

FINANCE REPORT – MONTH 2 (MAY) 2015

1 Executive Summary

This paper summarises the financial performance of Thurrock CCG as at Month 2 (May) 2015/16.





2 Overview

The year to date financial position as at Month 2 (May 2015) is a £312k underspend. This position does not include any activity data relating to the Acute performance and also data relating to prescribing activity.

The table below shows an overview of the position as at month 2:

	Annual Budget (£)	Year To Date (£)			Forecast (£)	
		Budget	Actual	Variance	Outturn	Variance
PROGRAMME	192,625,000	32,020,323	32,141,875	121,552	192,625,000	0
ADMIN	3,727,000	621,123	521,276	(99,847)	3,727,000	0
SURPLUS	2,090,000	334,000	0	(334,000)	0	(2,090,000)
Grand Total	198,442,000	32,975,446	32,663,151	(312,295)	196,352,000	(2,090,000)

3 Key Performance Indicators

Key Performance Indicators - Month 2											
No.	Indicator Name	Year to Date			Full Year Plan			Narrative	YTD Rating	Forecast Rating	Report Ref.
		Plan £'000	Actual £'000	Variance £'000	Plan £'000	Forecast £'000	Variance £'000				
1	Surplus/Deficit	334	0	(334)	2,090	0	(2,090)				
2	Programme Budget	32,020	32,142	122	192,625	192,625	0				
3	Running Costs/ Admin Budget	621	521	(100)	3,727	3,727	0				
4	QIPP Performance	790	480	(310)	7,270	7,270	0	A large proportion of the QIPP schemes relates to Acute activity and prescribing schemes which are subject to a 2 month time lag in availability of the data. The data for the first 2 months is not yet available. Once received it will be subject to retrospective validation to establish the proportion of QIPP achieved.			
5	BPPC Non NHS	95%	98.3%		95%	95%	n/a	The CCG BPPC Rating is affected by any invoices which are not paid within the terms.			Para 8
	BPPC NHS	95%	95.1%		95%	95%	n/a	This will include any performance and NCA invoices which will need validation before paying.			Para 8

4 2015/16 Budgetary Allocation

The opening resource allocation for 2015/16 is £198,442k, comprising £194,715k programme budget and £3,727k running costs budget.

Thurrock CCG Budget Summary 2015/16 - Month 2				
	Opening	Movement	Closing	
	£'000	£'000	£'000	
Programme Budget	194,715		194,715	
Running costs/Admin budget	3,727		3,727	
Total	198,442	0	198,442	

6 Running costs:

The Running Costs budget for 2015-16 is £3,727k. The year to date position is an underspend of £100k. This is however forecast to breakeven due to a lag in filling majority of the new posts.

7 QIPP

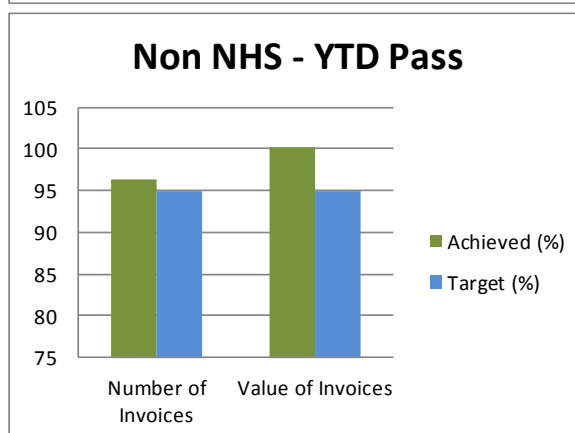
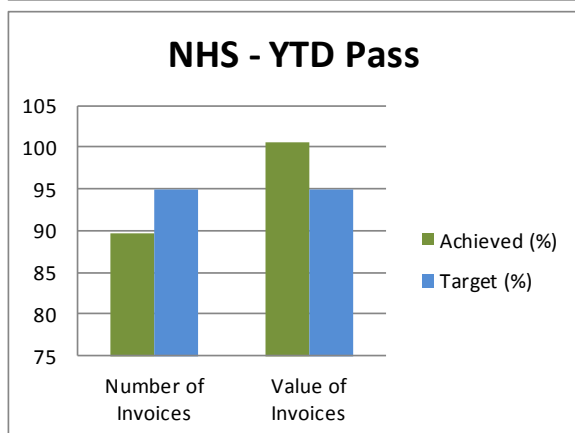
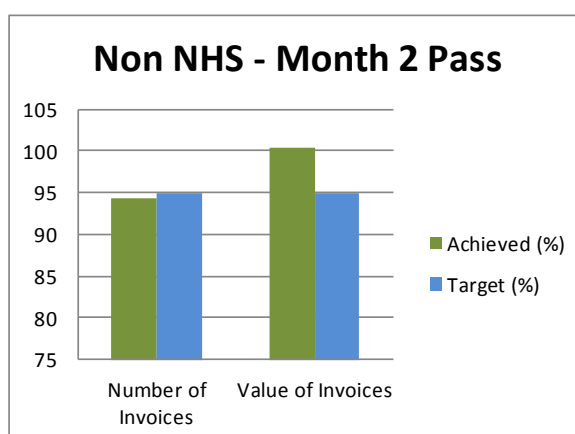
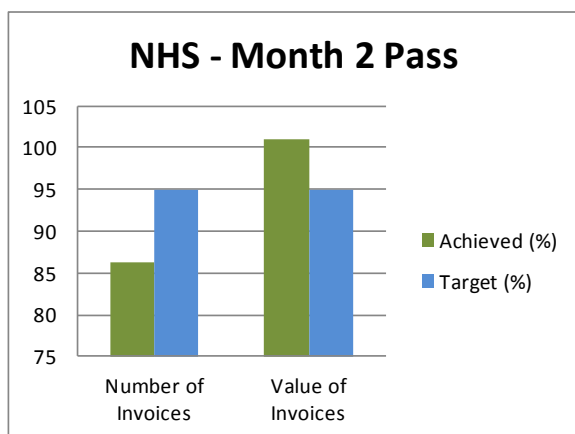
The QIPP summary position as at month 2 is as follows. YTD plan is £790k and YTD delivery is 480k. A large proportion of the QIPP schemes relates to Acute activity and prescribing schemes which are subject to a 2 month time lag in availability of the data. The data for the first 2 months is not yet available. Once data is received it will be subject to retrospective validation to establish the proportion of QIPP achieved.

8 Better Payments Practice Code (BPPC)

The BPPC requires the CCG to pay invoices received in accordance with the contractual terms, and the CCG is required to pay trade creditors in accordance with this code. The target is for 95% of both the value and the number of non-NHS trade creditors to be paid within 30 days of receipt of goods or a valid invoice.

The summary of invoices paid year to date (M2) and forecast performance is indicated below:

Better Payment Practice Code				
The target is for 95% of both the value and the number of trade creditors to be paid within 30 days of receipt of goods or a valid invoice.				
	Type	Target (%)	Achieved (%)	
			Month 2	YTD (%)
NHS	Number of Invoices	95	86.3	89.6
	Value of Invoices	95	101.0	100.6
Non NHS	Number of Invoices	95	94.4	96.4
	Value of Invoices	95	100.3	100.1



9 Key Risks

The following risks have been highlighted as a result of pressures over the past couple of years of the CCG, and will be monitored and reported on monthly as appropriate:

- a. Acute Services** – There is an inherent risk of over-performance in Acute activity.
- b. Continuing Healthcare Current Adult cases** – Continuing Healthcare costs have increased over the past 2 years and is being closely monitored in order to highlight any further pressure on this budget.
- c. Prescribing budget.** There is a risk that prescribing costs and volume increase above budget and forecast during the year.

10. Conclusion and Recommendations.

The Committee is asked to note the current financial position and year-end forecasts and the risks highlighted above.