

Governing Body 8th May 2013

Initial Budget 2013/14-Update

Version 2.1

Initial Budget 2013/14

Introduction

The new Clinical Commissioning Groups (CCGs) commenced on 1 April 2013 and a significant amount of work has taken place over the last two years to prepare for this event, including the development of a Shadow Governing Body.

As part of this process, from December 2012 to April 2013 the CCG Shadow Governing Body has been briefed on the development of commissioning, operational and financial plans for 2013/14. At the end of March there were still a number of outstanding issues and potential financial risks that required further work to bring them to a conclusion. In order to ensure good financial governance an initial budget was therefore prepared, presented to and agreed by the Shadow Governing Body on 27 March 2013, in order to monitor performance until the relevant issues have been resolved and a final budget can be prepared.

Development of a Final Budget

A further submission of the financial plans was made as part of the national process on 17th April 2013 and a reduced Income and Expenditure surplus was agreed with the Area Team of £0.7m (0.3%) compared the original plan of £1.2 m (0.5%) in order to fund contract pressures. This has now been reflected in the attached summary of the Budget. The Quality Innovation Productivity and Prevention (QIPP) scheme saving remain at £7.2m.

Given that a number of the healthcare contracts for 2013/14 have yet to be agreed and the requirement to ensure effective reporting from the new ledger, performance for the year to date and the budget will be reviewed and the budget revised on the basis of a full review of the first quarter's results in July 2013.

Initial Budget 2013/14

The Governing Body is asked to:-

APPROVE

The reduction of the Income and Expenditure Surplus from £1.2m (0.5%) to £0.7m,(0.3%) and the corresponding increase in expenditure.

NOTE

That the Initial Budget (Version 0.3) was agreed by the Shadow Governing Body on 27th March 2013

Summary of Initial I & E Budget 2013/14 – Table 1

North East Hampshire and Farnham CCG Financial Plan summary 2013-14				
	Commissioning Activity	Running Cost Allowance	GP IM&T	Combined Resource Limit
	£ m	£ m	£ m	£ m
Resource Limit (Inc Growth)	229.9	5.2	TBC	235.1
Planned Expenditure	229.2	5.2	TBC	234.4
Surplus/(Deficit)	0.7	0	TBC	0.7
Surplus/(Deficit) as a %	0.3%	n/a	n/a	n/a
QIPP Savings	7.2			

QIPP= Quality, Innovation,
Productivity and Prevention.

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