

Item Number: 12

Name of Presenter: Tracey Preece

Meeting of the Governing Body

4 February 2016



Vale of York

Clinical Commissioning Group

Financial Performance Report

**Purpose of Report
For Information**

1. Rationale

To brief members on the financial performance of the CCG and achievement of key financial duties for 2015/16 (as at the end of December 2015).

To provide details and assurance around the actions being taken.

To provide an update to the Committee on progress associated with QIPP schemes to date and other programme delivery areas.

2. Strategic Initiative *Impact across all initiatives*

- | | |
|---|---|
| <input type="checkbox"/> Integration of care | <input type="checkbox"/> Planned care |
| <input type="checkbox"/> Person centred care | <input type="checkbox"/> Transforming MH and LD services |
| <input type="checkbox"/> Primary care reform | <input type="checkbox"/> Children and maternity |
| <input type="checkbox"/> Urgent care reform | <input type="checkbox"/> Cancer, palliative care and end of life care |
| <input type="checkbox"/> Effective and Efficient Organisation | <input type="checkbox"/> System resilience |

3. Local Authority Area

- | | |
|---|---|
| <input checked="" type="checkbox"/> CCG Footprint | <input type="checkbox"/> East Riding of Yorkshire Council |
| <input type="checkbox"/> City of York Council | <input type="checkbox"/> North Yorkshire County Council |

4. Actions / Recommendations

The Governing Body is asked to receive and note the Financial Performance Report.

5. Engagement with groups or committees

N/A

6. Impact on Primary Care

Primary care co-commissioning is reported in summary level in this report.

All actions require primary care engagement.

7. Significant issues for consideration

The CCG is currently classed as an organisation in turnaround due to the significant deterioration of the financial position.

The CCG is forecasting a year end deficit of £7.35m, which is £11.30m below plan. This position includes several significant variances which are detailed in section 3. The forecast outturn has deteriorated from last month by £6.18m as follows:

- £3.03m of this is the net unmitigated risk from month 8 now included in the forecast outturn position following a review of the risks;
- Further in month deteriorations have materialised in month 9 including Continuing Healthcare (£1.03m) and Mental Health Out of Contract (£0.23m);

- The remaining £1.89m is a reassessment of all forecast positions following the report from PwC.

There are no further risks to the forecast reported at month 9. All risks and mitigations identified at month 8 have been reviewed and, where appropriate, included in the forecast outturn position. The CCG must not deteriorate the financial position any further between the month 9 forecast and the year-end position. The CCG is required to do everything possible to improve the position in 2015/16 alongside developing sustainable, recurrent recovery plans for 2016/17.

The December financial position has been discussed with the NHS England Area Team, who are fully briefed on the forecast deficit. A detailed financial recovery strategy for improving the 2015/16 position and recovering the underlying deficit position is being developed for consideration by NHS England 3rd Feb.

8. Implementation

Key actions detailed in the report require implementation and monitoring through the Governing Body and the focus on these will increase in the current turnaround situation.

9. Monitoring

N/A

10. Responsible Chief Officer and Title

Tracey Preece, Chief Finance Officer
Rachel Potts, Chief Operating Officer

11. Report Author and Title

Natalie Fletcher, Head of Finance
Paul Howatson, Senior Innovation and Improvement Lead

12. Annexes

Appendix 1 – Finance dashboard
Appendix 2 – QIPP highlights report