

Finance Report

Agenda Item 14, Paper 9	
Author:	Dan Brown, Head of Finance
Executive Lead:	Matthew Knight, Chief Finance Officer
Relevant Committees or forums that have already reviewed this paper:	Finance & Performance Committee
Action required:	For decision
Attached:	Month 5 Finance Report
CCG Strategic objectives relevant to this paper:	Strategy implementation Organisational development Financial balance Core business: relevant to all / most objectives
Risk	Significant risks on risk register re financial balance, QIPP and control of acute spend
Compliance observations:	Finance: Subject of report
	Engagement : No specific issues
	Quality impact: The potential impact on service quality is assessed where significant changes are made to commissioned services or the commissioning / decommissioning of services.
	Equality impact: The potential impact on protected groups under equality and diversity legislation (and the CCG's own policies) is assessed where significant changes are made to commissioned services or the commissioning / decommissioning of services.
	Privacy impact: No specific issues
	Legal: The CCG is under a statutory duty to break even.

EXECUTIVE SUMMARY

The purpose of this report is to summarise the CCG's financial position and to forecast the expected year end position; it also describes capital and revenue operational matters and seeks to identify financial risks and their mitigation.

Key points are covered in the paper.

Date of paper	20 th September 2016
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Surrey Downs CCG: Finance and Activity Report

2016/17 M5

1. Purpose

The purpose of this report is to:

- Present and provide commentary on the financial performance (Outturn) at Month 5 ([section 2](#)).
- Update on acute referral activity ([section 3](#)).
- Update on the current forecast position ([section 4](#)).
- Report of the achievement of QIPP at Month 5 ([section 5](#)).
- Report on the risks and mitigations ([section 6](#)).
- Report and update on finance operations ([section 7](#)).

2. Outturn

£M	YTD			FULL YEAR		
	Act	Bud	Var	FOT	BUD	Var
Acute (incl SRG)	88.9	88.0	0.9	213.1	211.2	1.9
Mental Health	10.6	10.7	-0.1	25.7	25.7	0.0
Community	11.1	11.7	-0.5	27.6	28.2	-0.6
CHC	9.0	8.8	0.2	21.6	21.1	0.5
Primary Care	19.5	19.5	0.0	46.8	46.8	0.0
Other	5.7	5.5	0.1	13.9	13.9	0.0
Corporate	3.2	3.2	0.0	6.4	6.4	0.0
Reserves (A)	4.7	5.4	-0.7	10.1	11.9	-1.8
TOTAL	152.7	152.7	0.0	365.2	365.2	0.0
Allocation (B)	-137.0	-137.0	0.0	327.8	327.8	0.0
In year Surplus / Deficit (B)	-3.8	-3.8	0.0	-8.7	-8.7	0.0
Cumulative surplus Deficit	-15.7	-15.7	0.0	-37.3	-37.3	0.0

- (A) Budgeted reserves include £1.6m contingency, £6.8m investment money, and £3.5m uncommitted reserves (1% of RRA) which the CCG is required to budget for as part of the 2016/17 business rules. Investments principally comprise of £3.0m ESH investment, £1.7m CMT/CMSP at East Elmbridge and Dorking, £1m of service re-provision costs.
- (B) Allocation is actual allocation (i.e. with historic deficit removed). An 'in-year' only surplus / deficit is presented (i.e. with the allocation historic deficit adjustment removed).

2.1 Outturn

The CCG reported a cumulative deficit of £15.7m in M5, which is as per budget.

2.2 Acute Outturn M5 - Contracts

SLAM

The M5 SLAM position provided by the CSU identified an overspend of £2.1m or 2.5% YTD (outturn to date £85.9m vs. budget of £83.8m). This was driven by over performance at four providers: SASH (£600K), Guys and St Thomas' (£440K), SWELEOC (£340k), Royal Brompton (£350K) and a net £350K over performance across the remainder of the portfolio.

The YTD overspend position on Acute has deteriorated quite significantly since M4 when the reported overspend was £0.6m. This is caused by high levels of critical care patients (approximately £680K of the total £2.1m overspend to date) and high reported volumes and costs at SASH, SWELEOC and some London Trusts. In London there are reported increases in elective activity besides critical care.

SASH

Reported outturn at SASH is £6.27m at M5, which is £0.6m (10.6%) over the 2016/17 YTD budget. Compared to budget, the over performance is split across all POD types but the largest single variance is in emergency admissions (£195K overspent to date). It should be noted that referrals to SASH remain flat compared to previous year. The CCG is working with other SASH commissioners to investigate the linkage between referrals and costs.

Guys and St Thomas'

Reported outturn at Guys at M4 is £1.34m which is £0.43m (48.1%) over YTD budget. This over performance is caused by

- one critical care patient (now discharged) costing approximately £240k;
- increased elective performance (dermatology and respiratory ~ £100K); and
- increase costs of drugs (gastroenterology and dermatology ~ £20K)

The CSU have confirmed the critical care patient is attributable to Surrey Downs. The increase in elective performance is being followed up by the CSU. It would appear that whilst activity is broadly in line with plan, the cost is over budget, implying a different case mix or a coding change which needs to be investigated.

SWLEOC

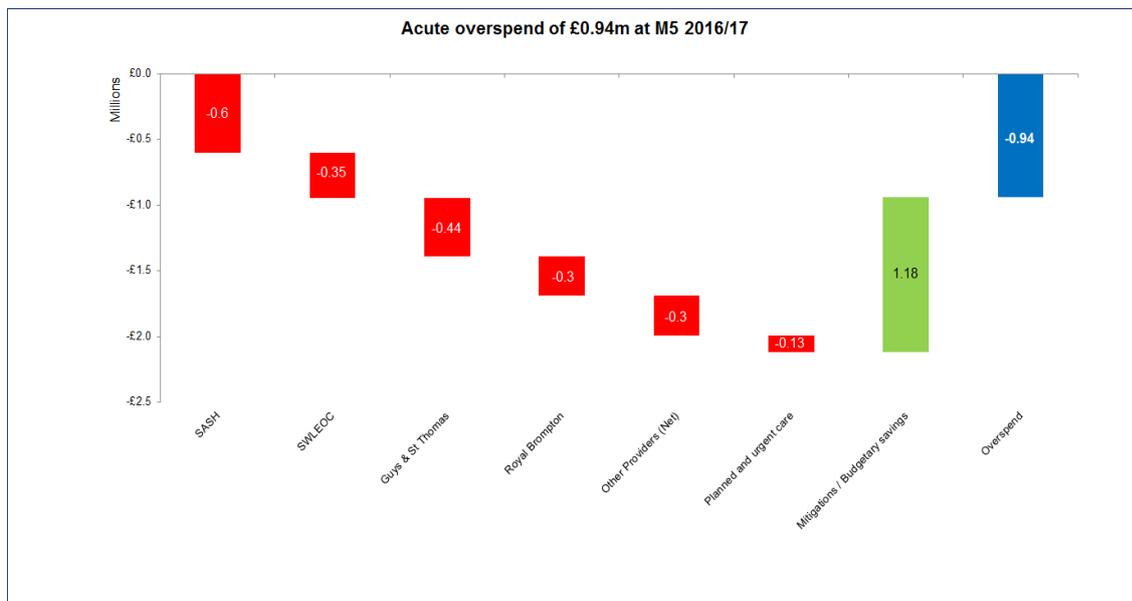
Reported outturn at SWLEOC at M5 is £3.26m at M5 which is £0.35m (11.9%) over the YTD budget. The main drivers behind the over performance are Orthopaedic Procedures (non-trauma), Pain Management and Spinal Surgery.

Royal Brompton

Reported outturn at Royal Brompton is £347K or 95% over budget (£713K outturn against a budget of £366K). This is driven by critical care costs of approximately £180K as well as over performance against budget in elective care of £110K. The CSU are validating the attribution of the critical care costs as well as the detail behind the increase in elective activity.

2.3 Acute Outturn M5 - Summary

As a result of the over performance identified about, the CCG is reporting an adverse position to budget to date of £0.94m as below.



As per the above diagram, the reported overspend of £0.94m includes the benefit of budgetary savings and non-recurrent benefits arising from the final reconciliation of 2015/16 year end settlements.

2.4 Non Acute Programme Outturn

The non-acute programme was £0.94m underspent in M5, offsetting the overspend in acute. The main underspends against budget in acute were:

- i. Contingency release of £675K (the CCG budgeted £1.619m contingency as per NHSE business rules – this is now being released evenly across the year to offset the acute overspend).
- ii. NHS property accrual release of £600K (this represents the accrual held in community services against the 2014/15 property services charge – the CCG has now agreed a final value for 2014/15 with NHS PS).

These favourable impacts were partially offset by an overspend of £0.2m in CHC due to higher caseload and a net additional cost of £0.1m over other non-acute programme spend.

3. Acute Activity

Acute activity as reported in M4 is currently on plan however referrals continue to grow though this has not converted into activity or an increased backlog.

Surrey Downs CCG summary against plan		Month: Jul								
Metric	Source	Monthly				Year to Date				
		2016/17 activity	2016/17 plan	# Variance	% Variance	2016/17 activity	2016/17 plan	# Variance	% Variance	
E.M.7	Total Referrals (G&A)	MAR	8,461	7,913	548	6.9%	34,108	32,717	1,391	4.3%
E.M.8	Consultant Led First Outpatient Attendances (Specific Acute)	SEM	8,540	9,114	-574	-6.3%	36,299	37,490	-1,191	-3.2%
E.M.9	Consultant Led Follow-up Outpatient Attendances (Specific Acute)		17,752	20,148	-2,396	-11.9%	75,764	82,426	-6,662	-8.1%
E.M.10	Total Elective FFCes (Specific Acute)		2,613	2,670	-57	-2.1%	10,440	10,551	-111	-1.1%
E.M.10.a	Elective Ordinary FFCes (Specific Acute)		510	536	-26	-4.9%	2,111	2,118	-7	-0.3%
E.M.10.b	Elective Day Case FFCes (Specific Acute)		2,103	2,134	-31	-1.5%	8,329	8,433	-104	-1.2%
E.M.11	Non-Elective FFCes (Specific Acute)		2,348	2,308	40	1.7%	8,942	9,164	-222	-2.4%
E.M.12	Total A&E Attendances excluding planned follow ups		8,931	8,235	696	8.5%	33,988	32,558	1,430	4.4%

Surrey Downs CCG year on year summary		Month: Jul						Source: MAR					
Metric	Monthly								Year to Date				
	2016/17 activity	Previous month activity	# Variance	% Variance	2015/16 activity (same month)	# Variance	% Variance	2016/17 activity	2015/16 activity (same period)	# Variance	% Variance		
Elective Ordinary FFCes (G&A)	583	574	9	1.6%	592	-9	-1.5%	2,256	2,143	113	5.3%		
Elective Day Case FFCes (G&A)	2,505	2,550	-45	-1.8%	2,635	-130	-4.9%	9,800	10,027	-227	-2.3%		
Total Elective FFCes (G&A)	3,088	3,124	-36	-1.2%	3,227	-139	-4.3%	12,056	12,170	-114	-0.9%		
Non-Elective FFCes (G&A)	2,367	2,146	221	10.3%	2,296	71	3.1%	8,816	8,924	-108	-1.2%		
All First Outpatient Attendances (G&A)	7,751	8,932	-1,181	-13.2%	8,225	-474	-5.8%	32,992	32,183	809	2.5%		
First Outpatient Attendances following GP Referral (G&A)	5,224	6,290	-1,066	-16.9%	5,732	-508	-8.9%	22,651	22,357	294	1.3%		
GP Written Referrals Made (G&A)	6,645	6,694	-49	-0.7%	6,815	-170	-2.5%	26,929	26,547	382	1.4%		
Other Referrals for a First Outpatient Appointment (G&A)	1,816	1,740	76	4.4%	1,877	-61	-3.2%	7,179	7,195	-16	-0.2%		
Total Referrals (G&A)	8,461	8,434	27	0.3%	8,692	-231	-2.7%	34,108	33,742	366	1.1%		

Comparing previous year's YTD M4 activity with current year's YTD M4 activity shows an increase of 2.3% in outpatient first attendances. It is planned for growth to fall to demographic growth levels as QIPP programmes start to have an impact. There is a risk referrals which have been increasing will convert have an adverse impact on the current acute position. Current GP referral rates are 1.4% above the same period in the previous year. Referral rates will be watched closely over the coming weeks and exceptions to QIPP plans raised promptly with GP localities.

As stated previously, non-elective activity remains broadly within plan however the cost of the activity has increased.

4. Full year forecast 2016/17

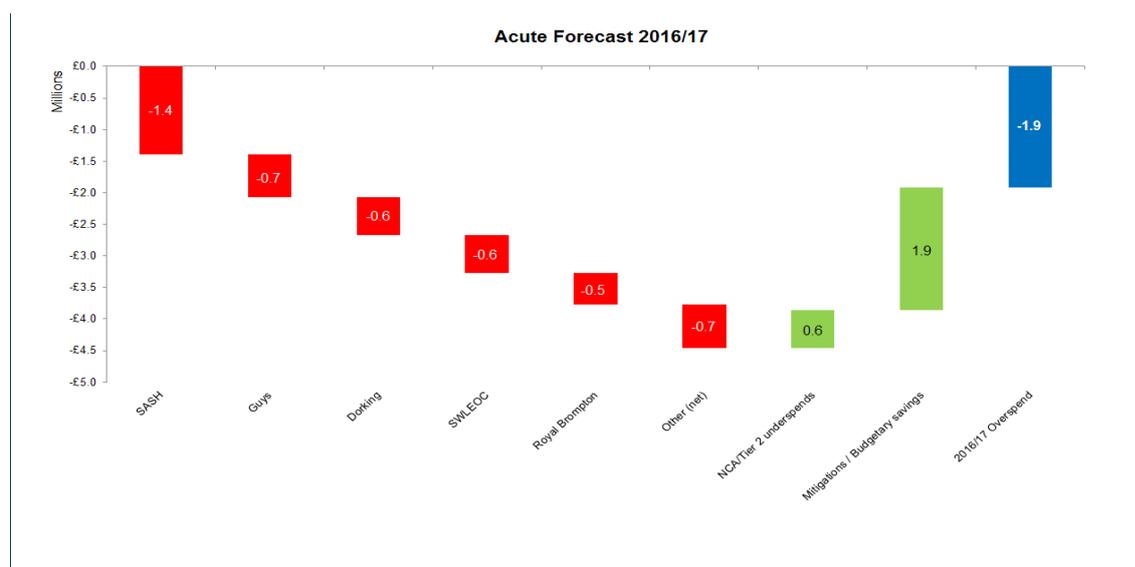
4.1 Forecast

The CCG is currently forecasting to be in line with budget 2016/17. The risk in this position has increased since M4.

4.2 Acute forecast

An extrapolation of the acute outturn per the month 4 SLAM gives a predicted year end overspend position of £4.5m. This can be partly mitigated by anticipated underspends on NCAs (£400K) and other smaller independent providers (£200K) and the predicted impact of approximately £1.9m of mitigations, accruals and budgetary savings which it is considered possible to realise in the current financial year.

This leaves a remaining net forecast overspend in the acute programme of £1.9m as follows:



4.2.1 Key assumptions in acute forecast calculation

The forecast methodology was to extrapolate the M4 SLAM position based on the profiled budget (which includes QIPP where QIPP was agreed in the contract baseline). The following adjustments are included:

- i. An assumption was made re additional successful challenges of 0.25% of forecast (£280K in total across all providers) over and above those already factored into the M4 position;
- ii. Adjustments totalling £680K were made to remove the extrapolated impacts of critical care 'one offs' at St Georges, Ashford and St Peters, Guys & St Thomas', Royal Brompton and Chelsea and Westminster;
- iii. A management adjustment of £0.5m was made to increase the KHT forecast. KHT reported a marginal underperformance year to date which extrapolated to a 2016/17 forecast of £26.3m (£0.8m lower than prior year). Whilst the year to date reported underperformance is a positive indicator, winter activity was adjusted to a level below prior year but above the current extrapolated run rate;
- iv. A management adjustment of £0.25m was made to decrease the extrapolated SWELEOC forecast from £8.1m to £7.9m, which still represents an increase on budget (£7.3m) and prior year (£6.8m) but it was concluded that a forecast of £8.1m, which would represent a 18% year on year increase, was not the likely outturn.
- v. A management adjustment of £0.25m was made to decrease the extrapolated SASH forecast from £15.0m to £14.8m. Note the reduced £14.8m forecast still represents an increase of £1.4m (10.6%) against budget and a 5.9% increase on prior year.

Note that the net impact of the three management adjustments made in iii/iv/v above is neutral to the total forecast.

4.3 Non Acute forecast

The adverse forecast variance on acute is offset in the non-acute programme area as follows:

£M	FULL YEAR			Note
	FOT	BUD	Var	
Community	27.6	28.2	-0.6	Impact of property services accrual release
CHC	21.6	21.1	0.5	Projected overspend 2016/17
Reserves	10.1	11.9	-1.8	Contingency release £1.6m plus £0.2m investments underspend
Non acute (net)			-1.9	
Overspend on acute	213.1	211.2	1.9	Net forecast position on acute as per 4.2
Net Position			0.0	

4.4 Contracts outstanding

4.4.1 Summary

Excluding AQPs, contract values for 2016/17 are now agreed with the exception of Royal Marsden NHS Trust.

4.4.2 Royal Marsden

In respect of Royal Marsden NHS Trust, there still remains a gap between the CCG's proposed 2016/17 baseline value and budget of £5.0m and the Trust's proposal of £5.2m. The difference in values is driven primarily by the Trust's proposal to review and uplift local prices retrospectively from 1 April 2016. During the month the trust has reduced its proposed local price uplift thereby reducing the gap from £0.6m at M4 to £0.2m. The Co-ordinating Commissioner is Sutton CCG, which does not accept the Trust's approach, and the proposed pricing approach has been rejected. The matter has been escalated to the London teams of NHS Improvement and NHS England for advice on a mediation route.

4.4.3 AQPs

The contracts for the three main AQPs (Ramsey Ashtead, Dorking and Epsomedical) are still to be agreed and the budget assumes will be consistent with 2015/16 outturn.

5. QIPP

5.1 QIPP 2016/17

QIPP is below plan at M5, as per the table below.

£M	To Date			Full Year		
	Act	Bud	Var	FOT	Bud	Var
Transactional						
Acute	1.57	1.96	-0.39	6.16	6.16	0.00
CHC	0.42	0.47	-0.05	1.38	1.38	0.00
Other	0.12	0.15	-0.03	0.56	0.56	0.00
Subtotal	2.11	2.58	-0.47	8.10	8.10	0.00
Transformational						
Acute	2.51	2.78	-0.27	9.61	9.61	0.00
Other	0.27	0.44	-0.17	1.89	1.89	0.00
Subtotal	2.78	3.22	-0.44	11.50	11.50	0.00
TOTAL QIPP	4.89	5.80	-0.91	19.60	19.60	0.00

Acute QIPP is adverse YTD (-£0.66m) against the original plan vs. forecast primarily as a result of some projects being delayed (ENT / Audiology – value £280K) and some schemes (e.g. POLCE) tracking behind plan.

Non-acute QIPP is adverse YTD (-£0.25m) due to slippages to date on for example Medicines Management (-£0.133m) and Mental Health (-£0.063m).

5.2 QIPP 2016/17: gap to £19.6m target

The QIPP delivery summary currently records schemes totalling £17.8m which are being measured and tracked as part of the CCG's PMO assurance process. There are 37 schemes currently listed on the tracker, of which 7 are assessed as red in terms of delivery status, 10 as amber and the remainder green.

It should be noted that of the £17.8m of identified QIPP, approximately £1.5m relates to Rightcare opportunities identified as part of a fill the gap workshop which are still in the planning phase.

For M5 reporting the risk of not achieving the full value of £19.6m budgeted QIPP is included in the risks and opportunities schedule as unmitigated.

6. Risks and Mitigations

The table below summarises the risk position presented in the latest non-ISFE submission to NHSE at Month 5.

Area	Unweighted (£m)	Weighting (%)	Weighted (£m)	Comment
RISKS				
Acute SLA overspend	-1.50	67%	-1.00	Risk of further overspend over and above the £4.5m currently forecast (this risk overlaps / should be considered with the QIPP risk below)
QIPP	-2.00	100%	-2.00	Gap between budget (£19.6m) and identified QIPP (£17.6)
Prescribing	-1.00	20%	-0.20	Growth above that anticipated in plan and / or non delivery of QIPP
FNC	-1.58	100%	-1.58	Increase in FNC costs following 40% uplift (nationally mandated)
Other	-1.00	25%	-0.25	Other overspends eg GPIT / Running costs
Subtotal: RISKS	-7.08		-5.03	
MITIGATIONS				
Underspends	0.55	100%	0.55	Eg continued lower than planned take up of IAPT, further prescribing underspends.
Subtotal: Mitigations	0.55		0.55	
NET	-6.53		-4.48	

Before underlying forecast changes and new mitigations included at M5, the unweighted risk position increased by £1.7m. The impact of forecast changes and new mitigations is to limit the increase in the net risk position to £0.3m to arrive at £4.48m at M5, compared to the M4 position of £4.18m.

7. Finance Operations / Other

To note:

1. There is now a timetable for the resubmission of the STP financial template (16 September) and the final STP plan (21 October).
2. Provisional dates for 2017-19 2 year planning submissions are 21 November with second submissions due on 23 December. Agreements regarding contract values between CCGs and providers should have been reached by the time the final submissions are made.

END

Appendices

- 1 M5 Outturn Detail**
- 2 M5 Acute Detail**
- 3 M5 Running Cost Detail**

Appendix 1: M5 Outturn (Detail)

SURREY DOWNS CCG - M5 OUTTURN REPORT BY PROGRAMME 2016/17													
M5	<u>M</u>	<u>M</u>	<u>M</u>	<u>YTD</u>	<u>YTD</u>	<u>YTD</u>	<u>Var %</u>	<u>FOT</u>	<u>FOT</u>	<u>FOT</u>	<u>Var %</u>	<u>FOT</u>	<u>FOT var</u>
	<u>ACT</u>	<u>BUD</u>	<u>Var</u>	<u>ACT</u>	<u>BUD</u>	<u>Var</u>	<u>(-ve = under)</u>	<u>FCT</u>	<u>BUD</u>	<u>Var</u>	<u>(-ve = under)</u>	<u>M-1</u>	<u>(-ve = fav)</u>
	<u>£K</u>	<u>£K</u>	<u>£K</u>	<u>£K</u>	<u>£K</u>	<u>£K</u>	<u>%</u>	<u>£K</u>	<u>£K</u>	<u>£K</u>	<u>%</u>	<u>£K</u>	<u>£K</u>
Mental Health	2,043	2,143	-100	10,601	10,714	-114	-1.1%	25,714	25,714	0	0.0%	25,714	0
Acute	18,379	17,455	924	88,117	87,273	844	1.0%	211,374	209,455	-1,919	-0.9%	211,273	101
WR	158	95	62	785	686	99	14.4%	1,772	1,772	0	0.0%	1,772	0
Primary Care	3,860	3,863	-3	19,458	19,452	6	0.0%	46,793	46,793	0	0.0%	46,767	26
CHC	1,866	1,756	110	8,991	8,781	210	2.4%	21,575	21,075	-500	-2.4%	21,075	500
Community	1,837	2,331	-494	11,121	11,656	-535	-4.6%	27,554	28,154	600	2.1%	28,154	-600
Reserves	-299	315	-614	4,688	5,351	-664	-12.4%	10,115	11,934	1,819	15.2%	10,115	0
Other (ii)	1,210	1,105	105	5,659	5,523	137	2.5%	13,907	13,907	0	0.0%	13,909	-2
Running Costs	640	619	21	3,240	3,240	0	0.0%	6,358	6,358	0	0.0%	6,358	0
Total Expenditure	29,692	29,682	11	152,660	152,676	-16	0.0%	365,162	365,162	0	0.0%	365,136	26
Allocation	-26,651			-137,075	-137,075	0	0.0%	-327,849	-327,849	0	0.0%	-327,823	26
Surplus (Deficit)	-3,042			-15,585	-15,601	-16	0.1%	-37,313	-37,313	0	0.0%	-37,313	0
Deficit c/f								28,613	28,613	0	0	28,613	
In Year								-8,700	-8,700	0	0	-8,700	

Appendix 2: M5 Acute Outturn (Detail)

SURREY DOWNS CCG - M5 ACUTE SPEND BY PROVIDER 2016/17									
	<u>Budget</u>	<u>M5</u>	<u>Var</u>	<u>as %</u>	<u>FY</u>	<u>FY</u>	<u>Var</u>	<u>as %</u>	
	<u>To date</u>	<u>To date</u>	<u>(-ve = over)</u>	<u>(-ve = over)</u>	<u>BUD</u>	<u>FOT</u>	<u>(-ve = over)</u>	<u>(-ve = over)</u>	
	<u>£K</u>	<u>£K</u>	<u>£K</u>	<u>£K</u>	<u>£K</u>	<u>£K</u>	<u>£K</u>	<u>£K</u>	<u>£K</u>
Epsom and St Helier (Acute and Renal)	38,589	38,589	0	0.0%	92,978	92,978	0	0.0%	
Kingston Hospital	10,991	10,871	120	1.1%	26,467	26,759	-292	-1.1%	
Surrey and Sussex	5,665	6,266	-601	-10.6%	13,347	14,762	-1,415	-10.6%	
St George's Healthcare	3,887	4,009	-122	-3.1%	9,444	9,498	-55	-0.6%	
South East Coast Ambulance Trust	3,747	3,773	-25	-0.7%	9,133	9,282	-149	-1.6%	
Epsom and St Helier (SWLEOC)	2,914	3,260	-346	-11.9%	7,300	7,895	-595	-8.1%	
Royal Surrey County Hospital	2,774	2,801	-27	-1.0%	6,729	6,776	-47	-0.7%	
Royal Marsden.	2,040	2,016	24	1.2%	5,066	5,012	54	1.1%	
Ashford and St Peters	2,078	2,171	-94	-4.5%	5,002	5,161	-159	-3.2%	
Guy's and St Thomas ¹	905	1,341	-436	-48.1%	2,220	2,889	-668	-30.1%	
University College London	454	544	-90	-19.8%	1,115	1,344	-229	-20.5%	
Moorfields.	388	411	-23	-6.0%	957	1,034	-78	-8.1%	
Royal Brompton & Harefield	366	713	-347	-94.8%	903	1,404	-500	-55.4%	
Queen Victoria.	341	290	51	15.0%	848	721	127	15.0%	
Kings	328	286	42	12.8%	811	614	197	24.2%	
Chelsea and Westminster	245	339	-93	-38.0%	606	757	-151	-24.9%	
Queen Mary Roehampton	227	183	45	19.6%	559	452	107	19.1%	
Imperial College	226	268	-42	-18.6%	554	661	-107	-19.3%	
Royal National Orthopaedic Hospital.	184	193	-9	-4.6%	462	482	-20	-4.4%	
Frimley Park	172	161	11	6.4%	423	399	24	5.7%	
GOS	88	105	-17	-19.7%	219	262	-43	-19.5%	
Croydon Health Service	81	99	-18	-22.4%	201	246	-45	-22.6%	
Subtotal Main NHS providers	76,692	78,690	-1,998	-2.6%	185,343	189,388	-4,045	-2.2%	
Dorking Healthcare	2,791	3,027	-236	-8.5%	6,805	7,401	-596	-8.8%	
Epsomedical	2,739	2,608	132	4.8%	6,474	6,283	191	3.0%	
Ramsay Ashstead Hospital	1,625	1,599	26	1.6%	4,006	4,015	-9	-0.2%	
Subtotal Main Independents	7,156	7,234	-78	-1.1%	17,286	17,700	-415	-2.4%	
Grand Total Tier 1 Providers	83,848	85,924	-2,076	-2.5%	202,629	207,088	-4,459	-2.2%	
GUM	319	319	0	0.1%	766	766	0	0.0%	
RSS	142	151	-10	-6.8%	340	340	0	0.0%	
Urgent and planned care	409	536	-128	-31.3%	828	828	0	0.0%	
Non Contract Activity	1,502	1,510	-7	-0.5%	3,599	3,000	599	16.7%	
Tier 2	971	909	62	6.4%	2,330	2,330	0	0.0%	
IFR / IT	26	21	5	18.1%	-3,411	-3,411	0	0.0%	
Headroom (i)	-936	0	-936	100.0%	62	62	0	0.0%	
Mitigations and Y/end deal benefits		-2,117	2,117	-	2,312	2,312	0	0.0%	
Other (Cytokine Modulator)	993	963	31	3.1%		-1,940	1,940	0%	
Subtotal Other Acute	3,425	2,291	1,134	33.1%	6,826	4,287	2,539	37.2%	
TOTAL Acute excl SRG	87,273	88,215	-942	-1.1%	209,455	211,375	-1,920	-0.9%	
SRG	686	784	-98		1,772	1,772	0	-	
GRAND TOTAL INCL SRG	87,959	88,999	-1,040	-1.2%	211,227	213,147	-1,920	-0.9%	

Appendix 3: M5 Running Costs (Detail)

M5	Owner	YTD	YTD	YTD	Var %	FOT	FOT	FOT	Var %	Comment on outturn to date
		ACT	BUD	Var	(-ve = under)	FCT	BUD	Var	(-ve = under)	
		£K	£K	£K	%	£K	£K	£K	%	
CEO/Board Office	D Brown	534.7	531.1	3.5	0.7%	1,120.3	1,120.3	0.0	0.0%	No significant variance from budget
Chair and Non - Execs	M Knight	131.1	134.4	-3.2	-2.4%	317.7	317.7	0.0	0.0%	No significant variance from budget
Clinical Governance	E Clark	152.3	178.0	-25.7	-14.5%	445.8	445.8	0.0	0.0%	Unfilled vacancies
Communications & PR	S Shettle	119.9	136.5	-16.6	-12.2%	327.1	327.1	0.0	0.0%	Lower Staff costs that budgeted to date
Contract Management	J W-Smith	174.7	169.2	5.5	3.2%	408.4	408.4	0.0	0.0%	No significant variance from budget
Corporate costs & Services	J W-Smith	925.2	943.2	-18.0	-1.9%	2,263.7	2,263.7	0.0	0.0%	No significant variance from budget (Boardware and Ipad costs accrued)
Corporate Governance	J Dix	121.6	81.7	39.9	48.8%	190.5	190.5	0.0	0.0%	Datix Corporate Governance Software (£7.7K) and Interim Governance Support (£26K) not included in budget
Estates and Facilities	J W-Smith	288.6	367.7	-79.1	-21.5%	882.0	882.0	0.0	0.0%	Includes M1-5 CSU desk recharge (£52.1k) from South East CSU which was not in budget
Finance and Legal	M Knight	482.3	458.3	24.0	5.2%	905.1	905.1	0.0	0.0%	Higher than budgeted interim costs
Human Resources	B Brewer	86.8	91.1	-4.3	-4.7%	272.8	272.8	0.0	0.0%	No significant variance from budget
Operations Management	-	105.4	0.0	105.4	-	-392.1	-392.1	0.0	0.0%	Budget stretch
Performance	M Wu	111.4	143.3	-32.0	-22.3%	281.5	281.5	0.0	0.0%	Unfilled vacancies
Strategy and Development	J Chalmers	219.4	193.9	25.6	13.2%	463.8	463.8	0.0	0.0%	One off project costs in Q1
Recharges to programme*	-	-477.5	-461.4	-16.1	3.5%	-1,107.4	-1,107.4	0.0	0.0%	No significant variance from budget
Other		-8.2	0.0	-8.2	-	0.0	0.0	0.0	-	Includes benefit from last year for Quality & income received from NHS England for
Total Expenditure		2,967.4	2,967.0	0.4	0.01%	6,379.2	6,379.2	0.0		

* An element of corporate costs are cross-charged to programme and hosted services such as CHC and Meds Management to reflect the usage of office space, IT etc.