

BNSSG CCG Governing Body Meeting

Date: Tuesday 3rd December 2019

Time: 1.30pm

Location: Clevedon Hall, Elton Road, Clevedon, North Somerset, BS21 7RQ

Agenda Number :	8.2
Title:	BNSSG CCG Finance Report – Month 7 September
Purpose: Decision/Discussion	
Key Points for Discussion: The financial position, the key risks, issues and mitigations reported at Month 7.	
<ul style="list-style-type: none"> Year to Date financial position is now showing £20.5m deficit, which is £13.5m adverse to the £7m planned deficit at the end of October. Overspends are being experienced in all sectors and focussed management attention is required to recover the financial position. Prescribing expenditure relating to volume of items issued, prices and nationally negotiated price margins remains very volatile and a new risk of £3m overspend on budget has emerged based on August data. The biggest drivers of the adverse position are Continuing Healthcare complex individual packages; Acute Independent Sector; Prescribing and Mental Health & LD packages and Out of Area placements. Overspends to date are also seen in 52wk fines which could be negotiated to return to the system from NHS England; and Running Costs where management action can directly reduce expenditure. This position has partly been mitigated by one off benefits related primarily to the finalisation of 18/19 contracts and are therefore not repeatable. The CCG is now forecasting to be off-plan by £19.5m (including net risks) for the year as at Month 7 (October), generating a £31.5m risk-adjusted forecast outturn. This risk-adjusted position has been reported to NHS England at Month 7 (see pages 18 & 19). 	
Recommendations:	To discuss and note the financial position, the key risks, issues and mitigations reported at Month7.
Previously Considered By and feedback :	Strategic Finance Committee

Management of Declared Interest:	Declarations of interest stated in meeting and recorded in Committee minutes.
Risk and Assurance:	At Month 7, the CCG is reporting as off-plan by £12.9m with net risks of £6.6m giving a total risk-adjusted deficit of £31.5m. This position reflects the current assessment of financial performance.
Financial / Resource Implications:	This paper presents the financial position of the Bristol, North Somerset and South Gloucestershire CCG.
Legal, Policy and Regulatory Requirements:	<p>Section 223H of the Health and Social Care Act 2012 sets out the duty for CCGs to break even on their commissioning budget for both revenue and capital. BNSSG is required not to exceed the cash limit set by NHS England, which restricts the amount of cash drawings that the CCG can make in the financial year. The CCG must also comply with relevant accounting standards.</p> <p>The CCG has set an annual plan with an in year deficit of £12.0m. NHS England initially set the CCG a Control Total target of breakeven. However, NHS E/I Regional Team have accepted the £12.0m deficit plan.</p>
How does this reduce Health Inequalities:	No health inequalities issues arise directly as a result of this report
How does this impact on Equality & diversity	There is no direct impact upon people with protected characteristics.
Patient and Public Involvement:	No direct involvement in the reporting of the financial position.
Communications and Engagement:	The financial position of the CCG is subject to regular reporting and review by the Strategic Finance Committee and public Governing Body. In addition, the CCG has regular meetings with NHSE to review performance throughout the year.
Author(s):	Jonathan Lund, Deputy CFO and Rob Moors, Associate CFO
Sponsoring Director / Clinical Lead / Lay Member:	Sarah Truelove, Deputy Chief Executive and Chief Finance Officer

Agenda item:

Report title:

Guidance Notes: Please remove all red text from papers

- When using acronyms ensure that the full, correct name is used initially, subsequent references may use the accepted acronym. For example, “The Governing Body Assurance Framework (GBAF) is received by the Audit Governance and Risk Committee. The Governing Body receives the GBAF quarterly.”
- **All** sections must be completed
- Papers must be signed off by the sponsoring director

1. Background

2. Optional headings – remove this text and replace with relevant titles and format correctly

Create as many new headings as required.

3. Financial resource implications

Detail here all finance and other resources implications. This should be a full discussion of any issues and actions in place.

4. Legal implications

Detail here all legal implications. This should be a full discussion of any issues and actions in place.

5. Risk implications

Detail here all aspects of risks and their implications. NB these may be covered in the other sections of the report and therefore this section should reference those.

6. How does this reduce health inequalities

Explain here all implications for health inequalities including how health inequalities will be reduced. Ensure that there is a full discussion of any issues and actions in place.

7. How does this impact on Equality and Diversity?

Explain here all implications for equalities. Reference should be made to all equality impact assessments (these should be included as an appendix). There should be a full discussion of any issues and actions in place.

8. Consultation and Communication including Public Involvement

Detail here all aspects of consultation and communication including public involvement. This should external and internal communications. This section should include activities already completed with outcomes and future plans. There should be a full discussion of any issues and actions in place. Where there is a significant body of information this can be added as an appendix and referenced here.

Appendices

Glossary of terms and abbreviations

Please explain all initials, technical terms and abbreviations. .

This is an example – please delete and replace with terms relevant to your report

Continuing Health Care	Continuing health care describes a situation where, following a thorough assessment of needs, a person's overall health needs are judged to be so great that the NHS will manage and pay for all the care they need. An NHS professional will supervise the agreed care plan and care can be provided in any setting, for example the person's own home, a hospice, a care home or a hospital. In this situation, no charges are made for care services that are arranged as part of a care plan.
CQUIN	The Commissioning for Quality and Innovation (CQUIN) payment framework makes a proportion of providers' income conditional on quality and innovation.