

Health and Care Integrated Commissioning Board

AGENDA

Tuesday 28 August 2018 1.30pm

To be held in Meeting Room 5, Town Hall, Edward Street, Stockport

1. APOLOGIES FOR ABSENCE

To note any apologies submitted from Members of the Board.

2. DECLARATIONS OF INTEREST

Board Members to declare any interests which they have in any of the items to be considered as part of the agenda.

3. MINUTES OF THE PREVIOUS MEETING

To approve the minutes of the meeting held 27 February 2018 as a correct record

4. PUBLIC QUESTIONS

To consider and respond to any questions submitted by Members of the Public related to the remit of the Health and Care Integrated Commissioning Board no later than 24 hours prior to the meeting. Questions should be submitted in writing to laura.latham1@nhs.net

**Any questions requiring detailed response will be shared with the Board and responded to following the meeting in writing.*

5. INTEGRATED FINANCE REPORT

To consider a report detailing the finances of the Pooled Budget to include:

- (a) 2017/18 Budget Monitoring Report – Final Outturn (Attached)
- (b) 2018/19 Budget Monitoring Report – Quarter 1 Position

6. DATE OF NEXT MEETING

The next meeting of the Health and Care Integrated Commissioning Board will take place on 27 November 2018

Health and Care Integrated Commissioning Board

DRAFT MINUTES

27 February 2018

Present

- Councillor Dean Fitzpatrick, Stockport Metropolitan Borough Council
- Councillor Wendy Wild, Stockport Metropolitan Borough Council
- Councillor Tom McGee, Stockport Metropolitan Borough Council
- Ms Jane Crombleholme, Stockport Clinical Commissioning Group
- Dr Ranjit Gill, Stockport Clinical Commissioning Group

In Attendance

- Mr Michael Cullen, Borough Treasurer, Stockport Metropolitan Borough Council
- Mrs Gaynor Mullins, Director of Integrated Commissioning, Stockport Clinical Commissioning Group and Stockport Metropolitan Borough Council
- Mr Mark Chidgey, Chief Finance Officer, Stockport Clinical Commissioning Group
- Mrs Laura Latham, Associate Director Corporate Governance, Stockport Clinical Commissioning Group
- Mr A Webb, Corporate Director of People, Stockport Metropolitan Borough Council

1. APOLOGIES FOR ABSENCE

Apologies were received from Dr Andrew Johnson and Councillor Alex Ganotis

2. DECLARATIONS OF INTEREST

Councillor Wild declared a personal interest with regard to Item 5 Report of the Director of Integrated Commissioning. The nature of the interest being that her husband was a Member of the Council of Governors for the Stockport Constituency of Pennine Care NHS Trust.

3. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 27 November 2017 were agreed as a correct record.

4. PUBLIC QUESTIONS

There were none received on this occasion.

5. REPORT OF THE DIRECTOR OF INTEGRATED COMMISSIONING

G Mullins provided an overview of the report highlighting the following key issues:

- Summary on the progress of implementing a number of aspects of the Stockport Together Programme including services.

- Explanation of how issues arising from the consultation and future recommendations / conditions would be implemented and established through formal contracts where appropriate.
- Workforce challenges both within the Locality and beyond
- Neighbourhood Leadership developments
- Progress in working through the technical detail of the NHS Planning Guidance issued in February and the requirements for submission of plans.
- Contract refresh process for 2018/19 and the positive steps taken with regard to the approach being taken between Joint Commissioners and the Provider Alliance as a single entity.
- Care Quality Commission (CQC) System Review which would take place in April 2018. The lead partner was noted to be Stockport Council and the partnership was providing support to pull together the information required as part of the self-assessment and the development of the narrative for Stockport.

In response to questioning the following elements were highlighted:

- The usefulness of the wider Programme updates included within the Director of Integrated Commissioning's report and the request that this approach be continued.
- The importance of ensuring the realisation of the benefits resulting from transformation as early as possible for the system.
- Clarification regarding the £3.5m additional monies received by the CCG for 2018/19.

A Webb clarified that with regard to the CQC visit, the data pack provided was from previous years and work was underway as part of the self-assessment submission to assess it against current data and performance and develop an appropriate narrative shared by all partners. He confirmed that Inspectors would visit the Locality prior to Easter and do fieldwork mid-April which would focus on following up against Key Lines of Enquiry (KLOEs) and following a number of cases through the system.

Resolved: That the Board notes the update provided.

6. INTEGRATED FINANCE REPORT

M Cullen provided an overview of the integrated finance and performance report highlighting in particular the Quarter 2 financial position and the elements of the finances of the pool specific to each commissioning organisation. He noted that the forecast indicated a £1.388m deficit. (+0.7% variance.) The continued pressures in the areas of community, out of hospital and the acute sector were drawn to the Board's attention in addition to those facing the residential, care and nursing home sectors.

The Board noted in particular the impact of the prevention element of the Council's contribution to the pooled budget and the actions being taken in response.

Resolved: That the Board:

1. Notes the outturn forecast position at Q3 of a £1.388m deficit.

7. DATE OF THE NEXT MEETING

The date of the next meeting of the Board was noted to be 29 May 2018.

To:	Health & Care Integrated Commissioning Board (HCICB)
From:	Stockport Council Financial Services, Stockport CCG Finance
Subject:	2017/18 Budget Monitoring – Final outturn position
Date:	28 August 2018

1. Introduction

This report focuses on the financial performance at Quarter 4 for the 2017/18 Section 75 pooled budget between Stockport Council and Stockport CCG. The s.75 agreement dated 21 June 2016 shall continue in full force and effect until it is superseded by execution of a new Section 75 Agreement.

2. Budget Position at Quarter Three

The table below provides a summary by commissioning organisation of the total budget resources available at Quarter 4 2017/18. It also illustrates any changes from the Q3 position.

Table One – Final Budget Position

Commissioner	Proposed Quarter 3 2017/18 Budget £000	Movement(s) £000	Proposed Quarter 4 2017/18 Budget £000
Stockport Council	86,243	69	86,312
Stockport CCG	116,716	0	116,716
Total	202,959	69	203,028

Stockport Council:

- £0.69m – In year redundancy payments (non-recurrent)

Stockport CCG:

There are no budget changes to the pooled budget. This remains in line with 17/18 proposed contract value.

3. Provisional outturn position by service 2017/18

The table below provides a summary by Commissioner of the forecast outturn position. In summary, this illustrates a £1.180m deficit (+0.6% variance).

Table Two: Provisional outturn Position by Service 2017/18

Commissioner	Service / Portfolio	Quarter 4 2017/18 £000	Provisional £000	Full Year £000	Forecast Variance Q3 £000
Stockport Council	Adult Social Care	69,878	70,394	(516)	(584)
Stockport Council	Health	16,434	16,412	22	66
Stockport CCG	Acute - NHS Providers	66,411	66,803	(392)	(468)
Stockport CCG	Acute – Independent sector	4,177	4,614	(437)	(415)
Stockport CCG	Non Acute and Other Health	46,128	45,985	143	13
Total		203,028	204,208	(1,180)	(1,388)

4. Budget Position at Quarter 4 by POD 2017/18

The table below illustrates the pooled budget resource based on Points of Delivery (PODs) at Quarter 4. It also illustrates any changes from the Q3 position.

Table Three: Resource changes by Point of Delivery

Points of Delivery	Commissioner	Quarter 3 2017/18 Budget £000	Movements £000	Quarter 4 2017/18 Budget £000
Prevention	SMBC	21,168	68	21,236
	SCCG	346	0	346
Boroughwide Services	SMBC	7,224	0	7,224
	SCCG	4,586	0	4,586
Community / Out of Hospital	SMBC	72,198	1	72,199
	SCCG	41,196	0	41,196
Acute	SMBC			
	SCCG	70,588	0	70,588
Better Care Fund	SMBC	(14,347)	0	(14,347)
Total		202,959	69	203,028

See Section 2 for movements to budgets.

5. Quarter 4 Forecast by POD 2017/18

The Quarter 4 forecast outturn by POD is reflected in the table below. Further analysis is illustrated in Appendix 1 of this report.

Table Four: Provisional outturn by Point of Delivery

Points of Delivery	Commissioner	Quarter 4 2017/18 Budget	Provisional Outturn	Variance	Forecast Variance Q3
		£000	£000	£000	£000
Prevention	SMBC	21,236	21,023	213	145
	SCCG	346	346		
Boroughwide Services	SMBC	7,224	6,996	228	407
	SCCG	4,586	4,596	(10)	
Community / Out of Hospital	SMBC	72,199	73,134	(935)	(1,070)
	SCCG	41,196	41,043	153	13
Acute	SMBC				
	SCCG	70,588	71,417	(829)	(883)
Better Care Fund	SMBC	(14,347)	(14,347)		
Total		203,028	204,208	(1,180)	(1,388)

Prevention (SMBC) surplus: £0.213m

The Public Health service is reporting a breakeven position at outturn. There has been a recurrent cut to the grant of £0.406m (2.5%) in 2017/18. This is in addition to an unexpected recurrent cut in 2015/16 of £0.966m and a further recurrent grant cut in 2016/17 of £0.350m.

In previous quarterly reports it was noted that the service was still in the process of renegotiating its remaining contracts with Stockport Foundation Trust (FT) for School Nursing, Health Visitors and the Family Nurse Partnership. A final agreement has not yet been reached; negotiations are continuing into 2018/19.

Due to demand led services not being utilised to their full capacity between Q3 and Q4 and service areas within Public Health limiting non-essential expenditure, a surplus of £0.363m was recognised at outturn. This was transferred into the Public Health reserve to mitigate future year pressures and assist with the implementation of the 2018/19 and 2019/20 savings plans.

This surplus includes £0.148m reduced commitments in demand led, volatile services such as Tier 4 drug and alcohol provision, out of area sexual health services, Pharmacy and GP Local Enhanced Services (LES) in Lifestyles, Sexual health and Healthcare, and the emergency outbreak funding in Health Protection. In addition there were reduced commitments of £0.110m in non-pay budgets, £0.063m underspend in staffing costs due to vacant posts, £0.028m of additional income received to offset expenditure, and £0.014m in reduced contract costs.

£0.022m of the Controlling Migration Funding received in 2017/18 was also transferred to the Revenue Grant Reserve to be utilised in 2018/19.

Health Policy and ASC Prevention Services reported a £0.213m surplus at outturn due to minor underspends within staffing and non pay external contract commitments.

Variance from Q3

At Q3 Public Health service was anticipating drawing down £0.063m from the Public Health reserve to breakeven. At outturn, a surplus of £0.363m was transferred to the Public Health reserve. The table below illustrates the changes between the Q3 and outturn position of £0.426m.

Reason for variance	£m
Reduction in demand led, volatile services	0.198
Reduction from non-pay budgets	0.123
Reduction in staffing costs	0.063
Additional income received	0.028
Reduced contract costs	0.014
Total Variance from Q3 to outturn	0.426

The £0.068m variation between Q3 and provisional outturn for the Health and Wellbeing and Preventative services, was due to a reduced commitments within internal staffing and non pay and demand for low level preventative support.

Boroughwide (SMBC) surplus: £0.228m

The surplus position at outturn was predominantly due to an underspend of £0.153m within internal staffing inclusive of partner recharges and reduced bed provision within Non Acute Intermediate Care. The reduced bed costs are in addition to the £0.500m saving realigned to Intermediate Tier staffing as per the Stockport Together Intermediate Tier business case. The balance of £0.075m related to further staffing vacancies within the Contact Centre and within the Older Peoples Community Mental Health Team.

Variance from Q3

The surplus reduced by £0.179m from the Q3 position. This included an additional transfer of £0.241m to the Stockport Together Transformation Fund. This was due to additional provision recognised during the funding of the various enhanced services, underpinned by the future workforce model within the various outline business cases.

Staffing variations within the wider Boroughwide service account for a partial offset of the reduced surplus of £0.062m.

Community / Out of Hospital (SMBC) deficit £0.935m

Integrated Neighbourhoods

As highlighted within each quarterly HCICB Finance report of 2017/18 significant financial pressures existed within Residential & Nursing Care provision, at outturn the deficit was £0.726m and a deficit in Non Residential Care of £0.436m.

This was due to a continued increase in overall demand and demographic pressures and significantly enhanced rates which were payable to secure local bed provision. In addition and more specifically was an increased flow of clients back into the community from Acute provision due to Delayed Transfers of Care (DToC).

These pressures were offset by a non recurrent planned contribution from the improved Better Care Fund (iBCF) of £1.239m. Recurrent funding has been identified as part of the 2018/19 budget setting and saving process to support the £1.239m.

Learning Disabilities

The significant deficit was within care management non-residential care provision of £0.965m. This was due to additional demand, increased complexity of individuals receiving care and the increasing costs providers were requesting to provide support.

This pressure was part offset by a surplus at outturn in Residential and Nursing Care provision of £0.258m. Realignment of budget provision has taken place as part of 18/19 budget setting.

There was a minor deficit within the Internal Tenancy provision of £0.002m at outturn.

Mental Health

The Mental Health outturn position was a £0.128m surplus for its care management provision. This was due in part to reduced demand against indicative high cost placements. There was also a reduction in anticipated commitments at outturn aligned to the additional investment that the service received during Q3. In addition the service did not need to draw down on the in year £0.100m contribution from the Public Health service for the Tier 4 Drug & Alcohol contract.

Operational Staffing Support

A minor surplus of £0.140m was reported at outturn across the operational services predominantly due to in year vacancies and part year recruitment.

Other Adult Social Care Services

The deficit position included the £0.558m saving brought forward from 2016/17 and the balance of the staff overtime and travel saving of £0.284m aligned in 2017/18.

Recurrent funding was identified and aligned against the total of these savings of £0.842m as part of the budget setting and savings process for 2018/19.

This deficit was part offset by the £0.156m remaining provision from the rebasing of staffing posts to midpoint and £0.200m as the balance of the remaining drawn down from investments aligned to Adult Social Care.

The balance of £0.085m relates to additional pressures within the Extra Care Housing schemes part offset by reduced commitments within Information Management.

As planned throughout 2017/18 a £1.500m drawdown of reserves to non recurrently fund the saving target aligned to Intermediate Care was actioned.

The balance of the locality funding at 2017/18 outturn for Stockport Neighbourhood Care (SNC) to support the new models of care and aligned savings programme of £3.281m was taken into reserves. This will be used to support the reprovision costs and associated savings of the enhanced services in 2018/19 as described in the various outline business cases for Stockport Together

Variance from Q3

The deficit has reduced by £0.135m from the Q3 position. This predominantly relates to a £0.120m reduction within care management provision across Adult Social Care. The balance of £0.015m was due to in year staffing vacancies and reduced commitments within the Learning Disability in house tenancy service part offset by additional commitments within Extra Care Housing.

Community / Out of Hospital (SCCG) surplus £0.153m:

The main area that gives rise to the small surplus is agreed slippage of £0.389m within the GP care planning budget.

This is netted off by pressures of £0.147m within continuing care and £93k in funded nursing care. The forecast overspend is in part due to an increase in the cost of placements but is primarily driven by an increase in the number of patients. The increase, from 203 in September 2016 to 250 in January 2017, aligns with changes to CHC process to reduce pressure on the acute system, in particular to reduce the number of Delayed Transfers of Care (DTCOC).

Acute (SCCG) deficit: £0.829m

NHS Providers

There is over performance of £0.567m made up of NHS Trusts. The main areas where expenditure is above plan are within Outpatients, Day Case, Non Elective and Diagnostics.

Outpatients:

Outpatient first attendances, and follow ups are above plan at Salford Royal (SRFT) in specialties dermatology, neurology and spinal surgery. Outpatient procedures are above plan at all NHS providers in 2017/18, with significant over performance reported at Stockport FT (gynaecology and cardiology), MFT (respiratory medicine) and SRFT

(dermatology). Dermatology at SRFT being noted as over performing in all outpatient settings and this is being discussed with the trust moving into 2018/19 to look at ways we can reduce this by working together.

Day Case

MFT has a large over spend on Day Cases, relating to specialties PTCA (percutaneous transluminal coronary angioplasty), plastic surgery and respiratory medicine

Non Elective

The NEL overspend reported is as a result of overspends at MFT. The main specialties generating the pressure are within general and geriatric medicine and vascular surgery specialties.

Diagnostics

The overspend on diagnostics is mainly due to an activity increase in Nuclear Stress Tests at Stockport FT. The costs have also increased by c.20% on the CMR tests component; however the CT scan activity has increased by c.200% due to a change in pathway following NICE guidance. Vascular ultrasound scans at MFT have also continued to remain above plan in 2017/18.

Independent Providers

The Independent Sector overspend is £0.437m. The main areas of overspend include:

- Wet AMD activity provided by Optegra is above plan resulting in a forecast overspend of £0.112m.
- The Specsavers Hearcare contract over performance of £0.149m. The main area of over performance is within assessments and fitting of aids.
- Spire Healthcare contract over performance of £0.175m. ENT and T&O specialities above plan at Spire Manchester hospital and diagnostic tests have over performed at Spire Regency.

6. Reserves

The provisional outturn where the Council (SMBC) is the lead commissioner actioned the following transfers from reserves totalling **£1.617m**.

- £1.500m to support the Intermediate Tier saving requirement non recurrently as it is not anticipated benefits from Stockport Together will be realised in year.
- £0.025m balance from 2016/17 to fund 3.00 fte Social Worker posts supporting the LD tenancy outsourcing project.
- £0.019m funding for Employment Support Advisors to support Younger Adults.
- £0.037m to fund additional Learning Disability transition workers.
- £0.017m to support the implementation of the new case management system across social care.
- £0.019m in year contribution to NESTA Co-production

In addition to this the Council transferred **£2.104m** from reserves it is holding on behalf of Stockport Together partners relating to the balance of Transformation Funding. This was used to support the funding of the 17/18 investment into the new models of care.

As part of the provisional outturn position the Council also made the following transfers to reserves totalling **£4.318m**.

- £3.859m Adult Social Care balances
- £0.064m European Funded Schemes
- £0.010m Hate Crime grant funding
- £0.363m Public Health surplus at outturn
- £0.022m Controlling migration grant

In addition the Council transferred **£3.281m** into reserves as part of 17/18 closedown relating to the locality investment into Stockport Together business cases and savings programmes for 18/19.

7. Savings

Below is a summary of savings / Continuous Improvement Plan (CIP) affecting the pooled budget in 2017/18 and their status:

Table Five: 2017/18 Saving Proposals

Proposal	Risk Rating	Value £000	Value Achieved £000	Additional Information
Learning Disability Tenancy Outsourcing	Green	1,000	1,000	This saving is now fully achieved.
Rebasing of operational staffing budgets to midpoint	Green	500	500	As per savings plan agreed with ASC
Support Service Redesign	Green	390	390	As per savings plan agreed with ASC
Commissioning and Contracts	Green	644	644	As per savings plan agreed with ASC
Unachieved saving balance from 16/17	Red	558	0	Part of 18/19 budget proposals with £0.300m being funded recurrently and £0.258m being funded through reserves for a further year.
Staff Travel – policy review	Red	251	58	£0.030m has been aligned to services as anticipated saving in 17/18. £0.028m minor balances aligned at budget setting 17/18. Recurrent funding has been identified as part of the 2018/19 savings proposals.
Overtime - policy review	Red	91		
Superannuation advanced payment	Green	217	217	Achieved in year and also forms part of savings agreed for 18/19
Grant Reduction - Public Health	Green	406	406	

Commissioning, contracts and staffing – Health Policy	Green	62	62	Achieved in full
Total		4,119	3,277	£0.842m unachieved saving balance.
Acute Health – Demand	Green	2,114	2,114	Reported as delivered in full non-recurrently as a result of agreeing 17/18 contracts at 16/17 outturn and agreeing block contracts for A&E attendances, non-elective admissions and outpatient attendances with Stockport FT. If activity levels increase above planned levels a recurrent financial pressure will be carried forward into 2018/19.
Grand Total		6,233	5,391	£0unachieved saving balance.

Also to note for Adult Social Care is the Intermediate Care saving requirement of £1.500m which was funded non-recurrently in 2015/16 and 2016/17. This was funded from reserves in 17/18 as highlighted in section 6 of this report.

Risk rating

- **Green** – good confidence (90% plus) the saving is/will be delivered or minor variances (<£0.050m) that will be contained within the portfolio.
- **Amber** – progressing at a reasonable pace, action plan being pursued may be some slippage across years and/or the final position may also be a little unclear.
- **Red** – Significant issues arising or further detailed consultation required which may be complex/ contentious.

8. Recommendations

The Board are asked to:

1. Note the provisional outturn position of a £1.180m deficit.

Appendix 1:

Appendix 1: HCICB Pooled Budget Report Q4 2017/18

	Budget Q4	Provsional outturn	Variance	Forecast Q3	Forecast Variance Q3	Change Q4-Q3
Service	£000's	£000's	£000's	£000's	£000's	£000's
Dementia / Memory Services	46	46	0	46	0	0
Flu Services	90	90	0	90	0	0
Dementia Services	0	0	0	0	0	0
People Powered Health	210	210	0	210	0	0
Public Health	16,111	16,111	0	16,081	0	0
Health and Wellbeing	323	301	(22)	257	(66)	44
ASC Preventitive Services	4,802	4,611	(191)	4,685	(79)	(112)
	21,582	21,369	(213)	21,369	(145)	(68)
Community / Out of Hospital						
Integrated Neighbourhood Service						
Integrated Locality Services - Residential & Nursing care	17,156	17,882	726	17,978	822	(96)
Integrated Locality Services - Non Residential Services	12,915	13,351	436	13,262	347	89
Reablement and Rapid response	2,163	2,163	0	2,163	0	0
Contribution from improved Better Care Fund	0	(1,239)	(1,239)	(1,239)	(1,239)	0
District Nursing, Palliative Care and Teir Two Services	11,414	11,389	(25)	11,414	0	(25)
Care Homes Development and Care Home Planning	1,981	1,592	(389)	1,781	(200)	(189)
FNC, Neighbourhood Services, ESS, Reablement, R Response	8,876	8,972	96	8,844	(32)	128
Continuing Care / Domiciliary	5,739	5,886	147	6,000	261	(114)
IV Therapy and Pathfinder	1,415	1,420	5	1,373	(42)	47
Hospices	1,108	1,094	(14)	1,108	0	(14)
Carers / Alzheimer's	711	750	39	711	0	39
Programme Management Services	100	95	(5)	100	0	(5)
Learning Disabilities						
Residential and Nursing Care	5,951	5,689	(262)	5,582	(369)	107
Learning Disability - Non Residential Services	17,737	18,702	965	18,825	1,088	(123)
Learning Disability - Residential & Nursing care	6,720	6,722	2	6,845	125	(123)
Mental Health						
Mental Health - Residential & Nursing care	2,593	2,495	(98)	2,592	(1)	(97)
Mental Health - Non Residential Services	1,067	1,034	(33)	1,041	(26)	(7)
Crisis Resolution, Mental Health Teams, Liason	536	536	0	536	0	0
Operational staffing support	7,128	6,988	(140)	7,193	(4)	(136)
Other services incl ASC support services	8,085	8,656	571	8,342	327	244
	113,395	114,177	782	114,451	1,057	(275)
Acute Services	70,588	71,417	829	71,471	883	(54)
Boroughwide Services	11,810	11,592	(218)	11,403	(407)	189
Better care fund contribution	(14,347)	(14,347)	0	(14,347)	0	0
Grand Total	203,028	204,208	1,180	204,347	1,388	(208)