Annual Public Meeting

1 July 2015
Welcome and introduction

Silla Maizey
Chair
Our organisation
- An Arm's Length Body of the Department of Health

2006
- NHS Pensions Agency
- Prescription Pricing Authority
- Dental Practice Board
- NHS Logistics
- Counter Fraud and Security Management Service
All come together to form individual service streams within the NHSBSA

1 April 2006
NHS Business Service Authority created

2006
- Individual service streams within the NHSBSA:
  - NHS Pensions
  - NHS Injury Benefit Scheme
  - NHS Prescription Services
  - NHS Help with Health Costs
  - NHS Dental Services
  - European Health Insurance Card (EHIC)
  - NHS Student Bursaries
  - Supplier Management
  - NHS Protect
  - HR Hosted Services

2007
- Social Work Bursaries join the NHSBSA

2013
- Healthy Food Schemes
- Pacific Programme

2012
- HR Services
- Information Services
- Procurement Services
- Social Work Education Support Grant

2014
- Prescription Exemption Checking Service (PECS)

Today
Our key achievements

- **2.6 million** prescription prepayment certificates distributed in 2014/15
- **3.5 million** EHIC applications processed each year
- **44,305,178** FP17 dental claim forms processed in 2014/15
- **1,441,735** Total Reward Statements made available to active NHS employees this year
- **£19 million** reduction in our gross annual operating costs compared to 2005/06 (in real terms)

- **75%** proportion of colleagues who completed the staff survey this year
- **26%** reduction in water consumption in our buildings since 2009/10
- **43k** followers on social media sites
- **44%** the cumulative efficiency improvement we’ve delivered since 2005/06
- **51%** reduction in carbon emissions from our buildings since 2009/10
- **3,096,617** calls in 2014/15
- **81%** the engagement level of our staff was in 2014/15
- **£130 million** total amount of savings our Pacific Programme has realised so far for the NHS and its patients

- **1,055,729,706** prescription items processed in 2014/15
- **18,877** satisfaction survey responses from customers and stakeholders (July 14 - February 15)
- **£32 billion** the amount of money that flows through our books every year

- **116** Places in Stonewall’s Workplace Equality Index in 2014
- **Over 86,000** monthly hits on our ‘Ask Us’ online knowledge base
Our stakeholders

We have number of important clients who rely upon us for delivery of services, including:

- **Department of Health:** Dental, pharmacy, information, help with health costs, student, EHIC, commercial, supply chain and hosting services.

- **NHS England:** Dental, pharmacy, PECS, BECS, information, HR, procurement service and hosting.

- **Trust Development Authority:** HR service

- **Health Education England:** Student services, HR service

- **Health Research Authority:** HR service
Our vision

Our strategic goals are ambitious but they underpin our activities and drive greater efficiency and improvements for the user experience.
NHSBSA strategy 2015-20

- Available on our website
  www.nhsbsa.nhs.uk/3381.aspx
Our performance 2014-15

Nick Scholte
Chief Executive
Our strategic goals – Our progress so far…

• We will collaborate to create £1 billion for patients

By the end of 2014/15, we have realised over £130 million of savings for the NHS and its patients, without detriment to the services being delivered. Further projects are already in development.

• We will reduce our unit costs by 50%

Delivered a reduction of 20% in unit costs within Dental Services and Student Services and a 30% reduction in the unit cost for the administration of NHS Tax Credit Exemption Certificates.
Our strategic goals – Our progress so far…

• We will always improve service and deliver great results for customers

A range of proactive customer communications have been improved and over 250 externally facing documents reviewed and updated.

Helping patients to understand whether they should pay for their prescriptions or dental treatment with new guidance rolled out across surgeries and pharmacies.

• We will digitise 80% of customer and supplier interactions

Launched our ‘Ask Us’ service allowing customers to help themselves 24 hours a day and reducing calls to our contact centre. The service has over 3,500 articles and received almost 90,000 hits in one month.
Our strategic goals – Our progress so far…

• We will derive insight from data to drive change

Data Analysis Learning Lab enables us to effectively identify and implement new insights into business processes and services, bringing all data together in one powerful environment for analysis.

• We will invest time in our people, and we will recognise them for their commitment, contribution and passion.

An increased focus on engagement in many of our service areas. Our people within Prescription Services were nominated for the ‘Project of the Year Award (Public Sector)’ at the national Employee Engagement Awards. They were highly commended for their efforts while Matthew Graham, Type 1 Team Member in Newcastle, walked away with the ‘Unsung Hero of the Year Award’.
NHSBSA Annual Report and Accounts 2014/15

• Available on our website
http://www.nhsbsa.nhs.uk/annual_report.aspx

Read much more about our achievements.
Annual accounts overview 2014-15

Patrick McGahon
Director of Finance and Corporate Services
Introduction

- The annual report and accounts contain the Authority’s administration accounts.
- These accounts consolidate the results of the NHSBSA’s various business streams.
- The Authority achieved its financial targets by recording an underspend against both Revenue and Capital Resource Limits.
- The accounts were presented for audit and laid before Parliament in accordance with DH deadlines.
The two key financial statements are set out in the following slides:

- Statement of Comprehensive Net Expenditure
- Statement of Financial Position

A further slide summarises capital expenditure during the year.
Statement of Comprehensive Net Expenditure for the year ended 31 March 2015

The total net expenditure of £106.4m resulted in an underspend of £7.9m against the Authority’s combined revenue resource limit of £114.3m.

- Reductions in Social Work Bursary and ESG payments account for a £17.3m decrease in Non-Staff costs and Income.

<table>
<thead>
<tr>
<th></th>
<th>2014-15</th>
<th>2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Costs</td>
<td>78,785</td>
<td>72,402</td>
</tr>
<tr>
<td>Non-Staff costs</td>
<td>134,029</td>
<td>152,866</td>
</tr>
<tr>
<td>Less income</td>
<td>(106,366)</td>
<td>(115,745)</td>
</tr>
<tr>
<td>Net operating costs for the financial year</td>
<td>106,448</td>
<td>109,523</td>
</tr>
<tr>
<td>Net (gain)/loss on transfers by absorption</td>
<td>0</td>
<td>1,001</td>
</tr>
<tr>
<td>Total Net Expenditure</td>
<td>106,448</td>
<td>110,524</td>
</tr>
</tbody>
</table>

Other Comprehensive Net Expenditure

- Net (gain) on revaluation of property, plant & equipment: (1,595), 0
- Adjustment for notional costs: (90), (90)

Total comprehensive net expenditure for the year: 104,763, 110,434
### Statement of Financial Position at 31 March 2015

<table>
<thead>
<tr>
<th>Non Current Assets</th>
<th>31 March 2015 (£000)</th>
<th>31 March 2014 (£000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, Plant &amp; Equipment</td>
<td>32,913</td>
<td>31,201</td>
</tr>
<tr>
<td>Intangible Assets</td>
<td>45,442</td>
<td>38,182</td>
</tr>
<tr>
<td>Other Financial Assets</td>
<td>172,581</td>
<td>349,747</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td><strong>250,936</strong></td>
<td><strong>419,130</strong></td>
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<table>
<thead>
<tr>
<th>Current Assets</th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Trade and other receivables</td>
<td>14,936</td>
<td>12,980</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>26,835</td>
<td>24,881</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>41,771</strong></td>
<td><strong>37,861</strong></td>
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<table>
<thead>
<tr>
<th>Current Liabilities</th>
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</thead>
<tbody>
<tr>
<td>Trade and other payables</td>
<td>37,882</td>
<td>25,744</td>
</tr>
<tr>
<td>Borrowings</td>
<td>7</td>
<td>0</td>
</tr>
<tr>
<td>Provisions for liabilities and charges</td>
<td>176</td>
<td>558</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>38,065</strong></td>
<td><strong>26,302</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Total assets less current liabilities</strong></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td><strong>254,642</strong></td>
<td><strong>430,689</strong></td>
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<table>
<thead>
<tr>
<th>Non-current liabilities</th>
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</thead>
<tbody>
<tr>
<td>Provisions for liabilities and charges</td>
<td>609</td>
<td>620</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td><strong>609</strong></td>
<td><strong>620</strong></td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th><strong>Total Assets Less Liabilities:</strong></th>
<th></th>
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<tbody>
<tr>
<td></td>
<td><strong>254,033</strong></td>
<td><strong>430,069</strong></td>
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<thead>
<tr>
<th>Taxpayers’ Equity</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>249,177</td>
<td>426,808</td>
</tr>
<tr>
<td>Revaluation Reserve</td>
<td>4,856</td>
<td>3,261</td>
</tr>
<tr>
<td><strong>Total Taxpayers’ Equity:</strong></td>
<td><strong>254,033</strong></td>
<td><strong>430,069</strong></td>
</tr>
</tbody>
</table>

The main reasons for major movements in balances during the year are:

- **Increase in Intangible Assets** – additions of £15.9m offset by amortisation of £8.1m and reclassifications of £0.5m.

- **Decrease in Other Financial Assets** – decrease in the value of Supply Chain Working Capital following repayments of £190.0m received during the year offset by a carrying value increase of £12.8m.

- **Increase in Trade and Other Payables** – due primarily to a one-off £10m balance in other payables at the year end.
Capital expenditure

- The Authority’s net capital expenditure for the year totalled £21.5m.
- This was within the Capital Resource Limit of £26.0m for the year.

The major areas of expenditure were:
- Pension Scheme systems developments - £9.0m
- Prescription Services systems developments - £2.4m
- Dental systems developments - £2.1m
- Building works and Fixtures & Fittings - £4.5m
- IT Infrastructure equipment - £1.1m.
- The remaining £2.4m expenditure covered other IT system development, IT and other equipment purchases.
Any Questions?