

**Item Number: 10**

**Name of Presenter: Tracey Preece**

**Meeting of the Governing Body**

**1 October 2015**



**Vale of York**

**Clinical Commissioning Group**

**Draft Financial Recovery Plan 2015-16**

**Purpose of Report  
For Decision**

**1. Rationale**

The CCG has developed a draft Financial Recovery Plan (FRP) for the financial year 2015-16 following four consecutive months reporting a net unmitigated risk in the forecast outturn position. The FRP needs to demonstrate delivery of the CCG's Financial Plan 2015-16, all business rules and no overspend of the in-year allocation. The CCG was asked formally by NHS England to submit a draft FRP by 4 September and a revised draft, following August financial results, by 18 September, both of which were made on time.

The draft FRP in several draft forms has been received and debated at Senior Management Team, Quality and Finance Committee, a private session of the Governing Body and in summary presentational form at the Council of Representatives. Extremely tight timescales have prevented presentation at a public Governing Body before now.

The Governing Body is requested to consider and approve the draft FRP in its current version (v4), acknowledging that it will remain a live document and will be updated monthly to reflect current information, both in terms of actual financial position, risks, mitigations and actions. The current level of risk is assessed at £5.88m and the FRP identifies mitigations and plans to cover this.

**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 requested to approve this Draft Financial Recovery Plan (v4) as at 24 September 2015.

**5. Engagement with groups or committees**

Senior Management Team, Quality and Finance Committee, private session of the Governing Body and Council of Representatives have all seen and debated the draft FRP at several stages in its development. The private Governing Body session on 3 September approved the submission of the initial draft to NHS England on 4 September and the Quality and Finance Committee approved the subsequent submission at its meeting on 17 September.

**6. Impact on Primary Care**

Direct financial impact comes in the form of savings planned and expected in primary care Prescribing and the GP Innovation Fund (previously the '£5/head funding' notified in the NHS England planning guidance of 2014-15 being held back for 2015-16, bar a commitment to fund quarter 1 of the full year effect of schemes rolled over from 2014-15. Commitment to continue investment in the hub pilots remains as part of this plan.

**7. Significant issues for consideration**

Impact on the CCG's stakeholders is significant, particularly York Teaching Hospitals NHS Foundation Trust (YTHFT), City of York Council and North Yorkshire County Council. Discussions are taking place with all stakeholders to jointly manage the impact of the FRP and communicate the CCG's position. The CCG is required to demonstrate a balanced recurrent position which will form part of a future draft following the detailed development of the in-year position.

**8. Implementation**

A number of actions have resulted from the development of the plan and will be drawn together in to a single action plan for weekly monitoring. A number of the savings schemes are rated as high confidence to deliver but require regular monitoring and follow-up, including the contract management schemes, prescribing, continuing health care and some of the financial review schemes.

**9. Monitoring**

Monitoring requirements are outlined in the FRP and will be done through the existing governance structures as far as possible. Additionally, a system wide Financial Turnaround Board will be established with YTHFT and NHS Scarborough and Ryedale CCG.

**10. Responsible Chief Officer and Title**

Tracey Preece  
Chief Finance Officer

**11. Report Author and Title**

Tracey Preece  
Chief Finance Officer

**12. Annexes**

The Draft Financial Recovery Plan is attached for members of the Governing Body and is available at [www.valeofyorkccg.nhs.uk/about-us/governing-body-meetings/](http://www.valeofyorkccg.nhs.uk/about-us/governing-body-meetings/)