

JOINT STRATEGIC COMMISSIONING BOARD Pooled Fund Finance Report

Risk Please indicate	High N	Medium Y	Low N
Detail of Risk Description	This report deals with how risks are being mitigated against through arrangements that have been put in place for integrated commissioning. All commissioning activity is subject to appropriate consultation, engagement and impact assessment.		

Engagement taken place	N
Public involvement taken place	N
Equality Analysis/Impact Assessment completed	N
Quality Impact Assessment	N
Strategic Themes	
To empower the people of Wirral to improve their physical, mental health and general wellbeing	N
To reduce health inequalities across Wirral	N
To adopt a health and wellbeing approach in the way services are both commissioned and provided	N
To commission and contract for services that: <ul style="list-style-type: none"> • Demonstrate improved person-centred outcomes • Are high quality and seamless for the patient • Are safe and sustainable • Are evidenced based • Demonstrate value for money 	Y
To be known as one of the leading organisations in the Country	Y
Provide systems leadership in shaping the Wirral Health and Social Care system so as to be fit for purpose both now and in five years' time.	Y

JOINT STRATEGIC COMMISSIONING BOARD

(Committee in Common)

Meeting Date:	10th September 2019
Report Title:	Pooled Fund Finance Report
Lead Officer:	Mike Treharne

1 INTRODUCTION / REPORT SUMMARY

This paper provides a description of the arrangements that have been put in place to support effective integrated commissioning. It sets out the key issues in respect of:

- a) the expenditure areas that are included in the 2019/20 shared (“pooled”) fund.
- b) the current and future risk and gain share arrangements.

2 RECOMMENDATIONS

- 2.1 That the financial position of the pooled fund, as at 30th June 2019, be noted.
- 2.2 That the pooled budget for 2019/20 be approved.

3 BACKGROUND INFORMATION

- 3.1 The background to the formation of the pooled fund is contained in previous months’ reports.
- 3.2 The financial challenges experienced by NHS Wirral Clinical Commissioning Group (CCG) and Wirral Council will continue throughout 2019/20, despite integration. The key for Wirral will be to ensure that integration of commissioning is seen as an opportunity to help to transform provision to make more effective use of the resources available (making the most of the “Wirral pound”), rather than the financial challenges being seen as a barrier to integration. Financial benefits from integration will flow as a result of more efficient commissioning and the increased health and wellbeing of Wirral residents.
- 3.3 The risks and mitigations associated with integration will continue to be monitored and updated in the months to come.

4. 2019/20 POOL

4.1 The total funds contributed to the commissioning pool in 2019/20 amount to £138.2m, as per the table below:

Description	£m
Adult Social Care	43.0
Public Health	12.7
Children & Young People	1.8
CCG	24.6
Better Care Fund	56.1
	138.2

4.2 A full breakdown of the 2019/20 pool's composition is given below, together with the current forecast:

Area	Category	Budget	Forecast (£m)	Variance
Adult Social Care	Community Care for learning disabilities	41.0	41.0	-
	Community Care for mental health	11.0	11.0	-
	Children with Disabilities	1.1	1.1	-
	LD/MH Customer and client receipts	(3.5)	(3.5)	-
	Income from joint-funded packages	(6.6)	(6.6)	-
		43.0	43.0	-
Public Health	Stop smoking interventions	0.7	0.7	-
	Sexual health services	3.0	3.0	-
	Children's services	7.1	7.1	-
	Health checks	0.3	0.3	-
	Adult obesity	0.2	0.2	-
	Mental health	1.1	1.1	-
	Infection control	0.2	0.2	-
		12.7	12.7	-

Area	Category	Budget	Forecast (£m)	Variance
Children & Young People	Care packages	1.8	1.8	-
		1.8	1.8	-
CCG	CHC – adult continuing care	3.5	3.5	-
	CHC – adult Personal Health Budgets	1.9	1.9	-
	Funded nursing care	0.8	0.8	-
	Learning disabilities	2.0	2.0	-
	Mental health	11.5	11.5	-
	Adult joint funded	3.3	3.3	-
	CHC – Adult joint funded PHBs	0.9	0.9	-
	CHC children’s continuing care	0.8	0.8	-
	Children’s PHBs	-	-	-
		24.6	24.6	-
Better Care Fund	Integrated services	20.6	20.6	-
	Adult social care services	28.3	28.3	-
	CCG services	2.0	2.0	-
	DFG	4.2	4.2	-
	Innovation fund	0.5	0.5	-
	Known pressures & contingency	0.6	0.6	-
		56.1	56.1	-
		138.2	138.2	-

4.3 The budget figures above were approved by Pooled Fund Executive Group on 31st July 2019.

5. 2019/20 FINANCIAL RISKS AND CHALLENGES

5.1 Various cost pressures have been identified in both the CCG and Adult Social Care, which will require mitigation. They are detailed in the table below:

Description	£m
Adult Social Care	
Demographic growth pressures	1.3
Fee rate increases	1.2
	2.5
CCG	
Demographic growth pressures	1.5
Quality Innovation Productivity &	0.5
Prevention relating to pooled fund	2.0
	4.5

5.2 Work is ongoing to quantify the mitigation identified against these pressures. Known mitigations include, but are not limited to:

- Additional grant funding
- More cost-effective commissioning
- Maximising independence and wellbeing

5.3 Increased demand for adult social care services is seen predominantly in the care at home sector, where the volume of home care and supported living services provided in the last twelve months has increased by 9.8% and 10.0% respectively.

5.4 In comparison, demand for traditional residential and nursing home services has only risen by 0.5% during the same period.

6. ENGAGEMENT / CONSULTATION

- 6.1 Documents and discussions in respect of the integration agenda and associated financial risks have been presented and taken place at a variety of Local Authority and CCG meetings.

7. LEGAL IMPLICATIONS

- 7.1 The Local Authority and CCG lawyers have been engaged in, and crucial to the production of the section 75, National Health Service Act 2006 agreement, and the relevant legal implications are identified within that document.

8. RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

- 8.1 Currently there is no significant impact on resources, ICT, staffing and assets as a result of the integration agenda. As greater integration occurs there are likely to be efficiency savings through economies of scale with appropriate sharing of posts and assets etc.

9. EQUALITY IMPLICATIONS

- 9.1 No implications have been identified because it is not anticipated that the integration of commissioning functions will have an impact on equality. Rather, potential impacts on equality will come from commissioning decisions for which Equality Impact Assessments (EIAs) will need to be produced.

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APPENDICES

N/A

BACKGROUND PAPERS

Section 75 agreement