


MEETING DATE:	8 October 2015	 North Lincolnshire Clinical Commissioning Group REPORT TO THE CLINICAL COMMISSIONING GROUP GOVERNING BODY
AGENDA ITEM NUMBER:	Item 7.4	
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JOB TITLE:	CFO & Business Support	
DEPARTMENT:	Finance	

FINANCE REPORT: MONTH 5 (AUGUST) 2015/16

PURPOSE/ACTION REQUIRED:	To Receive & Note
CONSULTATION AND/OR INVOLVEMENT PROCESS:	In liaison with CSU and Area Team and per Finance Plan profiled surplus.
FREEDOM OF INFORMATION:	Public once approved.

1. PURPOSE OF THE REPORT:					
To brief the CCG Governing Body members on the finance position and achievement of duties so far for 2015/16 as at end of August).					
2. STRATEGIC OBJECTIVES SUPPORTED BY THIS REPORT:					
Continue to improve the quality of services					
Reduce unwarranted variations in services					
Deliver the best outcomes for every patient					
Improve patient experience					
Reduce the inequalities gap in North Lincolnshire					
Finance supports achievement of all of these					
3. ASSURANCES TO THE CLINICAL COMMISSIONING GROUP					
Provides assurance that the main financial duties for 2015/2016 are currently being met, and forecast to be met by 31-03-2016.					
4. IMPACT ON RISK ASSURANCE FRAMEWORK:					
<table border="1" style="display: inline-table;"> <tr> <td style="width: 20px;">Yes</td> <td style="width: 20px; text-align: center;">x</td> <td style="width: 20px;">No</td> <td style="width: 20px;"></td> </tr> </table>	Yes	x	No		
Yes	x	No			
A Financial Risk section is included in the narrative					

5. IMPACT ON THE ENVIRONMENT – SUSTAINABILITY:			
Yes		No	x
No direct implications.			
6. LEGAL IMPLICATIONS:			
Yes	x	No	
Financial liabilities facing the CCG are shown in the report as well as statutory financial duties.			
7. RESOURCE IMPLICATIONS:			
Yes	x	No	
Highlights financial risks that may impact on resources available.			
8. EQUALITY IMPACT ASSESSMENT:			
Yes		No	x
No Equality Impact Assessment has been undertaken because this is not a policy/procedure/guidance.			
9. PROPOSED PUBLIC & PATIENT INVOLVEMENT AND COMMUNICATIONS:			
Yes		No	x
The monthly finance report is submitted to the Engine Room before submission to the public meeting of the CCG's Governing Body, and then to the appropriate Council of Member meetings.			
10. RECOMMENDATIONS:			
The Governing Body members are asked to: -			
<ul style="list-style-type: none"> • Receive and note the Finance report 			

NORTH LINCOLNSHIRE CCG FINANCE REPORT

FINANCIAL YEAR 2015/16: MONTH 5 (AUGUST) 2015

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1) CCG SUMMARY - MAIN FINANCE TARGET PERFORMANCE

A) OVERVIEW - ALL KEY TARGETS	MONTH 5: AUGUST 2015	YTD AT AUGUST (MONTH 5)	MONTH 12 YEAR END FORECAST	MAIN CHANGES TO LAST MONTH	COMMENTS
	1 Revenue Break-Even is Achieved.	G	G	G	→
2 Revenue Expenditure = or less than the Resource Limit	G	G	G	→	
3 Cash Expenditure is less than the Cash Limit	G	G	G	→	
4 95% of NHS Invoices by Value are Paid within 30 Days	G	G	G	→	The target has been achieved for both the month and Year To Date (YTD), achieving 100% in both periods
5 95% of NHS Invoices by Number are Paid within 30 Days	G	G	G	→	The target has been achieved for the Month and YTD.
6 95% of Non NHS Invoices by Value are Paid within 30 Days	R	R	G	↑	The target has not been achieved for the Month and YTD but is projected to do so by the end of the year.
7 95% of Non NHS Invoices by Number are Paid within 30 Days	G	G	G	↑	The target has been achieved for the Month and YTD.
8 Period End Cash Balances are 1.25% of Drawdown	G	G	G	→	The Month end cash held at bank - was within the target value

KEY:	↑ = Improvement in performance	→ = No change in performance	↓ = Deterioration in performance
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B) REVENUE BREAK-EVEN PERFORMANCE	CURRENT MONTH			YEAR TO DATE			FORECAST OUT-TURN		
	BUDGET/ TARGET £000s	ACTUAL £000s	VARIANCE £000s	BUDGET/ TARGET £000s	ACTUAL £000s	VARIANCE £000s	BUDGET/ TARGET £000s	ACTUAL £000s	VARIANCE £000s
1 TOTAL EXPENDITURE	18,095	17,911	(184)	91,506	90,588	(918)	220,093	217,889	(2,204)
2 RUN RATE - Planned and Actual Surplus	184	184	0	918	918	0	2,204	2,204	0

FINANCE AND CONTRACT COMMENTARY 2015/16

Month 5 – The Period Ended 31st August 2015

Executive Summary

Overall Financial Position

At Month 5 the CCG is currently on course to achieve all of its statutory financial targets for 2015/16, including three of the four Better Payment Practice Code targets.

QIPP

Year To Date (YTD) performance is currently below target due to continued Cat M cost pressures on prescribing, but the QIPP savings target is still expected to be achieved in full by the year-end, mainly due to the contract agreement reached with NLAG NHS FT, the risk share agreement negotiated with RDASH FT and non-recurrent flexibility. However contingency plans need to be developed to prevent a recurrent gap being brought forward next year.

Running Costs

The CCG's Running Cost Allocation for 2015/16 was reduced by 10% to £3.785m. The CCG is forecast to achieve its RCA target on a recurrent basis. though confirmation of the Local Provider Framework (LPF) procurement exercise is still awaited.

Risks

The CCG currently has sufficient headroom to cope with known financial risks, and the latest risk table shared with NHS England each month is included within this report at Section 6.

Contract Position

The Contract Team has reviewed Month 4 performance against the contract baseline. Where activity information is available it has been utilised but due to activity validation timetables only limited 2015/16 monitoring information was available for the August report.

MAIN REPORT CONTENT	
Section Number	
1	Headlines and Key Messages
2	Revenue Expenditure
3	Capital Expenditure
4	2% Recurrent Headroom
5	QIPP*
6	Risk Management
7	Working Balance Management
8	Other Target Delivery
9	Financial Governance
10	Contract Trading Report

1. Headlines & Key Messages

Target / Issue	Outturn	Comments
Revenue Target <ul style="list-style-type: none"> Achieve £2.2m surplus Spend 1% of Allocation on non-recurrent (one-off) items 	<p>On Track</p> <p>On Track</p>	<p>The CCG is on track to achieve its forecast out-turn surplus of £2.2m.</p> <p>There is no uncommitted budget for this expenditure.</p>
Resource Limit	On Track	Expenditure maintained within Revenue Resource Limit (RRL).
QIPP Delivery	YTD Target Not Achieved	The CCG is still expecting to achieve the year-end target, using non recurrent savings.
Revenue Risks <ul style="list-style-type: none"> Acute Costs – BCF QIPP under achievement In year cost pressures 	Known Risks Covered	Main Acute risks are managed through the capped contract agreed with NLAG, and remaining reserves will be used to manage QIPP and In year risks.
Cash Management	On Track	Cash held at the bank was £239k at 31st August 2015.
Better Payment Target	Largely On Track	Three of four targets have been achieved for the YTD.
Capital Resource Target	On Track	The CCG has three GP IT Capital schemes which are at the final stage of the NHS approval process.
Governance	On Track	<p>The Financial Environment Self-Assessment has been completed (see separate paper on the next Governing Body meeting).</p> <p>There is a significant financial gap for next year that needs closing via HLHF</p>

2. Revenue Expenditure

The Operating Cost Statement (OCS) (Appendix 3 A2) provides a detailed analysis of the CCG's YTD revenue expenditure position and an updated forecast out-turn. The key points to note are set out below:

i. Acute Contracts

Please refer to Section 10 of this report and Appendix 7 for more detail about contract trading positions.

North Lincolnshire & Goole NHS Foundation Trust (NLAG FT)

This contract is covered by a Memorandum of Understanding (MoU) and associated Payment by Results (PbR) Minimum income Guarantee (MiG) and Maximum Income thresholds, which will ensure that the CCG has no unforeseen risks to cover on the NLAG Contract for 2015/16. However, activity control is still vital for 2016/17 and beyond.

The reported YTD position from the Operating Cost Statement (OCS) Appendix 3 A2 line 1 has been reported in line with budget due to the control over expenditure provided through the MoU. However, a £14k YTD under-spend has been reported on line 1 in respect of Overseas Visitors.

The underlying trading position on the core contract shows a £205k YTD over-trade to the end of July. More detail on the actual Trading performance of this contract, and all the main NHS contracts are provided at Section 10 in this report and Appendix 7.

Hull & East Yorkshire Hospitals NHS Trust (HEY)

The reported YTD position from the OCS (Appendix 3 A2 Line 2) of £82k under-spent reflects an underlying Month3 over-trade of £17k offset by validation and KPI reconciliation adjustments. Month 3 activity monitoring was the latest available information at ledger closedown. Month 4 Flex information shows an over-trade of £55k, which is reduced by contract validation and KPI adjustments to an under-trade of £37k. Further information on the CCG's trading position with HEY is provided in Section 10. Actions are also still required to resolve the QIPP shortfall on this contract led by the Contracts Team.

Other NHS Acute Contracts

The YTD position shows a £263k over-spend (OCS Appendix 3 A2 Lines 3 to 7) for the five smaller NHS Acute sector contracts, based on Month 4 activity data where it was available. The most significant Acute Hospital variances are: Doncaster & Bassetlaw Hospitals, which is £132k over plan relating to elective activity in the main, and both Sheffield Teaching and United Lincolnshire Hospitals - which are £54k and £42k over plan respectively.

Other Secondary Healthcare Costs

Independent sector provider budgets (OCS Appendix 3 A2 Line 9) have a YTD adverse variance of £51k. This variance includes a £30k over-spend for Spire and £26k for St Hugh's. Formal contractual arrangements are now in place for both Spire and St Hugh's and whilst there is some natural variability there may be a shift relating to patient choice, therefore activity management plans need to be closely monitored led by Contracting and corrective action taken. There is also an £11k over-spend for East Riding Fertility Services.

Analysis continues to be undertaken regarding referral trends for elective activity due to the underlying under-spend with NLaG and over-spends with Doncaster and Bassetlaw, Spire and St Hugh's.

At this stage it is unclear whether elective referral patterns are due mainly to patient choice. However, draft information has been produced for consideration up to Director level in order to facilitate appropriate rectifying actions.

Exclusions / Non-Contract Activity

The YTD under-spend is £94k on Line 10 of the OCS Appendix 3 A2, which is estimated by using comparative analysis of the 2015/16 YTD activity with the equivalent YTD and Out-turn 2014/15 invoiced activity, to generate a Forecast Out-turn for 2015/16 which results in an expected under-spend of £247k for the year end.

Ambulance Services

A YTD variance of £107k under-spent (Line 8 of the OCS Appendix 3 A2) is due to a YTD activity under trade and a contract performance penalty which was levied and received in April. These issues are not expected to continue at current levels and so are not reflected in the Forecast Out-turn. The penalties and activity variance are discussed in more detail at Section 10 of this report.

System Resilience Monies

Expenditure has been reported in line with budget for the YTD and forecast, as plans were submitted to NHS England by 2 September, on this basis.

ii. Community, Mental Health and Continuing Care

a) Rotherham, Doncaster and South Humber NHS Foundation Trust

The RDaSH contract is a block contract, therefore no variance is anticipated (reported on line 12 of the OCS). Costs which arise from activity performed outside of the contract are now reported under Lines 23 and 24 of the OCS (Appendix 3 A2) e.g. Coral Lodge, as this patient cohort is managed through a separate out of area process.

b) Community Health Services

The NLaG Community Services budget (Line 13 of the OCS Appendix 3 A2) is reported with no variance as it relates to a block contract.

Other Community Based Services are reported with a £37k over-spend. The main individual budgets contributing to this are; Virgin Care dermatology activity which is the main area of over-spend (£ 50k YTD) is offset by an under-spend for NLaG AQP (predominantly ultrasound) activity.

The hospice budget is reported with a YTD under-spend of £20k. This relates largely to the provision of drugs by Lloyds Pharmacy for Lindsey Lodge and is not expected to continue so is not reflected in the year end forecast.

c) Services for Vulnerable People (including Continuing Care)

Services for Vulnerable People are over-spent by £28k for the YTD and Forecast to be £9k under-spent by the year end. The main change from July relates to the increase in the Pooled budget reported over-spends (Lines 24 & 25 of the OCS at Appendix 3 A2). QIPP savings relating to case management have been included for current patients but not newly identified patients in the year-end Forecast Out-turn.

Continuing Care (Lines 17-21 of the OCS at Appendix 3 A2) has been reported with an YTD under-spend of £109k. Discussions with the budget holders lead us to understand that reasons for the under-spend include a decrease in the number of client cases funded and changes in management processes such as the high cost review panel process which has been successful. Personal Health Budgets are also starting to have an impact and will be separately identified in the OCS for next year.

The next section of Services for Vulnerable People (Lines 22 and 23 of the OCS at Appendix 3 A2) relate to Mental Health (MH).

For the YTD, Mental Health Out of Area Placements (Line 22) are £32k over-spent. The Forecast for Out of Area / Non Contract MH activity has increased slightly to £4.127m, following further validation of the patient monitoring list and review of package prices. This equates to an over-spend of £59k.

Learning Disability (LD) Out of Area placements (Line 23) are £21k over-spent for the YTD. The budgets have been re-aligned in August to better reflect levels of expenditure across these two areas, and the Forecast Year-end under-spend is £16k.

Projected expenditure based on available recorded patient and package details is still a little greater than invoiced expenditure. This is important for the due diligence process and handover of the management of out of area clients to RDaSH.

As previously reported, patient packages identified for transfer to RDaSH under the proposed arrangement have a provisionally agreed value of £5.1m. Discussions are on-going regarding due diligence of the patient numbers and package values together with the value of administrative and case management resource to be transferred. A Risk / Gain share agreement is being developed.

Further QIPP savings are expected following the planned transfer of management of the out of area budget and patient cohort to RDaSH, which is now anticipated to slip until early 2016. In the meantime the Trust is providing case management resources and other patient treatment options at zero cost to achieve QIPP, although these savings are predominantly cost avoidance rather than cash releasable savings.

d) Pooled budgets

The variances on interim pooled budgets (with North Lincolnshire Council) Lines 24 and 25 are reported within the Services for Vulnerable People section with any variance representing the CCG share of the pool over or under-spend.

Line 24 (The Mental Health Pool) has a YTD over-spend of £75k (compared to £10k in July) and is reported for August based on the May Pooled Budget Report for Mental Health (May being the most recent joint reporting month). However, this is not expected to change significantly for next month. The forecast over-spend of £181k is based on an over-spend on the council Mental Health pool reduced by the provisionally agreed Council contribution of £250k; the net value has then had the CCG's contribution percentage of 85% applied.

Negotiation is on-going with the Council regarding a further contribution following final review of patient eligibility. Some transfer to CHC from MH is also expected.

Therefore overall for Vulnerable People the year end is £9k under-spend. This is a significant achievement for this budget area compared with previous years.

iii. Primary Care

Primary Care as a whole is reported with an over-spend of £848k for the YTD and £1,382k for the Forecast Variance, which represents a significant deterioration in the forecast position compared to July. The main reasons for the over-spend are explained below.

a) Prescribing and Central Drugs

The net YTD position for Prescribing shows a £716k over-spend. This is based on three months of 2015/16 actual PMD expenditure and an accrual based on the forecast from the Prescribing Monitoring Document (PMD), reduced by Public Health recharge income and rebates.

The latest PMD forecast shows a significant increase of 5.24% in cost compared to 2014/15, due to increases in prescribing volumes of 3-6% on a number of practices. An average cost of £2.55m per month compares to the 2014/15 average of circa £2.42m per month.

The PPA based Forecast Variance is £1,272k which comprises a gross overspend of £1,354k, offset by income from recharges.

Recharges have been refined to reflect changes in Nutricia income which is no longer expected to be received and a one off receipt of £24k will offset prior year costs and supplement reserves.

It should be noted that the Community Nursing overspend is not reported in the forecast following discussion with the Directors as this specific increase of £706k compared to 2014/15 outturn of £16k is being urgently investigated by both NLaG and the Strategic Lead Pharmacist. Initial indications suggest this cost does not all relate to this CCG and in part could be a coding/processing issue.

The budget and forecast are net of planned and actual QIPP savings. The Category M cost pressure from 2014/15 is projected to continue for 2015/16, subject to the next Category M review which is on-going but a wider update is expected in October.

The YHCS Finance team is working with the budget holder to understand the increase in expenditure through focus on drug types and practices with the most significant year on year increases. Additional rebates have been identified which could reduce the over-spend, but not significantly. There are a number of planned actions which are being monitored. This is an area of volatility; however a number of other CCG's are experiencing similar increases in expenditure which could be in part due to a change in national PPA forecasting techniques.

The other main YTD variances under Primary Care relate to Central Drugs which is reported £106k above budget and Home Oxygen at £26k over budget.

b) Local Enhanced Services

Local Enhanced Services have been reported with no variance. The entirety of the budget is understood to be committed so there is not expected to be a year end under-spend.

iv. Other Programme Services

This section of the finance report includes for example, the performance of services such as: Patient Transport Services (i.e. for non "blue light" ambulance journeys), property charges for clinical accommodation, NHS 111 and central reserves (line 39).

It should be noted that the CCG has a contingency fund of £2.007m on Line 37 of the OCS which is mainly offset by the negative reserve of £1.50m which is within Line 38. The remaining reserves on Line 39, plus any resource freed up by the Balance Sheet reviews needed to cope with any in year risks during 2015/16.

The CCG managers have identified potential extra in year cost pressures which exceed the £500k specific reserve within Line 38. However, the list of cost pressures is still subject to review and validation, and the CCG's position is still broadly consistent with the CCG's Financial Plan.

As long as the CCG maintains disciplined control over all expenditure and QIPP through to the year end, the CCG is still on course to meet its statutory financial targets. However, it is recommended that contingency plans are developed by the QIPP Group should any further risks materialise including continued QIPP failure. This will also assist the CCG's underlying financial position going into 2016/17.

3. Capital Expenditure

The CCG has three GP IT schemes which are still at the final stage of receiving NHS England Approval, which are shown in the table below:

CAPITAL SCHEME	VALUE £000s
Wi-Fi Enabling Care Homes	12
Wi-Fi Access for Community Nursing	9
Data Sharing Hub to View Social Care Information	50
Total	71

4. 1% Non- Recurrent Expenditure

The CCG has badged the national CHC levy of £1.39 million against this target in 2015/16. This levy is now expected to continue for 2016/17 as all retrospective claims must be dealt with by March 2017.

5. QIPP Delivery

The following table summarises the reported 2015/16 QIPP Out-turn performance to 31 August 2015:

LOCAL QIPP SCHEMES	MONTH 5 : YEAR TO DATE			FORECAST ANNUAL POSITION		
	PLAN	ACTUAL	VARIANCE	BUDGET	FORECAST OUTTURN	FORECAST VARIANCE
	£ Million	£ Million	£ Million	£ Million	£ Million	£ Million
1) Transactional	1.93	1.92	(0.01)	4.63	4.63	0.00
2) Transformational - BCF	1.15	1.15	0.00	2.76	2.76	0.00
3) Other Saving Schemes	0	0	0.00	0	0	0.00
4) Non Recurrent Savings	0	0	0.00	0	0	0.00
TOTAL	3.08	3.07	(0.01)	7.39	7.39	0.00

It should be noted that the above position has relied on £0.11m of CHC savings in excess of target to almost balance the YTD position, and will require circa £1.2m of additional Non Recurrent Savings, Budget Reviews and Balance sheet flexibilities (over the original £1.5m target) to balance the Year End position

6. Risk Management

At the start of the Financial Year, the CCG faced considerable risks which it has managed down to acceptable levels. The Table below summarises the CCG's latest risk position and the small headroom which the CCG possesses over all known risks as at the end of August.

POTENTIAL VALUES
£ Million

1) RISKS

1.1. Acute Services	0.00
1.2. QIPP Failure Prescribing in particular	1.20
1.3. New Cost pressures Emerging in 2015/16	0.80
1.4. Total Risks	2.00

2) MITIGATIONS

1.1. Contingency Fund Already used to manage Forecast Out-turn	0.00
1.2. Earmarked Reserves	0.90
1.3. BCF Reserves	1.20
1.4. Total Mitigations	2.10

3 NET RISK HEADROOM

0.10

Therefore, whilst the CCG is reasonably placed to manage risks for 2015/16 if due diligence continues to be exercised through to March 2016, it is important to consider the risks which continue to be faced and will feature for 2016/17.

The NHS England Non ISFE return for Month 5 incorporates the following report, which presents the year-end position by explicitly indicating the use of recurrent resources and non- recurrent surplus drawdown. CCGs are encouraged to adopt the reporting of in-year surpluses locally to their Governing bodies and to external stakeholders, because it quickly indicates the starting “risk” for the following financial year.

To form basis of headline I&E reporting	In-year allocation:		YTD
	15/16 Core Allocation	215.45	89.57
	Allocation of prior years surplus for drawdown	2.44	1.02
	Total share of NHSE mandate for 2015/16	217.89	90.59
	Expenditure:		
	Forecast Expenditure	217.89	90.59
	Forecast under/(over)-spend against in year allocation	0.00	(0.00)
Memorandum information to be included as foot notes	In-year performance:		
	Performance against 15/16 core allocation		(2.44)
	Made up of:		
	Planned use of prior year surpluses (agreed drawdown)		(2.44)
	Other in year under/(over)-spend against resource limit	0.00	
	Memorandum: cumulative (historic) surplus/(deficit)		
	Total share of NHSE mandate for 2015/16	217.89	
	Return of remaining prior year surplus/(deficit)	2.20	
	Total allocation plus historic surplus/deficit	220.09	
	Forecast Surplus / (deficit) against total allocation	2.20	
Target additional surplus required to meet business rules	0.00		

7. Working Balance Management

Cash Flow Management

At 31st August 2015 the cash balance on the ledger was £239k, however, the actual bank balance was only £174k, due to un-cleared items and this is below the NHS England target of 1.25%.

Better Payment Policy (BPP) Performance

NHS

The monthly value of NHS invoices paid during August was above target at 99.97%, and the year-end outturn forecast is expected to continue at this level to the year end. The volume paid in month was on target at 99.25% and the forecast for the end of the year remains above target, currently showing 96.83%.

Non NHS

The Monthly value of Non-NHS invoices paid during August was below target at 90.62%, due to the large monthly block invoice for North Lincolnshire Council being paid at 31 days rather than 30 days when it was due. The delay occurred due to the CCG awaiting a receipt from the Council which was required before the payment could be released. This also impacts on the YTD which is currently 94.57%. YHCS believe this is an isolated occurrence and in future months will work with contacts at the Council to avoid repetition. This is the only target at the YTD which is not being achieved.

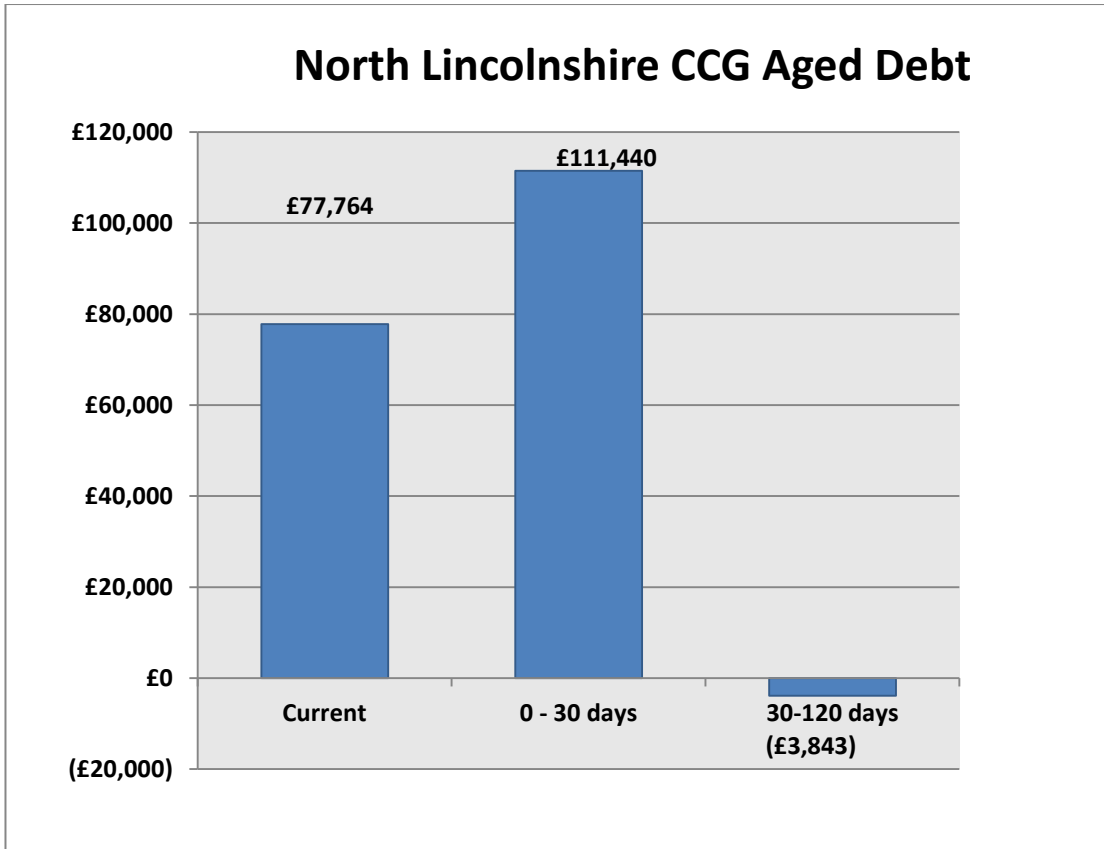
The volume of Non-NHS invoices paid is above target for both the in-month and year end measures, at 97.59% and 95.71%, respectively.

Overall BPP- Year to Date Outturn Performance

3 out of 4 YTD targets were achieved and YHCS endeavour to ensure this will be 4 out of 4 by year end.

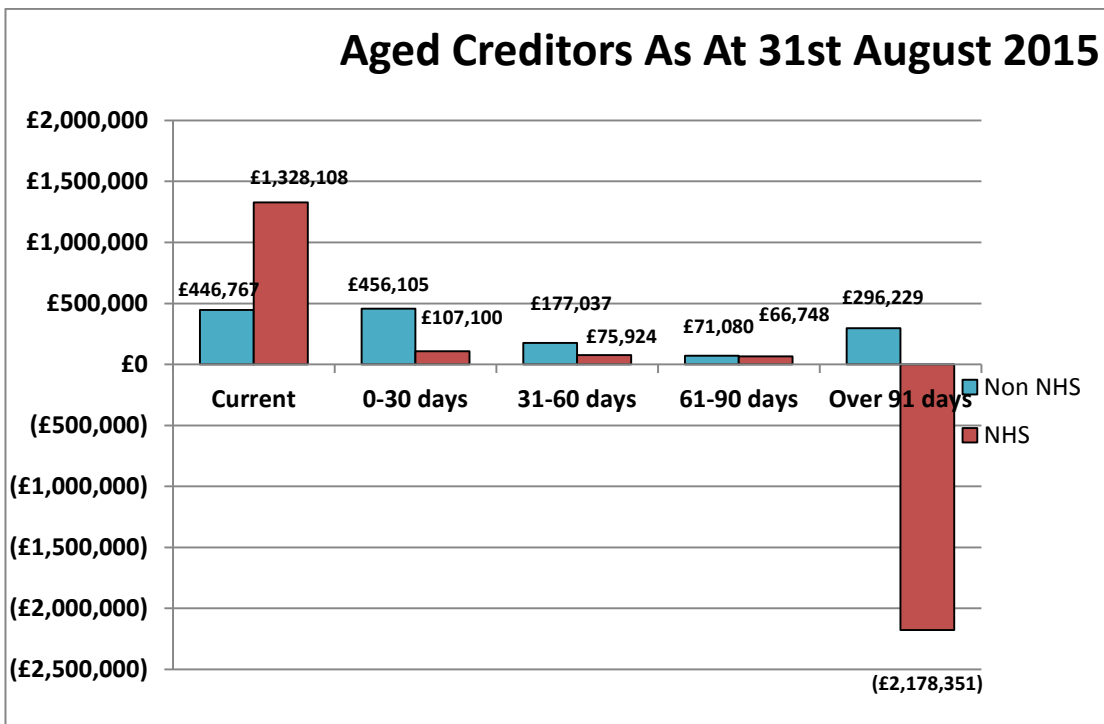
Debtor Management

At the 31st August 2015, the CCG had a balance of £185k of outstanding invoices, as shown below and in section 4.3. of the Appendices, which has increased slightly from last month. This mainly relates to current, rather than overdue invoices.



Creditor Management

As at the 31st August 2015, the CCG has circa £0.846m of total creditors outstanding. The chart below shows the split of the total Aged Creditors, by the number of days outstanding.



Please note:

- A large credit note is outstanding with North Lincolnshire and Goole Hospitals on the system, in line with the cash plan agreed with NLaG, hence the negative over 90 days value.

8. Other Targets

Running Costs

The CCG Running Cost Allocation for 2015/16 was reduced by 10% to £3.785m. Recurrent delivery of the RCA target is still expected despite the outcome of the LPF exercise which is still awaited.

9. Financial Governance

The main financial risk facing the CCG is that the underlying financial position of the CCG and the health economy is unsustainable. The CCG's underlying position is affected by the level of 'one off' funds which are supporting the budgets (and contracts) this year e.g. historic surplus drawdown and balance sheet flexibility, etc. In addition, in year pressures and investments will lead to a higher starting expenditure position next year as well as new cost pressures that we are expecting e.g. due to policy changes. Following further review it has been confirmed that QIPP and HLHF Schemes amounting to a minimum of £6.1m will be needed next year to 'stand still' and enable to CCG to achieve its statutory duties. This is before agreeing any new investments that are required. A HLHF 'Lock in' in September agreed timelines for modeling work which should enable an initial financial assessment of current plans by early November. Further work will be required to identify how any residual gap will be met and schemes developed ready for April.

A financial control environment self-assessment has been reviewed by the Audit Group and is a separate paper to the Governing Body. Generally the assessment has been scored as 'good' with some actions over the coming months to further improve, especially around the level of gap for future years, QIPP planning and delivery as identified above.

A Programme Budgeting exercise has been started for submission at end September and end October.

10. Contract Trading Position

Introduction

Please note that that the reported financial positions for organisations shown in Appendix 3 A2 often differ from the latest available trading statements for a variety of reasons, such as differences in timing, and data validation / verification issues as well as contract challenges around payment rules. However, any significant differences (e.g. due to risk sharing arrangements etc.) are still explained in Section 2- the revenue expenditure part of this report. The latest “raw” trading positions for the CCG’s main Acute Providers are shown in Appendix 3 A7, and briefly commented upon below. All references to the contract trading position refer to Month 4 information, unless otherwise stated.

Elective Activity

In Quarter 1 this year there has been a significant increase in Elective Activity delivered within the Independent sector, a large proportion of this increase relates to Orthopedics. This is coupled with a proportionate decrease in Orthopedics at NLAG and HEY demonstrating a shift in referrals to the independent sector. This pattern is currently being investigated in order to understand more fully what is driving this trend but could be related to waiting times at NLAG which is referenced on the Performance Report.

North Lincolnshire & Goole NHS Foundation Trust (NLAG FT)

Non Elective activity was up against plan in Month 4, whilst Elective activity was significantly down against plan at Month 4.

For Month 4 there are challenges on 5 Key Performance Indicators – (a) Planned Procedures Not Carried Out, (b) Multiple Outpatient Attendances, (c) Non North Lincolnshire Patients, (d) Multiple Inpatient Spells During the Same Day & (e) Elective Pre-operative Bed Days. These have a combined penalty value of £117,597 (based upon month 3 flex). It is important to note that whilst these penalties will be actioned, the use of this funding will be managed in line with the relevant conditions of the Memorandum of Understanding and associated Minimum Income Guarantee, that were agreed with NLAG, at the start of the financial year and so will not result in funding being returned directly to the CCG. The spend of the penalties relates to the agreed community investment plan within the MOU.

For Month 4 Non Elective Emergency work is below plan based on activity numbers and above plan in terms of finance, with higher costs cases coming from General Medicine. This is offset by Elective and Day Case work, which is below plan in terms of activity numbers and cost. It should be noted however that Elective activity has increased with other service providers leading to an investigation into the root causes of this shift.

A&E activity remains below plan, but close to the Trust's forward forecast. There are no signs in this area of demand slackening off, despite a slight downward trend in Month 4.

Outpatient activity continues to decrease in Month 4 and the Trust anticipates that this will continue to decrease.

Diagnostic activity continues to exceed outturn in line with the Trust projections, leading to concerns about constraints on capacity. Excluded drugs and devices expenditure also increases, but in line with Trust projections at this point.

In Month 4 the Trust met the A&E 4-hour waiting time indicator, achieving 96.43% against the 95% threshold. This builds on progress during Quarter 1 and demonstrates the positive impact of local improvement plans.

The Trust achieved the Incomplete 18 week Referral to Treatment waiting time measure for Month 4.

Current provisional cancer data indicates the Trust will achieve five of the seven cancer indicators for Month 4. The final position will not be known until 8 September 2015.

The Trust had two episodes of hospital acquired Clostridium Difficile in July.

The average Length of Stay for Non-Elective Month 4 was 4.5 days compared with 3.9 days during that month last year. The average Length of Stay for Elective for Month 3 was 2.7 days compared to 2.8 days last year.

Hull & East Yorkshire Hospitals NHS Trust (HEY)

Month 4 shows a wide variance on actual activity against plan with several areas differing from plan either up or down, concluding in an under trade of £37k. The significant difference being under trades in Elective, Non-Elective, and Outpatients.

For Month 4 there were challenges on three Contract Key Performance Indicators – (a) Multiple Outpatient, (b) Planned Procedure Not Carried Out and (c) Elective Pre-operative Bed Days. The total value of these challenges is £3,416.

The Trust continue to struggle with RTT in Month 4 with a total backlog over 18 weeks of 4,690 patients which is an increase of 811 on the previous month. The RTT non-admitted performance for June was 89.4% The RTT admitted performance for June was 63.1%.

In Month 3 the Trust had 8 breaches of the Cancelled Procedures with an offer of another appointment within 28 days target. The breaches were split between Surgery (6) and Clinical Support (2). For Clinical Support both breaches occurred as a result of lack of availability bed capacity, one for ICU and one relating to availability of ward beds post the planned procedure. In Surgery, the six breaches occurred in the following specialties, one in each of neurosurgery, ENT and two each in vascular and orthopaedics.

The implementation of the new Patient Administration System at HEY (Lorenzo) is not completed, although the implications of this are not considered to be significant for North Lincolnshire as the CCG mainly commissions outpatient activity.

East Midland Ambulance Service (EMAS)

Following continued underperformance against the three national standards EMAS were issued with a contractual performance notice resulting in the production of a Remedial Action Plan (RAP). The RAP has been shared previously with Commissioners for information and future updates will continue to be shared. The RAP is monitored by the EMAS Commissioning team on a two-weekly basis and through the EMAS Intensive Support Board. The assumption within the plan trajectory is that EMAS will return to delivering the required Red performance (combined Red 1 & Red 2) at a Regional level by September 2015 which links closely to delivery of the workforce plan.

In Month 4 the Trust achieved the target of responding to 75% Red1 calls within 8 minutes, (with a performance of 75.02%), the Red 1 performance for North Lincolnshire CCG was 84.62% (9.38% above the target of 75%). Red 2 was below the target of responding to 75% calls within 8 minutes, (with a performance of 70.33%), however the Red 2 performance for North Lincolnshire CCG was 78.86% (3.86% above the target of 75%). The Trust failed to meet its target of responding to 95% A19 calls within 19 minutes (with a performance of 91.80%), it also failed this measure in North Lincolnshire with a performance of 92.56%.

For North Lincolnshire CCG in Month there were 2,376 calls to the service. 528 of these resulted in Hear & Treat responses, 457 were See & Treat responses and 1,380 were See, Treat & Convey responses. The remaining calls were aborted.

There were 1,457 CAD recorded patient “drop-offs” at Scunthorpe General Hospital in Month 4. Of these 31 were delayed between 1–2 hours.

The Trust had 339 post-handover breaches in Month 4 resulting in a penalty of £7,420. The Trust failed two of its three National Performance Standards for Month 4 resulting in a penalty of £482,108. As the value of financial sanctions is capped at 2% for the 2015-16 Contract, the total value withheld will not exceed £241,054 in relation to month 4. North Lincolnshire proportion of the penalty values are: £480 for Post-handover breaches and £8,259 for failing two of the National Performance Standards.

Other Key Providers at M3

Doncaster and Bassetlaw NHS Foundation Trust (D&B)

The contract is over plan by £132k 12.9% at Month 4, mainly due to Day Case and Elective activity that is over planned levels by £94k. The main specialties within these areas that are overtrading are: Trauma & Orthopaedics £47k and Gynaecology £22k. Critical Care is also over performing by £11k.

In Month 4 the Trust failed to meet the target Percentage of Admitted Service Users starting treatment within a maximum of 18 weeks from Referral and the Percentage of Non-admitted Service Users starting treatment within a maximum of 18 weeks from Referral. However, it did meet the target for Percentage of Service Users on incomplete RTT pathways (yet to start treatment) waiting no more than 18 weeks from Referral.

Cancer data for Month 4 is currently not available.

United Lincolnshire Hospitals Trust (ULHT)

Month 4 is showing an increase in activity resulting in an over trade of £42K. A slight decrease on activity from A&E, Excluded Drugs and Elective activity.

The Trust did not achieve the 4 hour waiting time target in A&E in Month 4 with a performance of 91.37%.

The 18 week referral to treatment incomplete target was not achieved in Month 4 with a performance of 91.9%.

The Trust achieved none of the 9 National Cancer Targets in Month 4.

Sheffield Teaching Hospital (STH)

At Month 4 there was an over trade of £54k due to increased activity in Elective work. The main areas contributing to the over trade were Ophthalmology and Haematology together with additional activity in the high cost specialities of Pancreatic Surgery and Plastic Surgery.

At Month 4 the Trust achieved all three National RTT targets, but did not achieve the 4 hour A&E waiting time target with a score of 94.5%.

Cancer data for Month 4 is currently not available.

Sheffield Children's Hospital (SCH)

The trading position for Month 4 was within £7k of plan. There were slight increases in activity in A&E and Non-Elective work that contributed to the increase.

The Trust has reported no occasion in Month 4 where patients who have had their operations cancelled had not been offered a new operation date within 28 days.

The Trust has met all the required standards for cancer indicators two week waits for both Month 4 and the YTD.

The Trust has met the monthly Referral To Treatment – Incomplete and Admitted pathways performance targets for the seventh consecutive month. The Trust has reported for the third consecutive month running that there are no patients waiting over 52 weeks for their first definitive treatment.

The Trust has also met the required standard for four hour waits in A&E for Month 4.

Leeds Teaching Hospitals NHS Trust (LTH)

At Month 4 the Trust performance is on target against Plan. However, this masks some notable differences in the activity mix against plan. For instance Elective work is down against plan by 33% however this is compensated for by a broad range of small increases across several areas including Critical Care, Devices & Day Cases.

Therese Paskell

Chief Finance Officer & Business Support

September 2015

APPENDIX 3: A1) SUMMARY OPERATING COST STATEMENT 2015/16 POSITION AS AT: MONTH 5 (AUGUST 2015)

	CURRENT MONTH			YEAR TO DATE - AUGUST 2015			FULL YEAR FORECAST 2015/16		
	LATEST BUDGET	ACTUAL	VARIANCE	LATEST BUDGET	ACTUAL	VARIANCE	LATEST BUDGET	ACTUAL	VARIANCE
	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s
INCOME	18,095	18,095	0	91,506	91,506	0	220,093	220,093	0
GROSS EXPENDITURE									
1 Acute Services	9,595	9,485	(110)	47,984	48,002	17	115,147	115,422	275
2 Mental Health Services	1,103	1,103	0	5,525	5,525	0	13,245	13,245	0
3 Community Health services	1,663	1,688	25	8,313	8,330	17	19,950	19,949	(1)
4 Services For Vulnerable People	1,683	1,807	123	9,963	9,992	28	21,615	21,606	(9)
5 Primary Care Services	2,580	3,176	596	12,902	13,750	848	30,965	32,348	1,382
Other Programme Services:									
6 - Pay	8	7	(1)	41	37	(5)	100	101	1
7 - Non Pay	328	331	2	3,375	3,376	1	8,767	8,718	(49)
7 -Contingency	167	0	(167)	439	0	(439)	2,007	2,007	0
7 - Reserves	468	0	(468)	468	0	(468)	2,308	709	(1,599)
Total Other	972	338	(634)	4,324	3,413	(911)	13,182	11,535	(1,647)
8 Running Costs - Pay	85	82	(3)	426	412	(14)	1,022	992	(30)
9 Running Costs - Consultancy	0	0	0	0	0	0	0	0	0
9 Running Costs - Other	230	233	3	1,151	1,165	14	2,763	2,793	30
TOTAL	17,911	17,911	0	90,588	90,588	0	217,889	217,889	0
SURPLUS	184	184	0	918	918	0	2,204	2,204	0

NOTE: FOR A BREAKDOWN OF EXPENDITURE BY EACH NUMBERED LINE, PLEASE REFER TO APPENDIX A3-A2 OVERLEAF

APPENDIX 3: A2) CCG SUMMARY - COMMISSIONING OPERATING COST STATEMENT 2015/16

COMMISSIONED SERVICES		CURRENT MONTH			YEAR TO DATE - AUGUST 2015			FULL YEAR FORECAST 2015/16		
		LATEST BUDGET	ACTUAL	VARIANCE	LATEST BUDGET	ACTUAL	VARIANCE	LATEST BUDGET	ACTUAL	VARIANCE
		£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s
1	ACUTE SERVICES									
1	Northern Lincolnshire & Goole Hospitals NHS FT	7,318	7,324	7	36,588	36,574	(14)	87,812	87,812	0
2	Hull & East Yorkshire NHS Trust	899	793	(106)	4,494	4,412	(82)	10,786	10,786	0
3	Doncaster & Bassetlaw NHS FT	255	293	37	1,276	1,408	132	3,062	3,362	300
4	Sheffield Teaching Hospitals NHS FT	98	108	10	491	545	54	1,179	1,179	0
5	Sheffield Children's Hospital NHS FT	39	40	1	194	201	7	466	481	15
6	United Lincolnshire Hospitals NHS Trust	63	63	(0)	315	357	42	756	856	100
7	Leeds Teaching Hospitals NHS Trust	65	56	(9)	326	354	28	782	782	0
8	East Midlands Ambulance Trust	428	409	(19)	2,140	2,033	(107)	5,136	5,136	0
9	Other Secondary & Tertiary Care Services	132	127	(5)	671	722	51	1,594	1,702	108
10	Exclusions / Non-Contract Activity	205	180	(25)	1,026	933	(94)	2,463	2,216	(247)
11	Resilience	93	93	0	463	463	0	1,110	1,110	0
		9,595	9,485	(110)	47,984	48,002	17	115,147	115,422	275
2	MENTAL HEALTH									
12	Rotherham, Doncaster & South Humberstone Foundation Trust	1,103	1,103	0	5,525	5,525	0	13,245	13,245	0
		1,103	1,103	0	5,525	5,525	0	13,245	13,245	0
3	COMMUNITY HEALTH SERVICES									
13	NLAG Adult Community Services	1,320	1,320	0	6,601	6,601	0	15,841	15,841	0
14	Other Community Based Services	251	286	35	1,255	1,293	37	3,012	3,011	(1)
15	Hospices	91	82	(9)	457	437	(20)	1,097	1,097	0
16	Voluntary Sector	0	0	0	0	0	0	0	0	0
		1,663	1,688	25	8,313	8,330	17	19,950	19,949	(1)
4	SERVICES FOR VULNERABLE PEOPLE									
17	CHC Adult Fully Funded	895	937	42	5,890	5,865	(25)	12,209	12,076	(133)
18	CHC Adult Joint Funded	157	136	(21)	785	735	(50)	1,884	1,797	(88)
19	CHC Assessment & support	65	62	(3)	293	293	0	693	685	(8)
20	CHC Children	49	40	(10)	247	210	(37)	593	568	(25)
21	Funded Nursing Care & Other Care Packages	64	75	11	318	321	3	763	784	21
22	Mental Health - (Non RDASH)	468	340	(128)	1,709	1,741	32	4,068	4,127	59
23	Learning Disabilities	(22)	135	157	544	565	21	1,305	1,289	(16)
24	Mental Health Pooled Budget	4	70	66	160	235	75	57	238	181
25	Learning Disabilities Pooled Budget	4	12	8	18	26	8	43	43	0
		1,683	1,807	123	9,963	9,992	28	21,615	21,606	(9)
5	PRIMARY CARE SERVICES									
26	Prescribing Costs *	2,357	2,858	501	11,784	12,500	716	28,282	29,554	1,272
27	Central Drugs	51	121	70	257	363	106	616	715	99
28	Out Of Hours Service	0	0	0	0	0	0	0	0	0
29	Home Oxygen Costs	34	41	7	169	195	26	404	416	12
30	Local Enhanced Services	102	112	10	511	511	(0)	1,226	1,226	0
31	Primary Care IT	36	44	7	182	182	0	437	437	0
		2,580	3,176	596	12,902	13,750	848	30,965	32,348	1,382
6	OTHER PROGRAMME SERVICES									
32	Pay	8	7	(1)	41	37	(5)	100	101	1
33	Patient Transport	121	121	0	605	605	0	1,451	1,451	0
34	NHS Property Services	16	16	0	79	79	0	188	188	0
35	NHS 111	25	28	(3)	147	152	6	322	336	14
36	Other Programme Non Pay	167	166	(0)	2,546	2,541	(5)	6,806	6,743	(63)
37	Contingency	167	0	(167)	439	0	(439)	2,007	2,007	0
38	Reserves	468	0	(468)	468	0	(468)	2,308	709	(1,599)
		972	338	(639)	4,324	3,413	(911)	13,182	11,535	(1,647)
7	RUNNING COSTS									
39	Pay	85	82	(3)	426	412	(14)	1,022	992	(30)
40	Consultancy	0	0	0	0	0	0	0	0	0
41	Other Non Pay - Including CSU Recharge	230	233	3	1,151	1,165	14	2,763	2,793	30
		315	315	0	1,577	1,577	0	3,785	3,785	(1)
TOTAL DIRECT EXPENDITURE		17,911	17,911	(0)	90,588	90,588	0	217,889	217,889	0
SURPLUS		184	184	0	918	918	0	2,204	2,204	0
TOTAL NORTH LINCOLNSHIRE CCG		18,095	18,095	0	91,506	91,506	0	220,093	220,093	0

APPENDIX 3: A3) STATEMENT OF FINANCIAL POSITION 2015/16 POSITION STATEMENT AS AT: MONTH 5 (AUGUST 2015)

Balances As At 31 March 2015	Balances As At 31 August 2015	Forecast Balances As At 31 March 2016
£000s	£000s	£000s

Plant, Property & Equipment (PPE)	25	17	20
Accumulated Depreciation	(5)	0	(5)
Net Plant Property & Equipment	20	17	15
Intangible Assets	0	0	0
Intangible Assets Depreciation	0	0	0
Net Intangible Assets	0	0	0
Investment Property	0	0	0
Non-Current Assets Held for Sale	0	0	0
Non-Current Financial Assets	0	0	0
Other Receivables Non-Current	0	0	0
Total Other Non-Current Assets	0	0	0
Non-Current Assets	20	17	15
Cash	100	239	100
Accounts Receivable	700	184	700
Accrued Income	123	1,000	123
Prepayments *	0	0	0
Inventory	1	0	1
Other Current Assets	0	29	0
Current Assets	924	1,453	924
TOTAL ASSETS	944	1,470	939
Accounts Payable	(3,003)	(847)	(3,003)
Accrued Liabilities	(7,801)	(10,966)	(7,801)
Other - Payables	(60)	0	(60)
Short Term Borrowing	0	0	0
Current Liabilities	(10,864)	(11,813)	(10,864)
Non-Current Payables	0	0	0
Non-Current Borrowing	0	0	0
Other Liabilities	0	0	0
Long Term Liabilities	0	0	0
General Fund	9,920	10,343	9,925
Share Capital	0	0	0
Revaluation Reserve	0	0	0
Donated Assets Reserve	0	0	0
Government Grants Reserve	0	0	0
Other Reserves	0	0	0
Retained Earnings incl. In Year	0	0	0
Total Taxpayers Equity	9,920	10,343	9,925
TOTAL EQUITY & LIABILITIES	0	0	0

* Faster Payments are coded here In-year so this line will reduce in value when the invoices relating to these payments are correctly reconciled and matched.

APPENDIX 3: A4) OTHER TARGETS POSITION AS AT - MONTH 5 (AUGUST 2015)
CASH, BETTER PROMPT PAYMENT OF INVOICES & AGED DEBTOR / CREDITOR REPORT

4.1. CASH POSITION

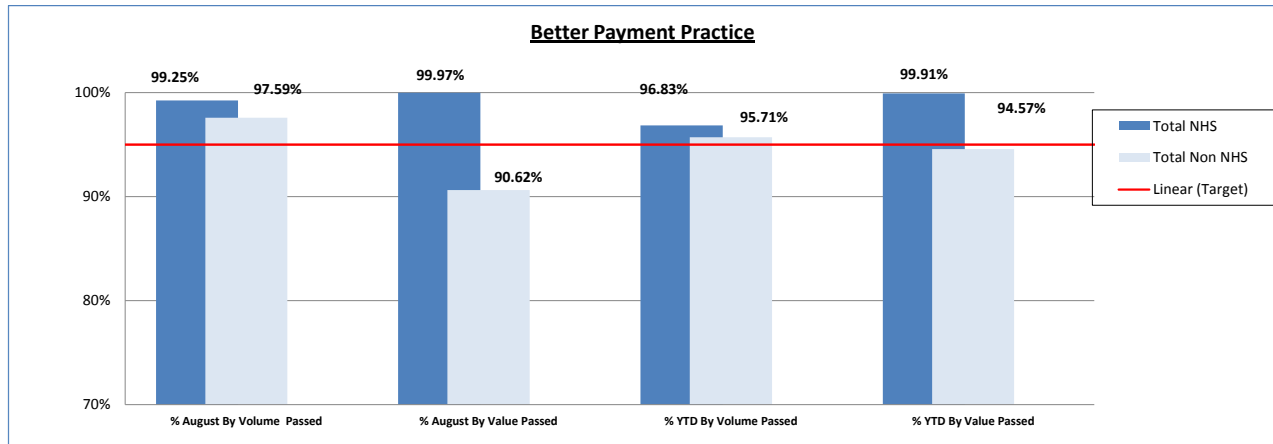
	CURRENT MONTH POSITION (AUGUST 2015)		PREVIOUS MONTH POSITION (JULY 2015)	
	£000s		£000s	
Cash Drawdown Amount	15,425		14,550	
Target Cash - 1.25% of Drawdown	193		182	
Cash Held At Month End	239		38	
Variance *	(46)		144	

* Theoretical "Best" performance would be a positive variance near to the cash target value - which indicates a cash balance in the bank at the month end which nears, but is in excess of, zero.

4.2. BETTER PROMPT PAYMENT CODE (BPPC) : INVOICE PAYMENT PERFORMANCE

Current Month Summary - August 2015	Invoice Count	Invoice Count (Passed)	% Passed	BPPC Amount	Invoice Amount (Passed)	% Amount Passed
Total NHS	134	133	99.25%	12,618,450	12,615,069	99.97%
Total Non NHS	622	607	97.59%	2,768,524	2,508,777	90.62%
Memo Item : Total BPPC	756	740	97.88%	15,386,974	15,123,847	98.29%

Year To Date Summary - August 2015	Invoice Count	Invoice Count (Passed)	% Passed	BPPC Amount £000s	Invoice Amount (Passed £000s)	% Amount Passed
Total NHS	757	733	96.83%	72,679,844	72,617,997	99.91%
Total Non NHS	3,564	3,411	95.71%	14,355,974	13,576,139	94.57%
Memo Item: Total BPPC	4,321	4,144	95.90%	87,035,818	86,194,137	99.03%



4.3. AGED DEBTOR & CREDITOR ANALYSIS - AS AT 31st AUGUST 2015

Aged Debtors	Current		0 - 30 days		30-120 days		Total	
	£	Number	£	Number	£	Number	£	Number
Invoices below £5k	0	0	0	0	(3,843)	5	(3,843)	5
Invoices over £5k	0	0	19,569	2	0	0	19,569	2
Invoices over £10K	0	0	0	0	0	0	0	0
Invoices over £20k	77,764	2	91,871	1	0	0	169,635	3
Total	77,764	2	111,440	3	(3,843)	5	185,361	10

Aged Debt Outstanding Over 30 Days	Total Amount (£)	Number	Days Outstanding	Comments
North Lincolnshire Council	(21)	1	140	YHCS chasing payment
North Lincolnshire Council	(400)	1	69	
North Lincolnshire Council	(3,842)	1	44	
North Lincolnshire Council	475	1	55	
Total	(3,789)	4		

Aged Creditors	Current £	0-30 days £	31-60 days £	61-90 days £	Over 91 days £	Total Amount (£)
NHS Creditors	£1,328,108	£107,100	£75,924	£66,748	(£2,178,351)	(£600,471)
Non-NHS Creditors	£446,767	£456,105	£177,037	£71,080	£296,229	£1,447,218
Total	£1,774,875	£563,205	£252,961	£137,828	(£1,882,122)	£846,747

APPENDIX 3: A5) ALLOCATIONS POSITION STATEMENT - AS AT MONTH 5 (AUGUST 2015)

	Use / Destination	REVENUE RESOURCE LIMIT STATUS			OTHER TARGET LIMITS		
		RECURRENT	NON RECURRENT (ONE OFF)	TOTAL	MAXIMUM CASH DRAWDOWN (MCD)	CAPITAL RESOURCE LIMIT	TOTAL CASH LIMIT
		£000's	£000's	£000's	£000's	£000's	£000's
1) BASE ALLOCATION							
Programme Funding		208,430	0	208,430	208,430	0	208,430
Surplus 14-15		0	4,646	4,646	4,646	0	4,646
Running Cost	-	3,785	0	3,785	3,785	0	3,785
Total Confirmed Funding	-	212,215	4,646	216,861	216,861	0	216,861
Anticipated	-	0	0	0	0	0	0
Total Allocated		212,215	4,646	216,861	216,861	0	216,861
2) NEW IN YEAR ALLOCATIONS							
BCF	36	3,488	0	3,488	3,488	0	3,488
AT Specialist Transfers 2014/ 15 - Recurrent Impact	38	(1,063)	0	(1,063)	(1,063)	0	(1,063)
HEY - Specialised Vascular/CTS activity	38	(201)	0	(201)	(201)	0	(201)
ETO/DTR Funding	38	0	605	605	605	0	605
GPIT	38	0	437	437	437	0	437
GPIT - Transition Funding	31	0	100	100	100	0	100
Flu Vaccinations	26	(231)	-	(231)	0	0	0
Waiting list validation and improving operational processes	38	0	4	4	0	0	0
Initial allocation of funding for eating disorders and planning in 2015	38	0	93	93	0	0	0
Total Confirmed Funding		1,993	1,239	3,366	3,366	0	3,366
3) ANTICIPATED ALLOCATIONS							
None	0	0	0	0	0	0	0
Total Anticipated Funding	-	0	0	0	0	0	0
4) TOTAL RESOURCES & BUDGET RECONCILIATION							
4A Confirmed resources per 1) and 2) above	-	214,208	5,885	220,093	220,227	0	220,227
4B Anticipated resources per 3) above	-	0	0	0	0	0	0
4C Total Resources (3A + 3B)	-	214,208	5,885	220,093	220,227	0	220,227
4D Latest Budgets	-	214,208	5,885	220,093	220,227	0	220,227
4E Variance Should = Zero (3D Minus 3C)		0	0	0	0	0	0

Note: All Anticipated Allocations shown above, support the existing issued CCG budgets, as shown in the Financial Plan and issued Budget Book.

APPENDIX 3: A6) RESERVES POSITION AS AT - MONTH 05 (AUGUST 2015)

1 SUMMARY

ORIGINAL BUDGET £	TRANSFERS IN £	TRANSFERS OUT £	YTD BALANCE REMAINING £	COMMENTS
4,618,966	1,283,913	(3,594,604)	2,308,275	Month 2 Annual Budget

ALL EARMARKED RESERVES

2 MAIN MOVEMENTS

TRANSFERS IN £	TRANSFERS OUT £	NET MOVEMENT £	COMMENTS
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STARTING RESERVE BUDGET

4,618,966

Month 6	
Month 5	
	BV047 Mental Health Pooled Budget Increase
	BV044 SC MH Pool and Vulnerable People Year End Flexibility
	BV043 SC Eating Disorders Allocation
Month 4	
	BV041 NS HLHF
	BV038 SG MH Pooled Budget
	BV037 SC Waiting List Allocation
	BV034 Fertility Previous Year
Month 3	
	BV027 NS In Year Cost Pressures
	BV021 JH Intermediate Care Trent View Reduced Contract Value
	BV015 SC Return to Reserves Clinical Training Budget not Required
	BV010 SC IMT Transition Allocation
	BV010 SC Reprofile CHC Risk Share
	BV007 DN LES Adjustment
	BV004 DN LES Elderly Care Funding
Month 2	
	BV006 SC Amendment to Allocations
	BV005 JH Realignment to Contract Baselines
	BV003 SC Return of Corporate Programme Budgets to Reserves CSU SLA & Propco
Month 1	
	No Activity
TOTAL	

TRANSFERS IN £	TRANSFERS OUT £	NET MOVEMENT £	COMMENTS
		0	
	(57,000)	(57,000)	
908,016		908,016	
93,000		93,000	
	(522,000)	(522,000)	
	(57,000)	(57,000)	
4,398		4,398	
	(10,885)	(10,885)	
	(83,398)	(83,398)	
71,428		71,428	
18,630		18,630	
100,000		100,000	
1,000		1,000	
54,000		54,000	
	(528,308)	(528,308)	
	(1,982,000)	(1,982,000)	Transfers to NHS England
	(354,013)	(354,013)	Main NHS Service Providers
33,441		33,441	
		0	
0		0	
1,283,913	(3,594,604)	(2,310,691)	

TOTAL YTD RESERVES

2,308,275

3) USE OF OUTSTANDING BALANCE

1) Better Care Fund - Contingency (£1.005m) & Risk Share Reserve (£1.242m)
2) BCF Investment Funding - Held Pending Sign Off of Schemes
3) Headroom - Call To Action
4) Elderly Care Named GP Fund
5) Re-admissions Penalty
6) Marginal Rates
7) Earmarked Reserves : Pending transfer from Balance Sheet flexibilities
8) General Negative Reserve (QIPP Saving)
FORECAST ANNUAL BUDGET - RESERVES
9) Less: Unspent Reserve Required by Month 12 To Achieve Target Surplus
FORECAST OUT-TURN RESERVES - VARIANCE

2,247,000
283,000
0
352,205
0
0
926,070
(1,500,000)
2,308,275
(709,000)
1,599,275

PER OCS STATEMENT FORECAST POSITION

£2,308k	Budget
(£709k)	Variance
£1,599k	Actual

APPENDIX 3: A7) MAIN ACUTE PROVIDER CONTRACT TRADING POSITIONS AS AT MONTH 5 2015 - FINANCIAL YEAR 2015/16

MAIN ACUTE CONTRACTS		YEAR TO DATE - AUGUST 2015 CONTRACT MONITORING (MONTH 5)				OTHER KEY DATA		SEE NOTE BELOW
		LATEST PLAN £ 000s	ACTUAL £ 000s	VARIANCE £ 000s	VARIANCE %	YTD VARIANCE IN FINANCE REPORT £ 000s	MEMO: ANNUAL PLAN £ 000s	Number
A NORTHERN LINCOLNSHIRE & GOOLE NHS FT								
1	Elective	5,550	5,195	(355)	(6.40%)		16,592	
2	Non Elective	8,591	8,985	394	4.59%		25,699	
3	Outpatient	5,319	5,280	(38)	(0.72%)		15,901	
4	Accident & Emergency	1,958	1,932	(26)	(1.33%)		5,679	
5	Other Services	12,858	13,044	186	1.45%		38,476	
6	CQUINs	817	861	44	5.42%		2,450	
	Earmarked Additional Funding subject to agreement	35,093	35,298	205	0.58%		104,796	1b
7	Seasonal vs Straight-line profile	0	0	0	-		-	
8	Winter Resilience / RTT funding	0	0	0	-		-	
9	Budget increase to agreed outturn value	201	201	0	-		783	
		35,294	35,499	205	0.58%	(14)	105,579	1
B HULL AND EAST YORKSHIRE HOSPITALS NHS TRUST								
1	Elective	1,209	1,184	(24)	(2.02%)		3,997	
2	Non Elective	1,032	1,005	(27)	(2.62%)		3,037	
3	Outpatient	523	504	(19)	(3.65%)		1,652	
4	Accident & Emergency	87	81	(6)	(6.48%)		260	
5	Other Services	584	715	131	22.45%		1,582	
6	CQUINs	84	84	(0)	(0.00%)		257	
7	Contract Challenges	0	(92)	(92)	-		-	
		3,518	3,481	(37)	(1.05%)	(82)	10,786	2
C OTHER MAIN ACUTE PROVIDERS								
1	Doncaster & Bassetlaw NHS FT	1,026	1,158	132	12.89%	132	3,062	
2	United Lincolnshire Hospitals NHS Trust	184	226	42	22.83%	42	756	3
3	Sheffield Teaching Hospitals NHS FT	387	441	54	13.92%	54	1,179	
4	Sheffield Children's Hospital NHS FT	158	165	7	4.47%	7	466	
5	Leeds Teaching Hospitals NHS Trust	262	264	1	0.49%	28	782	
		2,017	2,254	236	11.72%	264	6,245	
D TOTAL MAIN ACUTE CONTRACTS		40,829	41,233	404	0.99%	167	122,610	

Notes

- a) This value is reported within categories 1,12 and 14 of the Operating Cost Summary (OCS) at Appendix 3 A2. Included within the total Minimum Income Guarantee (MIG) envelope of £105.6m is £502k for AQP activity (line 15 of the OCS) and Non Contract Overseas Visitors at £302k on line 1. The contract baseline of £104.995m on the contract monitor provided by NLaG is being reconciled to the MIG to confirm the amounts agree. b) The variance of £21k under spent on line 1 of Operating Cost Summary (OCS) at Appendix 3 A2 relates to Overseas Visitors and not the main contract.
- This value is reported within category 2 of the Operating Cost Summary (OCS) at Appendix 3 A2, the OCS also includes non contract costs.
- This value is reported within category 6 of the Operating Cost Summary (OCS) at Appendix 3 A2. The OCS value includes high cost drugs which are charged outside of the contract baseline.