

HSI22/030

GOVERNING BODY

Title of paper	Finance Report – Month 12 2021/22 (March 2022)		
Agenda item	6.1	Date of meeting	4 May 2022
Exec lead	Roshan Patel, Chief Finance Officer		
Author	Jane Cole, Director of Finance		

Purpose	For decision	<input type="checkbox"/>
	To ratify	<input type="checkbox"/>
	To discuss	<input type="checkbox"/>
	To note	<input checked="" type="checkbox"/>

Link to strategic objective	Operational service delivery Supporting people and teams Transforming services Strategic planning and engagement Developing our Integrated Care System
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Executive Summary	
<u>Summary Financial Position</u>	
<p>Subject to audit, the CCG has delivered a small surplus of £26k for the year.</p> <p>During the year, the CCG experienced pressures in CHC, due to increases in the volume of high-cost packages of care and Community schemes that were commissioned to support Hospital Discharge and Surge capacity over and above the hospital discharge allocations. The CCG was able to mitigate these pressures by using reserves and other underspending areas.</p> <p>The CCG hosts all non-recurrent allocations for the system including Service Development Funds (SDF), a thorough review process has been undertaken to ensure relevant allocations have been made to system partners to support the agreed programs of work.</p> <p>The CCG has a legal duty to prepare Financial Statements (Annual Accounts) and an Annual Report, which are subject to audit. Submission to NHSE is in line with the National timetable:</p> <ul style="list-style-type: none"> • Draft Annual Accounts and Annual Report – 26th April (9.00am) • Final Audited Annual Accounts and Annual Report – 22nd June 	
Recommendations	The Governing Body are asked to note financial performance for year to date (to 31 March 2022).

Publication	Include on public website <input type="checkbox"/>
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Please provide details on the impact of following aspects	
Equality and quality impact assessment	This paper does not request decisions that impact on equality and diversity
Patient and stakeholder engagement	Not applicable
Financial impact, legal implications and risk	As set out in the paper

Hampshire, Southampton and Isle of Wight CCG

Finance Report 2021/22

March 2022 (Month 12)

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Executive Summary – 2021/22

Month 12 Position (March)

Key Messages

Summary Financial Position

Subject to audit, the CCG has delivered a small surplus of £26k for the year.

During the year, the CCG experienced pressures in Continuing Health Care (CHC), due to increases in the volume of high cost packages of care and Community schemes that were commissioned to support Hospital Discharge and Surge capacity over and above the hospital discharge allocations. The CCG was able to mitigate these pressures by using reserves and other underspending areas.

The CCG hosts all non-recurrent allocations for the system including Service Development Funds (SDF), a thorough review process has been undertaken to ensure relevant allocations have been made to system partners to support the agreed programs of work.

The CCG has a legal duty to prepare Financial Statements (Annual Accounts) and an Annual Report, which are subject to audit. Submission to NHSE is in line with the National timetable:

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Financial Outturn Surplus / (Deficit) for 2021/22 by Local Team

CCG Plan Vs Actual	Financial Position - Annual		
	Plan (£m)	Actual (£m)	Variance (£m)
Isle of Wight Local Team	272.2	272.2	0.0
North and Mid Hampshire Local Team	684.3	684.3	0.0
South East Hampshire Local Team	670.6	670.6	0.0
South West Hampshire Local Team	559.9	559.9	0.0
Southampton Local Team	430.0	430.0	0.0
CCG Hosted and Pass Through	558.7	558.7	0.0
Corporate Costs	67.5	67.5	0.0
NHS Hampshire, Southampton & Isle of Wight CCG Total	3,243.3	3,243.2	0.0

Financial Position Summary:

Each Local Team achieved a break-even position.

Hampshire, Southampton & IOW CCG Month 12 (March) Position Summary 2021/22 by Programme Area

	Annual Budget £'m	MONTH 12 - MARCH 2022		
		YTD Budget £'m	YTD Actual £'m	YTD Variance £'m
Acute Commissioning	1,535.9	1,535.9	1,533.4	2.6
Mental Health Commissioning	270.1	270.1	271.5	(1.4)
Community Services Commissioning	336.1	336.1	342.9	(6.8)
Prescribing	283.2	283.2	281.6	1.6
Primary Care (Excluding Prescribing)	68.1	68.1	63.6	4.5
Delegated Commissioning	252.4	252.4	255.2	(2.8)
Continuing Care	209.7	209.7	213.6	(3.9)
Other Commissioning	267.4	267.4	249.0	18.4
Running Costs	32.6	32.6	32.5	0.1
Control Total	(12.3)	(12.3)	0.0	(12.3)
All Local Teams In Year Position	3,243.3	3,243.3	3,243.2	0.0

Variance analysis commentary is on the next slide

Material Variance Analysis Commentary

Month 12 (March) Position

- **Community Services** there were some pressures on Community Services where schemes have been commissioned to support Hospital Discharge and Surge capacity over and above hospital discharge allocations – largely within the South East Hampshire and Southampton. It should be noted that control action is taking place to review usage and effectiveness of Hospital Discharge Programme (HDP) & Surge schemes with a view to reducing to within budget for financial year 22/23.
- **Continuing Health Care** is overspending due to the growth in high cost packages of care - largely in Southampton, South West Hampshire and the North and Mid Hampshire systems.
- Not committing all reserves (shown in '**Other Commissioning**') has helped to balance the cost pressures largely in Continuing Healthcare and Community Services.

Finance Annexes

March 2022 (Month 12)

Isle of Wight Local Team

Month 12 Position (March)

	Annual Budget £'m	MONTH 12 - MARCH 2022		
		YTD Budget	YTD Actual	YTD Variance
		£'m	£'m	£'m
Acute Commissioning	126.9	126.9	126.8	0.1
Mental Health Commissioning	32.7	32.7	31.5	1.2
Community Services Commissioning	30.0	30.0	31.8	(1.8)
Prescribing	27.1	27.1	27.2	(0.1)
Primary Care (Excluding Prescribing)	4.2	4.2	4.1	0.2
Delegated Commissioning	23.5	23.5	23.5	0.0
Continuing Care	15.0	15.0	14.7	0.2
Other Commissioning	13.8	13.8	12.5	1.3
Running Costs	0.0	0.0	0.0	0.0
Control Total	(1.0)	(1.0)	0.0	(1.0)
Isle of Wight Local Team In Year Position	272.2	272.2	272.2	0.0

North and Mid Hampshire Local Team Month 12 Position (March)

	Annual Budget £'m	MONTH 12 - MARCH 2022		
		YTD Budget	YTD Actual	YTD Variance
		£'m	£'m	£'m
Acute Commissioning	331.5	331.5	331.0	0.6
Mental Health Commissioning	61.3	61.3	62.0	(0.7)
Community Services Commissioning	62.6	62.6	62.6	(0.1)
Prescribing	73.4	73.4	73.1	0.3
Primary Care (Excluding Prescribing)	8.4	8.4	8.1	0.3
Delegated Commissioning	68.5	68.5	68.4	0.1
Continuing Care	51.0	51.0	53.5	(2.5)
Other Commissioning	28.1	28.1	25.7	2.4
Running Costs	0.0	0.0	(0.1)	0.1
Control Total	(0.5)	(0.5)	0.0	(0.5)
North and Mid Hampshire Local Team In Year Position	684.3	684.3	684.3	0.0

South East Hampshire Local Team

Month 12 Position (March)

	Annual Budget £'m	MONTH 12 - MARCH 2022		
		YTD Budget	YTD Actual	YTD Variance
		£'m	£'m	£'m
Acute Commissioning	319.6	319.6	319.6	0.0
Mental Health Commissioning	59.0	59.0	58.9	0.1
Community Services Commissioning	63.1	63.1	65.8	(2.7)
Prescribing	74.7	74.7	74.2	0.5
Primary Care (Excluding Prescribing)	12.0	12.0	11.4	0.6
Delegated Commissioning	62.0	62.0	62.0	0.0
Continuing Care	53.6	53.6	52.6	1.0
Other Commissioning	27.7	27.7	26.4	1.3
Running Costs	0.0	0.0	(0.2)	0.2
Control Total	(1.0)	(1.0)	0.0	(1.0)
South East Hampshire Local Team In Year Position	670.6	670.6	670.6	0.0

South West Hampshire Local Team

Month 12 Position (March)

	Annual	MONTH 12 - MARCH 2022		
	Budget	YTD Budget	YTD Actual	YTD Variance
	£'m	£'m	£'m	£'m
Acute Commissioning	260.8	260.8	260.2	0.6
Mental Health Commissioning	47.9	47.9	47.5	0.4
Community Services Commissioning	56.5	56.5	57.0	(0.5)
Prescribing	63.8	63.8	63.3	0.5
Primary Care (Excluding Prescribing)	10.9	10.9	10.4	0.5
Delegated Commissioning	51.1	51.1	51.1	0.0
Continuing Care	50.6	50.6	51.3	(0.7)
Other Commissioning	18.3	18.3	19.5	(1.2)
Running Costs	0.0	0.0	(0.4)	0.4
Control Total	0.0	0.0	0.0	0.0
South West Hampshire Local Team In Year Position	559.9	559.9	559.9	0.0

Southampton Local Team Month 12 Position (March)

	Annual	MONTH 12 - MARCH 2022		
	Budget	YTD Budget	YTD Actual	YTD Variance
	£'m	£'m	£'m	£'m
Acute Commissioning	190.7	190.7	190.3	0.4
Mental Health Commissioning	52.1	52.1	52.5	(0.4)
Community Services Commissioning	56.4	56.4	58.2	(1.9)
Prescribing	39.1	39.1	38.7	0.4
Primary Care (Excluding Prescribing)	8.7	8.7	8.7	(0.1)
Delegated Commissioning	42.1	42.1	42.1	0.0
Continuing Care	27.0	27.0	29.6	(2.5)
Other Commissioning	13.9	13.9	10.0	3.9
Running Costs	0.0	0.0	(0.1)	0.1
Control Total	0.0	0.0	0.0	0.0
Southampton Local Team In Year Position	430.0	430.0	430.0	(0.0)

CCG Hosted and Pass Through Local Team Month 12 Position (March)

	Annual Budget £'m	MONTH 12 - MARCH 2022		
		YTD Budget	YTD Actual	YTD Variance
		£'m	£'m	£'m
Acute Commissioning	303.5	303.5	303.2	0.3
Mental Health Commissioning	17.1	17.1	19.1	(2.0)
Community Services Commissioning	67.5	67.5	67.5	0.0
Prescribing	0.4	0.4	0.4	0.0
Primary Care (Excluding Prescribing)	19.2	19.2	17.3	1.9
Delegated Commissioning	5.2	5.2	8.1	(2.8)
Continuing Care	0.0	0.0	0.0	0.0
Other Commissioning	155.6	155.6	143.2	12.4
Running Costs	0.0	0.0	0.0	0.0
Control Total	(9.8)	(9.8)	0.0	(9.8)
CCG Hosted and pass through In Year Position	558.7	558.7	558.7	0.0

Service Development Fund & Non-Recurrent Funding Position Summary 2021/22

Commissioning Area	£000's		
	Hampshire Southampton and Isle of Wight CCG	Portsmouth CCG	Total
Ageing Well	8,857	0	8,857
Cancer	7,804	191	7,995
CVD, Respiratory & Stroke	3,415	0	3,415
Diabetes	587	0	587
Diagnostics Programme	3,512	0	3,512
Emergency & Elective Care	13,604	280	13,885
Health Inequalities	53	0	53
IT & Tech	117	0	117
LD & Autism	2,429	0	2,429
Maternity	834	37	870
Mental Health	17,973	3,006	20,979
Outpatients	314	0	314
People	1,158	0	1,158
Personalised Care	82	466	548
Prevention	601	68	669
Primary Care	8,742	1,748	10,490
System Transformation	354	0	354
Total SDF H1 and H2	70,436	5,796	76,232
Other Non-recurrent Funding	67,715	0	67,715
Total SDF and NR Funding	138,151	5,796	143,947

Service Development Fund and Non-Recurrent Funding Commentary:

- Total SDF and Non-recurrent funding for the HIOW System has increased from £141.9m in M11 to £143.9m in M12 (including Portsmouth CCG £5.8m), the £2m increase is due to additional nonrecurrent funding for Primary Care £1.8m; and a further £0.2m of other funding for Maternity, Digital and Ophthalmology.

* Please Note : Due to rounding's, the values in the table above may not cast completely to actual funding received.

Corporate Costs (1)

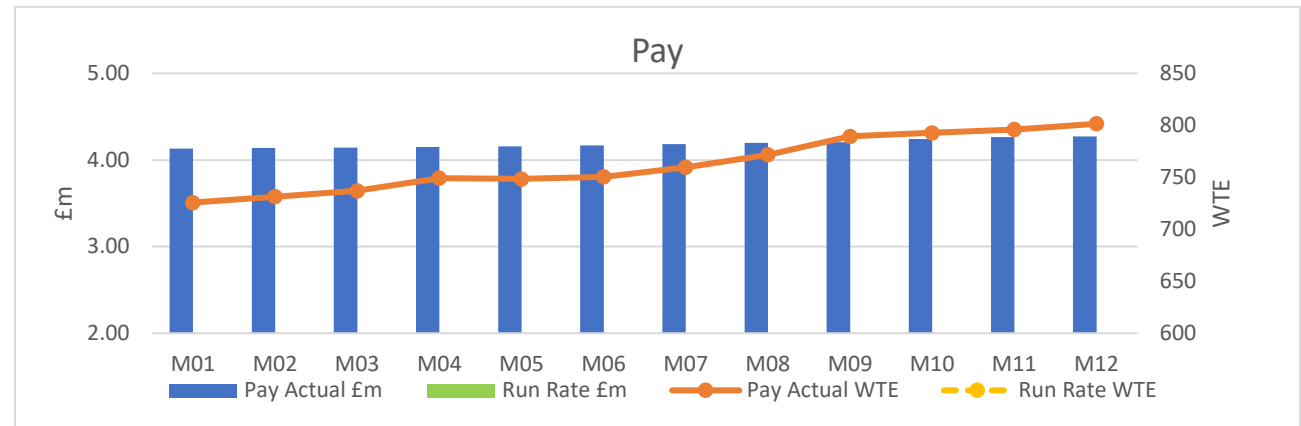
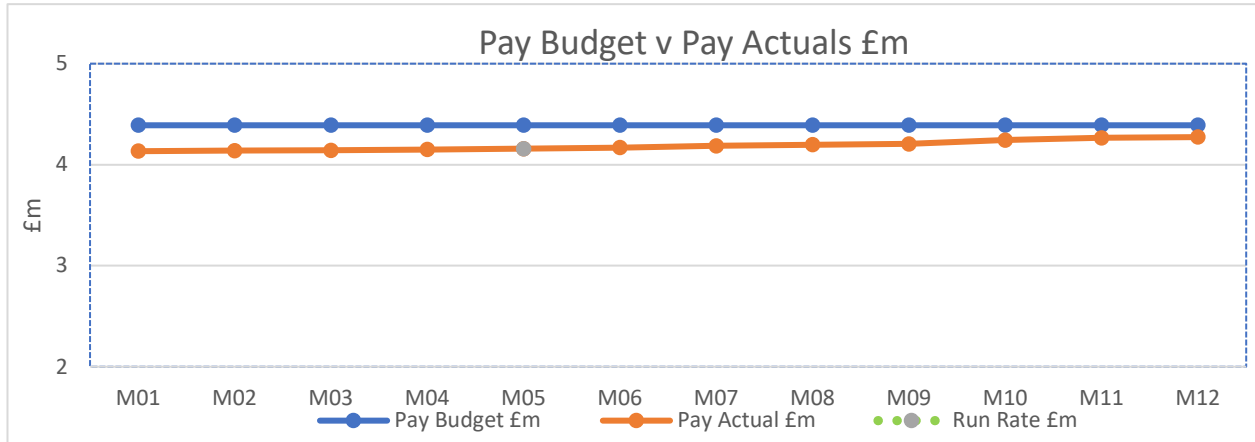
Month 12 Position (March)

	Annual Budget £'m	Pay					Non Pay		
		Annual Budget £'m	Annual Savings £'m	Annual Net Budget £'m	Annual Actual £'m	Annual Variance £'m	Annual Budget £'m	Annual Actual £'m	Annual Variance £'m
		CHC	12.6	10.6	0.0	10.6	10.4	0.2	1.9
Chief Finance Officer	15.5	6.4	(0.2)	6.2	5.9	0.3	9.3	9.2	0.1
Chief Medical Officer	2.1	2.1	0.0	2.1	2.1	0.0	0.0	0.0	0.0
Chief Nursing Officer	5.3	4.9	(0.1)	4.8	4.6	0.2	0.5	0.3	0.2
Chief of Staff	9.9	5.8	(0.2)	5.6	4.9	0.7	4.3	5.6	(1.2)
Executive Director of Delivery	21.2	18.1	(0.4)	17.7	16.0	1.7	3.5	4.0	(0.5)
Executive Director of Performance	2.5	1.8	(0.1)	1.7	1.4	0.3	0.9	0.8	0.0
Executive Director of Strategy and Transformation	1.6	1.7	(0.1)	1.6	1.1	0.5	0.0	0.4	(0.4)
Governing Body	2.9	2.3	(0.1)	2.2	2.4	(0.2)	0.7	0.2	0.5
Workforce	1.0	0.2	0.0	0.2	0.7	(0.6)	0.9	0.4	0.5
Corporate Reserves	(7.2)	0.0	0.0	0.0	0.8	(0.8)	(7.2)	(5.3)	(1.9)
Corporate Costs In Year Position	67.5	53.8	(1.1)	52.7	50.3	2.4	14.8	17.1	(2.3)

The staffing budget is showing a significant underspend on pay costs largely due to vacancies in the CHC and Medicines Management teams. The savings target issued to the Corporate budgets at the beginning of the year has been achieved through staffing vacancies.

Corporate Costs (2)

Month 12 Position (March)



The actual pay costs have risen steadily in year from £4.13m a month in April to £4.27m in March as vacancies in structures have been recruited to. However, this is still significantly under the monthly pay budget of £4.39m, and hence the large cumulative staffing underspend in year.