

<b>Meeting: Strategic Commissioning Board</b>			
<b>Meeting Date</b>	07 February 2022	<b>Action</b>	Receive
<b>Item No</b>	10	<b>Confidential / Freedom of Information Status</b>	Yes
<b>Title</b>	Integrated Commissioning Fund Financial Position Month 9		
<b>Presented By</b>	Sam Evans, Executive Director of Finance		
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<b>Clinical Lead</b>			
<b>Council Lead</b>			

<b>Executive Summary</b>
<p>The ICF brings together the financial resources of the CCG and Council into a single fund enabling the Strategic Commissioning Board (SCB) to make decisions and recommendations (subject to reserved matters) based on the full picture of CCG and Council finances.</p> <p>The ICF is comprised of 3 budgets:</p> <ul style="list-style-type: none"> <li>• a section 75 pooled budget - SCB has delegated decision making powers;</li> <li>• an aligned budget - SCB can make recommendations. Decision making powers remain with the originating statutory body; and</li> <li>• an in-view budget which impact on the CCG and Council - decisions are made by bodies other than the partners.</li> </ul> <p>At the end of month 9 the ICF is forecasting an underspend of £1.2m on an annual total budget of £530.7m. Services held within the section 75 pooled budget are breakeven with £0.9m underspend on services within the aligned fund and £0.3m underspend on services within the in-view budget.</p> <p>The £1.2m overspend in the pooled budget is a result of overspends of £2.4m in community health and care services mainly attributable to a £2.1m forecast outturn overspend in continuing healthcare budgets and £0.6m in children’s services from social services and safeguarding pressures. These are offset by underspends across all other health and adult social care services and support services.</p> <p>The aligned fund is forecasting an underspend of £0.9m of which £0.2m in acute services results from underperformance of elective treatment in the independent sector, £0.3m in operational services mainly as a result of vacancies, and £1.5m within other CCG &amp; Council budgets from the net impact of variances in the cost of borrowing, levies, grants and reserves versus budget. This is partially offset by an overspend in looked after children in children’s services of £1.2m.</p> <p>The in-view budget of the ICF is forecasting an underspend of £0.3m as a result of the</p>

finalisation of the 2020/21 outturn and release of prior year accruals.

At month 9 the Council is forecast to deliver £6.4m of its planned £8m savings and the CCG is on track to deliver its savings target of £4.8m.

### Recommendations

The Strategic Commissioning Board is asked to:

- Note the ICF financial position at month 9
- Note the addition of £0.7m CCG allocations to the ICF

Links to Strategic Objectives/Corporate Plan	Yes
<b>SO1 - To support the Borough through a robust emergency response to the Covid-19 pandemic.</b>	<input type="checkbox"/>
<b>SO2 - To deliver our role in the Bury 2030 local industrial strategy priorities and recovery.</b>	<input type="checkbox"/>
<b>SO3 - To deliver improved outcomes through a programme of transformation to establish the capabilities required to deliver the 2030 vision.</b>	<input checked="" type="checkbox"/>
<b>SO4 - To secure financial sustainability through the delivery of the agreed budget strategy.</b>	<input checked="" type="checkbox"/>
Does this report seek to address any of the risks included on the Governing Body / Council Assurance Framework? If yes, state which risk below:	No

Implications						
Are there any quality, safeguarding or patient experience implications?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Has any engagement (clinical, stakeholder or public/patient) been undertaken in relation to this report?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Have any departments/organisations who will be affected been consulted?	Yes	<input checked="" 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 checked="" type="checkbox"/>
Are there any financial implications?	Yes	<input checked="" 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 checked="" type="checkbox"/>

Implications						
Are there any health and safety issues?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
How do proposals align with Health & Wellbeing Strategy?	The ICF align investment and saving plans in an integrated way to our key health and wellbeing priorities.					
How do proposals align with Locality Plan?	The ICF support the locality plan by working in an integrated way to align investment and saving plans to our key priority areas of urgent care, intermediate care, mental health and learning disabilities.					
How do proposals align with the Commissioning Strategy?	The ICF aligns to the "Lets Do It" strategy by supporting joined up health and social care services through jointly developed investment and savings plans with a single view of Council and CCG wide budgets.					
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?	The ICF supports the targeting of resources to the areas that most need them to close the inequalities gap.					
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?	None					
Is an Equality, Privacy or Quality Impact Assessment required?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" 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 checked="" type="checkbox"/>
Are there any associated risks including Conflicts of Interest?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Are the risks on the CCG /Council/ Strategic Commissioning Board's Risk Register?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>

## **Integrated Commissioning Fund Month 9**

### **1. Introduction**

- 1.1. This report provides a summary of the financial position of the Bury Integrated Commissioning Fund (ICF) in 2021/22 for month 9. Appendix 1 provides a detailed summary of the ICF. Individual financial reports for the Council and CCG are available on request.
- 1.2. The ICF brings together the financial resources of the CCG and Council into a single fund enabling the Strategic Commissioning Board (SCB) to make decisions and recommendations (subject to reserved matters) based on the full picture of CCG and Council finances.
- 1.3. The ICF is comprised of 3 budgets:
  - a section 75 pooled budget - SCB has delegated decision making powers;
  - an aligned budget - SCB can make recommendations. Decision making powers remain with the originating statutory body; and
  - an in-view budget which impact on the CCG and Council - decisions are made by bodies other than the partners.
- 1.4. For Council budgets the pooled budget comprises of all health, social care, health related functions and supporting corporate services within the directorates it is possible and the SCB has deemed it appropriate to pool. All remaining Council budgets including the whole of the Business, Growth and Infrastructure and Housing General Fund are held within the aligned budget.
- 1.5. For the CCG all health, social care, health related functions and supporting corporate services it is possible and the SCB has deemed it appropriate to pool are held within the pooled budget, all those it is not possible or has been deemed not appropriate to pool are held within the aligned and in-view budgets.

### **2. Financial Framework 2021/22**

- 2.1. In constructing the ICF for 2021/22, whilst the Council aspects are per the annual budget approved in February, for the CCG the national command and control framework put in place by NHSE/I in response to COVID-19 has continued for 2021/22 with budgets issued for H1 at the start of the year and H2 in the autumn. This report reflects the confirmed notified annual budget of both the council and CCG.
- 2.2. The financial regime therefore remains in place until 31<sup>st</sup> March 2022 with prescribed block payments to NHS providers and reimbursement of Hospital Discharge Programme (HDP) costs with additional funding made available in year for COVID and recovery related initiatives for example the GP winter access funds.

### 3. ICF Summary Financial Performance

3.1. At the end of month 9 the ICF is forecasting an underspend of £1.2m on an annual total budget of £530.7m. Services held within the section 75 pooled budget are breakeven with £0.9m underspend on services within the aligned fund and £0.3m underspend on services within the in-view budget.

3.2. Since month 7 the CCG received an increase in allocation of £0.7m. In primary care £0.3m has been received for the investment and impact fund (IIF) and £0.2m for winter pressures and access funding. These allocations have been added to the in-view budget as they relate to delegated primary care co-commissioning. The remaining £0.2m increase in allocations is made up of technical allocation adjustments and smaller allocations including cancer investments, COVID treatment and care and the GM Clinical Assessment Service (CAS). These allocations have all been added to the pooled budget.

### 4. Section 75 Pooled Budget

4.1. The summary position of the pooled budget at month 9 is breakeven as set out in the table below:

Service area	21/22 Budget £'000	21/22 Forecast £'000	21/22 Variance £'000
Acute Health Services	88,468	88,168	(300)
Community Health & Care Services	91,698	94,095	2,398
Mental Health & Learning Disabilities	39,590	39,490	(99)
Primary Care Services	42,524	42,107	(417)
Adult Social Care	16,363	15,452	(912)
Children Services and Social Care	14,004	14,619	615
Public Health	10,756	10,522	(233)
Other CCG & Council Services	35,687	34,639	(1,048)
<b>Total Pool Expenditure</b>	<b>339,089</b>	<b>339,093</b>	<b>4</b>
<b>Contributions</b>	<b>(339,089)</b>	<b>(339,089)</b>	<b>0</b>
<b>Section 75 Pooled Budget</b>	<b>0</b>	<b>4</b>	<b>4</b>

4.2. The key overspend in the pooled budget is £2.4m in community health and care services mainly attributable to a £2.1m forecast outturn overspend in continuing healthcare budgets, £0.4m forecast overspend in care in the community offset by a £0.2m underspend in community healthcare. This resulting pressure is after full reimbursement of expenditure related to the national Hospital Discharge Programme (HDP) under which the Bury system is reimbursed for the first 4/6 weeks of care depending on date of discharge for patients discharged from hospital.

4.3. Other overspends are seen in children's services, £0.6m, attributable to social care caseload pressures and safeguarding.

4.4. Underspends are forecast in acute health services £0.3m due to underperformance of elective activity in the independent sector, £0.1m in mental health services due to the variable case-mix of high cost placements, £0.4m in primary care from prior year benefits and budgets not required in 2021/22, £0.4m in adult social care from Hospital Discharge Programme (HDP) Funding, £0.2m in public health from Containment Outbreak Management Fund (COMF) Funding and £1m in other CCG and Council services £0.6m from non-recurrent budgets in the CCG being used to offset overspends in other areas and £0.4m in other One Commissioning Organisation (OCO) services from OCO support services vacancies.

## 5. Aligned Budget

5.1. The aligned budget is forecasting an underspend of £0.9m at month 9 as shown in the table below.

Service area	21/22 Budget £'000	21/22 Forecast £'000	21/22 Variance £'000
Acute Health Services	80,205	79,976	(229)
children's Services and Social Care	26,057	27,211	1,154
Operations	16,519	16,175	(343)
Other CCG & Council Services	28,137	26,646	(1,491)
<b>Total Aligned Expenditure</b>	<b>150,917</b>	<b>150,008</b>	<b>(909)</b>
<b>Contributions</b>	<b>(150,917)</b>	<b>(150,917)</b>	<b>0</b>
<b>Aligned Budget</b>	<b>0</b>	<b>(909)</b>	<b>(909)</b>

5.2. Of the £0.9m forecast underspend in the aligned budget; £0.2m in acute services results from underperformance of elective treatment in the independent sector, £0.3m in operational services mainly as a result of vacancies, and £1.5m within other CCG & Council from the net impact of variances in the cost of borrowing, levies, grants and reserves versus budget. This is partially offset by an overspend in looked after children in children's services of £1.2m.

## 6. In-View Budget

6.1. The in-view budget of the ICF is forecasting an underspend of £0.3m as shown in the table below. This underspend is non-recurrent resulting from the finalisation of 2020/21 outturn and release of prior year accruals, in particular, the Quality and Outcome Framework achievement payments made to GP's which was £0.3m less than forecast.

Service area	21/22 Budget £'000	21/22 Forecast £'000	21/22 Variance £'000
Delegated GP services	30,741	30,344	(397)
Other CCG & Council Services	9,982	10,039	57
<b>Total In-View Expenditure</b>	<b>40,723</b>	<b>40,383</b>	<b>(341)</b>
<b>Contributions</b>	<b>(40,723)</b>	<b>(40,723)</b>	<b>0</b>
<b>In-View Budget</b>	<b>0</b>	<b>(341)</b>	<b>(341)</b>

## 7. Financial Savings and Risks

7.1. At month 9 the CCG is on track to deliver its savings of £4.8m. This has been achieved from delivery of schemes in prescribing, intermediate care, former transformation fund schemes and for the second half of the year Continuing Healthcare (CHC). Savings not delivered during the first half of the year in CHC were offset by non-recurrent mitigations in other areas enabling the CCG to forecast an overall breakeven position.

7.2. Of the £8m planned Council savings £6.4m are forecast for delivery in year with the remaining £1.7m requiring further investigation. The biggest element of this is the £1.5m of transformation savings and whilst schemes are progressing in terms of mobilisation this financial year it will be 2022/23 before they deliver their full year effect.

## 8. Actions Required

The Strategic Commissioning Board is asked to:

- Note the ICF financial position at month 9.
- Note the addition of £0.7m CCG allocations to the ICF.

**Carol Shannon-Jarvis**

Associate CFO

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January 2022

Appendix 1: Full ICF at Month 9

Service area	21/22 Budget £'000	21/22 Forecast £'000	21/22 Variance £'000
CCG Pool Contribution	(237,950)	(237,950)	0
LA Pool Contribution	(101,139)	(101,139)	0
CCG Pool Additional Contribution	0	0	0
LA Pool Additional Contribution	0	0	0
<b>Total Pool Contribution</b>	<b>(339,089)</b>	<b>(339,089)</b>	<b>0</b>
Acute Health Services	88,468	88,168	(300)
Community Health Services	26,479	26,325	(154)
Continuing Healthcare	22,835	24,977	2,142
Mental Health & Learning Disabilities Services	39,590	39,490	(99)
Primary Care Services	42,524	42,107	(417)
Adult Social Care	16,363	15,452	(912)
Care in the Community	42,384	42,793	410
Public Health	10,756	10,522	(233)
Other OCO Services	17,804	17,367	(437)
Childrens Social Care	6,949	7,782	834
Other Childrens Services	7,055	6,837	(218)
Other CCG Services	9,919	9,314	(605)
Other Council Services	7,964	7,958	(7)
<b>Total Pool Expenditure</b>	<b>339,089</b>	<b>339,093</b>	<b>4</b>
<b>Section 75 Pooled Budget</b>	<b>0</b>	<b>4</b>	<b>4</b>
CCG Aligned Contribution	(80,205)	(80,205)	0
LA Aligned Contribution	(70,712)	(70,712)	0
<b>Total Aligned Contribution</b>	<b>(150,917)</b>	<b>(150,917)</b>	<b>0</b>
Acute Health Services	80,205	79,976	(229)
Childrens Social Care	17,061	18,151	1,090
Other Childrens Services	8,997	9,061	64
Business, Growth & Infrastructure	2,727	2,731	4
Operations	16,519	16,175	(343)
Other CCG Services	0	0	0
Other Council Services	25,410	23,914	(1,496)
<b>Total Aligned Expenditure</b>	<b>150,917</b>	<b>150,008</b>	<b>(909)</b>
<b>Aligned Budget</b>	<b>0</b>	<b>(909)</b>	<b>(909)</b>
CCG In View Contribution	(40,723)	(40,723)	0
LA In View Contribution	0	0	0
<b>Total In View Contribution</b>	<b>(40,723)</b>	<b>(40,723)</b>	<b>0</b>
Delegated Co-Commissioning Budgets	30,741	30,344	(397)
Other CCG Services	9,982	10,039	57
Other Council Services	0	0	0
<b>Total In View Expenditure</b>	<b>40,723</b>	<b>40,383</b>	<b>(341)</b>
<b>In-View Budget</b>	<b>0</b>	<b>(341)</b>	<b>(341)</b>
CCG Total Contribution	(358,878)	(358,878)	0
LA Total Contribution	(171,851)	(171,851)	0
<b>Total Contribution</b>	<b>(530,729)</b>	<b>(530,729)</b>	<b>0</b>
CCG Expenditure	358,878	358,878	(0)
LA Expenditure	171,851	170,605	(1,246)
<b>Total Expenditure</b>	<b>530,729</b>	<b>529,483</b>	<b>(1,246)</b>
<b>Bury Integrated Commissioning Fund Total</b>	<b>0</b>	<b>(1,246)</b>	<b>(1,246)</b>