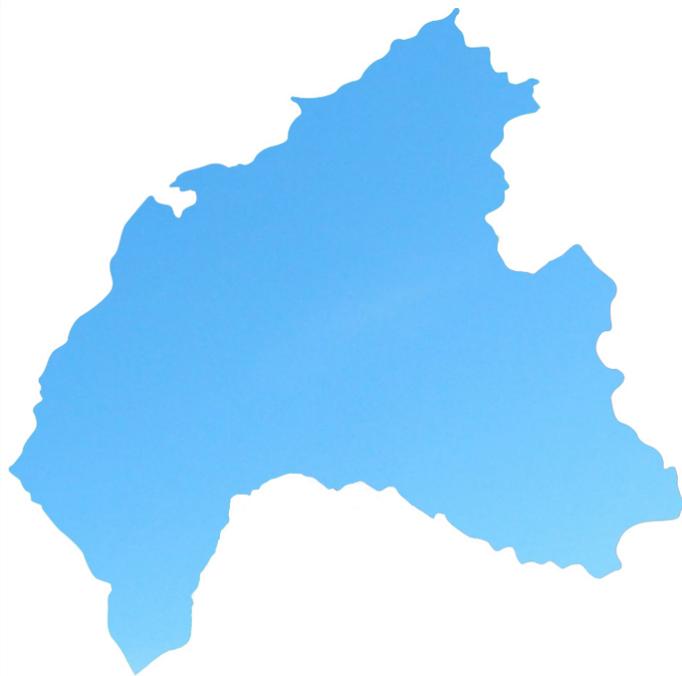




North Cumbria
Clinical Commissioning Group

Annual Accounts 2017/18



Introduction

- Accounts prepared on common basis, based on Department of Health's Manual for Accounts, for all 200+ CCGs & form part of NHS England Accounts.
- Cover only the North of Cumbria for the first time & prepared on a "going concern" basis
- The CCG made a small deficit of £0.337 million compared to a planned deficit of £3.1 million
- Auditors confirmed the accounts show a true & fair view of the CCG's finances for 2017/18 (pages 126-129). Having agreed a deficit plan with NHSE for 2017/18 automatically meant that, as in 2016/17, our external auditors would be required to provide a qualified regularity opinion (i.e. we didn't balance the books) and make a referral to the Secretary of State noting this position which is common for all CCGs in deficit (of which there are a significant number)

Financial Duties

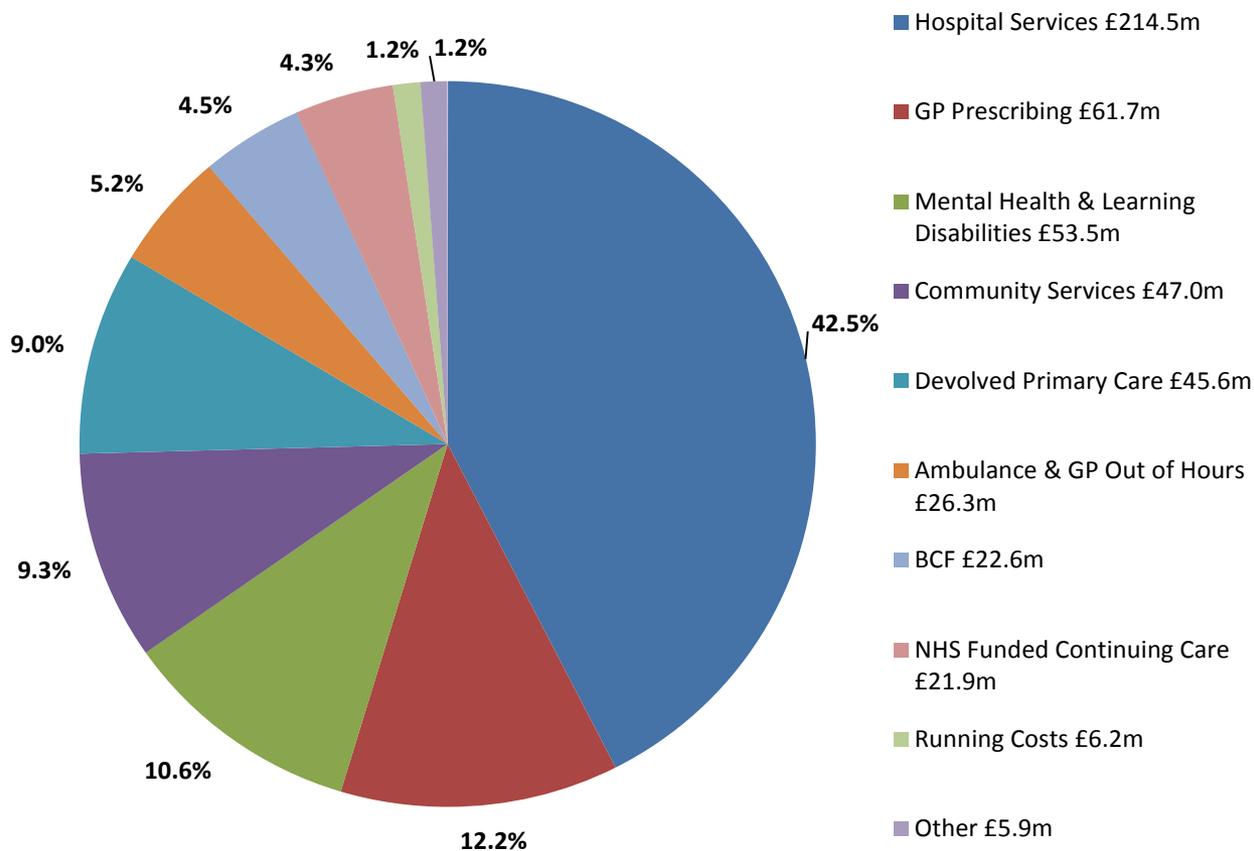
Target	Result	Where in accounts?
Expenditure not to exceed income: "balance the books"		Note 2: In-year Deficit of £0.337m
Capital spend within NHSE Funds		Small £9k software upgrade
Admin costs not to exceed funds allocated by NHSE (£6.95m)		Note 2: Spend of £6.16m
Better Payments Practice Code		Note 6: 98.874% of invoices paid within 30 days 99.85% of total invoice values paid within 30 days

Commentary on accounts

- NHS England approved changes to the CCG's constitution for 1 April 2017, under which 32 GP practices (from south Cumbria and North Yorkshire areas) joined Morecambe Bay Clinical Commissioning Group. As a consequence around 40% of the CCG's funds and costs moved to Morecambe Bay.
- For 2017/18 the CCG became a “delegated commissioner” on behalf of NHSE assuming full responsibility for contractual GP performance management, budget management and the design and implementation of local incentive schemes (value ~ £46 million).
- Allocation of circa £500 million for health care for 325,000 registered patients for 2017/18 (compared to ~ 500,000 for all Cumbria).
- Separate running (admin) cost allowance of £6.95 million based upon size of CCG: underspend of nearly £800 thousand invested in patient care.
- Planned deficit of £3.1 million: the difference between the final outturn figure (£0.337m) and the plan is principally owing to a release of ½% risk reserve as directed by NHSE and benefit of reduced Category M drugs spend.

How We Spent Our Money

2017/18



Moving Forward

- £4 million in-year surplus target for 2018/19 on a budget of around £513 million
- Financial environment remains very challenging across North Cumbria, with the other 2 NHS organisations having planned deficits in 2018/19. However, we continue working collectively to reduce financial risk in accordance with plans (based upon “Healthcare for the Future”).
- The go ahead has been given by NHS England to join 13 other areas of the country at the forefront of new health and care systems: the North Cumbria Health and Care System has been named as an Integrated Care System and described as an ‘exemplar for the ways in which organisations should be working together.’ However, while we work together we still remain separate legal entities and therefore will prepare similar accounts for 2018/19.



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Any questions ?

