

## JOINT STRATEGIC COMMISSIONING BOARD Pooled Fund Finance Report

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

<b>Engagement taken place</b>	<b>N</b>
<b>Public involvement taken place</b>	<b>N</b>
<b>Equality Analysis/Impact Assessment completed</b>	<b>N</b>
<b>Quality Impact Assessment</b>	<b>N</b>
<b>Strategic Themes</b>	
<b><i>Working as One, Acting as One</i></b> – we will work together with all partners for the benefit of the people of Wirral.	<b>Y</b>
<b><i>Listening to the views of local people</i></b> – we are committed to working with local people to shape the health and care in Wirral.	<b>Y</b>
<b><i>Improving the health of local communities and people</i></b> – Wirral has many diverse communities and needs. We recognise this diversity and will help people live healthier lives, wherever they live.	<b>Y</b>
<b><i>Caring for local people in the longer term</i></b> – we will focus on having high quality and safe services, with the best staff to support the future as well as the present.	<b>Y</b>
<b><i>Getting the most out of what we have to spend</i></b> – we will always seek to get the best value out of the money we receive.	<b>Y</b>

# JOINT STRATEGIC COMMISSIONING BOARD

(Committee in Common)

<b>Meeting Date:</b>	<b>10 March 2020</b>
<b>Report Title:</b>	<b>Pooled Fund Finance Report</b>
<b>Lead Officer:</b>	<b>Interim Chief Finance Officer, NHS Wirral CCG &amp; Wirral Health and Care Commissioning</b>

## 1 INTRODUCTION / REPORT SUMMARY

The report 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 report, including the financial position at 30 November 2019, be noted.

## 3 BACKGROUND INFORMATION

- 3.1 The background to the formation of the pooled fund is contained in previous months’ reports. It was agreed by the Group that the services contained within the Pooled Fund in 2018/19 would continue in their current guise for 2019/20, with no new services being added.
- 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 fund contributed to the commissioning pool in 2019/20 is proposed below and totals £141.3m.

Description	£m
Adult Social Care	43.4
Public Health	12.7
Children & Young People	1.8
CCG	24.6
Better Care Fund	58.9
	<b>141.3</b>

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

Area	Category	Budget	Forecast (£m)	Variance
<b>Adult Social Care</b>	Community Care for learning disabilities	41.7	42.1	(0.4)
	Community Care for mental health	11.8	11.6	0.2
	Children with Disabilities	1.1	1.2	(0.1)
	LD/MH Customer and client receipts	(3.7)	(3.5)	(0.2)
	Income from joint-funded packages	(7.6)	(7.8)	0.2
		<b>43.4</b>	<b>43.6</b>	<b>(0.2)</b>
<b>Public Health</b>	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	-
		<b>12.7</b>	<b>12.7</b>	<b>-</b>

Area	Category	Budget	Forecast (£m)	Variance
<b>CCG</b>	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	-	-	-
		<b>24.6</b>	<b>24.6</b>	<b>-</b>
<b>Children &amp; Young People</b>	Care packages	1.8	1.9	(0.1)
		<b>1.8</b>	<b>1.9</b>	<b>(0.1)</b>
<b>Better Care Fund</b>	Integrated services	21.5	21.3	0.2
	Adult social care services	30.2	30.1	0.1
	CCG services	2.0	2.0	-
	DFG	4.2	4.2	-
	Innovation fund	0.5	0.5	-
	Known pressures & contingency	0.6	0.6	-
		<b>58.9</b>	<b>58.6</b>	<b>0.3</b>
		<b>141.3</b>	<b>141.3</b>	<b>-</b>

- 4.3 The overall pooled fund is forecast to balance to budget at year-end.
- 4.3.1 The forecast to Adult Care & Health and Children & Young People is the same as reported in the previous period. A high-level review of costs has been undertaken and there are not understood to be any material exceptions from the position reported in Period 7.
- 4.3.2 There are immaterial variances within the Better Care Fund, which is still forecast to be in surplus at year-end by £0.3m.
- 4.4 CCG and Public Health budgets are forecast to balance at year-end. Any budget surplus on Public Health services will remain ringfenced under the terms of the Public Health grant and must be spent in accordance with the terms of the grant condition.

## 5. 2019/20 Forecast – Known Pressures

- 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
<b>Adult Social Care</b>	
Demographic growth pressures	1.3
Fee rate increases	1.2
	<b>2.5</b>
<b>CCG</b>	
Demographic growth pressures	1.5
QIPP relating to pooled fund	0.5
	<b>2.0</b>
	<b>4.5</b>

- 5.2 Work is ongoing to quantify the mitigation identified against these pressures. The Council savings identified against its £2.5m known pressures is included as Appendix 1 to this report. The savings plans of £678k yet to be identified is an improvement of £21k from Month 7.

## 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 agreement, and the relevant legal implications are identified within that document.
- 7.2 The current Section 75 Agreement ceases on 31 March 2020. As a result, the Officers and Executives will develop a new Agreement which will be recommended to the Council and Governing Body for approval.

## 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 EIA's will need to be produced.

## 10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 The content and/or recommendations contained within this report are expected to have no impact on emissions of CO2.

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## BACKGROUND PAPERS

## HISTORY

<b>Meeting</b>	<b>Date</b>
Joint Strategic Commissioning Board	14 January 2020
Joint Strategic Commissioning Board	12 November 2019
Joint Strategic Commissioning Board	10 September 2019
Joint Strategic Commissioning Board	9 July 2019
Joint Strategic Commissioning Board	28 May 2019
Joint Strategic Commissioning Board	2 April 2019
Joint Strategic Commissioning Board	5 February 2019
Joint Strategic Commissioning Board	4 December 2018
Joint Strategic Commissioning Board	16 October 2018
Joint Strategic Commissioning Board	21 August 2018
Joint Strategic Commissioning Board	19 June 2018

## Appendix 1

### Adult Social Care Savings Plans

Project Title	Target (£)	Achieved (£)	Balance (£)
Complex Care - CHC	1,000,000	-	1,000,000
MH Support Living Reviews	200,000	89,750	110,250
LD Supported Living Reviews	376,000	376,679	(679)
Residential Reviews	137,000	31,867	105,433
Joint Funded Cases	-	616,499	(616,499)
Pensby Road – Extra Care	72,300	90,373	(18,073)
Mersey Gardens – Extra Care	36,200	26,936	9,264
<b>Total Savings Plans Identified to Date</b>	<b>1,821,800</b>	<b>1,232,104</b>	<b>589,696</b>
Savings Plans Yet to be Identified / Contingency	678,200	-	678,200
<b>Grand Total</b>	<b>2,500,000</b>	<b>1,232,104</b>	<b>1,267,896</b>