


MEETING DATE:	10 April 2014	 North Lincolnshire Clinical Commissioning Group REPORT TO THE CLINICAL COMMISSIONING GROUP GOVERNING BODY
AGENDA ITEM NUMBER:	Item 7.5	
AUTHOR:	Therese Paskell	
JOB TITLE:	CFO & Business Support	
DEPARTMENT:		

FINANCE REPORT MONTH 11 (FEBRUARY 2014)

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

1. PURPOSE OF THE REPORT:					
To brief the Governing Body members on the finance position and achievement of duties so far for 2013/14 (as at end of February).					
2. STRATEGIC OBJECTIVES SUPPORTED BY THIS REPORT:					
Continue to improve the quality of services	<input type="checkbox"/>				
Reduce unwarranted variations in services	<input type="checkbox"/>				
Deliver the best outcomes for every patient	<input type="checkbox"/>				
Improve patient experience	<input type="checkbox"/>				
Reduce the inequalities gap in North Lincolnshire	<input type="checkbox"/>				
Finance supports achievement of all of these					
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; text-align: center;">x</td> <td style="padding: 2px 10px;">No</td> <td style="width: 20px;"></td> </tr> </table>		Yes	x	No	
Yes	x	No			
A financial risk section is included in the narrative					

4. IMPACT ON THE ENVIRONMENT – SUSTAINABILITY:

Yes		No	x
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5. LEGAL IMPLICATIONS:

Yes	x	No	
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Financial liabilities facing the CCG are shown in the report as well as statutory financial duties.

6. RESOURCE IMPLICATIONS:

Yes	x	No	
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Highlights financial risks that may impact on resources available.

7. EQUALITY IMPACT ASSESSMENT:

Yes		No	x
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No Equality Impact Assessment has been undertaken because this is not a policy/procedure/guidance.

8. PROPOSED PUBLIC & PATIENT INVOLVEMENT AND COMMUNICATIONS:

Yes		No	x
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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.

9. RECOMMENDATIONS:

The Governing Body members are asked to: -

- Receive and note the finance report

NORTH LINCOLNSHIRE CCG FINANCE REPORT

FINANCIAL YEAR 2013/14: MONTH 11 (FEBRUARY) 2014

Page Number

1) SUMMARY MAIN FINANCE TARGET PERFORMANCE	2
2) NARRATIVE REPORT	3-15
3) APPENDICES TO THE FINANCIAL REPORT:	

REVENUE & CAPITAL REPORTS

A1) Summary Commissioning Operating Cost Statement - New SBS Format	16
A2) Commissioning Operating Cost Statement	17
A3) Statement of Financial Position	18
- Capital Expenditure Monitoring Statement (Not Applicable for 2013/14)	

WORKING CAPITAL REPORTS

A4) Other Key Financial Performance Targets	
4.1. Cash Holdings At Month End	19
4.2. Better Prompt Payment of Invoices Performance	19
4.3. Aged Debt Report	19
4.4. Aged Creditor Report	19

ALLOCATION REPORTS

A5) Resource Limit Information (i.e. Revenue, Capital & Cash)	20
A6) Reserves Summary	21

1) CCG SUMMARY - MAIN FINANCE TARGET PERFORMANCE

A) OVERVIEW - ALL KEY TARGETS		MONTH 11 : FEBRUARY 2014	YEAR TO DATE	FORECAST YEAR END	MAIN CHANGES TO LAST MONTH	COMMENTS
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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	➡	Above target for both the month and year to date
5 95% of NHS Invoices by Number are Paid within 30 Days	A	A	G	⬇	Slightly below target for month and year to date due to NCA invoices
6 95% of Non NHS Invoices by Value are Paid within 30 Days	A	A	G	⬇	Slightly below target for month and year to date.
7 95% of Non NHS Invoices by Number are Paid within 30 Days	A	G	G	⬇	Slightly below target for month. Above target for year to date
8 Period End Cash Balances are 5% of Drawdown	A	G	G	⬆	Above the 5% target in month.

KEY:	⬆ = Improvement in performance	➡ = No change in performance	⬇ = Deterioration in performance
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B)	REVENUE BREAK-EVEN PERFORMANCE	YEAR TO DATE			FORECAST YEAR END		
		BUDGET/ TARGET	ACTUAL	VARIANCE	BUDGET/ TARGET	ACTUAL	VARIANCE
		£000s	£000s	£000s	£000s	£000s	£000s
1	Total Expenditure	187,520	187,520	0	204,410	204,410	0
2	RUN RATE - Planned and Actual Surplus	3,667	3,667	0	4,000	4,000	0

CCG FINANCIAL COMMENTARY 2013/14: MONTH 11 (FEBRUARY 2014)

EXECUTIVE SUMMARY

Overall Month 11 Position: The CCG has reported YTD achievement of all its key financial targets (except those for Better Payment Practice) and is still forecasting year end achievement of all its key financial targets.

QIPP: The in-year savings target is currently being delivered - largely as a result of those measures incorporated within acute contracts and savings from prescribing. The remaining slippage has been funded on a recurrent basis from reserves.

Running Costs: The CCG has a "Running Costs" target per head of weighted population of £24.97 for 2013/14. The CCG remains on course to hit this target at the end of the financial year.

Summary Risk Table

RISKS	FULL RISK VALUE £m	RISK PROBABILITY %	POTENTIAL RISK VALUE £m
Acute SLAs	0.40	50%	0.20
QIPP Under-Delivery	0.00	0%	0.00
Continuing Care	0.80	42%	0.20
Other Risks	4.00	75%	3.00
TOTAL RISKS (R)	5.40		3.40
ALL MITIGATIONS (M)	3.87		3.85
NET RISK / HEADROOM (M) – (R)			0.45

The key point to note is that risk mitigations (M) currently exceed all foreseen risks (R) by circa £0.45m, even after the £2m increase in the CCG's forecast surplus, which will be carried forward and used in 2015/16 if NHS England do not allow this additional surplus to be used by the CCG in 2014/15.

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

1. HEADLINES & KEY MESSAGES: MONTH 11

Target / Issue	Outturn	Comments
Revenue Target <ul style="list-style-type: none"> Achieve £4m surplus Spend 2% of Allocation on one-off items 	On Track On Track	Forecast Surplus of £4m reported to Area Team, NHS England Business Case approved by the Area Team.
Resource Limit	On Track	Expenditure maintained within Revenue Resource Limit (RRL)
QIPP Delivery	Largely on Track	Total QIPP savings on track (including other non- recurrent savings) For recurrent delivery – see risk management section.
Revenue Risks Outside QIPP <ul style="list-style-type: none"> Winter Pressures HEY SCG contract rebasing Private Hospital activity NCA & OATs Continuing Care Unplanned Care 	Risks Managed	Risks managed through general contingency reserve and specific earmarked reserves.
Cash Management	Largely on Track	This target was not achieved in February due to a delay in the receipt of invoices for marginal rate funding. However, the CCG is now on track to hit this target for the end of the financial year.
Better Payment Target	Largely on Track	One of the four targets has been achieved. The Non NHS targets and the number of NHS invoices have slipped slightly below target.
Capital Resource Target	On Track (N/A)	The CCG will not receive a Capital Resource Limit for 2013/14 and so has no capital expenditure to report.
Governance	On Track	CCG is authorised with no conditions. Legacy issues are progressing on target. Accounts guidance due.

2. REVENUE EXPENDITURE – KEY MESSAGES

The detailed Operating Cost Statement (OCS) shown in Appendix 3 A2) provides a more detailed “drill down” of most of the lines shown in the Summary OCS contained in Appendix 3 A1) and a forecast out-turn position based on a risk range. Key points to note are as follows:

Acute Contracts

NLAG

Northern Lincolnshire & Goole Foundation Trust (NLAG) year to date (YTD) variance is reported as £966k, which equates to 11/12ths of the contract cap of £1m, plus £82k for overseas visitors less £32k interim contract penalties.

However, if no contract cap was in place the underlying YTD overspend is £1,955k, excluding overseas visitors, based on the latest month 10 contract monitor information.

The main contributors to the variance continue to be non elective activity that is £719k over plan, outpatients which are £705k over plan (an adverse change of £177k from last month) and other services (which include diagnostic and excluded drugs/devices) that are £1,030k over plan (a £312k adverse movement since last month). These variances are under investigation by the contracting lead. However, these overspending areas are partially offset by a £259k adjustment for the non-elective threshold, plus re-admissions penalty, and elective activity which is £105k below plan (an adverse change of £165k since last month).

The imbalance between non elective and elective work continues to be of concern and has now been reflected in the setting of the CCG's budgets for 2014/15.

The 2013/14 Forecast Outturn (FOT) variance is based on the full contract cap of £1m plus £70k for the overspend on overseas visitors. A further £1.5m has been agreed to be paid to NLAG for transformation costs subject to credit notes and penalties being enacted.

HEYT

The Hull & East Yorkshire Hospitals (HEY) YTD position is reported at £550k over plan, on the basis of the £300k full year cap plus an additional £300k agreed as an income guarantee, relating to specialist commissioning.

If this income guarantee had not been agreed the overtrade on this contract would have been significantly lower. This has not yet been reflected in the contract monitor.

Exclusions / Non-Contract Activity

An under spend is reported of £594k year to date, reflecting continued low exclusions activity and the current trajectory of Non Contract Activity (NCA) expenditure. Particular areas of note are a) Exclusions (which includes the Brain Injury Rehab Trust) at £298k under plan, a significant fall due to a reduction in assumptions re additional patients expected to be placed, b) medication calls which are £36k below plan, and c) Nottingham University Hospitals where activity received has been significantly below plan.

Continuing Care / Services For Vulnerable People

The Continuing Care and Mental Health YTD overspend has increased based on the package costs and patient cohort recorded within the Broad care system.

The current forecast YTD variance shows an over spend of £2,748k at month 11 and is broken down as follows:

- Continuing Care £1,752k
- Mental Health/ Learning Disability £ 996k

The most significant areas contributing to the YTD variance within continuing care are as follows (N.B. The line numbers refer to the Operating Cost Statement in the Board report):

- Joint Funded Packages (line 19) £ 903k
- Adult Continuing Care (including provision for Un-assessed Patients of £405k) (line 18) £ 650k
- Children (line 21) £ 450k

The forecast year end position is not a straight line projection of the YTD, as it accounts for the commitments as they currently stand plus further anticipated QIPP savings of circa £49k. This is in addition to those savings achieved to date of £224k. The latest update on the data cleanse is also included in the outturn. Particular areas of focus for the continuing care team include, for example, an opportunity to purchase a specialist bed for a patient at a cost of circa £6k which will reduce 24/7, one to one care costs by around £2,500 per week.

An analysis of this area was undertaken to assess the change in patient numbers and case mix since the beginning of the year.

Further analysis suggests that patient growth has had a marginal reduction in month. Case mix movement to higher cost packages and volume growth both account for approximately 50% of the over spend.

This growth in patient numbers means that there is potential for a further deterioration in the financial position in month 12 and the growth in package costs and volume has been highlighted during the CCG's 5 year finance plan development. In addition, External Audit has indicated they will be reviewing this area at year end due to its materiality.

Other Secondary Healthcare Costs

The overspend on other secondary and tertiary care services reflects the impact of patient choice and the increased use of private healthcare facilities, such as the Spire and St Hugh's hospitals. Expenditure at the Spire Hospital has stabilised, and the overspend at St Hugh's has been built into the position.

Collaborative Commissioning

The expenditure and variances on this report line represents the impact of non-recurrent Winter Pressures funding to NLAG and credit notes which the CCG is expecting from NLAG in respect of CDiff and A&E target penalties for 2012/13. The full year value of the latter is £378k.

RDASH Mental Health

The YTD overspend of £63k is predominantly due to unplanned Coral Lodge bed occupancy costing circa £10k per month over baseline. The forecast overspend will not increase as previously indicated as the patient has now been discharged.

Pooled budgets

Pooled budgets with North Lincolnshire Council have reported year to date variances for both Learning Disability and Mental Health totalling £203k, reflecting the CCG share of the overspends, although this has since increased. The CSU Senior Delivery Manager for Mental Health has put in place an action plan with North Lincolnshire Council and RDASH regarding this activity, but the impact of any agreed measures will be experienced more in next financial year. The action plan will address approval of NCA and reducing the costs of packages, which are contributing to the significant pressures on the pooled budget for Mental Health (see below). The Local Authority is implementing a similar action plan for the Learning Disabilities Pooled Budget. Discussions are taking place between the Local Authority and CCG regarding contributions to the LD overspend which they have used other monies to cover in year.

Primary Care

The Out of Hours service is shown as breakeven as the plan is that the NLAG urgent care service referred to above will utilise funding previously used for SAGPEC. Potential risks and opportunities concerning the OOH service are covered in the risk forecast. The Area Team charges for the Ironstone Centre have been resolved on a non recurrent basis for 2013/2014 and will be included in the Month 12 position.

Prescribing

The reported YTD under spend for Prescribing is £402k, based on Month 9 figures from the Prescribing Prescription Authority (PPA). This is a change of almost £600k from the previous position due to an error in the PPA report at Month 8.

The forecast outturn also reflects income from rebates in respect of Nutricia products prescribed since September 2012, £33k relating to March 2013 and £82.5k for 2013/2014 year to date. Projected recharges for substance misuse drugs prescribed are £74k year to date.

However, there is also a potential full year impact of £100k for recharges to the Local Authority for sexual health prescriptions including LARC where the budget is no longer in the CCG allocation, under discussion with the council, and not currently reflected in the year to date.

Once the year end position is finalised any further savings will be transferred into the QIPP budget.

Other Programme Services - Non Pay

This line of the finance report records the performance of services such as Patient Transport Services (i.e. for non “blue light” ambulance journeys), NHS 111, property charges for clinical staff accommodation, and central reserves (as shown in Appendix 8) which currently stand at a badged total of **£5,395,229**.

3. CAPITAL EXPENDITURE – KEY MESSAGES

The CCG will not receive any capital this year and so will not receive a Capital Resource Limit (CRL) to finance minor capital expenditure e.g. IT.

However, discussions on how to facilitate and support changed models of care, alongside co-commissioners e.g. NHS England, are on-going.

In addition, the CCG’s small £25k bid for IT in 2014/15 has been supported by the Area Team out of 2013/2014 slippage. The central sign off of the funding is expected in Month 12, to allow the CSU to procure this equipment on the CSU’s behalf via a capital grant.

4. 2% RECURRENT HEADROOM

The 2013/14 financial plan contained provision to ensure that 2% of the recurrent financial allocation is used on a non-recurrent / one-off basis. The proposals have a total value of **£3,918k** and briefly fall in the following areas:

- **£2,841k** to unify and transform the urgent care pathway at Northern Lincolnshire & Goole NHS Foundation Trust (NLAG), plus non recurrent support to implement New Models of Care / Healthy Lives Healthy Futures (previously known as Sustainable Services) service changes.
- **£500k** to support transition / double running costs from 111 implementation or delay.
- **£577k** for pump priming to improve patient pathways & rapid assessment.

This funding is fully committed within the budgets for 2013/14, and NLAG are progressing with the associated programme for 2013/14.

5. 2013/14 QIPP DELIVERY

The following table summarises the reported 2013/14 QIPP performance:

LOCAL QIPP SCHEME CATEGORY	YTD PLAN £000s	YTD ACTUAL £000s	YTD VARIANCE £000s	FORECAST OUTTURN £000s	FORECAST OUTTURN VARIANCE £000s
Transactional Schemes	1,302	1,802	500	3,014	1,592
Transformational Schemes	3,043	1,760	- 1,283	1,880	-1,442
Other Schemes (i.e. continuing care)	0.367	0.224	- 0.143	0.250	-0.150
Total Local QIPP	4,712	3,786	- 0.926	5,144	0

Schemes totalling £1,442k were incorporated within specific acute contracts and/or specific budgets (e.g. Prescribing) and Continuing Care is forecast to under achieve by up to £150k by the year end. Additional prescribing savings and recurrent reserves will enable the CCG to achieve its recurrent QIPP savings by year end.

6. RISK MANAGEMENT

The main risks and risk mitigations are as follows:

RISKS	FULL RISK VALUE £m	RISK PROBABILITY %	POTENTIAL RISK VALUE £m	EXPLANATORY NOTES
Acute SLAs	0.40	50%	0.20	NCA & Exclusions.
Continuing Care	0.80	25%	0.20	Subject to QIPP
QIPP Under-Delivery	0.00	0%	0.00	Built into Forecast Outturn
Other Risks	4.00	75%	3.00	<ul style="list-style-type: none"> Non-payment of 2012/13 penalties. Incentive payments Pooled budget support BCF & Transition plans
TOTAL RISKS (R)	5.20		3.40	

MITIGATIONS	FULL MITIGATION VALUE £m	RISK PROBABILITY %	POTENTIAL RISK VALUE £m	EXPLANATORY NOTES
Contingency Held	2.01	100%	2.01	
Contract Reserves	0.00		0.00	
Investments Held	0.19	100%	.19	QIPP Investment Pot
SubTotal Uncommitted Funds	2.20		2.20	
Other Mitigations	1.65	100%	1.65	HV credit note - NLAG
Sub Total Actions Still to Implement	1.65		1.65	
ALL MITIGATIONS (M)	3.85		3.85	

NET RISK / HEADROOM (M) – (R)			<u>0.45</u>	Total Mitigations - Total Risk (M minus R)
BEST CASE IMPACT	3.85		3.85	No Risks materialise and Uncommitted Funds are still held unused & mitigations still occur.
WORST CASE IMPACT	(3.00)		(1.20)	All Risks occur, and all mitigating actions Still to Implement are unsuccessful. Uncommitted funds are fully used to mitigate the position.

7. WORKING BALANCE MANAGEMENT

Cash Flow Management

At the end of Month 11, the CCG ledger cash balances totalled £1,186k, which is above the 5% of drawdown target (£815k) maximum bank balance allowable to February 2014. This was due to a predicted marginal rates invoice being delayed until March. The cash book is fully reconciled to the ledger on a monthly basis. At year end, 31st March 2014, cash balances are forecast to be £250k, which is in line with NHS England expectations.

The CSU continue to work closely with SBS on the CCG's behalf to achieve cash targets.

Better Payment Policy (BPP) Performance

NHS – targets achieved in this category

The value of NHS invoices paid during February was above the target of 95% of invoices paid within 30 days of the invoice date, 99.92%. The volume of invoices paid in February was below target at 79.86% due to a number of low value NCA invoices being paid outside the target payment terms.

Non NHS – targets achieved in this category

The value of Non NHS invoices paid in February was slightly below target at 93.39%, as was the volume of Non NHS invoices paid in January at 93.73%. Both of these targets have increased compared to the previous month, but are still below target.

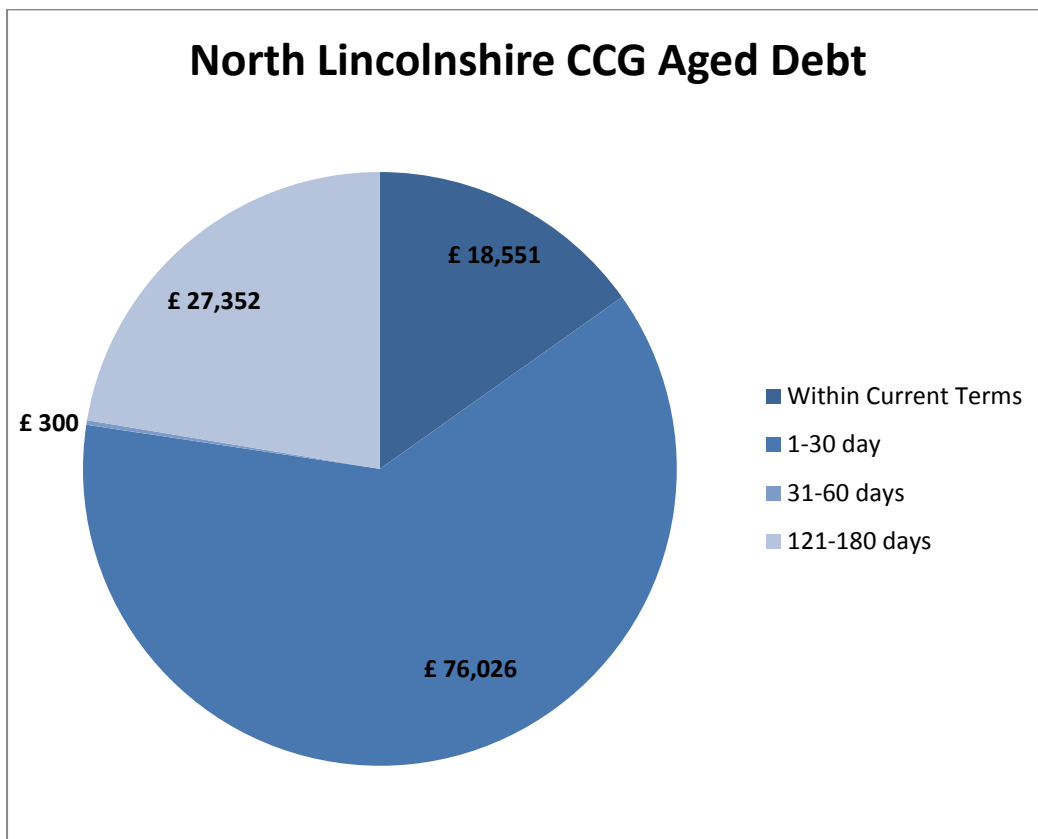
Overall BPP YTD performance

The YTD performance has deteriorated slight, with only the value of NHS invoices and the number of Non NHS Invoices being above target. The other 2 targets are slightly below 95%, with Number of NHS invoices being 94.09% and value of Non NHS invoices at 94.54%.

Debtor Management

As at 28th February 2014, the CCG had 2 outstanding invoices in excess of 60 days relating to North Lincolnshire Council. These debts total £27,352 and relate to Continuing Health Care Section 117 Care Packages.

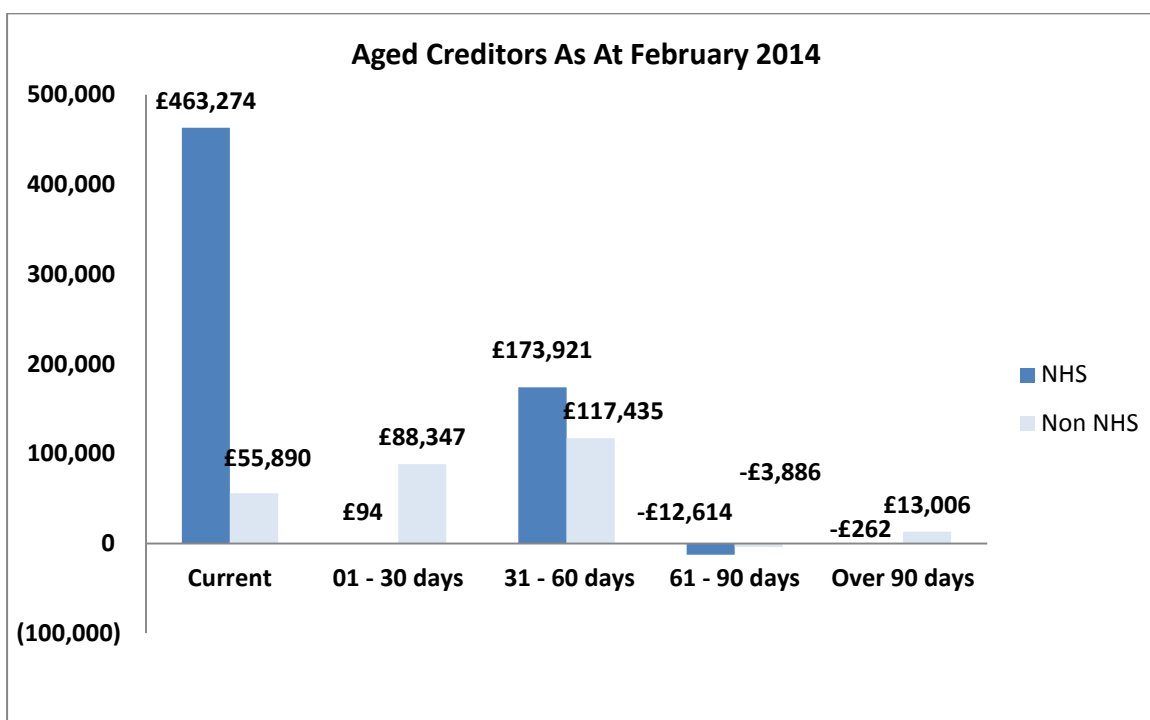
In addition there is a small invoice with NHS England for £300 which has been outstanding for more than 30 days. This relates to LES payments made in May 2013 by the CCG, on behalf of NHS England.



Creditor Management

As at the 28th February 2014, the CCG has £895k of Aged Creditors outstanding. The over 90 days outstanding amount of £13k, relates to one Non NHS invoice with a continuing care provider. The outstanding over 31 to 60 days figure relates to two invoices. The NHS figure is a Northern Lincolnshire & Goole FT part paid invoice and the Non NHS figure is a Continuing Care provider.

Below is a chart showing the split of the total Aged Creditors, by the number of days outstanding.



8. OTHER TARGET DELIVERY

Running Costs

The CCG has a “Running Costs Allowance” (RCA) per head of weighted population of £24.97, which is marginally below the stated maximum CCG RCA for 2013/14 which is set at £25.00. A breakeven position is reported for the YTD and a small underspend is expected for the year end against the CCG’s RCA.

PCT Legacy

The PCT ledger closed at the end of August and all subsequent legacy invoices have been forward to the X25 ‘legacy’ ledger for payment.

Guidance has been received from NHS England, confirming that no legacy balances will be transferred into the CCG ledger, including Continuing Care provisions. These will be held as part of the NHS England Balance Sheet.

A cash adjustment has been made for prior year costs paid by the CCG upto the end of December 2013. These costs have under instruction from NHS England, been moved out of the ledger. Any costs incurred after this date have been moved out of the ledger to the Balance Sheet for matching against the X25 ledger, in due course.

9. FINANCIAL GOVERNANCE

The Audit Group have approved the year end accounting policies and accounts timetable, and planning for the year end process continues, working with the CSU. External Audit has conducted their initial preliminary work on the CCG's budget management systems and preparedness for the year end. However, final year end guidance from NHS England is still awaited.

A draft Annual Governance Statement for 2013/14 will go to March's Audit Group and will reflect the journey the CCG has been on, and its future direction of travel, in terms of its internal controls and those of the CSU.

Finally, the draft Finance Plan was submitted to the Area Team in February and the CCGs Annual budget has been approved by the CCG Engine Room. The CSU are producing a budget book to distribute to Council of Members at the end of March, at which setting of practice budgets will also be discussed.

Therese Paskell, Chief Finance Officer

March 2014

APPENDIX 3: A1) SUMMARY OPERATING COST STATEMENT 2013/14 POSITION AS AT: MONTH 11 (FEBRUARY 2014)

	YEAR TO DATE			FORECAST YEAR END		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
	£000s	£000s	£000s	£000s	£000s	£000s
INCOME	191,187	191,187	0	208,410	208,410	0
GROSS EXPENDITURE						
1 Acute Services	102,880	103,922	1,042	112,233	113,751	1,518
2 Mental Health Services	12,136	12,200	64	13,239	13,292	53
3 Community Health services	12,668	12,284	(384)	13,819	13,393	(426)
4 Continuing Care Services	17,593	20,342	2,749	19,194	22,289	3,095
5 Primary Care Services	29,463	29,059	(404)	32,140	31,577	(563)
Other Programme Services:						
6 - Pay	50	33	(17)	54	54	0
7 - Non Pay	8,853	5,802	(3,051)	9,501	5,824	(3,677)
Total Other	8,903	5,835	(3,068)	9,555	5,878	(3,677)
8 Running Costs - Pay	935	916	(19)	1,021	1,021	0
9 Running Costs - Consultancy	0	1	1	0	1	1
9 Running Costs - Other	2,942	2,961	19	3,209	3,208	(1)
TOTAL	187,520	187,520	0	204,410	204,410	0
SURPLUS	3,667	3,667	0	4,000	4,000	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 2013/14

COMMISSIONED SERVICES

	CURRENT MONTH			YEAR TO DATE (YTD) AT FEBRUARY 2014			FULL YEAR FORECAST 2013/14		
	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	7,425	6,712	(713)	78,004	78,970	966	85,096	86,264	1,168
2 Hull & East Yorkshire NHS Trust	963	1,263	300	10,591	11,141	550	11,554	12,154	600
3 Doncaster & Bassetlaw NHS FT	248	251	3	2,729	2,788	59	2,977	3,077	100
4 Sheffield Teaching Hospitals NHS FT	86	102	16	949	990	41	1,035	1,070	35
5 Sheffield Children's Hospital NHS FT	31	66	35	341	322	(19)	372	352	(20)
6 United Lincolnshire Hospitals NHS Trust	79	60	(19)	872	805	(67)	951	951	0
7 Leeds Teaching Hospitals NHS Trust	62	56	(6)	678	770	92	740	850	110
8 East Midlands Ambulance Trust	410	426	16	4,515	4,619	104	4,926	5,046	120
9 Other Secondary & Tertiary Care Services	89	126	37	980	1,289	309	1,069	1,425	356
10 Exclusions / Non-Contract Activity	227	(106)	(333)	2,497	1,903	(594)	2,724	2,151	(573)
11 Clinical Assessment and Treatment Centres	0	0	0	0	0	0	0	0	0
12 Collaborative Commissioning	66	(18)	(84)	724	325	(399)	789	411	(378)
	9,686	8,938	(748)	102,880	103,922	1,042	112,233	113,751	1,518
2 MENTAL HEALTH									
13 Rotherham, Doncaster & South Humber Foundation Trust	1,103	1,104	1	12,136	12,200	64	13,239	13,292	53
	1,103	1,104	1	12,136	12,200	64	13,239	13,292	53
3 COMMUNITY HEALTH SERVICES									
14 NLAG Community Services	963	963	0	10,595	10,595	0	11,558	11,558	0
15 Other Community Based Services	86	(34)	(120)	944	852	(92)	1,030	942	(88)
16 Hospices	103	(207)	(310)	1,129	837	(292)	1,231	893	(338)
17 Voluntary Sector	0	0	0	0	0	0	0	0	0
	1,152	722	(120)	12,668	12,284	(384)	13,819	13,393	(426)
4 SERVICES FOR VULNERABLE PEOPLE									
18 CHC Adult Fully Funded	908	773	(135)	9,991	10,641	650	10,899	11,788	889
19 CHC Adult Joint Funded	86	186	100	947	1,850	903	1,033	2,064	1,031
20 CHC Assessment & support	424	338	(86)	4,666	4,527	(139)	5,091	4,843	(248)
21 CHC Children	26	63	37	287	737	450	313	797	484
22 Funded Nursing Care & Other Care Packages	86	60	(26)	947	836	(111)	1,033	917	(116)
23 Mental Health - (Non RDASH)	48	179	131	533	952	419	582	927	345
24 Learning Disabilities	4	81	77	39	472	433	43	518	475
25 Mental Health Pooled Budget	17	(54)	(71)	183	314	131	200	421	221
26 Learning Disabilities Pooled Budget	0	1	1	0	13	13	0	14	14
	1,599	1,627	28	17,593	20,342	2,749	19,194	22,289	3,095
5 PRIMARY CARE SERVICES									
27 Prescribing Costs	2,339	2,931	592	25,733	25,331	(402)	28,072	27,530	(542)
28 Central Drugs	59	52	(7)	646	614	(32)	704	674	(30)
29 Out Of Hours Service	170	170	0	1,865	1,865	0	2,034	2,034	0
30 Home Oxygen Costs	25	37	12	271	346	75	296	370	74
31 Local Enhanced Services	52	35	(17)	572	527	(45)	624	559	(65)
32 Primary Care IT	34	34	0	376	376	0	410	410	0
	2,679	3,259	580	29,463	29,059	(404)	32,140	31,577	(563)
OTHER PROGRAMME SERVICES									
6 Pay	5	(7)	(12)	50	33	(17)	54	54	0
7 Non Pay	434	1,016	582	8,853	5,802	(3,051)	9,501	5,824	(3,677)
	439	1,009	570	8,903	5,835	(3,068)	9,555	5,878	(3,677)
RUNNING COSTS									
8 Pay	85	106	21	935	916	(19)	1,021	1,021	0
9 Consultancy	0	0	0	0	1	1	0	1	1
9 Non Pay - Including CSU Recharge	188	186	(2)	2,066	2,042	(24)	2,254	2,254	0
9 Other	80	61	(19)	876	919	43	955	954	(1)
	353	353	0	3,877	3,878	1	4,230	4,230	0
TOTAL DIRECT EXPENDITURE	17,011	17,011	0	187,520	187,520	0	204,410	204,410	0
SURPLUS	333	333	0	3,667	3,667	0	4,000	4,000	0
TOTAL NORTH LINCOLNSHIRE CCG	17,344	17,344	0	191,187	191,187	0	208,410	208,410	0

APPENDIX 3: A3) STATEMENT OF FINANCIAL POSITION 2013/14

POSITION STATEMENT AS AT: MONTH 11 (FEBRUARY 2014)

Balances As At 28 February 2014	Forecast Balances As At 31 March 2014
£000s	£000s

Plant, Property & Equipment (PPE)	0	0
Accumulated Depreciation	0	0
Net Plant Property & Equipment	0	0
Intangible Assets	0	0
Intangible Assets Depreciation	0	0
Net Intangible Assets	0	0
Investment Property	0	0
Non-Current Assets Held for Sale	0	0
Non-Current Financial Assets	0	0
Other Receivables Non-Current	0	0
Total Other Non-Current Assets	0	0
Non-Current Assets	0	0
Cash	841	2
Accounts Receivable	217	80
Inventory	1	1
Investments	0	0
Other Current Assets	0	0
Current Assets	1,059	83
TOTAL ASSETS	1,059	83
Accounts Payable	(6,316)	(2,000)
Accrued Liabilities	(8,394)	(5,921)
Short Term Borrowing	0	0
Current Liabilities	(14,710)	(7,921)
Non-Current Payables	0	0
Non-Current Borrowing	0	0
Other Liabilities	0	0
Long Term Liabilities	0	0
General Fund	13,651	7,838
Share Capital	0	0
Revaluation Reserve	0	0
Donated Assets Reserve	0	0
Government Grants Reserve	0	0
Other Reserves	0	0
Retained Earnings incl. In Year	0	0
Total Taxpayers Equity	13,651	7,838
TOTAL EQUITY & LIABILITIES	0	0

This Statement of Financial Position does not include any legacy balances based on recent guidance from NHS England.

APPENDIX 3: A4) OTHER TARGETS POSITION AS AT - MONTH 11 (FEBRUARY 2014)
CASH, BETTER PROMPT PAYMENT OF INVOICES & AGED DEBT REPORT: AT FEBRUARY 2014

4.1. CASH POSITION

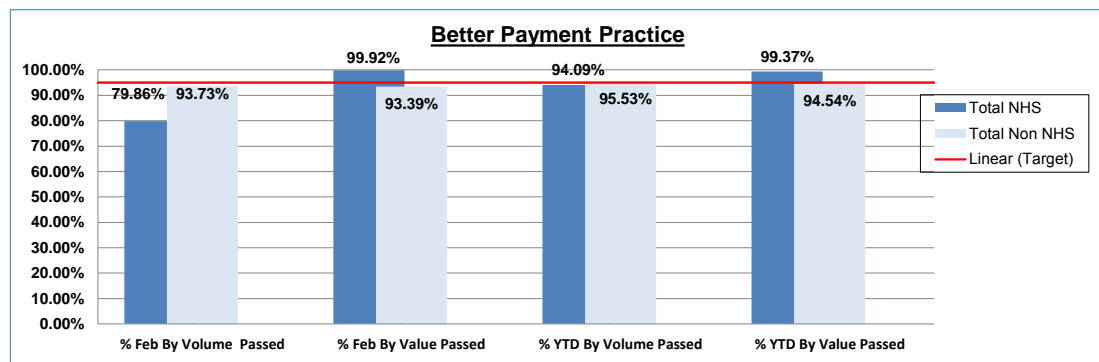
	CURRENT MONTH POSITION (Feb 2014) £000s	PREVIOUS MONTH POSITION (Jan 2014) £000s
Cash Drawdown Amount	16,300	15,700
Target Cash - 5% of Drawdown	815	785
Cash Held At Month End	1,186	343
Variance *	-371	442

* 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 - February 2014	Invoice Count	Invoice Count (Passed)	% Passed	BPPC Amount £000s	Invoice Amount (Passed £000s)	% Amount Passed
Total NHS	144	115	79.86%	13,057	13,047	99.92%
Total Non NHS	622	583	93.73%	2,931	2,737	93.39%
Total BPPC	766	698	91.12%	15,988	15,784	98.72%

Year To Date Summary - To February 2014	Invoice Count	Invoice Count (Passed)	% Passed	BPPC Amount £000s	Invoice Amount (Passed £000s)	% Amount Passed
Total NHS	1,202	1,131	94.09%	131,314	130,481	99.37%
Total Non NHS	5,642	5,390	95.53%	25,838	24,427	94.54%
Total BPPC	6,844	6,521	95.28%	157,151	154,908	98.57%



4.3. AGED DEBT ANALYSIS - AS AT 28 February 2014

Aged Debtors	0 - 30 days		30-60 days		Over 60 days		Total	
	£	Number	£	Number	£	Number	£	Number
Invoices below £5k	1,937	2	300	1	0	0	2,237	3
Invoices over £5k	24,151	4	0	0	0	0	24,151	4
Invoices over £10K	0	0	0	0	27,352	2	27,352	2
Invoices over £20k	68,490	2	0	0	0	0	68,490	2
Total	94,577	8	300	1	27,352	2	122,230	11

* No invoices under £5k combine to result in any individual customer having a total debt of £20k or over.

Aged Debt Outstanding Over 30 Days	Total Amount (£)	Number	Days Outstanding	Comments
NHS England	300	1	70	LES Vaccinations & Immunisations paid in error May 2013. Customer has been contacted and payment requested.
North Lincolnshire Council	27,352	2	120	Recharge for joint funding and Section 117 packages. Customer has requested further information which have caused IG issues. Payment reminder letters have been issued
Total	27,653	3		

4.4. AGED CREDITOR ANALYSIS - AS AT 28 FEBRUARY 2014

Aged Creditors	Current	01 - 30 days	31 - 60 days	61 - 90 days	Over 90 days	Total Amount (£)
NHS Creditors	463,274	94	173,921	(12,614)	(262)	624,414
Non NHS Creditors **	55,890	88,347	117,435	(3,886)	13,006	270,793
Total	519,164	88,441	291,356	(16,499)	12,744	895,207

** Continuing Care invoices comprise the main Non NHS creditor balances outstanding for more than 90 days.

APPENDIX 3: A5) ALLOCATIONS POSITION STATEMENT - AS AT MONTH 11 (FEBRUARY 2014)

Use / Destination	REVENUE RESOURCE LIMIT STATUS			OTHER TARGET LIMITS		
	RECURRENT	NON RECURRENT (ONE OFF)	TOTAL	REVENUE CASH LIMIT	CAPITAL RESOURCE LIMIT	TOTAL CASH LIMIT
	£000's	£000's	£000's	£000's	£000's	£000's
1) BASE ALLOCATION						
Programme Funding	195,881	0	195,881	195,881	0	195,881
Running Costs	4,230	0	4,230	4,230	0	4,230
Total Confirmed Funding	200,111	0	200,111	200,111	0	200,111
Anticipated	0	7,833	7,833	7,833	0	7,833
Total Allocated	200,111	0	207,944	207,944	0	207,944
2) NEW IN YEAR ALLOCATIONS						
No In Year Allocations have been received as at January 2014	-	0	0	0	0	0
Total Confirmed Funding	0	0	0	0	0	0
3) ANTICIPATED ALLOCATIONS						
Return of 2012/13 surplus	-	0	1,836	1,836	0	1,836
Specialist commissioning - agreed rebate	-	6,443	0	6,443	0	6,443
Baseline adjustment - NLAG dental services	-	0	(446)	(446)	0	(446)
70% non elective marginal rate adjustment	-	0	(2,333)	(2,333)	0	(2,333)
70% non elective marginal rate adjustment - return of funds	-	0	2,333	2,333	0	2,333
GP IT depreciation baseline adjustment	-	0	(138)	(138)	0	(138)
2013/14 control total adjustment	-	0	0	(4,000)	0	(4,000)
Surplus adjustment	-	0	1	1	0	1
GP IT allocation	-	0	449	449	0	449
Cross boundary specialist services adjustment	-	(297)	0	(297)	0	(297)
Winter Pressures	-	0	760	760	0	760
Maximum Cash Drawdown (MCD) adjustment	-	0	0	(10,000)	0	(10,000)
Health Visitors (HV) non recurrent baseline adjustment	-	0	(390)	0	0	0
Friends & Family Test (FFT) Pathfinder 12 wk Programme	-	0	50	0	0	0
Funding for Personal Health Budget (PHB) rollout	-	0	20	0	0	0
Support to planning funding for CCGs	-	0	10	0	0	0
Total Anticipated Funding	-	6,146	2,152	(5,392)	0	(5,392)
4) TOTAL RESOURCES & BUDGET RECONCILIATION						
4A Confirmed resources per 1) and 2) above	-	200,111	0	200,111	0	200,111
4B Anticipated resources per 3) above	-	6,146	2,152	(5,392)	0	(5,392)
4C Total Resources (3A + 3B)	-	206,257	2,152	194,719	0	194,719
4D Latest Budgets	-	206,257	2,152	194,719	0	194,719
4E Variance Should = Zero (3D Minus 3C)	-	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 11 (FEBRUARY 2014)

1 SUMMARY

	ORIGINAL BUDGET £	TRANSFERS IN £	TRANSFERS OUT £	YTD BALANCE REMAINING £	Comments
Earmarked Reserves	4,333,527	2,867,900	(7,506,198)	-304,771	Original budget - as uploaded on the ISFE system
Specialist Commissioning Reserves	0	6,443,000	(743,000)	5,700,000	
TOTAL RESERVES	4,333,527	9,310,900	(8,249,198)	5,395,229	YTD balances as at February

2 MAIN MOVEMENTS

	TRANSFERS IN £	TRANSFERS OUT £	NET MOVEMENT £	
Starting Budget			4,333,527	
1) Acute budgets - reconciliation of budgets to contracts	1,077,900	(1,881,671)	(803,771)	
2) QIPP schemes - not in budgets or contracts	0	(1,442,000)	(1,442,000)	
3) Creation of programme CSU budgets	0	(862,932)	(862,932)	Expected transfer for Continuing Care Team & Prescribing Teams
4) Boston Consultancy Group (BCG) consultancy costs	0	(200,000)	(200,000)	
5) GP IT transfers with the Area Team	449,000	(138,000)	311,000	Transfer out is for Depreciation
6) Correction of the safeguarding budget	0	(40,753)	(40,753)	
7) Creation of NHS Property Services non running cost budget	0	(740,000)	(740,000)	Expected transfer built into the finance plan
8) Creation of budget for Dr Borchio district nursing input	0	(19,238)	(19,238)	Funding for Dr Borchio is in the CCG overall allocation
9) Additional QIPP from prescribing	500,000	0	500,000	Recurrent transfer from Prescribing to meet other QIPP slippage
10) Surplus b/fwd adjustment to match actual 2012/13 surplus	1,000	0	1,000	C/Fwd surplus rebased following confirmation of year end figures.
11) Specialist commissioning transfers - SY & B and NY & Humber	6,443,000	(743,000)	5,700,000	
12) Winter pressures	644,000	0	644,000	
13) GP IT transfer	0	(409,696)	(409,696)	
14) Additional winter pressures funding	116,000	0	116,000	
15) Winter pressures	0	(760,000)	(760,000)	
17) HLHF funding		(221,908)	(221,908)	
18) Unplanned Care		(400,000)	(400,000)	
19) Health visitors (HV) non recurrent baseline AT adjustment		(390,000)	(390,000)	
20) Friends & Family Test (FFT) Pathfinder 12 week Programme	50,000	0	50,000	
21) Funding for Personal Health Budget (PHB) rollout	20,000	0	20,000	
22) Support to planning funding for CCGs	10,000	0	10,000	
23) FFT - transfer to CSU	0	0	0	
TOTAL	9,310,900	(8,249,198)	1,061,702	

Total YTD Reserves

5,395,229

3) USE OF OUTSTANDING BALANCE

1) Marginal rates investment reserve	2,678,000
2) Winter pressures	0
3) Identified risks (see risk table in finance report narrative)	3,400,000
4) Funds supporting reported position (expected in Month 12)	(682,771)
Total YTD Reserves	5,395,229