

Financial Position – Month 2

July 2016

Month 2 Key Headlines

- CCG met key financial duties at Month 2
- Financial Position
 - £529k underspent
 - Forecast surplus achieved at Month 2
 - Year end forecast £3.1m surplus
- Reserves - £6.46m remaining
 - 1% Headroom £2.35m
 - Contingency £1.25m
 - Others £2.86m
- QIPP position - £3.8m target (£0.8m achieved)
- Running Costs £37k underspend
- BPPC – NHS 100% Non NHS 100% by number of invoices

Allocations Month 2

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

Total 2016-17 Annual Allocation £242.44m

RowRef	Contra Organisation	Contra Org Code	Contra Org Region	Contra Org Region Code	Type Rec/NonRec	Funding Stream	Revenue Resource £000	Description (80 Characters)	Month of transaction
1	X24 - NHS England (Central)	X24	-	-	Non-Recurrent	Programme	4,071	Return of Surplus/(Deficit)	Mth01
2	X24 - NHS England (Central)	X24	-	-	Recurrent	Programme	213,918	Initial CCG Programme Allocation	Mth01
3	X24 - NHS England (Central)	X24	-	-	Recurrent	Running Costs	3,200	Initial CCG Running Cost Allocation	Mth01
4	Q84 - Lancashire	Q84	Q84	Y54	Recurrent	Co-Comm	21,021	Transfer to Co-Commissioning Funds to CCGs	Mth01
5	X24 - NHS England (Central)	X24	-	-	Recurrent	Programme	234	2015-16 recurrent transfers post allocation setting	Mth01
							<u>242,444</u>		

Prescribing Accrual 2015-16

- Prescribing accruals represent the largest estimate that the Finance team calculate at year end.
- Estimates V Expenditure were as follows:

February Estimate	£2,262,995.28
February Actual	£2,260,529.62
March Estimate	£2,420,765.11
March Actual	£2,429,690.69

Therefore the finance team calculation was £7k different to the estimates made at year end and confidence in forecasting methodology is high.

Performance of Main Providers

	Annual Budget £000s	YTD Budget £000s	YTD Actual £000s	YTD Variance £000s
Acute services	95,690	15,571	15,575	4
Acute	95,690	15,571	15,571	0
Blackpool Teaching Hospitals FT	81,092	13,195	13,195	0
Lancashire Teaching Hospitals FT	11,405	1,856	1,856	0
Spire	3,193	520	520	0
Non Contract Activity	0	0	4	4
Lancashire Care NHS FT	0	0	4	4
Community services	17,351	2,892	2,891	-1
Community	17,351	2,892	2,891	-1
Blackpool Teaching Hospitals FT	17,046	2,841	2,841	0
Lancashire Care NHS FT	305	51	50	-1
MH services	15,585	2,598	2,598	0
Mental Health	15,585	2,598	2,598	0
Lancashire Care NHS FT	15,585	2,598	2,598	0
Grand Total	128,626	21,061	21,064	3

	Sum of Annual Budget £000s	Sum of YTD Budget £000s	Sum of YTD Actual £000s	Sum of YTD Variance £000s
Acute services	111,527	18,184	18,094	-90
Acute	102,637	16,701	16,717	16
Ambulance Services	6,366	1,061	1,061	0
111 Service	696	116	69	-47
Non Contract Activity	1,828	306	247	-59
Community services	24,531	4,088	4,092	2
Community	24,531	4,088	4,092	2
Continuing Care services	15,033	2,506	2,259	-247
Continuing Health Care	13,479	2,247	1,966	-281
Funding Nursing Care	1,554	259	293	34
MH services	19,274	3,212	3,335	123
Mental Health	17,272	2,878	2,882	4
Learning Difficulties	2,002	334	453	119
Other programme spend	40,351	5,650	5,466	-185
NHS Property Service	700	117	116	-1
Other Programme Spend	1,218	204	482	277
Planned surplus	3,071	512	0	-512
Reserves	6,462	0	0	0
Prescribing	28,900	4,817	4,868	51
Primary Care services	28,531	4,281	4,181	-97
Primary - Locally Enhanced Services	2,869	478	525	47
Primary - Out of Hours	800	133	120	-13
Primary Other	3,042	506	421	-85
GP IT	800	133	73	-60
Co-Commissioning	21,020	3,031	3,042	14
Grand Total	239,247	37,921	37,427	-494
Running cost allowance	3,203	535	495	-39
Running Cost Allowance	3,203	535	495	-39
Grand Total	3,203	535	495	-39

Health Economy Report

- BTH Month 12 2015-16 - £14.6m deficit
April Month 1 - £1.3m deficit
- LTH Month 12 2015-16 - £33.4m deficit
April Month 1 - £2.4m deficit
- F&W CCG Month 2 2016-17 - £0.5m underspent
- Assurance rating 1A GREEN

Recommendations

- Month 2 Financial Position
 - Year to date financial performance
 - Financial duties achieved
- Notes for 2016-17
 - Allocation received in line with plan
 - Expenditure trends in line with 2015-16
 - QIPP target schemes in development

Underlying position

- Reserves use assumed in plan
 - Known
 - AMD
 - Assumed
 - Contract over performance
 - Prescribing pressures

Subsequent to plan

- Known
 - LCFT contract
- Assumed
 - MH OATS
 - Contract growth re assured contract
- Anticipated allocations
 - Extended access
 - Eating disorders

QIPP delivery range

- Low c£1.05m
- Medium c£1.7m (of which £0.5m is non recurrent slippage)
- High c£2.4m (of which £0.5m is non recurrent slippage)

Impact on business rules

- Planned surplus £3.071m
- Net position of known reserves use, assumed pressures and additional allocations (£0.75m)
 - assumes £1.05k QIPP delivery
- Forecast surplus £2.32m
 - planned surplus plus net mitigations