

Title of meeting : Slough CCG GB meeting							
Date of Meeting	2/06/2015		Paper Number	SCCG/02/06/15/6.1			
Title	Financial Performance report for March 2015 (mth12)						
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 for Month 12 (March 2015) and the outturn for 2014/15						
The GB 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>The attached finance report for month 12 which shows the draft year end position reported to NHS England. This is subject to audit and therefore cannot be finalised until the auditor's final opinion on the accounts has been provided. Although some detailed adjustments have been agreed with the auditors at the Audit Committee on 22nd May the auditors confirmed they were not expecting anything to impact on the overall reported surplus. The auditors also confirmed at the meeting that they were expecting to give an unqualified opinion on the financial statements, and for regularity and value for money.</p> <p>The final surplus is £2,087k which exceeds the planned surplus of £1,580k (1% of budget in line with national expectations) by £507k.</p> <p>In Month 12 the CCG was notified that the charge for Frimley Health integration costs would be significantly less than previously forecast. In addition the mental health resilience programme has suffered slippage due to recruitment issues and therefore Slough CCG has increased its surplus at month 12 to just over £2m. The slippage on the resilience programme will be required in 2015/16.</p> <p>As reported throughout the year, the major area of financial over performance has been on the acute contract with Frimley Health (particularly non-elective activity at the Wexham site). This has been funded by fully utilising uncommitted reserves and contingencies. Performance on our acute</p>	



contracts is reported in more detail to the Operational Leadership Team meeting. As is usual at year end, we close the accounts using a forecast based on the Month 11 monitoring reports from Trusts; any subsequent changes in actual activity in Month 12 are adjusted for in the next financial year.

The following other areas of financial risk have been previously highlighted to the Governing Body:

- The QIPP fails to deliver the budgeted savings - *at month 12 the QIPP programme is forecast to have delivered a net saving of approximately £0.5m compared to a plan of £2.3m.*
- The cost of retrospective Continuing Healthcare claims dating from the predecessor PCT exceeds the budget. *An exercise was undertaken in December which resulted in a reduction in the contribution of £370k and there was instruction by NHS England to increase our surplus by this unexpected benefit. Any changes after December will be managed as part of 2015/16.*
- There is a risk that the CCGs will be charged for void costs by NHS Property Services Ltd – *a schedule of proposed costs has been received by Slough CCG totalling £772k. The £1.4m advised by NHS Property Services for the three CCGs in East Berkshire earlier in the year has been included in the accounts on a risk shared basis, but the invoices have not been paid. Discussions are continuing regarding the nature and value of this charge, and we are aware of a number of other CCGs who have adopted a similar approach.*

Recommendation(s)

The GB is requested to note this report.

