

NHS Rotherham

Board Meeting: 18 APRIL 2011

Budgets 2011/12

Contact Details:			
Lead Director:	Chris Edwards	Lead Officer:	Keely Firth
Title:	Chief Operating Officer	Title:	Chief Finance Officer

Purpose:
To sign off the budgets for 2011/12.

Recommendations:
The 2011/12 Budgets are recommended for approval

Background:
In order to meet good practice, including the Use of Resources standards, budgets need to be agreed by the Board before the start of each financial year. However, as the Single Integrated Plan was presented to the Board on 21 March 2011, delegated authority has been given to the Chief Executive to sign off the detailed budget schedule.

Analysis of Key Issues:
<p>It is anticipated that NHS Rotherham will have a revenue resource limit of £464.8m. In addition outline capital plans of £1m have been drawn up by the Capital Investment Group. These are subject to confirmation by the Strategic Health Authority.</p> <p>A surplus of £2.2m (0.5%) is planned for the revenue budget and a breakeven position is planned for the capital budget. The 2011/12 budget plans for a recurrent surplus of £8.8m at 31st March 2012.</p> <p>NHS Rotherham must not overspend its budget, nor exceed the planned surplus, as no carry forward facility exists beyond the planned figure. Reserves include £10m not yet allocated into budgets for which spending plans are being agreed as part of the single integrated plan. It is important that plans are put into place quickly to ensure services are developed, and that disinvestments and efficiency savings are secured as soon as possible in order to achieve the financial plan.</p> <p>Health care budgets are based on contract negotiations to be concluded in late March. They include a 2.5% uplift for inflation offset by the requirement for a 4% efficiency saving resulting in a 1.5% decrease to the tariff uplift.</p> <p>The commissioning resources set aside for Rotherham Community Health Services (RCHS) have been transferred to RFT, RDASH, Hospice or the Social Enterprise in accordance with the Shaping our Future agreements.</p> <p>The commissioning resources set aside for Rotherham Community Health Services have</p>

been aligned with RCHS Budgets to be reported to the Rotherham Community Health Services Committee.

Schedule 1 provides a summary of revenue plans.

Patient, Public and Stakeholder Involvement:

None

Equality Impact:

A balanced financial position is essential to the long term viability of NHS Rotherham and therefore to the positive impact on health made by individual investments.

Financial Implications:

A balanced financial position is a statutory requirement for the PCT.

Approved by: Keely Firth

Human Resource Implications:

Pay budgets have been calculated using funded establishment figures, consistent with figures provided by the Electronic Staff Records system.

Approved by: P Smith

Procurement:

No Implications

Approved by: Chris Edwards

Key Words:

Budgets

Further Sources of Information:

Lead Officer: Keely Firth
Job Title: Chief Finance Officer
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Schedule 1

FINANCIAL BUDGETS FOR 2011-12	Total £000
Healthcare Services - External NHS Providers	
The Rotherham Foundation Trust	167,393
Sheffield Teaching Hospitals Foundation Trust	24,285
Doncaster and Bassetlaw NHS Foundation Trust	11,650
Sheffield Childrens Hospital Foundation Trust	5,507
Yorkshire Ambulance Service	8,562
Rotherham and Doncaster NHS Mental Health Foundation Trust	28,632
Specialised Commissioning Group	38,928
Other External Providers	16,227
Local Authority - Learning Disability (Note 1)	3,338
Continuing Care & Free Nursing Care	15,982
RMBC	2,101
RMBC - Social Care	4,545
G.P. Prescribing	44,369
Pharmacy Contract & Pharmaceutical Services	8,442
Dental Contract	12,443
GMS & PMS Contracts	33,927
Other Commissioned Services (Note 2)	7,507
Estates	2,609
Management Budgets	16,340
Commitments not yet included in specific budgets	9,813
TOTAL EXPENDITURE	462,600

FUNDS AVAILABLE	£000
Resource Limit	
Baseline Recurrent Allocation	435,234
Anticipated Non Recurrent Allocations	29,566
Total Resource Limit	464,800

NET SURPLUS	2,200
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Note 1	Learning Disabilities commissioned by RMBC.
Note 2	Other Commissioned Services includes Urgent Care (2.9m), Other Prescribing (2.5m) and Ophthalmic Contract (2.2m).