

BLACKBURN WITH DARWEN CCG GOVERNING BODY AND
EAST LANCASHIRE CCG GOVERNING BODY MEETING IN COMMON

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| Report Title: | Chief Finance Officer Report | Agenda No: | 4.6a |
| Meeting Date: | 13 November 2019 | | |
| Summary of Report: | The report outlines the summary financial position for NHS Blackburn with Darwen CCG at September 2019. | | |
| Report Recommendations: | The CCG Governing Body is asked to note the contents of this financial summary and the financial position of the CCG at the end of September 2019. | | |
| Financial Implications: | None | | |
| Procurement Implications: | None | | |
| Report Category: | Support and recommend/forward the report. | Tick | |
| | Approve the recommendations outlined in the report. | | |
| | Debate the content of the report. | | |
| | Receive the report for information. | Y | |
| Author: | Mrs Linda Ring, Finance Manager | | |
| | Report supported & approved by your Senior Lead? | Y | |
| Presented By: | Mr Roger Parr, Chief Finance Officer and Deputy Chief Officer | | |
| Other Committees Consulted: | None | | |
| Privacy Impact Assessment (PIA) | Has a PIA been completed in respect of this report? | | N |
| | If Yes, please attach | If No, provide reason below: not required | |
| Equality Impact Analysis (EIA) | Has an EIA been completed in respect of this report? | | N |
| | If Yes, please attach | If No, provide reason below: not required | |
| Data Protection Impact Assessment | Is a Data Protection Impact Assessment Required? | | N |
| Risks: | Have any risks been identified / assessed? Ref No: 2019/04 & 2019/05 | | Y |
| Conflict of Interest: | Is there a conflict of interest associated with this report? | | N |
| Clinical Engagement: | Has any clinical engagement/involvement taken place as part of the proposal being presented. | | N |
| Patient Engagement: | Have patients been involved in the drafting of this report? | | N |
| Privacy Status: | Can the document be shared | | Y |
| CCG Corporate Objectives : | | | |
| CO1 | To commission the best quality and effective services to deliver optimal healthcare outcomes for our local population. | | |
| CO2 | Ensure the balance of our health investment reflects our population's needs and keeps the population well | | Y |
| CO3 | Deliver the 10 year strategy by engagement with the population we serve and ensure we commission services that meet local needs with a clear focus on population health management strategies | | |
| CO4 | We will focus on population health outcomes through helping to deliver successful Integrated Care Partnerships and ensure decisions, provision and access to local services is based on the needs of our population. | | |
| CO5 | As local health leaders, we will focus on increasing life expectancy across Pennine Lancashire to be at, or above the national average in the next 10 years. | | |

Executive Financial Summary
Month 6 – Period Ending 30th September 2019

| | Year to Date (YTD) | | | Full Year Forecast | | |
|-----------------|--------------------|----------|----------|--------------------|----------|----------|
| | Budget | Actual | Variance | Budget | Actual | Variance |
| | £000 | £000 | £000 | £000 | £000 | £000 |
| Funds Available | 133,918 | 133,918 | 0 | 273,788 | 273,788 | 0 |
| Commissioning | 102,895 | 102,975 | (80) | 204,342 | 204,521 | (179) |
| Primary Care | 27,647 | 27,715 | (68) | 56,169 | 56,216 | (47) |
| Corporate | 3,278 | 3,228 | 50 | 6,704 | 6,653 | 51 |
| Reserves | 98 | 0 | 98 | 6,573 | 6,398 | 175 |
| Balance | 0 | 0 | 0 | 0 | 0 | 0 |

Summary Financial Position – The CCG is reporting a breakeven position in line with the financial plan. The CCG is on plan to deliver its year end forecast breakeven position.

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| <p>Commissioned Services</p> <ul style="list-style-type: none"> Healthcare Commissioning is reporting a YTD overspend of £80k with a year-end forecast overspend of £179k. Primary Care Services are reporting a YTD underspend of £68k with forecast year end overspend of £47k. Prescribing expenditure figures have been received for April to July with August and September expenditure estimated. A forecast breakeven position is reported at this time. An overspend of £112k is forecast on prescribing. Corporate Services are reporting an underspend of £50k and a year end forecast overspend of £51k. <p>Capital</p> <ul style="list-style-type: none"> A combined budget for hardware replacement of the GPIT estates, provision of infrastructure, mobility working and operating software has been approved by NHS England on behalf of the CCG. Expenditure of £244k is expected in 2019/20. | <p>Risks</p> <ul style="list-style-type: none"> The CCG has a QIPP target of £6.0m and has achieved savings of 43.5% of the target. There is a risk that some schemes will not fully release the planned savings in year and the CCG continues to look for opportunities to mitigate any shortfalls. Acute activity levels continue to be a key factor in 2019/20. Schemes are in place to manage demand Continuing health care and complex packages continues to be a key risk as these are generally high cost and low volume. The CCG continues to closely monitor this area of expenditure. Prescribing expenditure is volatile and is monitored closely by the Medicines Management Team. The prescribing waste scheme and the prescribing hub continue into 2019/20. <p>QIPP</p> <ul style="list-style-type: none"> The CCG has actioned 43.5% of its QIPP savings to date and is on plan to meet the full year savings of £6.0m. |
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Recommendation: The CCG Governing Body is asked to note the contents of this financial summary and the financial position of the CCG at the end of September 2019.

Summary Governing Body Report - September 2019

| | Budget to Date £000 | Expenditure to Date £000 | Variance to Date £000 | Annual Budget £000 | Annual Forecast £000 | Annual Forecast Variance £000 |
|-------------------------------------|------------------------|-----------------------------|--------------------------|-----------------------|-------------------------|-------------------------------------|
| Revenue Resource Limit | | | | | | |
| Confirmed | (133,918) | (133,918) | 0 | (273,788) | (273,788) | 0 |
| Anticipated | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Revenue Resource Limit | (133,918) | (133,918) | 0 | (273,788) | (273,788) | 0 |
| Expenditure | | | | | | |
| Commissioning (Page 2) | 130,542 | 130,690 | (148) | 260,511 | 260,737 | (226) |
| Corporate (Page 4) | 1,599 | 1,569 | 30 | 3,199 | 3,198 | 1 |
| Reserves (Page 4) | 98 | 0 | 98 | 6,573 | 6,398 | 175 |
| Healthcare Sub Total | 132,239 | 132,259 | (20) | 270,283 | 270,333 | (50) |
| Running Costs (Page 4) | 1,679 | 1,659 | 20 | 3,505 | 3,455 | 50 |
| Total Expenditure | 133,918 | 133,918 | 0 | 273,788 | 273,788 | 0 |
| Surplus/(Deficit) | 0 | 0 | 0 | 0 | 0 | 0 |

| Better Payment Practice Code | YTD Value (%) | YTD Volume (%) | FOT Value (%) | FOT Volume (%) | Target (%) |
|------------------------------|---------------|----------------|---------------|----------------|------------|
| NHS | 99.8 | 99.8 | 99.0 | 99.0 | 95.0 |
| Non NHS | 99.6 | 99.7 | 99.0 | 99.0 | 95.0 |

Healthcare Commissioning Report - September 2019

| | Budget to Date £000 | Expenditure to Date £000 | Variance to Date £000 | Annual Budget £000 | Annual Forecast £000 | Annual Forecast Variance £000 |
|---|------------------------|--------------------------------|--------------------------|-----------------------|-------------------------|-------------------------------------|
| Acute Services | | | | | | |
| NHS contracts (includes Ambulance Services) | 64,997 | 64,864 | 133 | 129,969 | 129,701 | 268 |
| Non NHS Providers | 3,142 | 3,410 | (268) | 6,219 | 6,752 | (533) |
| NHS Contract Exclusions / Cost per Case | 299 | 305 | (6) | 518 | 522 | (4) |
| Non Contract Activity | 1,039 | 981 | 58 | 2,078 | 1,963 | 115 |
| Other | 272 | 309 | (37) | 368 | 441 | (73) |
| Sub Total Acute Contracts | 69,749 | 69,869 | (120) | 139,152 | 139,379 | (227) |
| Mental Health Services | | | | | | |
| NHS contracts | 9,104 | 9,102 | 2 | 18,187 | 18,187 | 0 |
| Non NHS Providers | 444 | 500 | (56) | 809 | 807 | 2 |
| IPA - Complex Packages | 1,324 | 1,241 | 83 | 2,649 | 2,617 | 32 |
| Non Contract Activity | 403 | 403 | 0 | 450 | 450 | 0 |
| Other | 546 | 545 | 1 | 759 | 753 | 6 |
| Sub Total Mental Health Services | 11,821 | 11,791 | 30 | 22,854 | 22,814 | 40 |
| Community Health Services | | | | | | |
| NHS contracts | 7,458 | 7,458 | 0 | 14,916 | 14,916 | 0 |
| Non NHS Providers | 864 | 894 | (30) | 1,644 | 1,728 | (84) |
| IPA - Complex Packages | 121 | 121 | 0 | 241 | 242 | (1) |
| NHS Contract Exclusions / Cost per Case | 190 | 189 | 1 | 380 | 380 | 0 |
| Non Contract Activity | 0 | 0 | 0 | 0 | 0 | 0 |
| Hospices | 559 | 559 | 0 | 1,096 | 1,096 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub Total Community Services | 9,192 | 9,221 | (29) | 18,277 | 18,362 | (85) |
| Total Healthcare Contracts | 90,762 | 90,881 | (119) | 180,283 | 180,555 | (272) |
| Continuing Care Services | | | | | | |
| Continuing Care | 3,818 | 3,849 | (31) | 7,636 | 7,697 | (61) |
| Free Nursing Care | 616 | 538 | 78 | 1,231 | 1,075 | 156 |
| Sub Total Continuing Care Services | 4,434 | 4,387 | 47 | 8,867 | 8,772 | 95 |
| Primary Care Services | | | | | | |
| Prescribing | 12,618 | 12,674 | (56) | 25,236 | 25,348 | (112) |
| Enhanced Services | 1,205 | 1,140 | 65 | 2,491 | 2,426 | 65 |
| Primary Care Co-Commissioning | 11,233 | 11,322 | (89) | 23,299 | 23,299 | 0 |
| Out of Hours | 683 | 682 | 1 | 1,365 | 1,365 | 0 |
| Commissioning | 1,350 | 1,339 | 11 | 2,599 | 2,599 | 0 |
| Other | 558 | 558 | 0 | 1,179 | 1,179 | 0 |
| Sub-total Primary Care services | 27,647 | 27,715 | (68) | 56,169 | 56,216 | (47) |
| Other Programme Services | | | | | | |
| Other Non Acute | 4,573 | 4,584 | (11) | 8,939 | 8,947 | (8) |
| Complex Cases & Individual Funding Requests | 3,126 | 3,123 | 3 | 6,253 | 6,247 | 6 |
| Sub Total Other Programme Services | 7,699 | 7,707 | (8) | 15,192 | 15,194 | (2) |
| Surplus/(Deficit) | 130,542 | 130,690 | (148) | 260,511 | 260,737 | (226) |

Main Healthcare Contracts - September 2019

| | Budget to Date £000 | Expenditure to Date £000 | Variance to Date £000 | Annual Budget £000 | Annual Forecast £000 | Annual Forecast Variance £000 |
|--|------------------------|--------------------------------|--------------------------|-----------------------|-------------------------|-------------------------------------|
| Acute Contracts | | | | | | |
| Main Provider | | | | | | |
| East Lancashire Hospitals NHS Trust | 55,774 | 55,775 | (1) | 111,548 | 111,550 | (2) |
| Other Lancashire Providers | | | | | | |
| Lancashire Teaching Hospitals NHS FT | 2,847 | 2,805 | 42 | 5,694 | 5,611 | 83 |
| Blackpool Fylde & Wyre Hospitals NHS FT | 230 | 277 | (47) | 448 | 541 | (93) |
| University Hospitals Morecambe Bay NHS FT | 69 | 63 | 6 | 138 | 126 | 12 |
| North West Ambulance Service NHS Trust (Block) | 3,894 | 3,913 | (19) | 7,787 | 7,827 | (40) |
| Sub Total Other Lancashire Providers | 7,040 | 7,058 | (18) | 14,067 | 14,105 | (38) |
| Greater Manchester Providers | | | | | | |
| University Hospital South Manchester NHS FT | 0 | 0 | 0 | 0 | 0 | 0 |
| Salford Royal NHS FT | 211 | 228 | (17) | 402 | 437 | (35) |
| Royal Bolton Hospitals NHS FT | 139 | 154 | (15) | 278 | 309 | (31) |
| Wrightington, Wigan & Leigh NHS FT | 524 | 444 | 80 | 1,052 | 891 | 161 |
| Central Manchester University Hospital NHS FT | 1,039 | 905 | 134 | 2,078 | 1,810 | 268 |
| Pennine Acute NHS Trust | 110 | 108 | 2 | 224 | 220 | 4 |
| The Christie NHS FT | 105 | 83 | 22 | 211 | 165 | 46 |
| Sub Total Greater Manchester Providers | 2,128 | 1,922 | 206 | 4,245 | 3,832 | 413 |
| Merseyside Providers | | | | | | |
| Royal Liverpool & Broadgreen NHS Trust | 55 | 108 | (53) | 109 | 216 | (107) |
| Sub Total Merseyside Providers | 55 | 108 | (53) | 109 | 216 | (107) |
| Independent Sector Contracts | | | | | | |
| BMI Healthcare (Beardwood, Beaumont, Gisburne) | 2,906 | 3,059 | (153) | 5,732 | 6,037 | (305) |
| Ramsay | 236 | 351 | (115) | 487 | 716 | (229) |
| Sub Total | 3,142 | 3,410 | (268) | 6,219 | 6,753 | (534) |
| Total Acute Contracts | 68,139 | 68,273 | (134) | 136,188 | 136,456 | (268) |
| Mental Health Contracts | | | | | | |
| Lancashire Care NHS FT (Block) | 9,079 | 9,077 | 2 | 18,137 | 18,138 | (1) |
| Calderstones Partnership NHS FT (Block) | 0 | 0 | 0 | 0 | 0 | 0 |
| Greater Manchester West NHS FT | 16 | 16 | 0 | 33 | 33 | 0 |
| Total Mental Health Contracts | 9,095 | 9,093 | 2 | 18,170 | 18,171 | (1) |
| Community Health Contracts | | | | | | |
| Lancashire Care NHS FT (Block) | 7,458 | 7,458 | 0 | 14,916 | 14,916 | 0 |
| Total Community Health Contracts | 7,458 | 7,458 | 0 | 14,916 | 14,916 | 0 |
| Surplus/(Deficit) | 84,692 | 84,824 | (132) | 169,274 | 169,543 | (269) |

Non Healthcare Commissioning Report - September 2019

| | Budget to Date £000 | Expenditure to Date £000 | Variance to Date £000 | Annual Budget £000 | Annual Forecast £000 | Annual Forecast Variance £000 |
|--|------------------------|-----------------------------|--------------------------|-----------------------|-------------------------|-------------------------------------|
| Other Corporate Costs (Non-Running Costs) | | | | | | |
| CSU re-charge | 0 | 0 | 0 | 0 | 0 | 0 |
| NHS Property Services re-charge | 1,327 | 1,341 | (14) | 2,653 | 2,682 | (29) |
| Other | 272 | 228 | 44 | 546 | 516 | 30 |
| Sub Total Corporate Costs | 1,599 | 1,569 | 30 | 3,199 | 3,198 | 1 |
| Plan requirements & reserves | | | | | | |
| Reserves | 98 | 0 | 98 | 6,573 | 6,398 | 175 |
| Sub Total Reserves | 98 | 0 | 98 | 6,573 | 6,398 | 175 |
| Running Costs | | | | | | |
| CCG Pay | 867 | 846 | 21 | 1,778 | 1,778 | 0 |
| CSU re-charge | 570 | 572 | (2) | 1,139 | 1,139 | 0 |
| NHS Property Services re-charge | 67 | 67 | 0 | 133 | 133 | 0 |
| Other | 175 | 174 | 1 | 455 | 405 | 50 |
| Running Costs Reserve | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub Total Running Costs | 1,679 | 1,659 | 20 | 3,505 | 3,455 | 50 |
| | | | | | | |
| Surplus/(Deficit) | 3,376 | 3,228 | 148 | 13,277 | 13,051 | 226 |

Statement of Financial Position - September 2019

| Statement of Financial Position | September £000 |
|--|-------------------|
| Non Current Assets | |
| Intangible Assets | 9 |
| Total Non Current Assets | 9 |
| Current Assets | |
| Trade and Other Receivables | 2,184 |
| Financial Assets | 0 |
| Inventory | 803 |
| Cash and Bank | 234 |
| Total Current Assets | 3,221 |
| Total Assets | 3,230 |
| Current Liabilities | |
| Trade and Other Payables | (4,632) |
| Other Liabilities | 0 |
| Provisions | (113) |
| Borrowings | 0 |
| Total Current Liabilities | (4,745) |
| Total Assets less Current Liabilities | (1,515) |
| Non Current Liabilities | |
| Trade and Other Payables | 0 |
| Provisions | 0 |
| Borrowings | 0 |
| Other Liabilities | 0 |
| Total Non Current Liabilities | 0 |
| Total Assets Employed | (1,515) |
| Financed By | |
| General Fund | (1,515) |
| Revaluation Reserve | 0 |
| Donated Asset Reserve | 0 |
| Government Grant Reserve | 0 |
| Other Reserves | 0 |
| Total Equity | (1,515) |