

GOVERNING BODY MEETING

Date of meeting	Tuesday 18 July 2017	Agenda item number	15
Title of report	Financial Position – month 02		
Paper Presented by:	Andrew Harrison, Chief Finance Officer		
Paper prepared by:	Judith Williams, Head of Finance and Business Support		

CCG strategic objective supported by this paper: (please tick ✓)	Develop and maintain an effective organisation	✓
	Commission high quality, safe and cost effective services which reduce health inequalities and improve access to healthcare	✓
	Effectively engage patients and the public in decision making	
	Develop excellent partnerships which lead to improved health outcomes	
	Make the best use of resources	✓

Purpose of report
To inform the Governing Body of the financial position of the organisation as at Month 02.
Recommendation
The Governing Body is requested to note the content of the report and any recommendations contained within for action in line with the overall strategic direction of the CCG.

Please indicate which Group this has been discussed with (please tick ✓)			
Executive Management Team	✓	Quality Improvement and Governance Cttee	
Clinical Commissioning Committee		Finance and Performance Committee	✓
Audit Committee		Remuneration Committee	
Council of Members		Primary Care Commissioning Committee	
Other/Not Applicable			
Patient and Public Engagement:	N/A		
Equality Impact Assessment:	N/A		
Resource Implication(s):	None		
Are there any associated risks? If so, are the risks on the risk register? If yes, please include risk descriptor and current risk score	Risk Number 64 – failure to deliver the CCG's statutory duties and NHS business rules - effective use of resources – demonstrate value for money whilst delivering significant change agenda. Risk score (April 2017) – 9 (amber/medium)		
For further information please contact:	Andrew Harrison or Judith Williams		

Financial Position – Month 02

June 2017

Month 02 Key Headlines

- CCG met key financial duties at Month 02
- Financial Position
 - £773k underspent V £769k target
 - Forecast surplus achieved at Month 02
 - Year end forecast £4.6m surplus

Reserves – set up at Month 02 position

- 1% Headroom £2.18m (0.5% £1.09m in Reserves)
- Contingency £1.25m
- Other £3.3m
- QIPP position - £6.8m target
- Running Costs £15k overspend
- BPPC – NHS 100% Non NHS 98.8% by number of invoices

Allocations Month 02

- The allocation received is in line with expected budgets approved by this Committee

Total 2017-18 Annual Allocation £251.73m

Contra Organisation	Contra Org Code	Contra Org Region	Contra Org Region Cc	Type Rec/ NonRec	Funding Stream	Revenue Resource £000	Description (80 Characters)
Q84 - Lancashire	Q84	Q84	Y54	Recurrent	Programme	25	M10 Risk Share Co Commissioning
13Y - North West Commissioning Hub	13Y	13Y	Y54	Recurrent	Programme	141	T3 Adjustments -LTH, Salford, Walton & Southport
Q84 - Lancashire	Q84	Q84	Y54	Recurrent	Programme	(25)	M10 Risk Share Co Commissioning -reversed
13Y - North West Commissioning Hub	13Y	13Y	Y54	Recurrent	Programme	93	Neuro LTH
X24 - NHS England (Central)	X24	-	-	Recurrent	Programme	218,203	Initial CCG Programme Allocation
X24 - NHS England (Central)	X24	-	-	Recurrent	Running Costs	3,188	Initial CCG Running Cost Allocation
Q84 - Lancashire	Q84	Q84	Y54	Recurrent	Co-Comm	21,328	Transfer to Co-Commissioning Funds to CCGs
Q84 - Lancashire	Q84	Q84	Y54	Recurrent	Programme	40	Co-commissioning premises baseline error
Q84 - Lancashire	Q84	Q84	Y54	Recurrent	Programme	137	Business Rules - Co Commissioning
Q84 - Lancashire	Q84	Q84	Y54	Recurrent	Programme	158	Winter Resilience
Q84 - Lancashire	Q84	Q84	Y54	Recurrent	Programme	(40)	Co-commissioning premises baseline error
Q84 - Lancashire	Q84	Q84	Y54	Recurrent	Programme	(137)	Business Rules - Co Commissioning
Q84 - Lancashire	Q84	Q84	Y54	Recurrent	Co-Comm	40	Co-commissioning premises baseline error
Q84 - Lancashire	Q84	Q84	Y54	Recurrent	Co-Comm	137	Business Rules - Co Commissioning
X24 - NHS England (Central)	X24	-	-	Non-recurrent	Programme	1,783	IR Changes
X24 - NHS England (Central)	X24	-	-	Non-recurrent	Programme	1,242	HRG4+ changes
X24 - NHS England (Central)	X24	-	-	Non-Recurrent	Programme	5,421	Surplus/Deficit Carry Forward - Planned
X24 - NHS England (Central)	X24	-	-	Non-Recurrent	Programme	(810)	Surplus/Deficit Carry Forward - Drawdown
X24 - NHS England (Central)	X24	-	-	Non-Recurrent	Programme	810	Surplus/Deficit Carry Forward - Drawdown

Performance of Main Providers

	Annual Budget £000s	In Month Budget £000s	In Month Actual £000s	In month Variance £000s	Year to date Budget £000s	Year to date Actual £000s	Year to date Variance £000s
Acute services	101,951	16,992	1,134	-15,858	16,992	16,158	-834
Acute	101,951	16,992	1,118	-15,874	16,992	16,142	-850
Blackpool Teaching Hospitals FT	87,804	14,634	712	-13,922	14,634	13,938	-696
Lancashire Teaching Hospitals FT	10,243	1,707	239	-1,468	1,707	1,553	-154
Spire	3,904	651	167	-484	651	651	0
Non Contract Activity	0	0	16	16	0	16	16
Lancashire Care NHS FT	0	0	16	16	0	16	16
Community services	18,828	3,138	-3,355	-6,493	3,138	3,136	-2
Community	18,828	3,138	-3,355	-6,493	3,138	3,136	-2
Blackpool Teaching Hospitals FT	18,518	3,086	-3,355	-6,441	3,086	3,086	0
Lancashire Care NHS FT	310	52	0	-52	52	50	-2
MH services	16,486	2,748	240	-2,507	2,748	2,766	19
Mental Health	16,486	2,748	240	-2,507	2,748	2,766	19
Lancashire Care NHS FT	16,486	2,748	240	-2,507	2,748	2,766	19
Grand Total	137,265	22,878	-1,981	-24,858	22,878	22,060	-817

	Annual Budget £000s	In Month Budget £000s	In Month Actual £000s	In Month Variance £000s	Year to date Budget £000s	Year to date Actual £000s	Year to date Variance £000s
Acute services	115,492	19,709	2,537	-17,172	19,709	18,754	-953
Acute	106,529	18,216	1,862	-16,354	18,216	17,266	-949
Ambulance Services	6,398	1,066	535	-532	1,066	1,066	0
111 Service	707	118	14	-104	118	118	0
Non Contract Activity	1,858	309	126	-182	309	304	-4
Community services	26,275	4,380	-1,040	-5,418	4,380	5,275	896
Community	26,275	4,380	-1,040	-5,418	4,380	5,275	896
Continuing Care services	16,045	2,674	3,486	812	2,674	2,940	266
Continuing Health Care	13,867	2,311	3,258	947	2,311	2,304	-7
Funding Nursing Care	2,178	363	228	-135	363	636	273
MH services	19,876	3,313	870	-2,442	3,313	3,249	-63
Mental Health	17,639	2,940	396	-2,543	2,940	3,007	68
Learning Difficulties	2,237	373	474	101	373	242	-131
Other programme spend	41,575	6,029	695	-5,335	6,029	4,830	-1,198
NHS Property Service	876	146	-647	-793	146	11	-135
Other Programme Spend	1,534	258	819	560	258	250	-8
Planned surplus	4,611	769	-8,420	-9,189	769	0	-769
Reserves	5,618	33	0	-33	33	0	-33
Prescribing	28,936	4,823	8,943	4,120	4,823	4,569	-253
Primary Care services	29,289	4,370	3,674	-696	4,370	4,665	294
Primary - Locally Enhanced Services	3,060	495	413	-81	495	403	-91
Primary - Out of Hours	812	136	61	-75	136	233	98
Primary Other	3,105	519	471	-48	519	719	199
GP IT	800	133	217	84	133	40	-93
Co-Commissioning	21,512	3,087	2,512	-576	3,087	3,270	181
#N/A	0	0	0	0	0	0	0
#N/A	0	0	0	0	0	0	0
(blank)							
(blank)							
Grand Total	248,552	40,475	10,222	-30,251	40,475	39,713	-758
Running cost allowance	3,188	531	103	-430	531	550	17
Running Cost Allowance	3,188	531	103	-430	531	550	17
Grand Total	3,188	531	103	-430	531	550	17

Health Economy Report

- BTH Month 02 2017-18 - £2.2m deficit (Plan £2.3m deficit)
- LTH Month 02 2017-18 - £5.4m deficit (Plan £4.3m deficit)
- F&W CCG Month 02 2017-18 - £773k underspent V £769k target
- BCCG Month 02 2017-18 - £702k underspent V £701k target

Key risks

- Acute contract overperformance
 - BTH forecast out turn negotiations ongoing regarding Assured Contract affordability
- QIPP delivery
- Mental Health OATs
- Referral Management
- Net risk position reported to NHS England

Recommendations

- Month 02 Financial Position
 - Year to date financial performance satisfactory
 - Financial duties achieved to date
 - Forecast out turn at early stages
 - 0.5% Headroom established
 - Allocation received in line with plan
 - Note net risk position (as reported to NHS E)