

| Meeting: Strategic Commissioning Board (Public) | | | |
|---|--|--|---------|
| Meeting Date | 12 April 2021 | Action | Receive |
| Item No | 10.5 | Confidential / Freedom of Information Status | No |
| Title | Sustainability of LCO Management & Clinical Costs | | |
| Presented By | Will Blandamer, Executive Director of Strategic Commissioning, Bury Council and NHS Bury CCG | | |
| Author | Mui Wan, Associate Director of Finance | | |
| Clinical Lead | - | | |
| Council Lead | - | | |

| Executive Summary |
|--|
| Introduction and background <p>A commitment was given at December SCB to prioritise funding for Transformation Fund and LCO Management costs 2021/22 onwards. With this commitment there was a £5.7m financial risk as funding was to be identified. It was felt that there was an even greater significant financial and operational risk to terminating the schemes or delaying a decision. It was therefore agreed the financial risk was to be managed and mitigated by all system partners over the following months. This report updates on current discussions to address that financial risk.</p> |
| Recommendations |
| <p>It is recommended that the Strategic Commissioning Board:</p> <ul style="list-style-type: none"> • Note content of the report; • Accept further update on the clarification of financial pressures in May. |

| Links to Strategic Objectives/Corporate Plan | Choose an item. |
|---|-----------------|
| Does this report seek to address any of the risks included on the Governing Body / Council Assurance Framework? If yes, state which risk below: | N/A |
| Add details here. | |

| Implications | | | | | | |
|---|-----|--------------------------|----|--------------------------|-----|--------------------------|
| Are there any quality, safeguarding or patient experience implications? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> | N/A | <input type="checkbox"/> |
| Has any engagement (clinical, stakeholder | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> | N/A | <input type="checkbox"/> |

| Implications | | | | | | |
|---|-----|--------------------------|----|--------------------------|-----|-------------------------------------|
| or public/patient) been undertaken in relation to this report? | | | | | | |
| Have any departments/organisations who will be affected been consulted? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> | N/A | <input type="checkbox"/> |
| Are there any conflicts of interest arising from the proposal or decision being requested? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> | N/A | <input type="checkbox"/> |
| Are there any financial implications? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> | N/A | <input type="checkbox"/> |
| Are there any legal implications? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> | N/A | <input type="checkbox"/> |
| Are there any health and safety issues? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> | N/A | <input type="checkbox"/> |
| How do proposals align with Health & Wellbeing Strategy? | N/A | | | | | |
| How do proposals align with Locality Plan? | N/A | | | | | |
| How do proposals align with the Commissioning Strategy? | N/A | | | | | |
| Are there any Public, Patient and Service User Implications? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> | N/A | <input checked="" type="checkbox"/> |
| How do the proposals help to reduce health inequalities? | N/A | | | | | |
| Is there any scrutiny interest? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> | N/A | <input checked="" type="checkbox"/> |
| What are the Information Governance/ Access to Information implications? | N/A | | | | | |
| Is an Equality, Privacy or Quality Impact Assessment required? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> | N/A | <input type="checkbox"/> |
| If yes, has an Equality, Privacy or Quality Impact Assessment been completed? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> | N/A | <input type="checkbox"/> |
| If yes, please give details below: | | | | | | |
| | | | | | | |
| If no, please detail below the reason for not completing an Equality, Privacy or Quality Impact Assessment: | | | | | | |
| | | | | | | |
| Are there any associated risks including Conflicts of Interest? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> | N/A | <input type="checkbox"/> |

| Implications | | | | | | |
|---|-----|--------------------------|----|--------------------------|-----|--------------------------|
| Are the risks on the CCG /Council/ Strategic Commissioning Board's Risk Register? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> | N/A | <input type="checkbox"/> |
| Additional details | | | | | | |

| Governance and Reporting | | |
|--------------------------|------|---------|
| Meeting | Date | Outcome |
| | | |

Current Situation

A commitment was given at December SCB to prioritise funding for Transformation Fund and LCO Management costs 2021/22 onwards. With this commitment there was a £5.7m financial risk as funding was to be identified. It was felt that there was an even greater significant financial and operational risk to terminating the schemes or delaying a decision. It was therefore agreed the financial risk was to be managed and mitigated by all system partners over the following months. This report updates on current discussions to address that financial risk.

Financial options

A task and finish group was convened with key finance and service leads to discuss mitigating options which currently are;

- Funding diverted from A&E and NEL growth

This is dependent on the financial framework which is due to be released at the end of March. Funding implications will need to be worked through and therefore the financial impacts will not be clear until early April.

- Savings from the Intermediate Care beds review.

The final savings from this review is still to be clarified as stranded costs and costs to support the reprovision of beds at Killelea are to be confirmed.

- Non-Recurrent Funds

We have been notified from GM that Transformation Fund which was unallocated in 2020-21 maybe received in 2021-22. Amounts are to be confirmed but will be non-recurrent.

All the above options are being considered in the absence of the 2021-22 financial guidance. NHSE have confirmed that current funding block arrangements will continue until the end of September 2021 which delays the financial pressure of the TF schemes.

Recommendation

SCB are asked to

- Note content of the report
- Accept further update on the clarification of financial pressures in May

Mui Wan

Associate Director of Finance