

### **Statement from Cambridgeshire and Peterborough Clinical Commissioning Group**

On 6 March 2018 the CCG Governing Body received a financial update that showed that we have been unable to contain our expenditure within the deficit of £15.5m agreed with NHS England for 2017/18. We are now forecasting that we will overspend our allocation by £48.2m. This is not a sustainable position and we are working with our partners to ensure that we identify how we bring the health system back into financial balance.

The main reasons for the CCG's revised financial position for 2017/18 are:

- There has been greater demand for acute care than had been planned for, costing an additional £19million, particularly in non-elective pressures
- There has been a £6million increase in prescribing costs, due to national pricing changes
- There has been a rise in both the number of NHS Continuing Healthcare (CHC) patients and the cost of the care that they need, as well as a need to address a large backlog of assessments that has been identified significant numbers of patients, requiring the necessary financial provision. This has given additional cost pressures of approximately £14m in total
- Under delivery of the wider QIPP (savings) programme standing at £7.6 million
- The CCG has used underspends from other areas and contingencies to bring this figure to a forecast overspend in total figure of £48.2million.

We are still in discussions with NHS England about our financial position for 2018/19, but as a health and care system we will work together to ensure that we deliver the health services that our population needs. We will continue to provide the appropriate level of care for our residents, ensuring that we manage costs sensibly, but we also need the public's help to use health and social care resources wisely.

The CCG quarterly liaison meeting received a briefing about the deteriorating financial position on 25 January, although the scale was not quantified at that point and further work was underway with NHS England as well as internally, and the Chair received further updates before the Governing Body papers were published.

The CCG's Chief Officer will be happy to brief the Committee fully at the Committee's next meeting in May 2018. This would include why the CCG has ended the year in this position but also what plans it has to address the deficit going into 2018/19 as the financial plan will have been agreed with NHS England by that point, which will enable a fuller discussion about how the challenges the system faces are addressed.