

Title of meeting : Slough CCG GB meeting							
Date of Meeting	6 Oct 2015		Paper Number	SCCG-6.1			
Title	Financial Performance report for August 2015 (M5)						
Sponsoring Director (name and job title)	Nigel Foster – Chief Finance Officer						
Sponsoring Clinical / Lay Lead (name and job title)	Dr Nabi						
Author(s)	Debbie Fraser						
Purpose	To inform the GB of the financial performance at Month 5 (August 2015) and current forecast outturn.						
The OLT is required to (please tick)							
Approve	<input type="checkbox"/>	Receive	<input type="checkbox"/>	Discuss	<input checked="" type="checkbox"/>	Note	<input checked="" type="checkbox"/>
Risk and Assurance <i>(outline the key risks / where to find mitigation plan in the attached paper and any assurances obtained)</i>	The key risks are listed below.						
Legal implications/regulatory requirements	None						
Public Sector Equality Duty	Not applicable						
Links to the NHS Constitution (relevant patient/staff rights)	None						
Strategic Fit	Not Applicable						
Commercial and Financial Implications <i>(Identify how the proposal impacts on existing contract arrangements and have these been incorporated?</i> <i>Include date Deputy CFO has signed off the affordability and has this been incorporated within the financial plan. Include details of funding source(s)</i>	As outlined in the report.						



<p>Quality Focus <i>(Identify how this proposal impacts on the quality of services received by patients and/or the achievement of key performance targets)</i></p> <p><i>Include date the Director of Nursing has signed off the quality implications)</i></p>	<p>Not Applicable</p>
<p>Clinical Engagement <i>Outline the clinical engagement that has been undertaken</i></p>	<p>Not Applicable</p>
<p>Consultation, public engagement & partnership working implications/impact</p>	<p>Not Applicable</p>
<p>NHS Outcomes <i>Please indicate (highlight) which Domain this paper sits within by highlighting or ticking below: Please note there may be more than one Domain.</i></p>	<p>Domain 1 Preventing people from dying prematurely;</p> <p>Domain 2 Enhancing quality of life for people with long-term conditions;</p> <p>Domain 3 Helping people to recover from episodes of ill health or following injury;</p> <p>Domain 4 Ensuring that people have a positive experience of care; and</p> <p>Domain 5 Treating and caring for people in a safe environment; and protecting them from avoidable harm.</p>
<p><u>Executive Summary</u></p> <p>At month 5 the CCG is reporting on plan, with a year to date surplus of £813k and a year-end surplus of £1.954m.</p> <p>At month 5, a number of pressures have been identified around the mental health placements budget, independent sector acute and the CCG’s main acute provider, however a new pressure has arisen in prescribing this month. The CCG has been able to cover these from its reserves, and hence the CCG is consequently reporting to plan, however we need to monitor the position closely.</p> <p>A number of risks are however present, and these are summarised below:</p> <ul style="list-style-type: none"> • Contract with Frimley Health has not yet been signed (although we are close to agreement). NHSE has been paying for non-specialist drugs and currently holds the allocation for these. There is an impending recurrent transfer of this allocation and spend from Specialist Commissioning to the CCG required at month 7. Discussions are continuing between NHSE and the CCG as there is an anticipated risk that the allocation transferred will not be sufficient to cover the growth in 15/16. • Acute provider data is only available for four months and the CCG’s main contract is 	



showing early indications of over performance. The acute contracts' over performance accounted for in the report is £0.6m year to date and £1.2m forecast outturn. This is being investigated to understand the causes of this additional activity, to either identify whether this activity includes any anomalies or whether mitigating actions need to be put in place.

- The QIPP fails to deliver the budgeted savings of £4.71m.
- There continues to be a risk that the CCGs will be charged for void/subsidy costs by NHS Property Services Ltd – Discussions are continuing regarding the nature and value of this charge, the invoices remain unpaid and we are aware of a number of other CCGs who are in a similar position.

In addition this month I would highlight to the GB:

- Financial Control Environment Assessment – NHS England has initiated an assessment of the financial governance and the control environment of every CCG in the country. This is partly in response to the small number of CCGs which deteriorated materially from plan last year. We were required to complete a self-assessment checklist which will be reviewed by NHS England. The self-assessment had 18 areas of considerations covering a) financial performance, including financial planning and reporting, b) financial controls and processes, covering systems for financial control, risk management, c) finance team capability, audit and other finance committees. This was reviewed and “signed-off” by the Audit Committee on 25th September 2015.
- Transfer of commissioning responsibilities between Specialist Commissioning and the CCG – a number of reviews are underway:
 - Specified high costs drugs transferring to the CCG in 2015/16 (Cytokine modulators & drugs affecting the immune response). These are being reviewed by the medicines management team.
 - To confirm values for neurology outpatients and specialist wheelchairs coming back to the CCG in 2015/16 (for us, most specialist wheelchairs never transferred to Specialist as they are within our contract with Berkshire Healthcare)
 - To provide data on adult renal and morbid obesity to inform decisions which may be made about the possible transfer to the CCG in 2016/17
 - To provide data on certain highly specialised adult urinary and gynaecological surgery services., gastro electrical stimulation in adults and homozygous familial hypercholesterolaemia which may transfer from the CCG to Specialised in 2016/17, (possibly delayed to the following year)
- Medium Term Financial Plans – we are refreshing our financial plans and anticipate an early view will be available for early November in readiness for the 2016/17 planning round. It is probable that we will need to produce financial plans at least through to 2018/19, and it should be noted that CCG funding allocations are not likely to be announced until late December 15.



Recommendation(s)

The GB is requested to note this report.

