

## Lambeth Together Strategic Board

DATE: 23 September 2020

<b>Report Title</b>	<b>Month 4 Finance Report</b>
This paper is for <b>discussion and noting</b>	
<b>Executive Summary</b>	<p>The CCG continues to operate within the temporary financial regime NHSE England and Improvement (NHSEI) have put in place in response to the Covid-19 situation. This means that the NHS is seeking to ensure that funding is not an impediment to the pandemic response.</p> <p>During month 4, the CCG received retrospective allocations of £6.21m to cover Covid expenditure in month 3 (taking the additional funding received to £17.71m in-year), and £10.81m in respect of the ‘non-Covid’ overspend for months 1 to 3. This was £0.30m below the reported position, with this difference relating to the CCG’s original planning gap in start 2020/21 budgets. This will need to be mitigated from within the CCG’s overall financial allocation.</p> <p>The CCG is reporting an overspend during month 4 of £11.27m. This is represented by £8.50m of Covid expenditure plus a £2.77m overspend on its non-Covid budgets. Cumulatively this brings the CCG’s year to date overspend to £11.57m as at month 4 after including the £0.30m referenced above. In accordance with NHSEI’s commitment to fund ‘reasonable’ variances (and given the CCG has now received funding to cover all overspends to month 3, with the exception of the £0.30m) the CCG is reporting a break-even position as at month 4, with additional funding to cover the overspend anticipated to be received through the retrospective allocation process.</p> <p>Month 4 was the final period covered by the temporary financial arrangements in response to the Covid pandemic. NHSEI have confirmed that the same financial arrangements will continue for months 5 and 6. A revised financial framework will then be in place for months 7 to 12 which will move away from retrospective allocations towards funding envelopes. The detailed guidance is awaited. However we have started the process of modelling our expenditure commitments for the rest of this year and identifying appropriate strategies to reduce our cost base as required.</p>
<b>Recommended action for the Committee</b>	The Board is asked to <b>NOTE</b> the financial position at month 4

Potential Conflicts of Interest	N/A	
Impacts of this proposal	Key risks & mitigations	Financial risks and mitigations are set out in the Finance Report
	Equality impact	N/A
	Financial impact	The Finance Report sets out the financial position of the CCG and the Borough
Wider support for this proposal	Public Engagement	N/A
	Other Committee Discussion/ Internal Engagement	The monthly Finance Report is presented at all relevant Borough Management and Board meetings.
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Executive sponsor:	Usman Niazi, Chief Finance Officer	