


MEETING DATE:	10 April 2014	 North Lincolnshire Clinical Commissioning Group REPORT TO THE CLINICAL COMMISSIONING GROUP GOVERNING BODY
AGENDA ITEM NUMBER:	Item 6.2	
AUTHOR:	Therese Paskell	
JOB TITLE:	CFO & Business Support	
DEPARTMENT:	Finance and Business Support	

DRAFT SUMMARY BUDGETS 2014/15

PURPOSE/ACTION REQUIRED:	Decisions for Approval
CONSULTATION AND/OR INVOLVEMENT PROCESS:	<i>The Draft Budgets for 2014/15 are based on the draft financial plan 2014/15 & 2015/16 which were approved at the CCG Engine Room on 6th February.</i>
FREEDOM OF INFORMATION:	<i>Is this document releasable under FOI at this time? If not why not? (decision making guide being developed)</i> Public

1. PURPOSE OF THE REPORT:							
To seek approval for the Draft Budgets for 2014/15, which subject to refinement are based on the Finance Plan submission to the Area Team on 4 th April.							
2. STRATEGIC OBJECTIVES SUPPORTED BY THIS REPORT:							
Continue to improve the quality of services		x					
Reduce unwarranted variations in services		x					
Deliver the best outcomes for every patient		x					
Improve patient experience		x					
Reduce the inequalities gap in North Lincolnshire		x					
3. IMPACT ON RISK ASSURANCE FRAMEWORK:							
		<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="padding: 2px 10px;">Yes</td> <td style="padding: 2px 10px;">X</td> <td style="padding: 2px 10px;">No</td> <td style="width: 20px;"></td> </tr> </table>	Yes	X	No		
Yes	X	No					
Narrative highlights financial risks and mitigation strategies							

4. IMPACT ON THE ENVIRONMENT – SUSTAINABILITY:

Yes		No	x
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The CCG does not have any capital resource.

5. LEGAL IMPLICATIONS:

Yes		No	x
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Not that we are aware of

6. RESOURCE IMPLICATIONS:

Yes	X	No	
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*This draft financial plan outlines the resources and savings required to deliver a balanced plan, achieve our statutory financial duties in accordance with NHS England guidelines.
This informs the annual budget for 14/15 which is a separate paper.
Any changes as a result of signed contracts will be advised at future meeting.*

7. EQUALITY IMPACT ASSESSMENT:

Yes		No	X
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This is not a policy or procedure. The commissioning plan overall needs to have an equality impact assessment.

8. PROPOSED PUBLIC & PATIENT INVOLVEMENT AND COMMUNICATIONS:

Yes	x	No	
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This will form part of the CCGs overall commissioning plan for which there will be a communication process for.

9. RECOMMENDATIONS:

The CCG Governing body is asked to: -

- Approve the Draft Summary Budgets for 2014/15

DRAFT 2014/15 BUDGET SUMMARY

1) INTRODUCTION

The latest Draft Financial Plan was agreed at the CCG Engine Room and Governing Body meetings and discussed at the Council of Members (CoM) meeting during January / February. This has provided the 'financial envelope' within which budgets can be set. A budget setting principles papers and timetable was also produced for the CCG Engine Room on 16th January.

No revisions to the Financial Plan were made following discussions with the NHS England Area Team before the resubmission deadline of 5th March.

As the CCG is required under its Constitution to set a budget for the 1 April that meets its statutory financial duties etc. detailed draft CCG budgets have been calculated ready for CCGs approval, which may be subject to any minor changes as a result of contract negotiations and / or any further iterations of the Financial Plan which will be finalised for both 2014/15 and 2015/16 on 4th April.

2) MAIN POINTS

The Summary Budgets are attached at Appendix 1 for review and approval.

The Draft CCG Budgets (at a more detailed Analysis 2 level) have been presented to the relevant Budget Holders / Budget Managers for formal sign off, in accordance with the timetable so that Budgets are finalised before 31st March 2013.

These meetings will also be used to agree the necessary budget delegations to ensure a validated Authorisation Matrix, is available along with agreed budgets.

Detailed financial risks, mitigation and risk sharing strategies were highlighted in the financial plan commentary and are not repeated here. However, this analysis will be updated and included within the overall Commissioning plan commentary. Appropriate summary tables will also be incorporated into the monthly financial reports to ensure all risks and mitigations are monitored and managed on an on-going in year basis.

3) NEXT STEPS

In year budget changes may be necessary when healthcare contracts are finalised and signed, and any budget virements (produced in line with the CCG's new Budget Virement policy) that are required will be summarised and included within the monthly finance report as appropriate.

The budget setting timetable, including CCG and CSU responsibilities as well as the updated Commissioning Plan sent to the CCG Engine Room have confirmed the deadlines the CCG is working to and are not repeated here.

The process and principles for agreeing Practice level budgets for 2014/15 are outside the scope of this paper and will be discussed at a future Council of Member meeting.

4) CONCLUSION/RECOMMENDATION.

The Governing Body is requested to approve the Draft Budgets and processes outlined for 2014/15.

Therese Paskell
Chief Financial Officer and Business Support

BASELINE BUDGETS FOR 2014/15**SUMMARY - BOARD REPORT FORMAT****NORTH LINCOLNSHIRE CLINICAL COMMISSIONING GROUP****Total****£ '000****INCOME**

1	Recurrent Programme Allocation - After Headroom Transfers	200,610
2	Recurrent Running Costs Allocation (RCA)	4,212
3	Other Programme Allocation Changes	9,143
	TOTAL	213,965

GROSS EXPENDITURE

1	Acute Services	113,049
2	Mental Health Services	12,451
3	Community Health Services	12,934
4	Continuing Care Services	21,335
5	Primary Care Services	30,176
6	Other Programme Pay	160
7	Other Programme Non-Pay	17,504
	Total Programme Expenditure	207,609

8 & 9	Running Costs	4,212
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TOTAL DIRECT EXPENDITURE**211,821****SURPLUS****2,144**

NOTE : For a breakdown of gross expenditure please refer to the "white" numbered sections overleaf

BASELINE BUDGETS FOR 2014/15**SUMMARY - BOARD REPORT FORMAT****NORTH LINCOLNSHIRE CLINICAL COMMISSIONING GROUP**

		Recurrent	Non- Recurrent	Total
		£ 's	£ 's	£ 's
1 ACUTE SERVICES				
1	Northern Lincolnshire & Goole Hospitals NHS FT	77,409,000	7,377,000	84,786,000
2	Hull & East Yorkshire NHS Trust	12,409,000	0	12,409,000
3	Doncaster & Bassetlaw NHS FT	2,949,000	0	2,949,000
4	Sheffield Teaching Hospitals NHS FT	965,000	0	965,000
5	Sheffield Children's Hospital NHS FT	290,000	0	290,000
6	United Lincolnshire Hospitals NHS Trust	904,000	0	904,000
7	Leeds Teaching Hospitals NHS Trust	840,000	0	840,000
8	East Midlands Ambulance Trust	5,116,000	0	5,116,000
9	Other Secondary & Tertiary Care Services	1,351,770	0	1,351,770
10	Exclusions / Non-Contract Activity	2,692,000	0	2,692,000
11	Clinical Assessment and Treatment Centres			
12	Collaborative Commissioning	746,230	0	746,230
		105,672,000	7,377,000	113,049,000
2 MENTAL HEALTH				
13	Rotherham, Doncaster & South Humberside Foundation Trust	12,450,995	0	12,450,995
		12,450,995	0	12,450,995
3 COMMUNITY HEALTH SERVICES				
14	NLAG Community Services	11,822,358	0	11,822,358
15	Other Community Based Services	479,800	0	479,800
16	Hospices	631,842	0	631,842
17	Voluntary Sector			
		12,934,000	0	12,934,000
4 SERVICES FOR VULNERABLE PEOPLE				
18	CHC Adult Fully Funded	2,223,995	0	2,223,995
19	CHC Adult Joint Funded	10,390,827	0	10,390,827
20	CHC Assessment & support	494,029	0	494,029
21	CHC Children	772,000	0	772,000
22	Funded Nursing Care & Other Care Packages	986,116	0	986,116
23	Mental Health - (Non RDASH)	3,039,971	0	3,039,971
25	Learning Disabilities	2,344,000	0	2,344,000
26	Mental Health Pooled Budget	477,005	0	477,005
27	Learning Disabilities Pooled budget	607,063	0	607,063
		21,335,005	0	21,335,005
5 PRIMARY CARE SERVICES				
28	Prescribing Costs	28,037,000	0	28,037,000
29	Central Drugs	753,202	0	753,202
30	Out Of Hours Service	452,000	0	452,000
31	Home Oxygen Costs	357,001	0	357,001
32	Local Enhanced Services	602,273	0	602,273
33	Primary Care IT	-25,476	0	-25,476
		30,176,000	0	30,176,000
OTHER PROGRAMME SERVICES				
6	Pay	159,814	0	159,814
7	Non Pay	9,753,186	7,751,000	17,504,186
		9,913,000	7,751,000	17,664,000
RUNNING COSTS				
8	Pay	1,003,647		1,003,647
9	Non Pay - Including CSU Recharge	3,208,353	0	3,208,353
		4,212,000	0	4,212,000
TOTAL APPLICATION OF FUNDS		196,693,000	15,128,000	211,821,000