736
Prescribing	200
Other Programmes	-
Running Costs	-
2014/15 Development Programme	-
Managed Programmes - Contingency	(2,346)
Managed Programmes – Headroom (Primary care Collaboration Fund)	(590)
Managed Programmes - Surplus	(6,693)
Total	(6,693)

- 1.113 A year end under spend of £6,693,000 will be achieved, in line with the CCG's financial plan for 2014/15.

Statement of Financial Position

- 1.114 Table 18 details the statement of financial position for the Somerset Clinical Commissioning Group as at 30 November 2014.

Table 18: Statement of Financial Position of the Clinical Commissioning Group as at 30 November 2014

	Opening Balance 1 April 2014 £'000	Closing Balance 31 October 2014 £'000	Movement £'000
Non-Current Assets:			
Premises, Plant, Fixtures and Fittings	-	-	-
IM&T	-	-	-
Other	-	-	-
Long-term receivables	-	-	-
Total Non-Current Assets	-	-	-
Current Assets:			
Inventories	3	3	-
Trade and other receivables	3,087	4,379	1,292
Cash and cash equivalents	47	723	676
Total Current Assets	3,137	5,105	1,968
Total Assets	3,137	5,105	1,968
Current liabilities:			
Trade and other payables	(28,691)	(33,107)	(4,416)
Other liabilities	-	-	-
Provisions	(451)	(451)	-
Borrowings	-	-	-
Total Current Liabilities	(29,142)	(33,558)	(4,416)
Non Current Liabilities:			
Long term Liabilities	-	-	-
Provisions	-	-	-
Borrowings	-	-	-
Total Non Current Liabilities	-	-	-
Total Liabilities	(29,142)	(33,558)	(4,416)
Assets less Liabilities (Total Assets Employed)	(26,005)	(28,453)	(2,448)
FINANCED BY:			
TAXPAYERS' EQUITY			
General fund	(26,005)	(23,991)	2,014
Generated Surplus/Deficit Reserve	-	(4,462)	(4,462)
Revaluation reserve	-	-	-
Other reserves	-	-	-
Total Taxpayers' Equity	(26,005)	(28,453)	(2,448)

Capital

- 1.115 In addition to revenue funding, the Clinical Commissioning Group will receive a capital allocation to support the Clinical Commissioning Group's administration function. In February 2014 the Clinical Commissioning Group submitted a plan requesting a capital programme for 2014/15. The Clinical Commissioning Group has been notified that its capital allocation for 2014/15 is £200,000 to support capital corporate IT infrastructure.

1.116 The Clinical Commissioning Group have requested capital grant funding of £1,800,000. This is broken down by £1,500,000 to support a joint programme between the Clinical Commissioning Group and Somerset County Council for improved learning residences and to develop a stand-alone learning disabilities provider, together with £300,000 to support grants to the hospices.

APPENDIX 1

SERVICE LEVEL AGREEMENT/CONTRACT VALUES BY PROVIDER

Secondary Care Commissioning	Annual Budget	Year to Date Budget	Year to Date Expenditure	Variance
	£'000	£'000	£'000	£'000
Foundation Trusts:				
Dorset County Hospital NHS Foundation Trust	2,345	1,563	1,612	49
Great Western Hospitals NHS Foundation Trust	431	431	431	-
Royal Devon and Exeter NHS Foundation Trust	6,446	4,297	4,485	188
Royal National Hospital for Rheumatic Diseases NHS Foundation Trust	2,195	1,463	1,536	73
Royal United Hospitals Bath NHS Foundation Trust	22,234	14,823	16,023	1,200
Royal United Hospitals Bath NHS Foundation Trust – Maternity Contract	2,207	1,324	1,324	-
Salisbury NHS Foundation Trust	588	392	399	7
Somerset Partnership NHS Foundation Trust	130,078	86,719	86,719	-
South Western Ambulance Service NHS Trust	19,470	12,980	12,980	-
Taunton and Somerset NHS Foundation Trust	165,738	110,492	110,492	-
University Hospitals Bristol NHS Foundation Trust	7,398	4,932	5,101	169
Yeovil District Hospital NHS Foundation Trust	76,217	50,811	50,811	-
Sub total	435,347	290,227	291,913	1,686
Other NHS Trusts:				
North Bristol NHS Trust	6,733	4,489	4,341	(148)
North Devon Healthcare NHS Trust	392	261	242	(19)
Sirona Care & Health CIC	505	337	337	-
Weston Area Health NHS Trust	14,182	9,455	9,464	9
Sub total	21,812	14,542	14,384	(158)
Total NHS Service Level Agreements	457,159	304,769	306,297	1,528

**Somerset Clinical Commissioning Group
Contract Performance as at 30 November 2014**

Provider	Annual Plan	Year To Date Plan	Year To Date Actual	Variance	Variance %
Taunton & Somerset NHS Foundation Trust					
Inpatients -- Elective & Daycase	32,778	21,938	23,753	1,815	8.27%
Inpatients -- Non-Electives	27,858	18,623	18,595	-28	-0.15%
Maternity Deliveries	2,908	1,944	2,057	113	5.81%
Outpatients	282,209	188,880	192,875	3,995	2.12%
Critical Care	3,327	2,224	2,497	273	12.28%
Accident & Emergency	52,475	35,079	36,398	1,319	3.76%
Yeovil District Hospital NHS Foundation Trust					
Inpatients -- Elective & Daycase	14,290	9,545	9,204	-341	-3.57%
Inpatients -- Non-Electives	12,444	8,319	8,563	244	2.93%
Maternity Deliveries	1,337	894	895	1	0.11%
Outpatients	122,830	82,049	85,428	3,379	4.12%
Critical Care	2,741	1,833	2,060	227	12.38%
Accident & Emergency	37,520	25,082	25,249	167	0.67%
Royal United Hospitals Bath NHS Foundation Trust					
Inpatients -- Elective & Daycase	3,467	2,357	2,434	77	3.27%
Inpatients -- Non-Electives	5,593	3,665	4,339	674	18.39%
Outpatients	37,410	24,436	22,316	-2,120	-8.68%
Accident & Emergency	7,904	5,240	5,342	102	1.95%
Other Providers					
Inpatients -- Elective & Daycase	21,946	14,631	14,553	-78	-0.53%
Inpatients -- Non-Electives	7,301	4,867	4,587	-280	-5.76%
Outpatients	110,898	73,932	70,624	-3,308	-4.47%
Accident & Emergency	19,786	13,191	14,804	1,613	12.23%

Note: M8 activity and plan data should be treated with caution, work is ongoing to establish accurate plan levels.

APPENDIX 3

CONTRACT VALUES FOR SERVICES FROM THE INDEPENDENT AND PRIVATE SECTOR

Scheme/Provider	Annual Budget	Year to Date Budget	Year to Date Expenditure	Year to Date (under) / overspend
	£'000	£'000	£'000	£'000
British Pregnancy Advisory Service	40	27	27	-
British Red Cross	401	267	267	-
Continuing Care	30,773	20,515	21,688	1,173
COPD Contract	663	442	442	-
Cruse Bereavement	15	10	10	-
Dorothy House Hospice	257	171	171	-
Exceptional Treatments	448	299	299	-
Flexible Healthcare	15	10	10	-
Marie Stopes	341	227	135	(92)
NHS Funded Nursing Care	10,170	6,780	6,780	-
Non Contractual Activity	5,993	3,995	3,995	-
OASIS	802	535	606	71
Odstock Medical Limited	30	20	20	-
Other Commissioning	4,031	2,687	680	(2,007)
Palliative Care Funding	374	249	249	-
Partnership Working – Other	389	259	259	-
Partnership Working – Pooled Budgets	16,717	11,145	11,145	-
Patient Transport Services	597	398	398	-
Shepton Mallet Treatment Centre	11,718	7,812	7,812	-
Spells in Private Sector	6,688	4,459	5,299	840
St Margarets Hospice	2,143	1,429	1,429	-
Voluntary Car Services	865	577	577	-
Weston Hospice	135	90	90	-
Total	93,605	62,403	62,388	(15)

PRESCRIBING EXPENDITURE
1 APRIL 2014 – 30 NOVEMBER 2014

	Annual Budget £'000	Year-to-Date Budget £'000	Year-to-Date Expenditure £'000	Variance £'000
GP Prescribing	74,221	49,481	50,154	673
Other prescribing	2,684	1,789	1,249	(540)
Total	76,905	51,270	51,403	133

HEADQUARTERS AND CENTRAL PROGRAMMES

	Whole Time Equivalent Establishment	Whole Time Equivalent Actual	Annual Budget	Year to Date Budget	Year to Date Expenditure	Year to Date Forecast (under)/overspend
Running Cost Programmes			£'000	£'000	£'000	£'000
Governing Body	2.7	2.3	862	578	576	(2)
Senior Leadership Team	5.7	4.6	883	624	623	(1)
Executive Office	3.0	3.0	122	81	81	-
Directorate of Finance and Performance and Acute Commissioning	18.1	14.5	1,471	984	982	(2)
Directorate of Clinical and Collaborative Commissioning	37.4	38.5	2,610	1,744	1,741	(3)
Directorate of Quality, Safety and Governance	21.2	19.3	1,938	1,283	1,281	(2)
CSU Costs	-	-	5,217	3,484	3,484	-
Reserve	1.0	-	66	48	48	-
Total Running Cost Programme	89.1	82.2	13,169	8,826	8,816	(10)

APPENDIX 6

CASHFLOW SUMMARY

APPENDIX 6	In Year												Total £'000
	April £'000 Actual	May £'000 Actual	June £'000 Actual	July £'000 Actual	August £'000 Actual	September £'000 Actual	October £'000 Actual	November £'000 Actual	December £'000 Forecast	January £'000 Forecast	February £'000 Forecast	March £'000 Forecast	
Opening Balance	49	2,804	5,138	4,343	573	3,498	2,339	3,853	794	1,258	589	609	49
Receipts													
NHS Receipts	216	67	117	25	95	12	890	361	90	26	29	43	1,971
Department of Health Funding - Cash Limit	54,197	58,091	53,639	51,161	56,565	60,355	56,954	51,252	56,030	56,245	55,824	53,532	663,845
Other	101	374	108	286	110	413	887	149	491	70	78	116	3,183
Total Receipts	54,514	58,532	53,864	51,472	56,770	60,780	58,731	51,762	56,611	56,341	55,931	53,691	668,999
Payments													
Local													
NHS Payments	38,840	39,109	40,952	39,115	39,737	41,520	39,903	39,754	39,696	42,374	39,237	39,306	479,543
Non NHS Payments	6,217	10,061	6,618	8,953	6,936	10,475	10,181	7,579	8,535	7,302	9,161	7,621	99,639
Salaries & Wages, Tax , Ni and Pensions	455	448	449	452	526	486	449	461	447	449	449	449	5,520
GP Payments (Exeter System) and other	1,050	989	1,001	1,061	1,081	1,103	1,130	1,275	1,639	1,340	1,340	1,340	14,349
National													
Prescription Pricing Authority	5,197	5,591	5,639	5,661	5,565	5,843	5,554	5,752	5,830	5,545	5,724	5,534	67,435
CHC Risk Pool Contribution	0	0	0	0	0	2,512	0	0	0	0	0	0	2,512
Total Payments	51,759	56,198	54,659	55,242	53,845	61,939	57,217	54,821	56,147	57,010	55,911	54,250	668,998
Cash Balance	2,804	5,138	4,343	573	3,498	2,339	3,853	794	1,258	589	609	50	50

The balance brought forward is a cleared cash balance, where as the bank balance in the statement of financial position is the cash book balance which includes uncleared payable orders and cash in hand.