

# **Bromley Borough Based Board Meeting**

**13<sup>th</sup> May 2021**

**Month 12 Finance Report**

# Summary of SE London CCG Financial Position as at Month 12 (Please refer to detailed report at Appendix 1)

## 1. Month 12 SEL CCG Financial Position

Headline Financial Performance										
	Bexley	Bromley	Greenwich	Lambeth	Lewisham	Southwark	South East London	Total SEL CCGs (Non Covid)	Covid-19	Total SEL CCGs
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
<b>Year to Date Expenditure Position</b>										
YTD Total Budget	119,980	209,006	162,622	172,259	137,230	132,934	2,451,114	3,385,144	89,192	3,474,336
YTD Total Expenditure	119,530	208,092	162,233	171,696	136,480	132,002	2,453,943	3,383,975	89,872	3,473,848
YTD In Year Total Surplus/ (Deficit)	451	913	388	563	750	932	(2,829)	1,169	(680)	488
YTD Expected Retrospective Allocation										-
YTD In Year Revised Surplus/ (Deficit)										-
YTD Planned In Year Surplus										-
<b>YTD Variance against planned in year Surplus/ Control Total</b>										-
YTD Variance against planned in year Surplus/ Control Total %								0.03%		0.01%
Previous Month YTD Variance before adjustment	550	613	168	205	516	631	(2,683)	0	-	-

- At the time this report was produced, the overall SEL CCG surplus for 2020/21 was £488,000. This is as detailed in the attached report at Appendix 1. Subsequent to the report being written, the CCG has received notification of an additional “top up” allocation of £599,000. This will be reflected in the final version of the Month 12 position and will increase the CCG’s year-end surplus from £488,000 as highlighted in this report to £1,087,000.
- The draft Annual Accounts were submitted on 27 April in line with the national timetable. The deadline for submission of the final, audited Annual Accounts is 15 June.
- The Bromley position at Month 12 was £913,000 underspent.

## Summary Bromley Borough Financial Position as at Month 12 by function

<b>M12 Financial Position</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>
<u>Function</u>			
Community Health Services	54,051	53,733	318
Mental Health Services	10,143	10,332	-189
Continuing Care Services	22,453	21,718	734
Local Acute Services	677	832	-156
Other Programme Services	22,120	22,163	-43
Delegated Primary Care Services	47,587	47,860	-273
Prescribing	44,678	44,520	158
Other Primary Care Services	2,848	2,944	-96
Corporate Budgets Non Running Cost	2,895	2,685	210
Corporate Budgets	1,554	1,304	249
<b>Total</b>	<b>209,006</b>	<b>208,092</b>	<b>913</b>

The delegated Bromley budget for the financial year was £209m.

At Month 12 the Bromley financial position was £913k underspent. The key underspends were in the following areas:

- Community services £318k. Cost and volume type contracts within this area have underspent due to a reduction in activity due to the covid pandemic.
- Continuing Healthcare Services £734k. Some of the costs that would normally have been charged here have been charged to the covid budget. These are often the costs associated with the first six weeks post discharge whilst assessments are undertaken.
- Corporate Services £459k. These budgets have underspent due primarily to staffing vacancies.

# Summary Bromley Borough Financial Position as at Month 12

## - COVID-19 Spend

Bromley Covid-19 expenditure summary		
		£'000
CCG revenue		4,400
Primary Care		468
Hospital Discharge	LA	2,838
	CCG	2,530
Grand Total		10,236

Bromley Borough has incurred £10,236k of Covid related expenditure to date which includes the amount incurred by LB Bromley in respect of the Hospital Discharge Scheme. The expenditure breakdown is as follows:

£4,400k of direct CCG additional expenditure. £2,150k of the total relates to claims from our local community provider, Bromley Healthcare, as they are not able to make these claims direct to NHSEI. Other claims relate to the respiratory and covid community management service, medical equipment, IT and telephony, patient care and staffing capacity including cover.

£5,368k of claims relating to Hospital Discharge Scheme. £2,530k are direct CCG costs and £2,838k relates to LBB costs;

£468k of expenditure by GP practices on items such as PPE, staff backfill costs, overtime and work in practices to make them safe for staff and patients.

The table opposite provides a summary of this spend.

## Appendix 1

# SEL CCG Finance Report

## Month 12 2020/21

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# 1. Executive Summary

## At a glance position at Month 12

Month 12 represents the final month of the revised financial arrangements that came into operation in October 2020, covering the final 6 months of 2020/21. This follows the operation of temporary financial management processes during the first 6 months of the year as the NHS focused on its response to the first wave of the Covid-19 pandemic. **As previously reported the CCG received all requested retrospective funding in full for Months 1-6, generating an overall break-even position for this period.**

At Month 12 the CCG is reporting an underspend against its (BAU) budgets of £1.17m (0.03% of allocation), and is reporting a £0.68m overspend against its Covid-19 budgets. The Covid-19 position relates to expenditure on Covid Vaccinations (£524k), Flu Vaccinations (£88k) and Asylum Seekers (£68k). These are all Covid-19 vaccination related and are allowable overspends. **Therefore, overall the CCG is reporting an underspend of £0.49m against its 2020/21 resource limit.** Any additional Covid-19 funding received before the draft annual accounts are submitted would generate an increase in the year-end surplus position.

The Covid-19 Hospital Discharge Programme (HDP) has incurred a further £4.46m of expenditure in Month 12 (compared to the £3.07m spent in Month 11). This relates to the continuation of HDP expenditure, with spend of £3.15m on Scheme 1 (discharges from March to August) and £1.31m on Scheme 2 (which covers the cost of patients for the first 6 weeks of discharge from September whilst assessments are undertaken). The position includes a final correction to HDP1 relating to prior month costs following the receipt of further information from Local Authority colleagues. The financial risk relating to pausing CHC assessments during the final quarter of the year (to enable staff to be redeployed), has been reported against the CCG's overall financial position. From the 1<sup>st</sup> April, HDP1 has ceased to operate, although funding relating to HDP2 will be phased out over the first 6 weeks of 2021/22. The final value for HDP expenditure was in line with the forecast made at month 11.

At Month 12 (based on Month 10 PPA data), the prescribing price variance has risen in month to a cumulative 5.1% increase for the year. However the activity impact has reduced again in month, with the number of items prescribed showing a cumulative reduction of 2.1%. In addition, in-month the CCG received flu funding from NHSEI (£0.5m above plan) which contributed to an overall improved position on the prescribing budget.

## 2. Financial Position

- The table below sets out the CCG's financial position for the period to Month 12.

Headline Financial Performance										
	Bexley	Bromley	Greenwich	Lambeth	Lewisham	Southwark	South East London	Total SEL CCGs (Non Covid)	Covid-19	Total SEL CCGs
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
<b>Year to Date Expenditure Position</b>										
YTD Total Budget	119,980	209,006	162,622	172,259	137,230	132,934	2,451,114	3,385,144	89,192	3,474,336
YTD Total Expenditure	119,530	208,092	162,233	171,696	136,480	132,002	2,453,943	3,383,975	89,872	3,473,848
YTD In Year Total Surplus/ (Deficit)	451	913	388	563	750	932	(2,829)	1,169	(680)	488
YTD Expected Retrospective Allocation										-
YTD In Year Revised Surplus/ (Deficit)										-
YTD Planned In Year Surplus										-
<b>YTD Variance against planned in year Surplus/ Control Total</b>										-
YTD Variance against planned in year Surplus/ Control Total %								0.03%		0.01%
<b>Previous Month YTD Variance before adjustment</b>	550	613	168	205	516	631	(2,683)	0	-	-

- In-month the CCG is reporting a £1.17m underspend against its normal BAU programme budgets, with a £680k overspend against Covid-19 related expenditure. This generates a net overall year-end underspend of £0.49m or 0.01% of overall allocation. Any additional Covid-19 funding received before the draft annual accounts are submitted would generate an increase in the year-end surplus position.
- For the 2020/21 financial year, the CCG has received retrospective allocations totalling £71.50m relating to Covid expenditure and a further £20.19m for non-Covid spend. The non-Covid allocation enabled the CCG to break-even for the Months 1-6 period, and this funding was used at a top level except for CHC, Mental Health and Prescribing where specific adjustments were made to bring budgets into line.



### 3. Budget Overview

#### Month 12

	Bexley	Bromley	Greenwich	Lambeth	Lewisham	Southwark	South East London	Total SEL CCGs (Non Covid)	Covid-19	Total SEL CCGs
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
<b>Year to Date Variance</b>										
Mental Health Services	(299)	(189)	60	(23)	(144)	(293)	(219)	(1,109)	(162)	(1,270)
Continuing Care Services	102	734	(0)	0	286	260	(890)	492	-	492
Prescribing	429	158	126	(418)	454	188	244	1,182	-	1,182
Contracts Team	-	-	-	-	-	-	(429)	(429)	-	(429)
Other Acute Services	(73)	(156)	3	162	(113)	175	1,964	1,963	-	1,963
Other Community Health Services	(75)	318	(334)	240	8	2	750	908	(9,936)	(9,028)
Other Primary Care Services	250	(96)	(15)	74	342	197	(1,887)	(1,136)	(2,849)	(3,985)
Other Programme Services	69	(43)	45	118	(70)	46	(3,948)	(3,783)	(481)	(4,264)
Delegated Primary Care Services	(95)	(273)	(339)	(288)	(331)	91	33	(1,202)	90	(1,112)
Corporate Budgets	144	459	843	698	319	267	1,552	4,281	12,658	16,939
<b>Total Year to Date Variance</b>	<b>451</b>	<b>913</b>	<b>388</b>	<b>563</b>	<b>750</b>	<b>932</b>	<b>(2,829)</b>	<b>1,169</b>	<b>(680)</b>	<b>488</b>

#### Month 11

	Bexley	Bromley	Greenwich	Lambeth	Lewisham	Southwark	South East London	Total SEL CCGs (Non Covid)	Covid-19	Total SEL CCGs
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
<b>Year to Date Variance</b>										
Mental Health Services	(252)	(176)	4	102	(54)	(275)	0	(652)	(155)	(806)
Continuing Care Services	177	581	(497)	(389)	69	(4)	(0)	(63)	(87)	(150)
Prescribing	(228)	7	194	(455)	13	266	0	(203)	-	(203)
Contracts Team	-	-	-	-	-	-	1,192	1,192	-	1,192
Other Acute Services	37	(19)	313	-	-	0	(0)	331	-	331
Other Community Health Services	312	291	(55)	46	(168)	(79)	(51)	295	(4,934)	(4,639)
Other Primary Care Services	256	(294)	(58)	61	342	333	(1,008)	(368)	(1,737)	(2,105)
Other Programme Services	(53)	(57)	89	54	(47)	181	(4,115)	(3,947)	(766)	(4,713)
Delegated Primary Care Services	66	(194)	31	(99)	26	(12)	436	253	158	410
Corporate Budgets	234	474	147	885	336	223	864	3,163	7,520	10,683
<b>Total Year to Date Variance</b>	<b>550</b>	<b>613</b>	<b>168</b>	<b>205</b>	<b>516</b>	<b>631</b>	<b>(2,883)</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Overview:

The table alongside shows the budgetary positions against the individual boroughs and directorates. As funding has been received to cover the months 1-6 position, these variances are focused on months 7-12 only.

- The CCG has received funding to cover the costs of Covid HDP in full. The overspend on Covid-19 relates to expenditure on Covid Vaccinations (£524k), Flu Vaccinations (£88k) and Asylum Seekers (£68k). These are all allowable areas of spend. Any additional Covid-19 funding received before the draft annual accounts are submitted would generate an increase in the year-end surplus position.
- The prescribing position contains a price pressure relating to the present Covid-19 environment which is partially offset by a reduction in activity. This position is built off month 10 data. Following a review of prescribing budgets and spend, together with confirmation of flu funding, the overall position has moved to a £1.2m underspend at year-end.
- The Continuing Healthcare position has been adjusted in month to reflect the impact of the HDP provision relating to the pause in CHC assessments. The CCG has funded this position through non recurrent flexibilities and therefore all boroughs are reporting breakeven or better.
- The Mental Health overspends in Bexley, Bromley, Lewisham and Southwark are due primarily to high cost patients. This is a known pressure and has been mitigated by underspends elsewhere in borough budgets.
- The end of year position on Corporate Budgets reflects the vacancy rate seen in local boroughs and central teams since the start of 20/21. This position has helped to mitigate pressures elsewhere within borough budgets. Overall, corporate budgets were underspent by £4.3m.

## 4. Covid-19

### As at Month 12:

- The CCG is reporting in-month expenditure of £11.35m in response to the Covid-19 pandemic. For the year, the CCG has now incurred total expenditure of £89.87m.
- The main driver to these costs has been the hospital discharge programme (HDP) where £56.39m has been spent, including a further £4.46m in-month - £3.15m on Scheme 1 (discharges from March to August) and £1.31m on Scheme 2 (which covers the cost of patients for the first 6 weeks of discharge from September whilst assessments are undertaken). The in-month position for HDP 1 includes a one-off adjustment following a review of their cost base by Local Authorities. The CCG has received funding in full from NHSEI for HDP spend.
- In addition, the CCG has incurred additional Covid-19 vaccination costs during March of £0.68m, relating to expenditure on Covid Vaccinations (£524k), Flu Vaccinations (£88k) and Asylum Seekers (£68k). These are all Covid-19 related and are allowable overspends.
- The remaining areas of spend have increased in-month, with non HDP expenditure of £6.16m incurred. This includes £1.0m reported against primary care in relation to the GP Capacity Expansion Fund. The CCG's overall budget for month 7 to 12 Covid expenditure is £12.7m. Against this the CCG has committed the funding in full.

### Month 12

	Other CCG Revenue	CCG Revenue	Primary Care	Hospital Discharge		Grand Total
				LA	CCG	
<b>Bexley</b>	0	2,451,048	346,154	9,131,000	136,304	12,064,506
<b>Bromley</b>	0	4,400,069	467,660	2,838,000	2,530,000	10,235,729
<b>Greenwich</b>	175,000	2,183,975	404,677	8,226,000	4,036,830	15,026,482
<b>Lambeth</b>	640,000	3,911,629	673,677	10,836,000	593,000	16,654,306
<b>Lewisham</b>	50,000	2,593,124	601,646	7,955,000	681,000	11,880,769
<b>Southwark</b>	0	1,849,562	507,733	7,432,000	2,001,000	11,790,295
<b>SEL Wide</b>	7,753,031	-508,000	4,975,000	0	0	12,220,031
<b>Total</b>	<b>8,618,031</b>	<b>16,881,408</b>	<b>7,976,347</b>	<b>46,418,000</b>	<b>9,978,134</b>	<b>89,872,120</b>
<b>Grand Total</b>						<b>89,872,120</b>

### Month 11

	Other CCG Revenue	CCG Revenue	Primary Care	Hospital Discharge		Grand Total
				LA	CCG	
<b>Bexley</b>	0	2,019,896	346,154	8,282,000	111,304	10,759,354
<b>Bromley</b>	0	3,982,984	467,660	2,493,000	2,428,000	9,371,644
<b>Greenwich</b>	175,000	1,835,196	404,677	7,632,000	3,960,830	14,007,703
<b>Lambeth</b>	640,000	3,059,173	673,677	9,760,000	387,000	14,519,850
<b>Lewisham</b>	50,000	2,344,020	601,646	7,088,000	598,000	10,681,665
<b>Southwark</b>	0	1,694,718	507,733	7,229,000	1,761,000	11,192,451
<b>SEL Wide</b>	3,860,340	0	3,919,821	0	210,000	7,990,161
<b>Total</b>	<b>4,725,340</b>	<b>14,935,987</b>	<b>6,921,368</b>	<b>42,484,000</b>	<b>9,456,134</b>	<b>78,522,828</b>
<b>Grand Total</b>						<b>78,522,828</b>

## 5. Financial Accounts

Further detail of the overall financial accounting position is available within the CCG's draft Annual Accounts. The draft Accounts were reviewed at the Audit Committee on 22 April and subject to the usual presentational amendments were approved for submission on 27 April. With respect to debtors, cash and creditors the key end of financial year positions are:

### Key Headlines at Month 12:

- The CCG has an **overall debt position of £26.0m** at Month 12; this compares to £28.3m at Month 11. Of, this £1.4m relates to legacy debt from the 6 CCGs which is a significant improvement on the £4.4m reported last month. The main debtor balances remain with NHS England (predominantly GPIT), SE London local authorities and other local providers. These are being actively chased by borough finance colleagues.
- The CCG delivered its year-end **cash book position**, well within the target cash balance.
- Under the **Better Payments Practice Code (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. At the year end the **CCG has met the target cumulatively on both value and count** for NHS and non NHS creditors.
- There is ongoing work to reduce the levels of **aged creditors** which were brought forward from the legacy ledgers. At the end of March 2021 there were **113 (£0.7m in value) items outstanding** compared with 233 (£1.9m) as at the previous month. Work will continue in the new financial year to close down all of these items.

The draft Annual Accounts are now subject to external audit.

## 6. Revenue Resource Limit

- The table below sets out the movements in the Revenue Resource Limit together with the overall financial allocation at as Month 12. The main change in month has been a reduction in provider allocations (pass through allocations to the CCG) relating to system top-up funding. The total financial allocation for the year as at Month 12 is £3,474.3m.

Revenue Resource Limit	Total SEL CCGs (Non Covid)	Covid-19	Total SEL CCGs
	£'000s	£'000s	£'000s
<b>Revenue Resource Limit (RRL)</b>			
Total Start Allocation	3,243,858	107,515	3,351,373
Total Movement in Month	(6,184)	(19,042)	(25,226)
<b>Total Month 12 Allocation</b>	<b>3,232,322</b>	<b>88,473</b>	<b>3,320,795</b>
<b>Running Cost Allowance (RCA)</b>			
Total Start Allocation	34,265	719	34,984
Total Movement in Month	6	-	6
<b>Total Month 12 Allocation</b>	<b>34,271</b>	<b>719</b>	<b>34,990</b>
<b>Total RRL and RCA</b>			
Total Start Allocation	<b>3,391,322</b>	89,192	<b>3,480,514</b>
Total Movement in Month	(6,178)		(6,178)
<b>Total Month 12 Allocation</b>	<b>3,385,144</b>	<b>89,192</b>	<b>3,474,336</b>