

Appendix 1



South East London
Clinical Commissioning Group

SEL CCGs Finance Report

Month 4 2020/21

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1. Budget Control

1. Executive Summary

At a glance position at Month 4

The CCG continues to operate within the temporary financial regime NHSEI put in place in response to the Covid-19 situation. This means that the NHS is seeking to ensure that funding is not an impediment to the pandemic response. It has therefore committed to funding reasonable variances on a retrospective basis to cover the costs of Covid-19 expenditure and “other” reasonable overspends. During Month 4, the CCG received an additional £6.21m allocation to cover Covid costs in Month 3 (taking the additional funding to £17.71m in year), plus £10.81m of retrospective funding for non-Covid overspends in Months 1 to 3. This was £0.30m below the reported position, with the difference relating to the CCG’s original planning gap. The CCG is seeking to recover this difference from NHSEI but will also plan to mitigate this from within its overall 2020/21 budget. The process for the distribution of the non-Covid retrospective allocation to individual budgets is still being considered.

The CCG is reporting an adverse movement in month 4 of £11.27m; this is after the additional allocations noted above, and represents an £8.50m increase in Covid-19 expenditure, plus a further £2.77m overspend on its non-Covid budgets. Cumulatively this brings the CCG’s YTD overspend to £11.57m (with £0.30m relating to the funding not received to Month 3). Due to NHSEI’s commitment to fund reasonable variances the CCG is reporting breakeven for the Month 1-4 period, with additional funding expected to cover the overspend to be received through the retrospective allocation process.

Covid-19 represents the main area of overspend, with (as highlighted above) a further £8.50m additional expenditure incurred in Month 4. The CCG has received additional allocations to cover the £17.71m spent in Months 1-3, and therefore further funding for the Month 4 spend is expected. The in-month position reflects a £2.8m increase against the straight-line of the Month 3 position, primarily driven by better cost identification in Lambeth and Greenwich. Whilst funding is expected against these costs for Month 4, the CCG needs to have a clear strategy in terms of exiting its present expenditure commitments if, as expected, the present funding arrangements are further revised from Month 7 onwards. It is important that any recurrent commitments are identified and appropriate decisions taken.

The CCG has seen a challenging prescribing position during the Covid-19 period with an initial 6.3% increase in activity. In addition in April and May stock shortages have led to an increase in prices. With an expected £3.3m impact from Cat M changes in year, the CCG is presently looking at an annual forecast overspend of between £5.8m and £10.4m (this is based on the potential impact of Covid-19 on activity volumes which vary from 6.3% growth to 0.4% reduction); and is reporting the equivalent of an annual overspend of £8.4m (12 month budget). This represents a £2.79m YTD overspend. This is in line with the position reported in Month 3. The position is likely to be highly volatile and is being monitored within the prescribing teams to ensure the impact and potential mitigations available are identified and understood.

The CHC budget is reporting an in-month underspend of £0.48m, £1.00m overspent YTD to Month 4. This is reflective of an underspend against the recurrent budget with work undertaken by both Lambeth and Greenwich teams in month to understand their cost drivers and correctly identify Covid-19 and CHC costs. The spend in Bromley and Lewisham is materially below budget and reflects work done at the end of last year to reduce spend, plus reflects the impact of Covid-19 on the activity base. A further £1.41m charge relating to 2019/20 FNC price changes has been included within the position. This is a national approach requested by NHSEI and funding was received for this as part of the Month 3 allocation.

All CCGs have confirmed allocations and guidance for Months 1-4. The current financial arrangements will continue for Months 5 and 6, with further guidance on Months 7 to 12 awaited. However, given the uncertainty that this creates, this highlights the need for the CCG to assure itself of its expenditure commitments and to identify appropriate strategies to reduce its cost base where appropriate.

2. Summary of Key Risks

The below table sets out the key issues facing the CCG in delivering its financial position, following the in-depth undertaken in year, these risks are mitigated within the year end forecast position.

Issue/Risk	Summary of Issue/Risk	SRO	Mitigation	Month Identified	Expected Date for Completion	£m's	BAF Rating		
							Likelihood	Severity	Score
CCG Financial Regime	The CCG is operating at a £3m overspend each month against its confirmed allocation. Whilst there is reasonable certainty about the Months 1-6 position, the approach from Month 7 in particular remains unconfirmed. If there is any risk to funding the CCG will need to make decisions about addressing its cost base.	Usman Niazi	The CCG is in discussion with NHSEI to understand how the revised financial regime will operate and how the CCG can secure additional funding where appropriate.	Month 2	Month 6	3.0	2	4	8
Impact of Covid on Cost Base	During the Covid-19 response the CCG committed the equivalent of 2.3% of its expected allocation to meet the demands placed on the system. As the NHS moves on to the next stage of the Covid-19 response, appropriate exit strategies and/or funding sources will need to be identified.	Usman Niazi	The CCG to undertake a review of Covid19 expenditure commitments to ensure that appropriate exit arrangements and/or future funding arrangements are in place.	Month 3	Month 6	6.2	2	4	8

3. Financial Position

During Month 4 the CCG continues to operate within the temporary financial regime NHSEI put in place in response to the Covid-19 situation. This seeks to ensure that funding is not an impediment to the pandemic response, and in doing so ensure that individual financial positions remain affordable.

From a South East London perspective a review of the updated guidance identified an expected shortfall of £3.36m per month against the revised budget, either due to run rate issues or undeliverable allocation changes. As the updated guidance provided the caveat that “a retrospective non-recurrent adjustment will be actioned for reasonable variances between actual expenditure and the expected monthly expenditure”, the CCG expects to report a break-even for months 1-4.

The CCG has received retrospective financial allocations for Covid and non-Covid overspends for Months 1 to 3. The only exception being circa £0.3m relating to the CCG’s gap in start 20/21 budgets. As set out on the next slide, at **Month 4** the CCG is reporting a **£11.57m overspend** against its recurrent allocation. The drivers to the position are set out below;

Area	Month 4 Overspend £'m	Comment	Month 3 Comparison £'m
Covid-19	8.50	The CCG has spent a further £6.21m on Covid-19 related expenditure (excluding prescribing; separately highlighted below), which brings the total YTD spend to £26.13m. The £17.71m incurred in Months 1-3 has attracted an allocation in full from NHSE. This covers the CCG’s local spend plus funding for hospital discharge costs incurred by the six local boroughs.	6.21 The CCG has received funding for this
Prescribing	2.80	The prescribing run rate has been adversely impact by price and activity changes during the Covid-19 period (the CCG is presently forecasting a 6.3% increase on the 2019/20 outturn). From initial analysis we have seen Covid-19 generated increased prescribing activity, together with price impacts as supply becomes a limiting factor.	2.03
Allocations Changes	5.15	The CCG has experienced a £5.15m adverse impact due to changes made to its allocation. This includes the impact of the funding adjustment for GP@Hand.	3.86
CHC Expenditure	1.00	The CCG has reviewed the Lambeth and Greenwich positions in month, reducing the overspends reported at Month 3. Significant underspends seen within the other boroughs link to the impact of the Covid-19 arrangements and work done locally at the end of last year.	1.48
FNC 201920	1.41	NHSEI have asked for all CCGs to reflect the impact of the 9% retrospective FNC price change within their 2021 position.	1.41
Running Costs	1.15	The CCG’s running cost allocation was reduced as part of the revised funding arrangements. The impact of this running cost adjustment is circa £0.38m per month; with the present overspend below this due to the present vacancy rate within the CCG.	0.99
Other	1.61	Further overspends due to commitments made against the MHIS (£0.38m), the impact of the present contracting arrangements (£0.66m) and the CCG’s initial planning gap (£0.25m).	1.35
Mental Health	0.76	The CCG has a pressure within its complex care budgets which it is working across the system to mitigate.	-
Allocation	(10.81)	The CCG received £10.8m of retrospective funding in Month 4, this relates to the Months 1-3 overspend. This is £0.3m below the reported position, which relates to the planning gap at the start of the year.	-
Total	11.57		17.33

3. Financial Position (continued...)

Headline Financial Performance	Bexley	Bromley	Greenwich	Lambeth	Lewisham	Southwark	Covid-19	South East London	Total SEL CCGs
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Year to Date Expenditure Position									
YTD Total Budget	27,554	51,899	38,600	35,281	29,840	28,281	17,708	801,492	1,030,655
YTD Total Expenditure	28,350	52,001	39,210	37,142	30,266	28,785	26,212	800,253	1,042,220
YTD In Year Total Surplus/ (Deficit)	(797)	(102)	(610)	(1,861)	(426)	(504)	(8,504)	1,239	(11,565)
YTD Expected Retrospective Allocation									11,565
YTD In Year Revised Surplus/ (Deficit)									-
YTD Planned In Year Surplus									-
YTD Variance against planned in year Surplus/ Control Total									-
YTD Variance against planned in year Surplus/ Control Total %									0.0%
Previous Month YTD Variance before adjustment	(216)	544	(712)	(2,129)	33	221	(6,207)	(8,859)	(17,325)

Continued...

In line with guidance, the CCG is assuming funding in full for the Month 4 overspend and is therefore reporting a break-even position in-month and YTD.

The CCG is presently reporting a further £3.07m overspend against its normal programme budgets in Month 4 (£2.77m in month, £0.3m relating to the shortfall in funding from Months 1-3); and a further commitment on Covid-19 related costs of £8.50m. This would take the CCG's **present position** for the period covered by the Month 1-4 temporary financial regime to **£11.57m overspent**. In line with previous months, the CCG is expecting this position will be funded in full.

It should be noted that the YTD position reflects the impact of the £17.71m Covid allocation, and a further £10.81m of non-Covid funding and therefore this needs to be considered when comparing to the month 3 position.

The £10.81m allocation has been included against the South East London position, with further work required to identify how this will be allocated to individual budget lines.

The revised allocations cover the Months 1-4 period, with Months 5-6 expected to operate under the same system. The framework for Month 7-12 will change and further guidance is expected shortly.

4. Budget Overview

Budget Position by Borough									
	Bexley	Bromley	Greenwich	Lambeth	Lewisham	Southwark	Covid-19	South East London	Total SEL CCGs
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Year to Date									
Budget	27,554	51,899	38,600	35,281	29,840	28,281	17,708	801,492	1,030,655
Actual	28,350	52,001	39,210	37,142	30,266	28,785	26,212	800,253	1,042,220
Variance	(797)	(102)	(610)	(1,861)	(426)	(504)	(8,504)	1,239	(11,565)
Year to Date Variance by Area									
	Bexley	Bromley	Greenwich	Lambeth	Lewisham	Southwark	Covid-19	South East London	Total SEL CCGs
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Contracts Team	-	-	-	-	-	-	-	(75)	(75)
Other Acute Services	-	15	-	-	-	-	8	-	23
Other Community Health Services	0	(23)	12	0	(0)	(0)	(534)	(9)	(553)
Mental Health Services	(274)	(150)	(106)	46	(48)	(206)	(19)	-	(757)
Continuing Care Services	(114)	521	(542)	(961)	190	(94)	-	(1,414)	(2,414)
Prescribing	(404)	(511)	(194)	(848)	(564)	(277)	-	-	(2,798)
Other Primary Care Services	(0)	(0)	-	(0)	(0)	(0)	(859)	-	(859)
Other Programme Services	4	(4)	(65)	(97)	(68)	(124)	(897)	4,278	3,027
Delegated Primary Care Services	(0)	0	(0)	(0)	(0)	(0)	(337)	9	(328)
Corporate Budgets Non Running Cost	(29)	122	103	29	(35)	(11)	(5,738)	(29)	(5,586)
Corporate Budgets	21	(72)	182	(30)	99	207	(129)	(1,522)	(1,244)
Total Year to Date Variance	(797)	(102)	(610)	(1,861)	(426)	(504)	(8,504)	1,239	(11,565)

Overview:

The table shows the budgetary positions against the individual boroughs and directorates. In line with the previous page, the main overspends are;

- The main area of overspend remains the Covid-19 expenditure £8.5m; further details are set out in section 5, with the majority of the costs mapping to the corporate non running cost budget
- The Continuing Healthcare overspend is driven by two distinct factors. £1m of the position relates to the exit run rate, although particular pressures are highlighted in Greenwich and Lambeth, which require further review. This position is set out in more detail in section 6. The remaining £1.4m relates to FNC 201920 tariff adjustment which all CCGs have been advised by NHSEI to report within their 2020/21 positions.
- The prescribing overspend is driven by increases in prescribing prices which are related to the present Covid-19 environment. This position is built off limited data, and therefore further work will be required as we move through the year. Further detail is provided in section 7.
- Other programme services, £3.03m reflects the impact of the additional £10.81m allocation, being partially offset by the changes made to the CCG's allocation, plus the impact of the present contract management arrangements in primary care.
- The Corporate Budget variance is driven by the reduction to the CCG running cost allocation (£1.53m, offset by the present vacancy rate within the CCG).
- The Lambeth position is driven by overspends within prescribing and Continuing Healthcare budgets.

4. Budget Overview

Budget by Function	Contracts Team	Other Acute Services	Other Community Health Services	Mental Health Services	Continuing Care Services	Prescribing	Other Primary Care Services	Other Programme Services	Delegated Primary Care Services	Corporate Budgets Non Running Cost	Corporate Budgets	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s		
Year to Date												
Budget	689,209	10,226	30,745	8,674	40,886	69,244	14,255	49,581	94,618	12,821	10,396	1,030,655
Actual	689,284	10,204	31,299	9,431	43,300	72,041	15,114	46,555	94,946	18,407	11,640	1,042,220
Variance	(75)	23	(553)	(757)	(2,414)	(2,798)	(859)	3,027	(328)	(5,586)	(1,244)	(11,565)

Overview:

- The Contracts team budget includes all nationally determined NHS block payments (£686.5m) plus some residual cost and volume budgets outside the block contracts arrangements (£2.7m budget in total). These include Sexual Health contracts, AQPs and local Walk In/ Urgent Care Centres.
- The above YTD position reflects the £17.7m funding received for Covid-19 expenditure for months 1-3; the Primary Care, Other Programme, and Corporate Non Running Cost positions are generated by in-month Covid-19 commitments.
- The YTD running cost overspend (Corporate budgets) of £1.24m is a result of the change to the running cost allocation.
- The Other Programme Services underspend is generated by the Months 1-4 allocation changes (as set out in section 3) offset by the retrospective funding received in Month 4.
- The continuing care (section 6) and prescribing (section 7) overspends are set out in more detail elsewhere within this report.

5. Covid-19

As at Month 4:

- Excluding the impact on prescribing spend, an additional £26.21m expenditure has been identified as a result of the CCG's response to Covid-19.
- The spend has been categorised into hospital discharge programme, General Practice, and other CCG revenue.
- Over half of the expenditure to date (£15.55m) is a result of the Hospital Discharge Programme (HDP) which supports the rapid discharge of patients from hospital to develop capacity in acute trusts. There is variation across boroughs and work is underway with our local authority colleagues to understand and validate this information.
- GP practices were given a payment on account, based on 60p per head, in April to ensure they had funds necessary for them to respond to Covid-19. Across south east London these payments totalled £1.3m. A final reconciliation of this position is being undertaken in-month.
- During July, the CCG undertook a process to review all expenditure commitments made within the Covid-19 period, to ensure that an appropriate exit strategy was in place should the present funding arrangements change. This process led to an increase in cost identification between Months 3 and 4, driven by better cost identification. The review itself identified the main risk to the position as the impact on CHC expenditure as we move out of the Covid-19 period and back to a more "normal" assessment process. Work is underway to understand the potential impact of this.
- GP practices also incurred additional expenditure as a result of working during the bank holidays in April and May to support the Covid-19 response. A detailed CCG borough led reimbursement process is underway. At month 3 the bank holiday spend incurred by GP practices is estimated at £0.8m.
- There has been £8.1m expenditure in addition to that incurred in HDP and General Practice. The categorisation of the spend is being reviewed. 25% of the spend (£2.0m) relates to IT and telephony needed to support remote working in and remote management of patients by General Practice. 17% (£1.4m) relates to the purchase of PPE for use in the primary care hot hub services and some GP practices more generally.

Month 4	Other CCG Revenue	CCG Revenue	Primary Care	Hospital Discharge		Total
				Local Authority	CCG	
Bexley	880	-	306	2,270	-	3,456
Bromley	626	-	368	801	949	2,744
Greenwich	1,075	-	396	2,116	2,072	5,659
Lambeth	1,875	-	548	2,051	174	4,648
Lewisham	1,109	-	464	1,856	258	3,687
Southwark	587	-	414	2,596	406	4,003
SEL Wide	-	2,015	-	-	-	2,015
Total	6,152	2,015	2,496	11,690	3,859	26,212

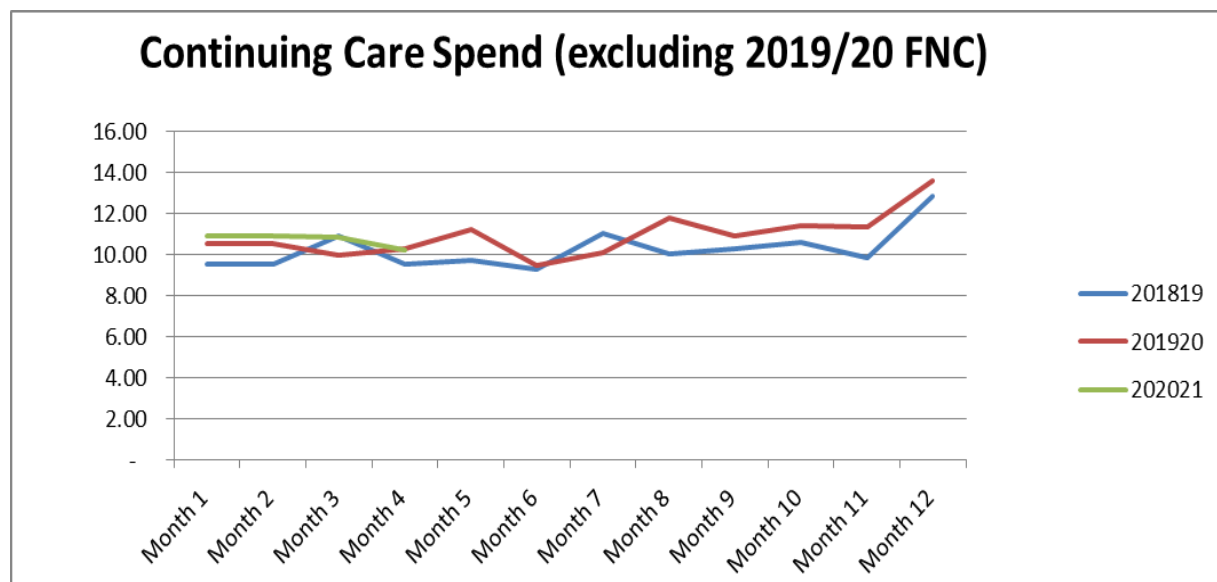
Month 3	Other CCG Revenue	CCG Revenue	Primary Care	Hospital Discharge		Total
				Local Authority	CCG	
Bexley	652	-	280	1,557	-	2,489
Bromley	241	-	416	499	635	1,791
Greenwich	751	-	350	1,563	922	3,586
Lambeth	877	-	500	1,002	126	2,505
Lewisham	807	-	418	1,289	120	2,634
Southwark	580	-	296	1,801	143	2,820
SEL Wide	-	1,883	-	-	-	1,883
Total	3,908	1,883	2,260	7,711	1,946	17,708

Movement	Other CCG Revenue	CCG Revenue	Primary Care	Hospital Discharge		Total
				Local Authority	CCG	
Bexley	228	-	26	713	-	967
Bromley	385	-	48	302	314	953
Greenwich	324	-	46	553	1,150	2,073
Lambeth	998	-	48	1,049	48	2,143
Lewisham	302	-	46	567	138	1,053
Southwark	7	-	118	795	263	1,183
SEL Wide	-	132	-	-	-	132
Total	2,244	132	236	3,979	1,913	8,504

6. Continuing Care

Overall Position:

Borough	Budget YTD	Actual YTD	Variance YTD
Bexley	6,494	6,608	(114)
Bromley	7,230	6,709	521
Greenwich	6,576	7,118	(542)
Lambeth	7,631	8,593	(961)
Lewisham	7,018	6,828	190
South East London	0	1,414	(1,414)
Southwark	5,936	6,030	(94)
Grand Total	40,886	43,300	(2,414)



Overview

- The month 4 CHC position has been built from the boroughs individual patient record systems. The position is presently showing a £1.0m overspent due to recurrent run rate pressures, plus a further £1.4m overspend due to the 2019/20 FNC price changes.
- In month 3, the CHC expenditure indicated an particular issue with Lambeth and Greenwich Boroughs. Both the Greenwich and Lambeth positions have been reviewed in month and represent a material improvement on Month 3; £0.3m and £1.1m, respectively, compared to month 3 forecast. This improvement was achieved following a review of the patient database to ensure that all appropriate costs were captured. However a pressure remains and this position will be further reviewed to identify any further mitigations to the position.
- The £1.41m shown against South East London relates to the 2019/20 retrospective FNC uplift. In line with a request from NHSEI the CCG has reported this cost within its 2020/21 position, and funding for this has been received as part of the retrospective allocation.

7. Prescribing

Overall Position:

Borough	Budget YTD	Actual YTD	Variance YTD
Bexley	10,611	11,015	(404)
Bromley	14,425	14,936	(511)
Covid-19	0	0	(0)
Greenwich	10,684	10,878	(194)
Lambeth	11,360	12,207	(848)
Lewisham	12,044	12,608	(564)
Southwark	10,120	10,396	(277)
Grand Total	69,244	72,041	(2,798)

Annual Comparison:

	Price Change From			Activity Change From		
	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
April	(3.9%)	0.3%	5.7%	(0.8%)	0.9%	0.3%
May	(3.9%)	0.4%	5.1%	(2.1%)	1.0%	(4.6%)
June	(6.4%)	(0.5%)		(5.2%)	0.6%	
July	(9.7%)	2.2%		(0.5%)	(1.7%)	
August	(3.9%)	2.4%		(1.4%)	1.4%	
September	(4.4%)	2.6%		(1.7%)	2.9%	
October	(4.9%)	2.8%		(2.6%)	0.7%	
November	(3.7%)	3.3%		(2.9%)	(0.5%)	
December	(2.7%)	3.9%		(2.5%)	3.2%	
January	(1.6%)	2.1%		0.8%	(0.9%)	
February	(0.3%)	3.2%		(1.0%)	(1.1%)	
March	0.4%	8.3%		(0.6%)	6.3%	
Total	(3.8%)	2.7%		(1.7%)	1.1%	
YTD Comparison	(3.9%)	0.4%	5.4%	(1.5%)	1.0%	(2.1%)

Overview:

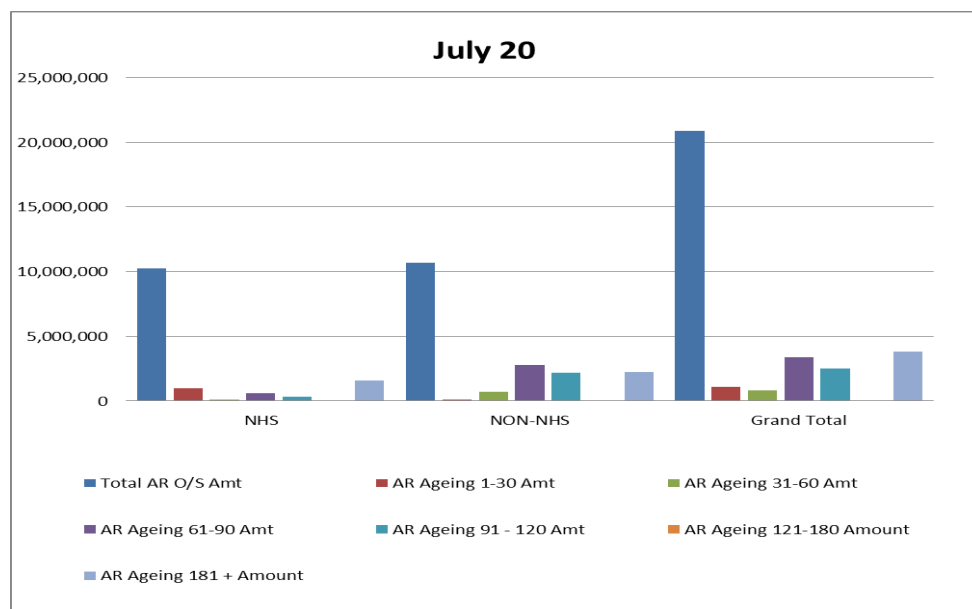
- The Month 4 prescribing position is based on May PPA data and reflects on the expenditure changes seen during the Covid-19 period. The PPA information is provided two months in arrears.
- An initial analysis of the data indicates that there was an activity increase at the start of the the Covid-19 period; with this reducing as we moved through the period when a price impact became apparent. This price impact is generated by short-stock drugs leading to prices pressures.
- The table highlights the impact in terms of price and activity by month. These compare, by month, the difference between average item price and average items prescribed on a year on year basis. This highlights the price increase seen between March and May; plus the activity increases in March which appear partially offset by May activity changes. Given the sensitivity of the data, and that there is an emerging pressure within Category M prices, the CCG has held its forecast in line with Month 3.
- The prescribing position will be taken forward with the Medicine Management teams to better understand the position and to identify appropriate mitigations to this expenditure.

8. Run Rate

The below tables provide a year on year comparison by NHSEI expenditure areas (these differ slightly from local budget management but should give an indication of expenditure changes).



9. Debtors Position



Overview:

- The CCG has an overall debt position of £20.9m at Month 4; this compares to a £20.6m position at Month 3. Of, this £13.4m relates to legacy debt from the 6 CCGs.
- The top 10 aged debtors is provided in the table below, with the main balances remaining with NHS England (predominantly GPIT) and Bromley Council (reflecting joint commissioning arrangements particularly around the Better Care Fund).
- Whilst none of the debts are considered at risk, the finance team has reviewed its resource to allow for a more co-ordinated approach to debt recovery and it is expected that this position should start to improve during Quarter 2.

Customer Account Group	Total AR O/S Amt	AR Ageing 1-30 Amt	AR Ageing 31-60 Amt	AR Ageing 61-90 Amt	AR Ageing 91 - 120 Amt	AR Ageing 121-180 Amount	AR Ageing 181 + Amount
NHS	10,228,293	981,242	122,109	584,379	338,849	6,603,789	1,597,925
NON-NHS	10,668,196	116,606	691,633	2,779,543	2,186,944	2,686,040	2,207,430
Grand Total	20,896,488	1,097,848	813,743	3,363,922	2,525,792	9,289,828	3,805,355

Rank	Customer Name	Total AR O/S Amt	AR Ageing 1-30 Amt	AR Ageing 31-60 Amt	AR Ageing 61-90 Amt	AR Ageing 91 - 120 Amt	AR Ageing 121-180 Amount	AR Ageing 181 + Amount
1	NHS ENGLAND	7,858,427.98	0.00	0.00	516,000.00	166,831.00	5,985,263.26	1,190,333.72
2	BROMLEY LONDON BOROUGH COUNCIL	6,259,044.69	18,220.51	56,772.80	2,304,000.00	1,860,891.61	1,262,597.43	756,562.34
3	BEXLEY LONDON BOROUGH COUNCIL	899,176.03	-19,431.52	434,730.04	398,065.45	1,487.17	56,201.89	28,123.00
4	COMMUNITY HEALTH PARTNERSHIPS	758,325.00	0.00	0.00	0.00	0.00	758,325.00	0.00
5	LEWISHAM LONDON BOROUGH COUNCIL	526,470.08	0.00	0.00	0.00	0.00	193,185.89	333,284.19
6	HARINGEY LONDON BOROUGH COUNCIL	514,000.00	0.00	0.00	0.00	0.00	0.00	514,000.00
7	NHS NORTH CENTRAL LONDON CCG	427,971.19	368,763.74	46,555.91	3,841.95	0.00	144.84	8,664.75
8	GUY'S AND ST THOMAS' NHS FOUNDATION TRUST	371,898.74	0.00	0.00	0.00	157,782.00	88,884.18	125,232.56
9	LAMBETH LONDON BOROUGH COUNCIL	310,812.01	0.00	0.00	0.00	125,969.02	110,781.51	74,061.48
10	NHS NEL CSU	292,367.94	0.00	0.00	0.00	0.00	203,572.94	88,795.00
	Grand Total	18,218,493.66	367,552.73	538,058.75	3,221,907.40	2,312,960.80	8,658,956.94	3,119,057.04

10. Cash Position

The Maximum Cash Drawdown (after payments made on behalf of NHS South East London CCG by NHS Business Authority - Prescribing and Home Oxygen) is £2,827m following a correction by NHS England to our month 1 position for the additional payment made to NHS providers during the Covid-19 period. At month 4 the CCG has drawn down 39.81% of the available cash compared to the budget cash figure of 33.33%. The difference relates to the additional provider payment made in April which will be recouped during the second half of the financial year. The CCG is working through with the CSU to ensure that the creditors and debtors positions are reviewed and maintained at an appropriate level.

Cash Drawdown	Monthly Main Draw down £000s	Supplementary Draw down £000s	Cumulative Draw down £000s	Proportion of CCG cash requirement	KPI - 1.25% or less of main drawdown £000s	Actual month end bank balance £000s	Percentage of cash balance to main draw
Apr-20	£227,500	£177,943	£405,443	14.34%	£2,844	£665	0.29%
May-20	£244,000	£0	£649,443	8.63%	£3,050	£315	0.13%
Jun-20	£244,000	£0	£893,443	8.63%	£3,050	£2,418	0.99%
Jul-20	£232,000	£0	£1,125,443	8.21%	£2,900	£1,382	0.60%
Aug-20	£220,000	£0	£1,345,443	7.78%	£2,750		
Sep-20	£225,000	£0	£1,570,443	7.96%	£2,813		
Oct-20	£227,000	£0	£1,797,443	8.03%	£2,838		
Nov-20	£225,000	£0	£2,022,443	7.96%	£2,813		
Dec-20	£232,000	£0	£2,254,443	8.21%	£2,900		
Jan-21	£226,000	£0	£2,480,443	8.00%	£2,825		
Feb-21	£225,000	£0	£2,705,443	7.96%	£2,813		
Mar-21	£121,258	£0	£2,826,701	4.29%	£1,516		
Annual Total	£2,648,758	£177,943	£2,826,701	100.00%			

The cash KPI has been achieved in all months so far this year, showing continued successful management of the cash position by the CCG's finance team and CSU to achieve the target cash balance.

11. Better Practice Payments Code (BPPC)

Under the BPPC, CCGs are expected to pay 95% of all creditors within 30 days of the receipt of invoices. This is measured in terms of the total value of invoices and the number of invoices by count. To date the CCG has met the target cumulatively on both value and count by NHS and non NHS and so the target is green on all aspects. It is therefore expected that this target will be met in full at the end of the year. Due to the COVID-19 impact, NHSE/I has requested that all NHS organisations should during this time strive to pay creditors within 7 days to provide assurance on cash flows for organisations at this difficult time. This has obviously assisted in achieving such good BPPC performance.

BETTER PAYMENT PRACTICE CODE 2020-21	>95%	Jun-20			Jul-20		
	<95%	NHS	NON-NHS	TOTAL	NHS	NON-NHS	TOTAL
NUMBERS FOR THE MONTH							
Total number of invoices paid in the month		3038	4015	7053	574	4885	5459
Number of invoices paid within target		3014	3972	6986	570	4755	5325
Numbers % for the month		99.21%	98.93%	99.05%	99.30%	97.34%	97.55%
VALUES FOR THE MONTH (£000s)							
Total value of invoices paid in the month		184,812	57,470	242,283	176,822	53,762	230,584
Value of invoices paid within target		184,514	57,277	241,791	176,822	53,045	229,867
Value % for the month		99.84%	99.66%	99.80%	100.00%	98.67%	99.69%
CUMULATIVE NUMBERS TO THE MONTH							
Total number of invoices paid YTD		3403	11901	15304	3977	16786	20763
Number of invoices paid within target		3379	11850	15229	3949	16605	20554
Numbers % Cumulative		99.29%	99.57%	99.51%	99.30%	98.92%	98.99%
CUMULATIVE VALUES TO THE MONTH (£000s)							
Total value of invoices paid YTD		707,740	182,078	889,818	884,562	235,840	1,120,402
Value of invoices paid within target		707,442	181,876	889,317	884,263	234,921	1,119,184
Value % Cumulative		99.96%	99.89%	99.94%	99.97%	99.61%	99.89%

12. Revenue Resource Limit

Revenue Resource Limit	Bexley	Bromley	Greenwich	Lambeth	Lewisham	Southwark	Covid-19	South East London	Total SEL CCGs
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Revenue Resource Limit (RRL)									
Total Start Allocation	27,101	49,917	38,192	34,950	29,447	28,339	11,213	784,043	1,003,203
Total Movement in Month	(322)	1,256	(513)	(627)	(172)	(739)	6,172	11,925	16,980
Total Month 4 Allocation	26,780	51,173	37,679	34,324	29,274	27,600	17,385	795,968	1,020,183
Running Cost Allowance (RCA)									
Total Start Allocation	1,046	1,618	1,620	1,936	1,406	1,429	288	1,091	10,433
Total Movement in Month	(272)	(892)	(698)	(979)	(840)	(748)	35	4,432	39
Total Month 4 Allocation	774	726	921	957	566	681	323	5,523	10,472
Total RRL and RCA									
Total Start Allocation	28,147	51,535	39,812	36,886	30,852	29,768	11,501	785,134	1,013,636
Total Movement in Month	(593)	364	(1,212)	(1,605)	(1,012)	(1,488)	6,207	16,357	17,019
Total Month 4 Allocation	27,554	51,899	38,600	35,281	29,840	28,281	17,708	801,492	1,030,655

Overview:

- In month 4, the CCG received £6.21m to cover the cost of Covid-19 expenditure in Month 3, and £10.81m for non-Covid overspends in months 1-3.
- In month 4, the non pay budgets have been aligned to ensure that budget and costs sit where they can best be influenced, gaining the benefits of the economies of scale offered by the new structure; and enabling the local boroughs to best deliver against their financial requirements.

Appendix

1. Budget Control

Appendix 1 – Budget Reconciliation

The below table sets out the movements between the budgets reported at Month 2 and the budgets within the Month 4 position. There have been a number of presentational changes in month (as we establish the borough budget structures), with the main overall changes being the £6.21m allocation received for Covid-19 expenditure and the £10.81m retrospective payment.

	Contracts Team	Other Acute Services	Other Community Health Services	Mental health Services	Continuing Care Services	Prescribing	Other Primary Care Services	Other Programme Services	Corporate Budget Non Running Costs	Delegated	Running Cost	Total Allocation
Month 2 Reporting	689,155	9,761	28,111	15,407	43,704	69,751	7,167	36,576	-	92,359	10,145	1,002,136
Mapping Changes	- 22	62	163	- 64	6	- 507	598	- 236			-	-
s75 Funding Reporting				- 6,788				6,788				-
Hospices			812		- 812							-
GP Forward View							5,200	- 5,200				-
Out of Hours			- 310				310					-
Running Cost	76										- 76	-
BPAS/ Marie Stopes		395	- 395									-
Childrens Services			930		- 930							-
Non Running Cost Corporate Budget					- 1,082		- 2,753		3,835			- 0
Allocation Funding		8	1,140	3			710	1,717	5,577	2,058	288	11,501
Month 3 Reporting	689,209	10,226	30,451	8,557	40,886	69,244	11,232	39,645	9,412	94,417	10,357	1,013,636
Non Pay Adjustment	- 0	0	0	- 0	0	- 0	469	- 428	- 41	-	-	0
Retrospective Funding								10,808				10,808
Covid-19 Funding			294	117			2,554	- 444	3,450	201	39	6,211
Month 4 Reporting	689,209	10,226	30,745	8,674	40,886	69,244	14,255	49,581	12,821	94,618	10,396	1,030,655