


MEETING DATE:	Thursday 13 September 2012	 North Lincolnshire Clinical Commissioning Group REPORT TO THE CLINICAL COMMISSIONING GROUP COMMITTEE
AGENDA ITEM NUMBER:	7.5	
AUTHOR:	Therese Paskell	
JOB TITLE:	Chief Financial Officer	
DEPARTMENT:	Finance and Business Support	

FINANCE REPORT MONTH 4 (JULY 2012)

PURPOSE/ACTION REQUIRED:	To Receive & Note
CONSULTATION AND/OR INVOLVEMENT PROCESS:	<i>Verbal updates given at CCG Engine Room</i>
FREEDOM OF INFORMATION:	Public

1. PURPOSE OF THE REPORT:					
To receive and note the financial performance for the period up to 31 st July 2012, and the full year forecast out-turn position for 2012/13, including risks and mitigations.					
2. STRATEGIC OBJECTIVES SUPPORTED BY THIS REPORT: <i>(will be populated following agreement with Council of Members)</i>					
3. IMPACT ON RISK ASSURANCE FRAMEWORK:					
	<table border="1" style="display: inline-table;"> <tr> <td>Yes</td> <td>X</td> <td>No</td> <td></td> </tr> </table>	Yes	X	No	
Yes	X	No			
Highlights progress against financial plans. The financial risks and mitigations highlighted within the report are captured within the current risk framework for the PCT as a whole. Information relating to the organisation's financial performance and its ability to achieve financial targets, whilst managing any associate risks - will form part of the Trust's Legacy documentation. A new CCG BAF has been produced and is now subject to confirm and challenge.					

4. IMPACT ON THE ENVIRONMENT – SUSTAINABILITY:

Yes	X	No	
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The report highlights where investment is proposed to meet our policies e.g. capital.

5. LEGAL IMPLICATIONS:

Yes	X	No	
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It provides assurance to the Committee of the organisation’s current and year end forecast ability to meet its statutory financial duties.

6. RESOURCE IMPLICATIONS:

Yes	X	No	
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This report monitors the organisations resource current and forecast year-end resource utilisation.

7. EQUALITY IMPACT ASSESSMENT:

Yes		No	X
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Not applicable – the report is a summary monitoring report, not a plan or policy.

8. PROPOSED PUBLIC & PATIENT INVOLVEMENT AND COMMUNICATIONS:

Yes	X	No	
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This report is used to communicate summary details of the organisation’s financial performance to the public.

9. RECOMMENDATIONS:

The CCG is asked to: -

Receive and note the financial performance for the period up to 31st July 2012, and the full year forecast out-turn position for 2012/13 as well as the associated risks and mitigations.

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**NHS NORTH LINCOLNSHIRE FINANCE REPORT.
FINANCIAL YEAR 2012/13: PERIOD 4 (JULY 2012)**

	Page Number
1) SUMMARY MAIN FINANCE TARGET PERFORMANCE	2
2) REPORT ON FINANCIAL PERFORMANCE	3 to 11
3) APPENDICES TO THE FINANCIAL REPORT:	
<u>Revenue and Capital Reports</u>	
A1) Commissioning Operating Cost Statement	12
A2) Statement of Financial Position	13
A3) Capital Expenditure Monitoring Statement	14
<u>Working Capital Reports</u>	
A4) Cashflow Statement	15
A5) Other Key Financial Performance Targets	
1) Cash Management Targets	16
2) Better Prompt Payment of Invoices Performance	16
3) Aged Debt Report	16
A6) Resource Limit - Allocation Information	17
<u>Clinical Commissioning Group : Summary Report</u>	
A7) CCG Format of Commissioning Operating Cost Statement	18

1) SUMMARY MAIN FINANCE TARGET PERFORMANCE

	MONTH 4 JULY 2012	YEAR TO DATE	FORECAST YEAR END	MAIN CHANGES TO LAST MONTH	COMMENTS
OVERVIEW - ALL KEY TARGETS					
1 Revenue Break-Even is Achieved.	G	G	G	➡	
2 Revenue Expenditure = or less than the Resource Limit	G	G	G	➡	
3 Capital Spend = or less than the Capital Resource Limit	G	G	G	➡	The Capital Resource Limit has now been approved by the Strategic Health Authority
4 Cash Expenditure is less than the Cash Limit	G	G	G	➡	
5 95% of NHS Invoices by Value are Paid within 30 Days	G	G	G	⬆	Target achieved with a slight improvement in performance
6 95% of NHS Invoices by Number are Paid within 30 Days	A	A	G	⬇	Slight deterioration in month. Target still not achieved due to the dispute of low value NCA invoices.
7 95% of Non NHS Invoices by Value are Paid within 30 Days	A	A	G	⬆	Improvement in performance in month but target still slightly under achieved
8 95% of Non NHS Invoices by Number are Paid within 30 Days	G	G	G	⬆	Target achieved with an improvement in performance
9 Period End Cash Balances are less than £ 500 K	G	G	G	➡	

KEY:	⬆ = Improvement in performance	➡ = No change in performance	⬇ = Deterioration in performance
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REVENUE BREAK-EVEN PERFORMANCE	MONTH 4 JULY 2012			YEAR TO DATE			FORECAST YEAR END		
	BUDGET/TARGET	ACTUAL	VARIANCE	BUDGET/TARGET	ACTUAL	VARIANCE	BUDGET/TARGET	ACTUAL	VARIANCE
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
1 COMMISSIONED SERVICES	22,062	21,893	(169)	89,946	89,271	(675)	276,844	274,844	(2,000)
2 RUN RATE - Planned and actual surplus achievement	169	169	0	675	675	0	2,000	2,000	0

2012/2013: NHS NORTH LINCOLNSHIRE / CCG MONTH 4 FINANCIAL COMMENTARY

EXECUTIVE SUMMARY

FOT: The PCT is reporting a surplus of circa £2.0m for the 2012/13 Financial Year in line with plan.

The PCT is also reporting in line with the profiled plan surplus of £675k.

QIPP: In-year savings are expected to deliver as planned. Year to date slippage against planned savings is mainly associated with the PMS project. Negotiations will be completed by the end of September but will still deliver the full year recurrent savings. There has been some slippage in QIPP investment expenditure but this has not delayed progress on those schemes.

Whilst key milestones are on track, the major risk to recurrent delivery of the QIPP programme remains the failure to change behaviours and manage activity to the level contracted with NLAG Hospitals NHS Trust.

Running Costs: The organisation is still planning to manage “Running Costs” for 2012/13 to £25 per head of weighted population for Commissioning (inclusive of double running costs), and £2.98 for Public Health. Further, more detailed, guidance is awaited for PCTs/CCGs.

Risks: Indications are that the forecast outturn will be achieved and that in reality the financial impact of any risks will be contained within the total resources of the 2012/13 financial plan and all financial targets achieved. The table below highlights the financial risk the PCT is containing to meet its control total.

Risk / £000s	Best Scenario	Likely Scenario	Worst Scenario	Comment
Secondary Care	0	1,500	1,800	Based on previous years' experience and potential scenarios regarding outturn / growth
Specialised Commissioning	(200)	0	200	
Continuing Care	0	500	1,000	
Other (incl. QIPP slippage)	500	800	1,200	
Total Potential Risk	300	2,800	4,200	
Uncommitted Contingency	(3,600)	(3,600)	(3,600)	
Potential additional resource generated in year through underspend / effective budget management	(1,000)	(800)	(250)	
Potential Contingency and Risk Management Fund	(4,600)	(4,400)	(3,850)	
Unaddressed Risk / (Additional Risk Coverage)	(4,300)	(1,600)	350	

MAIN REPORT CONTENT	
Section Number	
1	Headlines and Key Messages
2	Revenue forecast and Year to date position
3	Capital
4	QIPP Delivery
5	Risk management
6	Working Balance Management
7	Other Target Delivery
8	Financial Governance

1. HEADLINES & KEY MESSAGES : MONTH 4 SUMMARY

Target / Issue	Outturn	Comments
Revenue Target <ul style="list-style-type: none"> Achieve £2.0m surplus 	On track	Surplus of £2m forecast
<ul style="list-style-type: none"> Spend 2% of Allocation on one-off items 	On track	In line with previous years, mostly pre-committed on healthcare contracts
Resource Limit	On track	
QIPP Delivery	Largely on track	<p>In-year QIPP savings are below profile, e.g. most significantly the PMS Review where delivery is expected by the end of the year, with negotiations being finalised at the end of September. There is minor slippage in other areas.</p> <p>Recurrent delivery – see the Risk Management section.</p>
Revenue risks outside QIPP <ul style="list-style-type: none"> Secondary Care Activity Secure Services Activity Primary Care 	Risks managed	Risks are managed through the Contingency Reserve, of which £3.6m is un-committed
Cash Management <ul style="list-style-type: none"> Cash Balances 	Achieved	YTD cash balance of £163k is within the PCTs limits.
<ul style="list-style-type: none"> Payment Policy 	Partial	A new service Provider has been obtained and with new electronic systems implemented in 2012/13 – payment rates should improve after a settling down period.
Capital	On track	<p>Forecast is in line with Plan. A £50k capital grant to primary care is planned.</p> <p>A possible capital receipt in 2012/13 for an asset held for sale may be obtained.</p>
Governance	Yes	The 2011/12 Accounts are unqualified and the CCG is on track so far for authorisation

2. REVENUE FORECAST AND YEAR TO DATE POSITION

Key Messages

Target	Plan £m	Achieved / Forecast
Year To Date Surplus (run rate)	0.675	Yes
Full Year Surplus	2.000	Forecast to achieve
Control Total	2.600	Forecast to achieve

Achieving the year to date position has utilised the contingency per profile, offset by credits against Ear Marked Provisions and £3.6m of the contingency budget is currently still uncommitted.

EXPENDITURE PROGRAMME BRIEFINGS

The following is a summary of the key issues informed by Budget Holder meetings and Management Accountant briefings:

CCG CORE BUDGETS

NHS Secondary Care Commissioning

From the month 3 contract information received so far, NLAG is reporting a year to date over-trade of £54k (not seasonally adjusted). This is a reduction on last month, but the forecast has been left at £400k pending further review.

There is a year to date underspend on H&EY of £247k (excluding SCG activity). Previous experience has shown a level of under reporting at the start of the year, along with activity levels increasing during Q3 and Q4. It has been assumed that this level of underspend will not continue and the forecast still reflects breakeven. The H&EY contract incorporates a financial floor and ceiling of £300k on the core contract.

Overall, the main acute contracts at month 3 are under-trading to produce a net position of circa £445k underspent.

CCG NON CORE BUDGETS

RDASH Mental Health Services are shown as breaking even, as there is a block contract in place. The exclusions budget continues to overspend for the year to date £65k but is expected to come back into balance by the year end, as a number of high cost Mental Health patients are now being funded elsewhere. This includes 6 patients who have transferred to continuing care and 1 patient to low secure services.

Non-Elective Threshold

For all contracts where the emergency inpatient activity threshold applies, baseline levels are largely assumed, pending the evaluation of avoidable re-admissions, when the threshold baseline will be updated.

Continuing Care

Based on previous experience significant additional growth funding has been budgeted for Continuing Care in 2012/13. At present funding appears to be sufficient for the existing committed client cohort and demand growth, subject to the level of complexity of newly referred clients. Retrospective claims appear to have been minimal to date, but are on-going.

Mental Health Pooled budget

Both the mental health and learning disability pooled budgets show a forecast break even position. The medium/high, low secure, and Leeds Partnership budgets have been removed from the mental health pool this year and therefore the forecast should be less volatile during the year.

Funding for Re-ablement and Social Care Services

The PCTs share of the re-ablement services monies is £956k and its' share of the NHS support for social care is £1.915m. A quarterly payment profile has been agreed with the Local Authority and the first two quarters invoices have now arrived and will be paid imminently.

The information provided by the Local Authority for social care has been reported to the cluster, but is subject to local challenge on a monthly basis through the local Executive Strategic Commissioning Board (ESCB).

CLUSTER BUDGETS (NOT DELEGATED TO CCGS)

SCG Services

The contract baselines and monitoring information from Specialised Commissioning Group (SCG) have been amended, utilising the £400k which had been ring-fenced from contingency to cover a potential shortfall against SCG budgets. Currently there is a year-end forecast underspend of £187k on SCG services, when expenditure is compared against the newly amended budgets but this is known to be volatile.

Primary Care Commissioned Services

The Dental budgets are now forecast to breakeven, following the transfer of savings included within the £33k underspend reported last month.

Prescribing and pharmacy contract performance is based on month 2 PPA information. The Prescribing QIPP is currently being achieved, so that budget performance is therefore forecasted to be in balance.

OTHER BUDGET ISSUES

General Practice Commissioning

GP Commissioning budgets have been calculated in accordance with guidance and will support delivery of the 2012/13 QIPP programme with Clinical Commissioning leads identified for each stream. CCG involvement in financial and service planning, particularly with regard to QIPP, is essential to ensure decisions are taken now to enable CCG to deliver commitments within available resources when they assume statutory financial responsibility from April 2013.

2% Recurrent Headroom

The 2012/13 financial plan contains provision to ensure that 2% of the recurrent financial allocation is used on a non-recurrent / one-off basis in line with guidance. The PCT is expecting to achieve this target in line with plans.

Spending 2% of recurrent budgets non-recurrently, as required by the NHS over the last few years, has ensured budgets are not recurrently overcommitted, representing good financial management. This has not impacted on levels of spending on healthcare which is largely pre-committed in contracts.

Recruitment to the new CCG structure and CSS structures is nearly complete, and Local Area Team structures will follow soon after. A further RETS/MARS scheme may be considered by the Cluster in the autumn, although this is likely to be small for this organisation given last year's VRS programme. As this scheme is still uncertain, the forecast for redundancies in NHS North Lincolnshire has been reported as zero.

3. CAPITAL

As shown in Appendix 3, operational capital of £300k has been planned, similar to previous years, less a potential capital grant to primary care of £50-£100k. The remaining £200-250k against the Capital Resource Limit is planned to be spent on IM&T, upgrading the estate, and clinical equipment.

The PCT has received confirmation of its Capital Resource Limit for 2012/13. The work programmes will continue to progress: transition, green issues, equality and diversity, health and safety, integrated working, QIPP etc. This takes into account the on-going upgrade and replacement of Transforming Community Services (TCS) assets until transfer on 1 April 2013.

So far, no capital resource has been spent this year, but draft plans are being taken to August's CCG meeting. A house in Auckland Road, is being marketed and confirmation has been sought from the SHA that the additional capital resources generated by this sale can be spent by the PCT in 2012/13.

From 1 April 2013, those properties not transferring to NLAG under TCS, will transfer instead to the new NHS Property Services ('Prop. Co.') along with the relevant / associated income and expenditure budgets. Effectively, this will tie the CCG into the continued use of current NHS buildings. Properties over which NHS North Lincolnshire holds a legal charge, will also transfer to Prop Co.

4. QIPP DELIVERY

So far, based on the SHAs own RAG rating system, there are no red rated schemes, all schemes being either green or amber at this stage. (See Table overleaf).

QIPP FINANCE REPORT: PERIOD 4 2012/13

		PLANNED & FORECAST QIPP DELIVERY & RISK ASSESSMENT 2012/13								
		ORIGINAL PLAN			IN YEAR PERFORMANCE			RISK ASSESSMENT		
THEME	WORKSTREAM	RECURRENT £000s	NON RECURRENT £000s	IN- YEAR £000s	YEAR TO DATE VARIANCE £000s	FORECAST FULL-YEAR VARIANCE £000s	FORECAST RECURRENT VARIANCE £000s	LOW RISK £000s	MEDIUM RISK £000s	HIGH RISK £000s
Home & Community	Quality Care, Right Place	0	0	0	0	0	0	0	0	0
	Mental Health & LD	(500)	0	(500)	(34)	0	0	0	(500)	0
	Continuing Care	(250)	0	(250)	74	0	0	0	(250)	0
	End of Life	0	0	0	0	0	0	0	0	0
Alternative Care	GP Referrals	(300)	0	(300)	0	0	0	0	(300)	0
	Consultant to Consultant Referrals	(80)	0	(80)	0	0	0	0	(80)	0
	Reduction in Outpatient Follow-ups	(500)	0	(500)	0	0	0	0	(500)	0
	Theatre to Clinic Settings	(300)	0	(300)	(37)	0	0	0	(300)	0
Integration of Care	Redesign Unplanned Care	(100)	0	(100)	0	0	0	0	(100)	0
	Long Term Conditions	0	0	0	0	0	0	0	0	0
	Multidisciplinary Working	0	0	0	0	0	0	0	0	0
	Medicines Management	(807)	(83)	(890)	8	0	0	(190)	(700)	0
Enablers	Technology Enabled Care	(65)	0	(65)	20	0	0	0	(65)	0
Organisational QIPP	Other Workstreams	(1,168)	(550)	(1,718)	505	0	0	(1,035)	(683)	0
TOTALS		(4,070)	(633)	(4,703)	536	0	0	(1,225)	(3,478)	0

KEY										
Red: High risk – Scheme has detailed plans in place but is not delivering savings, or scheme does not have detailed plans yet in place										
Amber: Medium risk – Scheme has detailed plans in place with savings forecast for the future and the scheme is on track to meet these savings forecasts										
Green: Low risk – Scheme has detailed plans in place and has already started to deliver savings										

The QIPP table above is now consistent with the Sustainable Services Review format, which is utilised by the Galaxy QIPP project management system. There is a slight improvement in the year to date performance.

The most significant reason for year to date slippage is because the negotiations on the PMS project have not yet been concluded, although progress is still being made and the planned savings target is still being assumed. Other areas of year to date slippage are mainly centred on continuing care and contract challenge. These are areas where opportunities for saving tend to be more sporadic as they often arise from individual case reviews or disputes, but where previous experience still indicates that the full year target is still achievable. There has been some slippage in QIPP Investment spend, e.g. on Public Health, carers support, and teenage pregnancy, but this has not delayed progress on QIPP schemes. The overall QIPP year-end forecast therefore remains as planned.

Primary Care non recurrent savings and PMS contract review are non CCG related QIPP schemes.

5. RISK MANAGEMENT

Financial risk ranges are shown in the executive summary and largely remain as identified at plan stage being:

- Progress on the Sustainable Services Review
- Engagement of the wider GPs in: clinical commissioning, changing primary and secondary clinical behaviour, and delivering QIPP
- Non return of 'top sliced' funding
- Underlying cost/activity growth above those modelled in the plan
- Transition and set up costs and management capacity.

These risks will be mitigated through a track record of contingency resources and planning, tight financial control and in year review, good working relationships with providers, and OD work with CCG and GPs. Leading up to authorisation it will be this ownership that ensures the changes to healthcare are delivered within the Single Integrated Plan.

When guidance has been clarified around the process for accessing the threshold fund held at SHA, business cases will be submitted to support the local transformation of healthcare.

6. WORKING BALANCE MANAGEMENT

The forecast balance sheet reflects an early view that the PCT needs to minimise balances going into the new world. There is continuing concern about the lack of clarity around carry forward of and access to year end balances.

Cash flow Management

As shown in Appendix 5, at the end of month 4, cash balances totalled £163k. It is anticipated that the cash allocation will be fully utilised in year to maintain the same closing and opening balances of £2k.

Payment Policy Performance

NHS

NHS invoices paid up to the end of July was: 99.9% by value, and 90.5% by number. So, the NHS invoices paid by value is above the target, and by number, slightly below the target (which requires 95% of invoices paid within 30 days of the invoice date).

Non NHS

Non NHS invoices paid within target during July was 96.5% by number, and 93.5% by value, so both were only marginally below the 95% target. This is an improvement on previous months, due to the implementation of the Genysis system.

Debtor Management

There are three outstanding debtors over £15,000 all of which are still being pursued, the details of which are shown in Appendix 5.

The latest debtor reports indicate no requirement for a bad debt write off following a clearance of outstanding debt last year. Steps have been taken to ensure that "best practice" which is applied to resolve debtor issues with the major providers of NHS healthcare, is also applied to other budget areas with significant debtor issues including those relating to the Local Authority.

7. OTHER TARGET DELIVERY

Running Costs

The organisation is still planning "Running Costs" for 2012/13 per head of weighted population to be just over £25 for Commissioning, including double running costs, and £2.98 for Public Health. Further more detailed guidance is awaited for CCGs on Running Costs ceilings.

The plan figure for Commissioning reflects the intention to spend the full indicative £25 per head for CCGs, a large proportion being with the Humber CSS, for which service specifications are being developed. However, current spend appears to be well below plan, which if this continues, will result in Running Costs being well below the £25 per head target.

Anticipated Allocations

Included in FIMs are all anticipated in year allocations and defunds. Announcements around funding formula and future allocations are expected in a few months time.

Indicative CCG and Practice budgets

The position against indicative CCG and Practice Budgets, in aggregate, is shown at Appendix 7. It is intended in future that Practice performance will be reported into meetings of the Council of Members, for consideration there.

8. FINANCIAL GOVERNANCE

In the PCT's 2011/12 Governance report, the PCT received an unqualified audit opinion with no identified important weaknesses in internal controls. Weaknesses in the arrangements for the use of natural resources from 2010/11 were also addressed in 2011/12, thereby gaining an unqualified audit opinion. The Annual Audit Letter has been received and a management response approved by the Audit Group which forms part of the locality governance report to the Humber Cluster Audit Committee (HCAC).

An accountability map has been agreed with the Cluster up to 31 March 2013. The Cluster Transition Programme Board is overseeing transition and legacy issues. A RAG rated transition plan for finance is under development and will be reported monthly by the PCT to the Cluster and SHA.

In relation to CCG authorisation the Finance Governance Tool and draft interim SFI's/SOs/SDs for the CCG were approved by the Audit Group and submitted as evidence for authorisation. The SFIs/SOs/SDs and process for development is a separate paper to the Committee.

The CCGs medium term finance plan and strategy development is also a separate paper to the Committee and builds on previous Engine Room discussions.

Therese Paskell, Chief Financial Officer

August 2012

3) APPENDIX 1: COMMISSIONING OPERATING COST STATEMENT (OCS) POSITION

COMMISSIONED SERVICES	MONTH 4 - JULY 2012			YTD AT JULY 2012			FULL YEAR		
	LATEST BUDGET	ACTUAL	VARIANCE	LATEST BUDGET	ACTUAL	VARIANCE	LATEST BUDGET	ACTUAL	VARIANCE
	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s
SECONDARY & TERTIARY CARE COMMISSIONED SERVICES									
1 Northern Lincolnshire & Goole Hospitals NHS FT	7,583	7,513	(70)	30,333	30,387	54	91,000	91,400	400
2 Hull & East Yorkshire NHS Trust	1,092	1,049	(43)	4,369	4,122	(247)	13,108	13,108	0
3 Doncaster & Bassetlaw NHS FT	260	285	25	1,040	1,039	(1)	3,119	3,119	0
4 Sheffield Teaching Hospitals NHS FT	140	92	(48)	559	476	(83)	1,676	1,676	0
5 Sheffield Childrens Hospital NHS FT	105	84	(21)	419	358	(61)	1,256	1,256	0
6 United Lincolnshire Hospitals NHS Trust	140	124	(16)	560	489	(71)	1,680	1,680	0
7 Leeds Teaching Hospitals NHS Trust	104	61	(43)	414	378	(36)	1,243	1,243	0
8 East Midlands Ambulance Trust	386	386	0	1,546	1,546	0	4,638	4,638	0
9 Rotherham, Doncaster & South Humberside Foundation Trust	1,126	1,126	0	4,494	4,494	0	13,640	13,640	0
10 Specialist Services Group - Acute Services and Mental Health	1,691	1,370	(321)	6,580	6,290	(290)	19,740	19,553	(187)
11 Exclusions / Non-Contract Activity	143	161	18	570	635	65	1,711	1,711	0
12 Other Secondary & Tertiary Care Services	216	231	15	860	881	21	2,581	2,588	7
	12,986	12,482	(504)	51,744	51,095	(649)	155,392	155,612	220
PRIMARY CARE COMMISSIONED SERVICES									
13 GMS / PMS Practice Budgets and Other Primary Care Expenditure	2,040	2,040	0	7,894	7,894	0	23,547	23,547	0
14 GDS / PDS and Other Dental Expenditure	395	395	0	1,758	1,758	0	5,407	5,407	0
15 Ophthalmic Services	133	133	0	534	534	0	1,602	1,602	0
16 Prescribing Costs	2,481	2,481	0	9,925	9,925	0	29,776	29,776	0
17 Pharmaceutical Services	466	466	0	1,865	1,865	0	5,596	5,596	0
	5,515	5,515	0	21,976	21,976	0	65,928	65,928	0
COMMUNITY BASED SERVICES									
18 NLAG Community Services	910	910	0	3,640	3,640	0	10,921	10,921	0
19 Drug/Alcohol Community Services	278	278	0	969	969	0	2,853	2,853	0
20 Other Community Based Services	198	193	(5)	791	780	(11)	2,374	2,342	(32)
	1,386	1,381	(5)	5,400	5,389	(11)	16,148	16,116	(32)
PRIVATE & VOLUNTARY SECTOR									
21 & 22 NHS Continuing Care & Other Care Packages	1,336	1,339	3	5,314	5,320	6	16,952	16,952	0
23 Hospices	49	49	0	197	197	0	590	590	0
24 Voluntary Sector	24	24	0	95	95	0	286	286	0
	1,409	1,412	3	5,606	5,612	6	17,828	17,828	0
POOLED BUDGETS									
25 Mental Health	26	26	0	104	104	0	312	312	0
26 Learning Disabilities	36	36	0	142	142	0	430	430	0
	62	62	0	246	246	0	742	742	0
OTHER COMMISSIONED SERVICES									
27 Other Commissioned Services	249	269	20	1,036	1,076	40	2,729	2,729	0
	249	269	20	1,036	1,076	40	2,729	2,729	0
OTHER COMMISSIONING COSTS									
28 Public Health	196	196	0	782	782	0	2,522	2,522	0
29 Organisational Budgets (excluding Public Health)	483	483	0	2,202	2,202	0	6,608	6,608	0
30 Technical & Provision Costs	(759)	(273)	486	(1,163)	(516)	647	2,970	2,782	(188)
31 Depreciation & Cost of Capital Charge	31	31	0	126	93	(33)	377	377	0
32 Profit/ Loss on Sale of Assets	0	0	0	0	0	0	0	0	0
33 Contingency Funds	335	335	0	1,316	1,316	0	3,600	3,600	0
	286	772	486	3,263	3,877	614	16,077	15,889	(188)
34 PLANNED SURPLUS	169	0	(169)	675	0	(675)	2,000	0	(2,000)
TOTAL COMMISSIONED SERVICES	22,062	21,893	(169)	89,946	89,271	(675)	276,844	274,844	(2,000)
MEMORANDUM ITEM - UNCAPPED CONTRACT	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s
1 Northern Lincolnshire & Goole Hospitals NHS FT	7,583	7,513	(70)	30,333	30,387	54	91,000	91,400	400
2 Hull & East Yorkshire NHS Trust	1,092	1,049	(43)	4,369	4,122	(247)	13,108	13,108	0
TARGET	8,675	8,561	(114)	34,703	34,510	(193)	104,108	104,508	400

3) APPENDIX 2: STATEMENT OF FINANCIAL POSITION

	A	B	B-A
	Balance at 31 March 2012 £000s	Balance at 31 July 2012 £000s	Variance B-A £000s
● NON CURRENT ASSETS			
Property Plant & Equipment	12,207	11,983	(224)
Intangible assets	47	46	(1)
Other Financial Assets	0	0	0
Trade and Other Receivables	0	0	0
	12,254	12,029	(225)
● CURRENT ASSETS:			
Inventories	2	1	(1)
Trade and Other Receivables	3,311	1,750	(1,561)
Other Financial Assets	0	0	0
Other Current Assets	0	0	0
Cash and Cash Equivalents	2	163	161
Sub Total Current Assets	3,315	1,914	(1,401)
Non-Current Asset Held for Sale	120	120	0
TOTAL CURRENT ASSETS	3,435	2,034	(1,401)
TOTAL ASSETS	15,689	14,063	(1,626)
● CURRENT LIABILITIES			
Trade and other payables	(26,211)	(20,810)	5,401
Other Liabilities	0	0	0
Provisions	(2,125)	(2,098)	27
Other Financial Liabilities	0	0	0
Total Current Liabilities	(28,336)	(22,908)	5,428
● NET CURRENT ASSETS/(LIABILITIES)	(24,901)	(20,874)	4,027
● TOTAL ASSETS LESS CURRENT LIABILITIES	(12,647)	(8,845)	3,802
● NON CURRENT LIABILITIES			
Trade and Other Payables	0	0	0
Provisions	(766)	(500)	266
Other Financial Liabilities	0	0	0
Other Liabilities	0	0	0
Total Non Current Assets	(766)	(500)	266
● Total Assets Employed	(13,413)	(9,345)	4,068
● TAXPAYERS EQUITY			
General Fund	(14,343)	(10,275)	4,068
Revaluation Reserve	930	930	0
Government Grant Reserve	0	0	0
Other Reserves	0	0	0
	(13,413)	(9,345)	4,068

3) APPENDIX 3 : CAPITAL EXPENDITURE

CAPITAL EXPENDITURE	MONTH 4 - JULY 12			YEAR TO DATE			FORECAST YEAR END		
	LATEST BUDGET	ACTUAL	VARIANCE	LATEST BUDGET	ACTUAL	VARIANCE	LATEST BUDGET	FORECAST ACTUAL	EXPECTED VARIANCE
	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s

Capital Programme Expenditure	MONTH 4 - JULY 12			YEAR TO DATE			FORECAST YEAR END		
1 Maintenance	0	0	0	0	0	0	100	100	0
2 Equipment	0	0	0	0	0	0	200	200	0
3 TOTAL CAPITAL EXPENDITURE	0	0	0	0	0	0	300	300	0

CHARGE AGAINST CAPITAL RESOURCE LIMIT (CRL)

1 TOTAL CAPITAL EXPENDITURE (PER 3 ABOVE)	0	0	0	0	0	0	300	300	0
2 Less :Asset Sales Proceeds (i.e. Net Book Value Element)	0	0	0	0	0	0	0	0	0
3 Less: Captal Grants	0	0	0	0	0	0	(50)	(50)	0
4 NET CHARGE AGAINST THE CRL	0	0	0	0	0	0	250	250	0
5 CAPITAL RESOURCE LIMIT (CRL)	0	0	0	0	0	0	250	250	0
6 CAPITAL (UNDER) OR OVERSPEND AGAINST THE CRL	0	0	0	0	0	0	0	0	0

NOTES

The Capital Resource Limit (CRL) has now been approved by the Strategic Health Authority.
The gross CRL is expected to be £300k, however we plan to use £50k of this to fund capital grants for Primary Care.

3) APPENDIX 4: CASHFLOW - YEAR TO DATE TO JULY 2012

CASHFLOW STATEMENT	£000's
Net Operating Cost	(89,271)
Profit From Sale of Fixed Asset	0
Depreciation Charge	184
Working Capital	
(Increase)/Decrease in Stocks	1
(Increase)/Decrease in Receivables	1,561
Increase/(Decrease) in Payables	(5,401)
Increase/(Decrease) in Provisions	(293)
Net cash inflow/(outflow) from operating activities	(93,219)
CAPITAL EXPENDITURE	
(Payments) to acquire tangible fixed assets	(228)
Receipts from sale of tangible fixed assets	0
Net cash inflow/(outflow) from Capital Expenditure	(228)
Net cash (outflow) before financing	(93,447)
Interest Received	0
FINANCING	
Net cash inflow from financing	93,608
INCREASE/(DECREASE) IN CASH	161

3) APPENDIX 5: OTHER KEY FINANCIAL TARGET PERFORMANCE

1 CASH MANAGEMENT TARGETS

- A) All Cash Expenditure is Kept Within Cash Limits (Not Overdrawn)
 B) Cash Balance Held At Period End less than £500K or 5K at Y/End *

PREVIOUS MONTH			MONTH 4 - JULY 2012			FORECAST YEAR END		
BUDGET/TARGET	ACTUAL	VARIANCE	BUDGET/TARGET	ACTUAL	VARIANCE	BUDGET/TARGET	ACTUAL	VARIANCE
£000s or %	£000s or %	£000s or %	£000s or %	£000s or %	£000s or %	£000s or %	£000s or %	£000s or %

Yes	Yes	None	Yes	Yes	None	Yes	Yes	None
500	48	(452)	500	163	(337)	2	2	0

2 PROMPT PAYMENT OF INVOICE PERFORMANCE

- A) % of NHS Invoices Paid Within 30 Days - By Value
 B) % of NHS Invoices Paid Within 30 Days - By Number
 C) % of Non NHS Invoices Paid Within 30 Days - By Value
 D) % of Non NHS Invoices Paid In 30 Days - By Number

95.00%	99.00%	-4.00%	95.00%	99.90%	-4.90%	95.00%	95.00%	0.00%
95.00%	93.00%	2.00%	95.00%	90.50%	4.50%	95.00%	95.00%	0.00%
95.00%	92.00%	3.00%	95.00%	93.50%	1.50%	95.00%	95.00%	0.00%
95.00%	86.00%	9.00%	95.00%	96.50%	-1.50%	95.00%	95.00%	0.00%

3 AGED DEBT

NHS

Non NHS

Total

Current		0-30 days		31-60 days		Over 60 days		TOTAL
£	%	£	%	£	%	£	%	£
8,354	4.41	26,395	13.93	0	0.00	11,461	6.05	46,210
41,344	21.82	2,771	1.46	(13,918)	(7.34)	113,108	59.68	143,305
49,698	26.22	29,166	15.39	(13,918)	(7.34)	124,569	65.73	189,515

Invoices outstanding over £15,000, over 60 days

Customer Name

DANUM MEDICAL SERVICES LIMITED

NORTH LINCOLNSHIRE COUNCIL

DANUM MEDICAL SERVICES LIMITED

Invoice Number	Amount £	Days Outstanding	Action (s) Taken
3006790	25,626.09	141	The funding issues have now been resolved and the invoice will be paid by 31/08/12.
3006877	59,107.97	99	Backing information has been sent to NLC. The NLC staff member dealing with the invoice is on annual leave so no further update has been received.
3006912	20,077.61	90	The funding issues have now been resolved and the invoice will be paid by 31/08/12.

4 RUNNING COST

PCT Commissioning Running Costs
 Public Health Running Costs
Total Running Costs
 Unified Weighted Population
PCT Commissioning Running Costs per head
Public Health Running Costs per Head
Cost per Head (Unified Weighted)

2011/12 Running Costs in Final Accounts £	2012/13 Forecast Running Costs £	2012/13 Planned Running Costs £
3,727	3,721	4,132
392	488	456
4,119	4,209	4,588
163,799	163,799	163,799
22.75	22.72	25.23
2.39	2.98	2.78
25.15	25.70	28.01

3) APPENDIX 6: RESOURCE LIMIT ALLOCATION INFORMATION

	Use / Destination	STATUS OF ISSUED RESOURCE LIMIT ITEMS			Revenue Cash Limit	Capital Resource Limit	Total Cash Limit
		RECURRENT	NON RECURRENT (ONE OFF)	TOTAL	£000's	£000's	£000's
		£000's	£000's	£000's	£000's	£000's	£000's
1) BASE ALLOCATION							
Total Confirmed Funding		263,692	0	263,692	263,692	0	263,692
2) NEW IN YEAR ALLOCATIONS							
Pharmaceutical Services	-	0	2,249	2,249	2,249	0	2,249
Dental Allocation	-	0	5,912	5,912	5,912	0	5,912
General Ophthalmic Services	-	0	1,602	1,602	1,602	0	1,602
Social Care Support	-	0	1,915	1,915	1,915	0	1,915
Cancer Drugs Fund	-	0	(422)	(422)	(422)	0	(422)
Free School Fruit	-	0	(127)	(127)	(127)	0	(127)
Drugs Pooled Treatment Budget	-	0	1,720	1,720	1,720	0	1,720
Emergency Threshold 70% Marginal Topslice	-	0	(1,803)	(1,803)	(1,803)	0	(1,803)
HPV Vaccine	-	0	24	24	24	0	24
LTC allocation from innovation fund	-	0	19	19	19	0	19
Youth Justice Liaison & Diversion Funding	-	0	58	58	58	0	58
Adjustment re 12/13 Plan Depreciation and Amortisation Forecasts	-	0	0	0	(651)	0	(651)
Total Confirmed Funding		0	11,147	11,147	10,496	300	11,129
3) ANTICIPATED ALLOCATIONS							
Childhood Vaccination	-	0	28	28	28	0	28
Charge for Overseas Visitors	-	0	(160)	(160)	(160)	0	(160)
SIF Return	-	0	600	600	600	0	600
Return of Surplus from 2011/12	-	0	2,000	2,000	2,000	0	2,000
nGMS Contract Fees Dispensing Doctors	-	0	22	22	22	0	22
GP Dispensing Personal Admin	-	0	1,254	1,254	1,254	0	1,254
Mental Health Capacity Act	-	0	31	31	31	0	31
Reduction - central pressure	-	0	(40)	(40)	(40)	0	(40)
Specialist National Commissioning Group transfer	-	0	(1,730)	(1,730)	(1,730)	0	(1,730)
Total Anticipated Funding		0	2,005	2,005	2,005	0	2,005
4) TOTAL RESOURCES & BUDGET RECONCILIATION							
4A Confirmed resources per 1) and 2) above	-	263,692	11,147	274,839	274,188	300	274,488
4B Anticipated resources per 3) above	-	0	2,005	2,005	2,005	0	2,005
4C Total Resources (3A + 3B)	-	263,692	13,152	276,844	276,193	300	276,493
4D Latest Budgets	-	263,692	13,152	276,844	276,193	300	276,493
4E Variance Should = Zero (3D Minus 3C)		0	0	0	0	0	0

3) APPENDIX 7: CCG FORMAT - FINANCIAL MONITORING STATEMENT 2012/13. COMMISSIONING OPERATING COST AS AT (JULY 2012) - FINANCE PERIOD 4.

KEY	ALL CLINICAL COMMISSIONING GROUP AREAS OF INDICATIVE BUDGET RESPONSIBILITY	YEAR TO DATE				YEAR END POSITION			
		BUDGET	SPEND	VARIANCE		BUDGET	SPEND	VARIANCE	
		£	£	£	%	£	£	£	%
1) PRACTICE AREAS OF BUDGET RESPONSIBILITY.									
A) SECONDARY & TERTIARY CARE									
1	Northern Lincolnshire & Goole Hospitals NHS FT	30,333,368	30,387,468	54,100	0.18%	91,000,110	91,400,110	400,000	0.44%
2	Hull & East Yorkshire NHS Trust	4,369,305	4,122,192	(247,113)	(5.66%)	13,107,914	13,107,914	0	0.00%
3	Doncaster & Bassetlaw NHS FT	1,039,809	1,038,848	(961)	(0.09%)	3,119,435	3,119,435	0	0.00%
4	Sheffield Teaching Hospitals NHS FT	558,501	475,647	(82,854)	(14.84%)	1,675,518	1,675,518	0	0.00%
5	Sheffield Childrens Hospital NHS FT	418,774	357,619	(61,155)	(14.60%)	1,256,315	1,256,315	0	0.00%
6	United Lincolnshire Hospitals NHS Trust	560,108	489,024	(71,084)	(12.69%)	1,680,350	1,680,350	0	0.00%
7	Sub Total : Main PBR Based Care Costs	37,279,865	36,870,797	(409,068)	(1.10%)	111,839,642	112,239,642	400,000	0.36%
8	PPA Drugs & Home Oxygen Costs (Practice Specific Costs - Only)	9,514,576	9,514,291	(285)	(0.00%)	28,543,848	28,543,848	0	0.00%
9	SUB TOTAL : CORE PRACTICE AREAS OF BUDGET RESPONSIBILITY.	46,794,441	46,385,089	(409,352)	(0.87%)	140,383,490	140,783,490	400,000	0.28%
10	Budget Adjustment - For High Cost PBR Spells in Excess of £ 10K.	0	0	0	-	0	0	0	-
11	TOTAL : CORE PRACTICE AREAS OF BUDGET RESPONSIBILITY.	46,794,441	46,385,089	(409,352)	(0.87%)	140,383,490	140,783,490	400,000	0.28%
12	Exclusions - Non Contract Activity	367,948	367,948	(0)	(0.00%)	1,103,835	1,103,835	0	0.00%
13	TOTAL : CORE PRACTICE AREAS OF BUDGET RESPONSIBILITY.	47,162,389	46,753,036	(409,353)	(0.87%)	141,487,325	141,887,325	400,000	0.28%
B) OTHER COMMISSIONING BUDGETS									
14	East Midlands Ambulance Trust	1,545,897	1,545,897	0	0.00%	4,637,698	4,637,698	0	0.00%
15	All Other Secondary & Tertiary Care Services	1,217,110	1,099,808	(117,302)	(9.64%)	3,651,350	3,651,350	0	0.00%
16	Main Mental Health Contract - RDASH	4,494,457	4,494,451	(6)	(0.00%)	13,639,990	13,639,990	0	0.00%
17	NHS North Lincolnshire Community Provider Services	3,640,472	3,640,472	0	0.00%	10,921,416	10,921,416	0	0.00%
18	Other Community Based Services	782,693	771,787	(10,906)	(1.39%)	2,348,095	2,316,095	(32,000)	(1.36%)
19	Private & Voluntary Sector Services (Including : Continuing & Funded Care etc)	5,477,344	5,483,407	6,063	0.11%	17,440,704	17,440,704	0	0.00%
20	Pooled Mental Health Services	100,493	100,492	(1)	(0.00%)	301,499	301,499	0	0.00%
21	Pooled Learning Disability Services	207,786	203,052	(4,734)	(2.28%)	628,074	651,983	23,909	3.81%
22	Pharmacy Contract & Non Practice Specific PPA Costs.	356,348	356,316	(32)	(0.01%)	1,069,042	1,069,042	0	0.00%
23	All Other Commissioned Services	1,251,637	1,291,667	40,030	3.20%	3,374,901	3,374,901	0	0.00%
24	OTHER COMMISSIONING BUDGETS	19,074,237	18,987,349	(86,888)	(0.46%)	58,012,769	58,004,678	(8,091)	(0.01%)
25	TOTAL : PRACTICE AREAS OF BUDGET RESPONSIBILITY.	66,236,626	65,740,385	(496,241)	(0.75%)	199,500,094	199,892,003	391,909	0.20%
2 CCG AREAS OF BUDGET RESPONSIBILITY									
CLINICAL BUDGETS									
26	Enhanced Primary Care Services	0	0	0	0.00%	0	0	0	0.00%
27	Out of Hours Services	983,082	983,086	4	0.00%	2,949,225	2,949,225	0	0.00%
28	Local Safeguarding of Adults & Children	52,163	52,242	79	0.15%	156,502	156,502	0	0.00%
29	Exclusions - Contract Based & Mental Health	0	0	0	0.00%	0	0	0	0.00%
30	Remaining Budget Reserve - For High Cost PBR Spells in Excess of £ 10K.	0	0	0	0.00%	0	0	0	0.00%
CENTRAL BUDGETS (INCLUDING CSS CENTRAL BUDGETS)									
31	Organisational Services	1,893,871	1,855,522	(38,349)	(2.02%)	5,682,318	5,682,318	0	0.00%
32	Technical & Provision Costs	-980,927	-283,372	697,555	(71.11%)	3,522,483	3,334,284	(188,199)	(5.34%)
33	Contingency	1,315,998	1,315,998	(0)	(0.00%)	3,600,000	3,600,000	0	0.00%
34	Depreciation & Capital Charges	70,169	70,169	(0)	(0.00%)	210,512	210,512	0	0.00%
35	Planned Surplus	562,800	0	(562,800)	(100.00%)	1,680,000	0	(1,680,000)	(100.00%)
36	TOTAL : CCG AREAS OF BUDGET RESPONSIBILITY.	3,897,156	3,993,645	96,489	2.48%	17,801,040	15,932,841	(1,868,199)	(10.49%)
37	TOTAL : PRACTICE & CCG AREAS OF BUDGET RESPONSIBILITY.	70,133,782	69,734,030	(399,752)	(0.57%)	217,301,134	215,824,844	(1,476,290)	(0.68%)
MEMO ITEM: OTHER AREAS OF BUDGET RESPONSIBILITY									
	● Estates (Prop Co)	254,989	255,831	842	0.33%	765,071	765,071	0	(0.00%)
	● Commissioning Board (SCG & Primary Care)	17,739,901	17,474,910	(264,991)	(1.49%)	53,216,226	52,712,516	(503,710)	(0.95%)
	● Public Health	1,817,328	1,806,229	(11,099)	(0.61%)	5,561,569	5,541,569	(20,000)	(0.36%)
	TOTAL : OTHER AREAS OF BUDGET RESPONSIBILITY.	19,812,218	19,536,970	(275,248)	(1.39%)	59,542,866	59,019,156	(523,710)	(0.88%)
MEMO TOTAL : WHOLE NHS NORTH LINCOLNSHIRE POSITION									
		89,946,000	89,271,000	(675,000)	(0.75%)	276,844,000	274,844,000	(2,000,000)	(0.72%)