

NHS ENGLAND – PRIVATE BOARD PAPER

Title: 2016-17 Financial outturn and 2017-18 Financial outlook
Rationale for paper being discussed in the Private meeting: The NHS England 2016-17 Annual Accounts will be laid before Parliament in early July, following which they will be brought to the Board meeting in public.
Lead Director: Paul Baumann, Chief Financial Officer
Purpose of Paper: This update includes the Consolidated Month 12 2016-17 Financial Report (as shared at Commissioning Committee 24 May 2017), and a summary of the Operational 2017-19 Planning and Contracting Round detailing the 30 March 2017 resubmission is also provided.
The Board invited to: <ul style="list-style-type: none">• Review the information in this report and note the final outturn position for 2016/17 and the outlook for 2017/18• Note the drivers of the financial position for 2016/17 and consider the implications for wider decision making.

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PART 1: SUMMARY REPORT

1.1. Purpose

1.1.1. The report is in two parts:

- Part 1: Summary Report – this summarises the overall financial position for the 2016/17 financial year
- Part 2: Detailed Report and Annexes – this details each aspect of the NHS England financial position and includes information on CCG and Direct Commissioning financial performance as well as that of central running cost and programme budgets.

1.1.2. **The Commissioning Committee is asked to:**

- Note the information in this report.
- Note the drivers of the financial position for 2016/17 and consider the implications for wider decision making.

1.2. Headline financial position (section 3.1)

121. The outturn expenditure for the 2016/17 financial year is £897m below plan. The key movement from the forecast position reported to the committee last month is the release of the 1% non-recurrent funding (£799m) which was set aside at the beginning of the year to create a risk reserve.

• **Table 1**

	Month 11 Forecast Outturn Variance £m	Variances due to normal operations £m	M12 Outturn Variance before risk reserve £m	Release of risk reserve £m	M12 Outturn Variance after risk reserve £m
CCGs/ Quality Premium	(550.4)	(6.3)	(556.7)	707.0	150.3
Specialised Commissioning	-	57.6	57.6	-	57.6
Primary Care & Secondary Dental & Other Other Direct Commissioning	124.9	29.2	154.1	91.7	245.8
NHSE Running, Programme Costs & Other Central Budgets (Excluding Depreciation)	479.0	(29.7)	449.3	0.0	449.3
Headline expenditure position	53.5	50.8	104.3	798.7	903.0
Technical adjustments	(53.0)	47.2	(5.8)	0.0	(5.8)
Total non-ringfenced RDEL expenditure	0.5	98.0	98.5	798.7	897.2

122. Table 1 shows the year end position both including and excluding the release of the risk reserve compared to the month 11 expected variance. Overall we have slightly improved on the financial position forecast at month 11 and have secured the release of the system risk reserve required to help offset the deficit in the provider sector.

123. The main variances from plan at the year-end (excluding the release of the 1%) are as follows:

- A £591m (0.8%) overspend on CCGs, partly offset by a £34m underspend on Quality Premium;

- A £58m underspend on Specialised Commissioning which includes the release of all remaining reserves plus favourable movements on a number of centrally held budgets;
- A £155m underspend on other direct commissioning budgets;
- A £449m underspend on NHS England Central costs, which include £93m higher receipts from rates rebates and fraud recovery income.

124. In addition to the release of the system risk reserve, we have also absorbed a number of material financial pressures this year. These include:

- The additional costs relating to the increased rates set by the Department of Health for Funded Nursing Care which were £85m higher than anticipated in the Spending Review settlement;
- A £56m pressure relating to the delay in the implementation of the new community pharmacy contract;
- £55m additional funding for provider support through the STF and in relation to funding issues at Morecambe Bay NHS Foundation Trust;
- £19m additional funding for a Referral to Treatment catch up programme.

125. The final year-end financial position is subject to review by the National Audit Office as part of the external audit of the NHS England Group Annual Report and Accounts for 2016/17. Once these numbers are confirmed, the Department of Health (DH) will consolidate the NHS England financial performance with their own results, the position of NHS providers and other relevant national bodies. The consolidated financial position will then be presented to Parliament and published when the DH report and accounts are laid in July.

PART 2: DETAILED REPORT

2. CONTEXT

21. The headline figures in this report are presented on an IFRS (International Financial Reporting Standards) basis, which is the basis on which CCGs report. Adjustments are then made for Annually Managed Expenditure (AME), technical items and ringfenced spend (principally depreciation) to enable us to report on a non-ringfenced RDEL (Revenue Departmental Expenditure Limit) basis, which is the main measure for HM Treasury / Department of Health reporting. We are also required to report separately for admin and programme spend, which have individual limits within the overall non-ringfenced RDEL limit.

22. The commissioning system planned to spend an in-year allocation of £106,476m, including £250m of prior year drawdown, £166m for ringfenced depreciation and £651m

for AME/Technical items. Overall, NHS England planned for an in-year breakeven position after drawdown.

3. HEADLINES

3.1. Month 12 outturn position

Table 2

	M12 Outturn (excluding 1% risk reserve)				Release of Risk Reserve	M12 Outturn Variance	
	Plan £m	Actual £m	Variance £m	Var %		Variance £m	Var %
CCGs/ Quality Premium	76,064.3	76,621.0	(556.7)	(0.7%)	707.0	150.3	0.2%
Specialised Commissioning	15,498.1	15,440.5	57.6	0.4%	-	57.6	0.4%
Primary Care & Secondary Dental and Other Direct Commissioning	10,073.8	9,919.7	154.1	1.5%	91.7	245.8	2.4%
NHSE Running, Programme Costs & Other Central Budgets (Excluding Depreciation)	3,372.5	2,923.2	449.3	13.3%	-	449.3	13.3%
Month 12 Headline expenditure position	105,008.7	104,904.4	104.3	0.1%	798.7	903.0	0.9%
NHS England depreciation charges	122.9	64.5	58.4		-	58.4	
Remove ring-fenced (under)/overspend	(166.0)	(95.8)	(70.2)		-	(70.2)	
Remove AME/ Technical items	(62.4)	(68.4)	6.0		-	6.0	
Total non-ringfenced RDEL expenditure	104,903.2	104,804.7	98.5	0.8%	798.7	897.2	0.9%

- 3.1.1. Excluding the release of the risk reserve, 85 CCGs ended the year with a position worse than their annual plan, of which 58 were greater than 1%. The underlying CCG overspend totalled £591m, but this was offset by the release of the risk reserve (£707m) and unearned quality premium (£34m). This resulted in an overall CCG underspend of £150m.
- 3.1.2. Specialised commissioning hubs overspent by £83m in the South and London, which was offset by underspends in the North commissioning hubs and on central specialised commissioning budgets.
- 3.1.3. Primary care and secondary dental reported an underspend relating principally to dental budgets and the release of the risk reserve. These underspends are partly offset by an overspend of £56m relating to the introduction of a revised community pharmacy contract by DH, which was delayed from October to December.
- 3.1.4. Other direct commissioning budgets have ended the year with an underspend of £55m.
- 3.1.5. The underspend on NHS England central budgets includes £93m of unplanned rates rebates, fraud recovery income and £205m relating to managed underspends in central budgets, including specialised commissioning risk reserves.
- 3.1.6. The £70m variance on ringfenced RDEL is the impact of removing the structural underspend on depreciation for non-ringfenced RDEL purposes, which is partially offset by the release of the £58m depreciation offset reserve shown in the line above.
- 3.1.7. The £6m AME/technical variance reflects the adjustment associated with eliminating the expected movement in provisions to reflect HM Treasury reporting requirements.

4. CCG OVERVIEW

4.1. CCG Month 12 outturn position

Table 3

CCGs M12 Summary	Planned Expenditure	M12 Outturn Variance (excluding 1% risk reserve)		M12 Outturn Variance		Month 11 expected*	Movement from expected
	£m	£m	%	£m	%	£m	£m
North	23,655.4	(182.5)	(0.8%)	35.2	0.1%	34.2	1.0
Midlands & East	22,348.3	(117.2)	(0.5%)	86.1	0.4%	84.3	1.8
London	11,938.8	(59.4)	(0.5%)	55.5	0.5%	54.4	1.1
South	18,795.3	(231.1)	(1.2%)	(60.0)	(0.3%)	(57.0)	(3.0)
Unearned Quality Premium□	-	33.5	100.0%	33.5	100.0%	33.5	-
CCG TOTAL	76,737.8	(556.7)	(0.7%)	150.3	0.2%	149.4	0.9

*Note: the month 11 expected figures take the month 11 risk adjusted position and overlay the release of the risk reserve

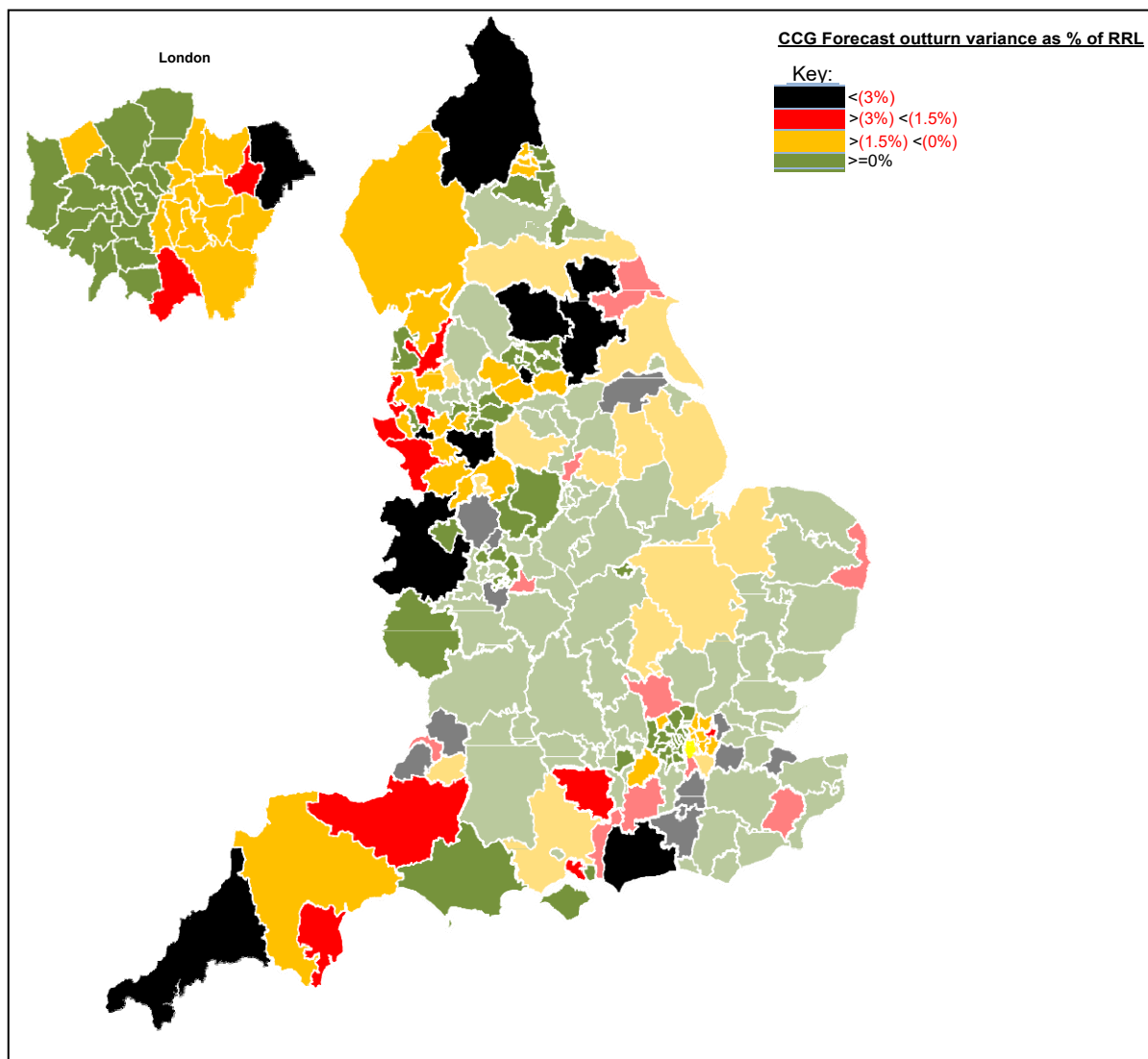
Table 4

CCGs M12 Summary	M12 Outturn Variance (excluding 1% risk reserve)						M12 Outturn Variance					
	Overspend		On Plan		Underspend		Overspend		On Plan		Underspend	
	#	£m	#	£m	#	£m	#	£m	#	£m	#	£m
North	30	(189.1)	29	0.0	7	6.7	18	(110.9)	2	0.0	46	146.1
Midlands & East	18	(124.7)	32	0.0	11	7.6	16	(65.9)	6	0.0	39	152.1
London	15	(61.9)	15	0.0	2	2.5	5	(20.0)	3	0.0	24	75.5
South	22	(231.6)	24	0.0	4	0.4	18	(162.5)	1	0.0	31	102.5
Unearned Quality Premium□						33.5						33.5
CCG TOTAL	85	(607.3)	100	-	24	50.7	57	(359.3)	12	-	140	509.7

4.1.1. The CCG year end position is in line with expectations from month 11, with a small deterioration in the South region offset across the rest of the country.

4.1.2. Excluding the release of the risk reserve, 85 CCGs would have ended the year with positions worse than planned – in total a £591m overspend which is partly offset by a £34m underspend on centrally held Quality Premium funding. The release of the 1% reserve (£707m) reduced the number of overspent CCGs to 57 and resulted in an overall CCG underspend of £150m.

4.1.3. The map below highlights financially challenged CCGs, with particular areas of concern highlighted in black. Annex 1 details the final outturn position by CCG and STP.



4.1.4. Overall, CCGs ended the year with a cumulative underspend of £175m (a regional split of this is shown in Table 5). Deficits in the Midlands and East and South regions were offset by underspends in the North and London.

Table 5

CCGs M12 Summary Underspend / (deficit)	Planned Cumulative underspend / (deficit)		M12 Outturn Cumulative underspend / (deficit)		M12 Outturn Cumulative underspend / (deficit)							
	£m	% RRL	£m	% RRL	Underspend ≥ 2%		Underspend 1% to 2%		Underspend <1% or balance		Deficit	
					#	£m	#	£m	#	£m	#	£m
North	192.4	0.8%	227.6	1.0%	23	246.3	20	131.1	5	6.9	18	(156.6)
Midlands & East	(110.1)	(0.5%)	(24.0)	(0.1%)	12	159.0	22	111.7	8	16.2	19	(310.9)
London	74.5	0.6%	130.0	1.1%	13	182.6	8	47.2	4	6.9	7	(106.8)
South	(98.3)	(0.5%)	(158.3)	(0.8%)	9	109.4	18	100.1	5	16.5	18	(384.3)
CCG TOTAL	58.5	0.1%	175.3	0.2%	57	697.3	68	390.1	22	46.5	62	(958.6)

42 CCG Activity

4.2.1. The forecast CCG overspend is attributed principally to overspends on acute contracts. We have used provider costs (in most cases national tariff) to calculate a priced activity measure to allow comparisons to be made between activity and expenditure. An

increase is shown as positive in the table below (whereas an increase in spend is shown as negative elsewhere in this report).

Table 6

Priced activity to month 11 - not working day adjusted	Actual vs plan 2016/17		Actual 2016/17 vs 2015/16				M11 actual 16/17 vs 15/16 volume variance - working day adjusted	M10 actual 16/17 vs 15/16 volume variance - working day adjusted
	Volume variance	Total priced activity variance	Volume variance	Case mix variance	Price & MFF variance	Total priced activity variance		
Referrals (all)	3.0%		3.0%				2.5%	2.0%
1st OP attendances (consultant led)	3.3%	4.0%	7.1%	0.2%	2.4%	9.7%	6.7%	6.2%
Follow up attendances (consultant led)	(1.5%)	(0.1%)	2.1%	0.6%	2.6%	5.2%	1.6%	1.4%
Elective - inpatient	(5.7%)	(4.9%)	(2.4%)	2.3%	0.6%	0.4%	(2.8%)	(2.8%)
Elective - day case	(1.2%)	(1.6%)	2.1%	0.4%	0.7%	3.2%	1.7%	1.6%
A&E attendances (total)	2.4%	4.5%	1.6%	2.4%	1.3%	5.2%	1.9%	2.9%
Non-elective	1.1%	1.0%	1.9%	1.8%	(0.2%)	3.5%	2.2%	2.5%
Total priced activity variance	(0.2%)	0.2%	1.9%	1.3%	0.8%	4.1%	1.8%	1.9%

Spend variance to month 12 compared with priced activity to month 11 - not working day adjusted	Expenditure variance	Priced activity variance
Plan vs 2015/16	2.0%	3.9%
Actual vs 2015/16	4.9%	4.1%
Actual vs Plan	2.8%	0.2%

Note: Activity information lags the financial reporting cycle by one month; therefore activity information in this table relates to M11 whereas the financial information relates to M12.

4.2.2. The national activity profile is very similar to that reported at month 10, with continued evidence of a slowdown in the growth of emergency activity, although there is a known issue with some providers not submitting full A&E figures, so the reduction in growth from 2.9% to 1.9% may be overstated. Comparing the actual position against the previous year (the second line in the small table above), acute expenditure for the year to date has increased by 4.9%, which is broadly consistent with the priced activity variance of 4.1% (shown in more detail in the larger table).

4.2.3. However, comparing the plan to the previous year (the first line in the small table above), expenditure was expected to increase by only 2.0% but (priced) activity by 3.9%. So in comparing actual to plan for the year, the priced activity growth is largely as expected but the expenditure is 2.8% higher than planned, consistent with efficiency schemes being included in expenditure plans but not in activity plans (or contracts). The higher acute spend equates to £1,013m of unplanned expenditure and compares to an efficiency shortfall of £448m. The difference between the two relates to over-performance on acute contracts in excess of the shortfall in efficiencies; the acute over-performance will have been in part funded through use of contingencies and reserves with any additional pressures resulting in CCG overspends.

4.2.4. The variance analysis shows that 1.9% of the increase in priced activity is attributable to volume, 1.3% to case-mix and 0.8% to price. Further analysis of case-mix variances going back to 2008/9 shows an average casemix-attributable expenditure increase of 1% per annum over that period.

5. DIRECT COMMISSIONING

5.1. Specialised Commissioning

Table 7

Specialised Commissioning M12 Summary	Planned Expenditure	M12 Outturn Variance		Month 11 expected*	Movement from expected
	£m	£m	%	£m	£m
North	4,376.9	10.3	0.2%	10.0	0.3
Midlands & East	3,885.2	-	0.0%	-	-
London	4,028.0	(19.5)	(0.5%)	(54.7)	35.2
South	3,021.6	(63.8)	(2.1%)	(64.1)	0.3
Specialised Subtotal	15,311.7	(73.0)	(0.5%)	(108.8)	35.8
Central - Cancer Drugs Fund	6.8	6.3	92.7%		6.3
Central - Other	179.6	124.3	69.2%	68.3	56.0
Specialised TOTAL	15,498.1	57.6	0.4%	(40.5)	98.1

*Note: the month 11 expected figure is the month 11 risk adjusted position

- 5.1.1. The outturn variance in the South is due to activity pressures and underdelivery against a very challenging efficiency plan for the year of around 5% averaged across the three hubs. London's variance relates to in year commissioning changes which though neutral at a national level impacted London adversely. These overspends are offset by an underspend in the North Region and central underspends on highly specialised services, genomics, Commissioning through Evaluation and the budgets for new drugs and services approved by NICE and the Clinical Priorities Advisory Group and reserves.
- 5.1.2. Within the central budgets, the Hepatitis C budget overspent against plan. Blueteq applications for the year were below expected run rate, despite a significant increase in month 12 resulting from the introduction of a new drug. However improved prices from competitive tendering, required to cover the increased activity in order to remain within the available budget, have not yet been achieved, leading to an overspend of £22m.
- 5.1.3. The guidance on how drugs in the Cancer Drugs Fund are appraised and funded was issued to relevant NHS prescribers in July 2016. As part of the new arrangements, a proportional rebate will be levied from all pharmaceutical companies receiving funding from the CDF budget in the event of an overspend on the total budget sum. However this expenditure control mechanism was not applied in 2016/17 as it was not needed to contain spending within the £340m annual budget.
- 5.1.4. Both the London region and the national team had been necessarily conservative in their assessment of risk leading up to the year end. In the end, the risk identified did not crystallise as expected, leading to the variance indicated above against the expected position.

52 Primary care

Table 8

	Outturn expenditure			
	Plan £m	Actual £m	Variance £m	Var %
Dental	2,972.9	2,859.9	113.0	3.8%
General Practice	3,516.2	3,441.8	74.4	2.1%
General Practice IT	11.8	9.7	2.1	17.5%
Ophthalmic	545.0	546.0	(1.1)	(0.2%)
Pharmacy	1,356.7	1,425.2	(68.5)	(5.0%)
PM Challenge Fund	1.8	1.7	0.1	4.6%
Property Costs	42.1	23.7	18.5	43.8%
Revalidation	44.5	39.6	4.8	10.8%
Other incl. admin	166.6	119.3	47.3	28.4%
Total	8,657.6	8,467.0	190.6	2.2%

52.1. The table above shows the profile of spend against the primary care budgets still held by NHS England, which total £8.7bn for 2016/17. The growth in the level of underspend compared to that reported in month 11 is predominantly as a result of the 1% risk reserve (£86m). Excluding this release, other key areas of underspend are dental and property budgets. The underspends on property costs are driven by a combination of prudent budgeting for 2016/17 and capitalising on fortuitous savings as they have arisen during 2016/17. These underspends offset the pressure reported against pharmacy spend which is linked to the savings lost on the delayed community pharmacy contract.

52.2. In addition to the £8.6bn of primary care resource analysed above, a further £3.9bn has been delegated to a total of 114 CCGs. At the year end, CCGs reported an underspend of £45m against delegated budgets (1.2%). This is included in the CCG position reported above.

6. RUNNING COSTS, PROGRAMME COSTS & OTHER

6.1. Running Costs

Table 9

	Outturn expenditure			
	Plan £m	Actual £m	Variance £m	Var %
Medical	16.9	15.9	1.0	5.7%
Nursing	8.4	7.5	0.9	10.7%
Operations and Information	216.8	209.2	7.6	3.5%
Specialised Commissioning	15.5	15.4	0.1	0.4%
Finance	41.4	41.8	(0.4)	(1.0%)
Commissioning Strategy	14.2	12.7	1.5	10.6%
Transformation & Corp Operations	70.8	68.2	2.6	3.6%
PCS	61.7	61.9	(0.2)	(0.3%)
Chair & Chief Executive Group	1.5	1.4	0.1	4.1%
Contingency/other	8.0	(7.5)	15.5	100.0%
TOTAL excl Depreciation	455.2	426.5	28.7	6.3%

6.1.1. The underspend on running costs is due to non-recurrent slippage on pay costs arising from vacancies, primarily in Transformation & Corporate Operations and in Operations & Information. The £8m credit on contingency/other is due to an underspend against accruals for CSU closure costs, plus the release of other provisions and accruals that were no longer required.

62 Programme Costs

Table 10

	Outturn expenditure			
	Plan £m	Actual £m	Variance £m	Var %
Medical	120.5	100.8	19.7	16.3%
Nursing	25.6	21.2	4.4	17.3%
Operations and Information	143.5	130.4	13.1	9.2%
Specialised Commissioning	14.5	11.7	2.8	19.3%
Finance	6.7	5.8	0.9	12.8%
Commissioning Strategy	105.5	91.1	14.4	13.7%
Transformation & Corp Operations	21.1	18.2	2.9	13.5%
Directorate sub-total	437.4	379.1	58.2	13.3%
Clinical Excellence Awards	150.0	127.6	22.4	15.0%
Provider Support	160.9	161.4	(0.5)	(0.3%)
Other Programmes	61.7	53.2	8.5	13.8%
Rates and fraud recovery income	-	(93.2)	93.2	100.0%
NHS England contribution to legacy CHC claims	50.0	49.2	0.8	1.5%
Contingency	27.8	(8.0)	35.8	128.7%
TOTAL excl Depreciation	887.8	669.4	218.4	24.6%

62.1. The underspend across the directorates is a result of slippage in programme expenditure, particularly within Cancer, Diabetes and Primary Care Transformation funds.

63. Other Costs and Reserves

Table 11

	Initial Allocation £m	Allocations to CCGs/ Central Programme £m	Residual Amount £m	Outturn expenditure			
				Plan	Actual	Variance	
				£m	£m	£m	%
Transformation	339.0	324.3	14.7	14.7	-	14.7	0.0%
Primary Care reserves (including PCTF)	309.5	309.5	0.0	0.0	-	0.0	0.0%
Mental Health (CYP)	239.0	229.2	9.8	9.8	-	9.8	0.0%
Winter Resilience	50.0	49.8	0.2	0.2	-	0.2	100.0%
Other Funding	168.5	(2.7)	171.2	171.2	-	171.2	100.0%
Total Other Central Costs	1,106.0	910.1	195.9	195.9	-	195.9	100.0%
Sustainability Fund	1,800.0	1,826.0	0.0	1,826.0	1,826.0	-	0.0%

- 6.3.1. During the 2016/17 allocation process NHS England established a number of other central budgets as detailed above, which were intended to be distributed across the commissioning system during 2016/17. The total at the start of the year was £1.1bn, of which £910m has now been distributed. In order to create a central risk reserve to offset the pressures in the CCG position we have transferred funds from other commissioning streams to 'Other Funding', which is why the residual amount for 'Other Funding' is higher than the initial allocation.
- 6.3.2. The underspend relates to £25m of transformation funding across various schemes, and £171m of risk reserve which has been released to help offset the forecast overspends in CCGs despite distributions of funding to local organisations.
- 6.3.3. So far this year, £1,002m of the sustainability fund has been paid to Providers for the Q1, Q2 and Q3 payments. In month 12, an accrual has also been made based on a schedule of awards to trusts received from NHSI for the balance of the £1,826m STF (including the additional funding referred to in 1.2.4 above).

Annex 1 – All CCGs Month 12 Outturn

LONDON REGION	Map Category	M12 Outturn Variance from plan (exc 1% risk reserve)		M12 Outturn Variance from plan (inc 1% risk reserve)		Underspend / (Deficit)						16/17 Closing DfT %
		£m	% RRL	£m	% RRL	In-Year			Cumulative			
						Plan	Outturn		Plan	Outturn		
		£m	£m	% RRL	£m	£m	% RRL	£m	£m	% RRL		
North West London		0.4	0.0%	27.3	0.9%	(26.3)	1.0	0.0%	62.6	90.0	3.1%	4.7%
NHS Brent		(0.0)	(0.0%)	5.1	1.2%	(8.4)	(3.3)	(0.8%)	13.5	18.6	4.2%	1.9%
NHS Central London (Westminster)		0.0	0.0%	2.7	0.9%	(2.8)	(0.1)	(0.0%)	5.8	8.5	2.8%	20.7%
NHS Ealing		(0.0)	(0.0%)	4.8	1.0%	0.0	4.8	1.0%	7.6	12.4	2.5%	(2.0%)
NHS Hammersmith and Fulham		(0.0)	(0.0%)	2.6	1.0%	(6.4)	(3.8)	(1.4%)	2.7	5.3	2.0%	8.2%
NHS Harrow		(2.0)	(0.7%)	(1.4)	(0.5%)	(2.0)	(3.4)	(1.1%)	0.1	(1.3)	(0.4%)	(2.7%)
NHS Hillingdon		0.0	0.0%	4.1	1.2%	(3.9)	0.2	0.1%	3.6	7.8	2.2%	(3.2%)
NHS Hounslow		(0.0)	(0.0%)	3.4	1.0%	(2.7)	0.6	0.2%	3.6	6.9	2.0%	(2.9%)
NHS West London (K&C & QPP)		2.5	0.6%	6.1	1.6%	(0.0)	6.1	1.6%	25.7	31.8	8.2%	30.5%
North Central London		0.0	0.0%	18.7	1.0%	(10.7)	8.1	0.4%	(25.5)	(6.8)	(0.4%)	3.6%
NHS Barnet		(0.0)	(0.0%)	4.6	1.0%	2.7	7.2	1.6%	1.1	5.7	1.2%	(0.6%)
NHS Camden		0.0	0.0%	3.5	0.9%	(3.1)	0.5	0.1%	8.0	11.5	3.0%	19.5%
NHS Enfield		(0.0)	(0.0%)	3.9	1.1%	(7.7)	(3.8)	(1.1%)	(41.1)	(37.2)	(10.3%)	(2.2%)
NHS Haringey		0.1	0.0%	3.5	1.0%	(0.1)	3.4	1.0%	0.0	3.5	1.0%	(1.4%)
NHS Islington		(0.0)	(0.0%)	3.3	1.0%	(2.5)	0.8	0.2%	6.5	9.8	2.8%	6.0%
North East London		(38.5)	(1.4%)	(11.9)	(0.4%)	(8.4)	(20.3)	(0.7%)	64.5	52.7	1.9%	1.7%
NHS Barking & Dagenham		(5.9)	(1.9%)	(3.0)	(1.0%)	(0.6)	(3.7)	(1.2%)	3.0	(0.0)	(0.0%)	1.8%
NHS City and Hackney		(3.7)	(0.9%)	0.0	0.0%	(8.0)	(8.0)	(1.9%)	30.2	30.2	7.3%	5.5%
NHS Havering		(12.5)	(3.2%)	(8.7)	(2.2%)	0.3	(8.4)	(2.1%)	3.9	(4.8)	(1.2%)	(2.1%)
NHS Newham		(4.7)	(1.0%)	0.0	0.0%	(0.0)	(0.0)	(0.0%)	6.5	6.5	1.4%	4.5%
NHS Redbridge		(4.1)	(1.1%)	(0.4)	(0.1%)	0.0	(0.4)	(0.1%)	0.4	0.0	0.0%	(1.2%)
NHS Tower Hamlets		(4.0)	(1.0%)	0.0	0.0%	0.0	0.0	0.0%	11.9	12.0	2.9%	4.9%
NHS Waltham Forest		(3.6)	(0.9%)	0.2	0.0%	(0.1)	0.1	0.0%	8.6	8.8	2.2%	(2.0%)
South East London		(10.2)	(0.4%)	13.0	0.5%	(4.5)	8.5	0.3%	27.9	40.9	1.7%	(0.4%)
NHS Bexley		(1.7)	(0.6%)	1.2	0.4%	0.0	1.2	0.4%	0.2	1.4	0.5%	(3.1%)
NHS Bromley		(1.4)	(0.3%)	2.8	0.6%	(0.0)	2.8	0.6%	5.9	8.7	2.0%	(1.7%)
NHS Greenwich		(2.9)	(0.8%)	0.7	0.2%	(4.5)	(3.8)	(1.0%)	(1.3)	(0.6)	(0.2%)	(1.9%)
NHS Lambeth		(1.1)	(0.2%)	3.4	0.7%	0.0	3.4	0.7%	7.8	11.1	2.3%	(1.5%)
NHS Lewisham		(1.7)	(0.4%)	2.4	0.6%	(0.0)	2.4	0.6%	7.6	10.0	2.3%	2.5%
NHS Southwark		(1.4)	(0.3%)	2.5	0.6%	0.0	2.5	0.6%	7.7	10.2	2.4%	2.8%
South West London		(11.2)	(0.6%)	8.3	0.4%	(20.1)	(11.8)	(0.6%)	(55.0)	(46.7)	(2.4%)	0.4%
NHS Croydon		(11.2)	(2.6%)	(6.5)	(1.5%)	(4.2)	(10.8)	(2.5%)	(47.9)	(54.5)	(12.5%)	(3.7%)
NHS Kingston		0.0	0.0%	2.4	1.0%	(1.1)	1.4	0.5%	1.1	3.6	1.4%	(0.3%)
NHS Merton		0.0	0.0%	2.7	1.0%	(0.6)	2.1	0.8%	(0.6)	2.1	0.8%	0.0%
NHS Richmond		0.0	0.0%	2.5	1.0%	(10.9)	(8.4)	(3.3%)	(10.9)	(8.4)	(3.3%)	3.1%
NHS Sutton		0.0	0.0%	2.6	1.0%	(1.1)	1.5	0.5%	1.2	3.8	1.4%	(1.9%)
NHS Wandsworth		(0.0)	(0.0%)	4.6	0.9%	(2.1)	2.4	0.5%	2.1	6.6	1.4%	5.1%
LONDON CCG Position		(59.4)	(0.5%)	55.5	0.5%	(70.0)	(14.5)	(0.1%)	74.5	130.0	1.1%	2.0%

Forecast outturn variance as % of RRL	
 	< (3%)
 	> (3%) < (1.5%)
 	> (1.5%) < (0%)
 	>=0%

 	Special Measures
 	Issued Directions

Annex 2 – Glossary of Terms

Accrual	An expense that has been incurred but not yet invoiced or paid for
AME	Annually Managed Expenditure
Blueteq	Decision support tool for PbR excluded drugs
CDEL	Capital Departmental Expenditure Limit
CDF	Cancer Drugs Fund
CHC	Continuing Health Care
CPAG	Clinical Priorities Advisory Group
CSU	Commissioning Support Unit
CYP(MH)	Children & Young People's Mental Health
DCO	Director of Commissioning Operations
DfT	Distant from Target – the gap between a CCG's allocation and its target funding level
DH	Department of Health
ECM	Expenditure Control Mechanism
FNC	Funded Nursing Care
FOT	Forecast Outturn
IFRS	International Financial Reporting Standards
ISFE	Integrated Single Financial Environment
MAR	Monthly Activity Return
MFF	Market Forces Factor
NHSI	NHS Improvement
OACP	Organisational Alignment and Capability Programme
PCS	Primary Care Services
PCTF	Primary Care Transformation Fund
PMCF	Prime Ministers Challenge (GP Access) Fund
Provision	A liability resulting from a past event that is of uncertain timing or amount
RDEL	Revenue Departmental Expenditure Limit
RTT	Referral To Treatment
Sitreps	Situation reports
SUS	Secondary Uses Service
YTD	Year to Date

