

SEL ICS finance update – M08, 2019/20



A partnership of NHS providers and Clinical Commissioning Groups serving the boroughs of Bexley, Bromley, Greenwich, Lambeth, Lewisham and Southwark, with NHS England



29th January 2020

SEL ICS finance update M08 (November 2019) – summary

- At month 8 the south east London ICS is reporting ahead of plan year-to-date by £3.2m.
 - The CCG is reporting on plan YTD
 - KCH is ahead of plan YTD by £6.8m whilst GSTT (£2.5m) and LGT (£1.8m) are both behind plan
- At month 8 every organisation is forecasting to meet or exceed their planned control total for the year and as such the whole planned £106.2m of central support funding is forecast to be received.
- These forecasts are dependent on delivering challenging savings targets, and successfully mitigating any delivery shortfalls.

SEL ICS finance update M08 (November 2019) – issues and risks

- Block contracts have provided greater income and expenditure certainty for SEL providers and CCGs respectively in 2019/20. These assume that the ICS is successful in moderating activity, which is currently running above plan.
 - Lewisham and Greenwich Trust report over-performance on the SEL block of £4.7m at month 8, which is currently under discussion with the CCGs.
- Whilst at month 8 there is good delivery of CCG and provider savings plans forecasted, there is significant risk of under delivery. At month 8, CCGs are forecasting to deliver £95m (97% of plan), with providers expecting to deliver £161m (>100% of plan). This is being monitored collectively by the SEL CFOs group.
- CCGs face in year cost-pressures in relation to non-SEL acute activity (£6.5m), primary care (£4.3m) including GP at Hand, and prescribing (£6.8m) which will require mitigation to deliver the plan.
- In addition to the income risk on the block contracts and the risk in delivering the planned efficiencies several risks have been identified by providers including
 - the shortfall in funding for the AfC pay award associated with services commissioned by local authorities
 - the potential for the junior doctor pay deal to not be fully funded
 - The need to use non recurrent solutions to cover in year pressures.

SEL ICS – 1 of 2 – M08 surplus / (deficit) performance and forecast, in £000s

	Surplus / (deficit) excluding support funding						Support funding			Surplus / (deficit) including support funding		
	Year to date (YTD)			Full year (FY)			Full year (FY)			Full year (FY)		
	Plan	Actual	Variance	Plan	Forecast	Variance	Plan	Forecast	Variance	Plan	Forecast	Variance
South east London	(164,661)	(161,442)	3,219	(240,010)	(238,992)	1,018	106,240	106,240	0	(133,770)	(132,752)	1,018
Bexley CCG	(5,000)	(5,000)	0	(7,500)	(7,500)	0	7,500	7,500	0	0	0	0
Bromley CCG	0	0	0	0	0	0	0	0	0	0	0	0
Greenwich CCG	2,400	2,400	0	3,600	3,600	0	0	0	0	3,600	3,600	0
Lambeth CCG	0	0	0	0	0	0	0	0	0	0	0	0
Lewisham CCG	1,684	1,684	0	0	0	0	0	0	0	0	0	0
Southwark CCG	0	0	0	0	0	0	0	0	0	0	0	0
Guy's And St Thomas'	(7,843)	(10,378)	(2,535)	(8,390)	(8,389)	1	16,440	16,440	0	8,050	8,051	1
King's College Hospital	(114,482)	(107,703)	6,779	(169,584)	(169,323)	261	36,956	36,956	0	(132,628)	(132,367)	261
Lewisham and Greenwich	(30,950)	(32,721)	(1,771)	(43,595)	(43,595)	0	28,844	28,844	0	(14,751)	(14,751)	0
Oxleas	(144)	401	545	(175)	574	749	2,084	2,084	0	1,909	2,658	749
South London and Maudsley	(10,326)	(10,124)	202	(14,366)	(14,359)	7	14,416	14,416	0	50	57	7
CCG Total	(916)	(916)	0	(3,900)	(3,900)	0	7,500	7,500	0	3,600	3,600	0
Provider Total	(163,745)	(160,526)	3,219	(236,110)	(235,092)	1,018	98,740	98,740	0	(137,370)	(136,352)	1,018

Notes to table:

Surplus/(deficit) definition: CCG is the reported under/(over)spend; Providers is the "adjusted financial performance", the basis on which control totals are set.

Support funding includes Provider Sustainability Fund, Financial Recovery Fund, MRET funding, and Commissioner Sustainability Fund

SEL ICS – 2 of 2 – M08 savings performance against plan, in £000s

	Savings (CIP/QIPP)								
	Year to date			Full year			Monthly run rate		
	Plan	Actual	Variance	Plan	Forecast	Variance	YTD Actual	Full year plan	Full year forecast
South east London	151,576	137,153	(14,423)	254,034	256,726	2,692	17,144	29,220	29,893
Bexley CCG	7,859	8,839	980	12,264	11,940	(324)	1,105	856	775
Bromley CCG	16,174	15,959	(215)	25,112	24,004	(1,108)	1,995	2,288	2,011
Greenwich CCG	8,210	7,982	(228)	12,750	12,148	(602)	998	1,192	1,042
Lambeth CCG	12,587	12,547	(40)	18,671	18,013	(658)	1,568	1,531	1,367
Lewisham CCG	9,645	8,563	(1,082)	14,467	13,797	(670)	1,070	1,476	1,309
Southwark CCG	9,723	9,720	(3)	15,661	15,668	7	1,215	1,485	1,487
Guy's And St Thomas'	41,036	36,632	(4,404)	67,868	73,915	6,047	4,579	7,809	9,321
King's College Hospital	22,014	19,479	(2,535)	45,000	45,000	(0)	2,435	6,380	6,380
Lewisham and Greenwich	11,950	9,148	(2,802)	21,124	21,124	0	1,144	2,994	2,994
Oxleas	6,296	2,203	(4,093)	9,410	9,410	0	275	1,802	1,802
South London and Maudsley	6,082	6,082	0	11,707	11,707	0	760	1,406	1,406
CCG Total	64,198	63,610	(588)	98,925	95,570	(3,355)	7,951	8,829	7,990
Provider Total	87,378	73,543	(13,835)	155,109	161,156	6,047	9,193	20,391	21,903