

Plymouth Integrated Fund

Finance Report – Month 03 2017/18

Introduction

This report sets out the outturn financial performance of the Plymouth Integrated Fund for the year to date and the forecast for the financial year 2017/18.

The report is in several sections.

- The first section details the performance of the Integrated Fund, including the section 75 risk share arrangements.
- The second identifies the Better Care Fund, which is a subset of the wider Integrated Fund, but has specific monitoring and outcome expectations.
- The third section details the financial performance of the Western Planning and Delivery Unit (PDU) of the Clinical Commissioning Group (CCG).
- Appendix 1 which shows the Plymouth Integrated Fund performance and risk share – this is not reported at this early stage in the year.
- Appendix 2 which shows the PDU managed contracts financial performance.
- Appendix 3 which is a glossary of terms used in the report.

In summary, the Integrated Fund is currently performing well against budget but it is too early in the year to predict anything other than delivery of plan.

SECTION 1 – PLYMOUTH INTEGRATED FUND

The integrated fund for Plymouth City Council (PCC) is shown as gross spend and now also includes the Support Service Recharge costs for the People directorate and Public Health department along with the capital spend for Disabled Facilities Grant, which is funded from the Better Care Fund.

Overall, PCC is forecasting to come in on budget at month 3 which includes, as part of the MTFs for 2017/18, the People directorate needs to make savings of £7.117m as well as £3.840m of savings brought forward from 2016/17 that were realised from one off savings and will need to be saved in this financial year.

There are also areas in each department that will need to be reviewed and closely monitored during the coming months, particularly placement and care package numbers and costs.

We are currently reviewing the cost of children's placements, increased bed and breakfast placements and the impact of the reduced Education Support Grant (ESG) as part of the Education, Participation and Skills department.

Department	Latest Approved Budget (M2)	Latest Year End Forecast	Forecast Variation at Month 2	Forecast Variation at Month 1	Change in Month
	£m	£m	£m	£m	£m
Children, Young People & Families	35.388	35.388	0.000	0.000	0.000
Strategic Cooperative Commissioning	76.770	76.770	0.000	0.000	0.000
Education Participation and Skills	106.635	106.635	0.000	0.000	0.000
Community Connections	3.423	3.423	0.000	0.000	0.000
Director of People	0.216	0.216	0.000	0.000	0.000
Public Health	16.316	16.316	0.000	0.000	0.000
Sub Total	238.748	238.748	0.000	0.000	0.000
Support Service Costs	16.428	16.428	0.000	0.000	0.000
Disabled Facilities Grant (Capital spend)	2.126	2.126	0.000	0.000	0.000
Total	257.302	257.302	0.000	0.000	0.000

SECTION 2 - BETTER CARE FUND (BCF)

The table below shows the total BCF for 2016/17 and an estimate for 2017/18, along with the distribution between CCG and PCC.

	2016/17	2017/18 Estimated
	£m	£m
PCC Capital (Disabled Facilities Grant)	1.954	2.126
PCC Revenue	9.087	9.246
CCG Revenue	8.310	8.455
Total BCF	19.351	19.827

Improved Better Care Fund (iBCF)

As part of the resource settlement for 2017/18, PCC were awarded amounts from the Governments iBCF. The first amount was £0.764m which forms part of the PCC revenue settlement. The Government then awarded additional monies, as part of the £2billion to support social care nationally, at the Spring Budget of which PCC will receive:

2017/18	£5.800m
2018/19	£3.660m
2019/20	£1.815m

These funds will be paid to the Local Authority and come with conditions that they are *“to be spent on adult social care and used for the purposes of meeting adult social care needs, reducing pressures on the NHS - including supporting more people to be discharged from hospital when they are ready - and stabilising the social care provider market.”*

Cabinet will be discussing the 2017/18 additional funding and allocations to specific areas and projects. This report will detail the agreed areas and monitor expenditure going forward.

SECTION 3 – WESTERN PDU MANAGED CONTRACTS

Context / CCG Wide Financial Performance at Month 3

The CCG plan for 2017/18 has been produced in conjunction with our main acute providers within a wider System Transformation Plan (STP) footprint encompassing South Devon and Torbay CCG (SD&T CCG).

On 12th June, the CCG resubmitted a plan to NHS England which incorporated the Capped Expenditure Process (CEP) proposals and improved the deficit position by £21.4m to a 2017/18 in year deficit of £57.1m. Although this plan has not been formally approved, the CCG is reporting against this revised plan. In addition to this the CCG has a brought forward deficit from 2013/14 to 2016/17 of £120.5m making the planned cumulative deficit £177.7m.

The updated CCG plan sits within an overall plan for the STP which has a deficit of £61.5m with a savings plan of £168.2m. The NEW Devon CCG plan within this is a deficit of £57.1m with a savings plan of £45.9m. The plan is based on an agreed set of block contracts with the main providers which de-risks this element of the CCG's commissioning budget and delivers savings within those contracts of £11.2m.

As of Month 3 the year to date and forecast outturn positions are in line with the current plan

Western PDU Finance Position

Introduction

The Locality is forecasting to deliver against budget at this stage in the year.

The detailed analysis for the PDU is included at **Appendix 2**.

Acute Care Commissioned Services

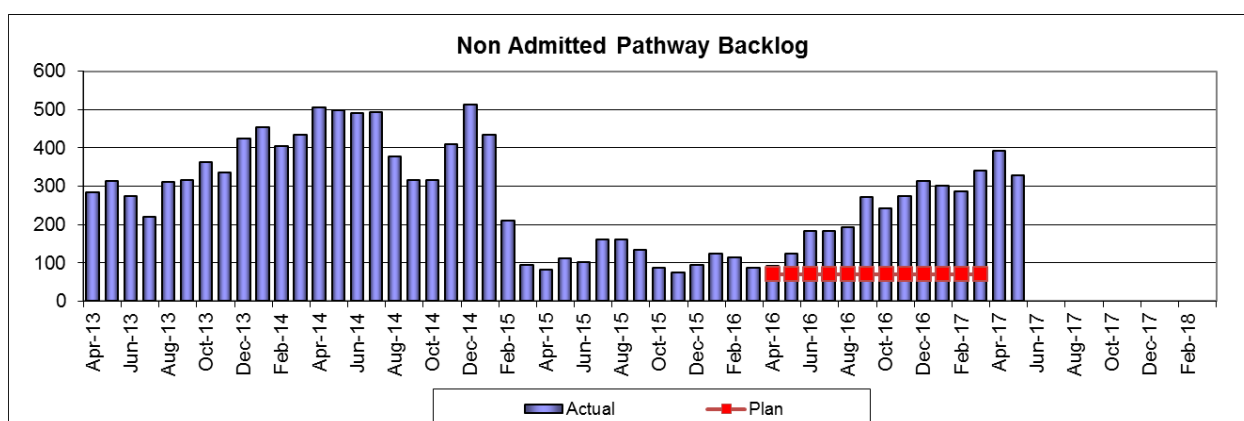
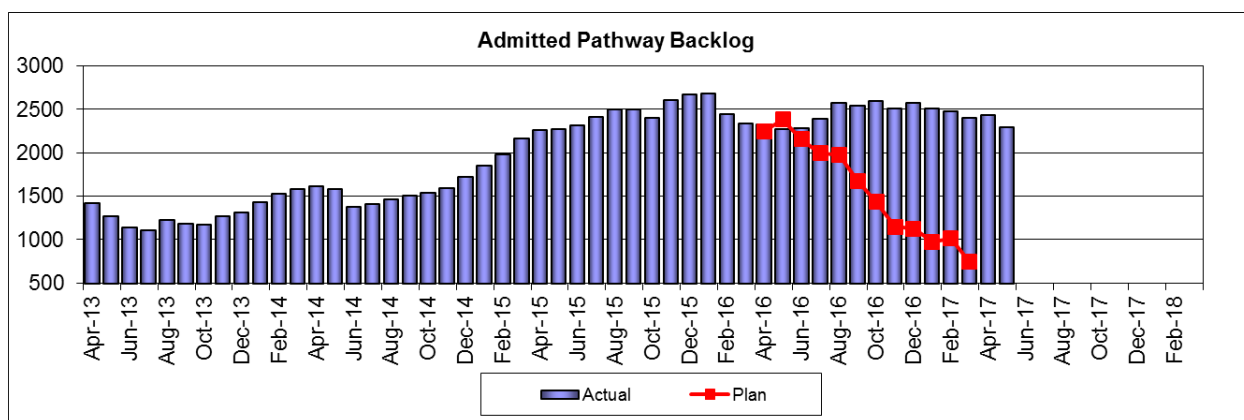
Plymouth Hospitals NHS Trust

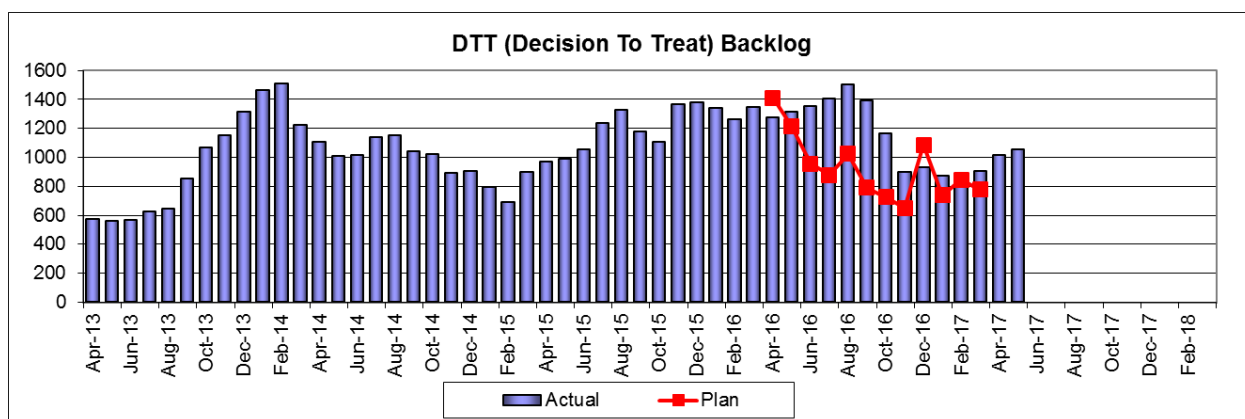
The contract value for Plymouth Hospitals NHS Trust is agreed at £180.9m, however the contract remains unsigned due whilst the system wide plan is being reviewed by system regulators. The contract performance will still be reported on and scrutinised at the same degree of granularity and as such detail can be provided in this report.

The forecast spend has been set to reflect the allocated budget of £182.57m. In the coming months this value will change slightly as budget setting is finalised.

RTT Compliance

Performance to month 2 is summarised in the following tables.





Contract Performance

The month 2 performance information showed a year to date overperformance against the contract plan of £0.8m.

The main reasons for the contractual underperformance are summarised below.

2017/18 M02	Planned Spend	Actual Spend	Variance	Variance Activity	Variance Spend
	£000s	£000s	£000s		
Elective	6,075	5,222	- 853	-7.5%	-14.0%
Non Elective	11,186	11,314	128	3.7%	1.1%
A&E	1,628	1,748	120	3.7%	7.4%
Outpatients	4,800	4,969	169	1.5%	3.5%
Excluded Services	6,001	5,828	- 173		-2.9%
Penalties			-		
CQUIN	687	686	- 1		
Contract Adjustments	- 1,373		1,373		
Total	29,004	29,767	763		2.6%

The **Elective** position is £0.85m (14.0%) behind plan from a financial perspective but 7.5% behind plan in overall activity terms. The main contributor to this position is under performances within Orthopaedics, Neurosurgery, Hepatobiliary & Pancreatic Surgery and Upper GI Surgery. The Trust had ceased to outsource activity to Care UK which resulted in a reduction of available capacity particularly in Orthopaedics, however this has now resumed.

Non Elective was slightly over plan in month 2 with an in month over performance of £0.1m. The year to date overperformance now stands at £0.2m.

In **Accident and Emergency** the Trust have seen 460 (3.7%) more patients than planned for so far this year which has led to an overperformance of £120k.

The overall position of an over performance of £0.17m (3.5%) on **Outpatients** masks a wide variation in performance at individual specialty level with over performances in Paediatrics, Paediatric Neuro Disability, Urology, Gynaecology and Gastroenterology. Neurology, Orthodontics, Ophthalmology, Rheumatology and ENT are behind the year to date plan. Within this position there is also variation in the

type of outpatient attendance where first and follow up attendances underperformed by £0.21m and £0.56m respectively whilst procedures have overperformed by £1.31m.

Referral Information

Referral information for month 2 of 2017/18 showed an overall decrease of 4.0% compared to the same period last year, with GP referrals being 5.1% less than the equivalent 2016/17 volumes.

PHNT	Referral Source	2016/17	2017/18	Variance	%
Externally Generated	GP	9,379	8,905	- 474	-5.1%
	Dentist	26	23	- 3	-11.5%
	<i>Sub Total</i>	9,405	8,928	- 477	-5.1%
Internally Generated	Consultant	2,730	2,809	79	2.9%
	Other	1,277	1,110	- 167	-13.1%
	A&E	588	588	-	0.0%
	<i>Sub Total</i>	4,595	4,507	- 88	-1.9%
	Grand Total	14,000	13,435	- 565	-4.0%

However, given that Easter occurred during March in 2016 and in April in 2017, there is a difference in the number of working days in each comparator period. This has caused the significant reduction in referrals send below. If we adjust for the working days then the total changes from being a 4.0% reduction to a 0.9% increase.

PHNT	Referral Source	2016/17	2017/18	Variance	%
Externally Generated	GP	9,644	9,627	- 18	-0.2%
	Dentist	27	25	- 2	-7.0%
	<i>Sub Total</i>	9,671	9,651	- 20	-0.2%
Internally Generated	Consultant	2,807	3,037	229	8.2%
	Other	1,313	1,200	- 113	-8.6%
	A&E	605	636	31	5.1%
	<i>Sub Total</i>	4,725	4,872	147	3.1%
	Grand Total	14,396	14,524	127	0.9%

The source data in this report is taken from the Provider data supplied under schedule 6 of the contract except where the Provider is stated as 'Other'. Other Provider data is taken from DRSS Bookings.

Filters are applied to the Provider data to remove any non-consultant led activity, maternity activity and specialties which are not year on year comparable. NHS England (including Specialised) activity is also excluded to provide a NEW Devon CCG view.

Performance Measures

The Trust is appraised against a number of nationally and locally defined key performance indicators. A summary of the key measures is included below:

PHNT Month 2 key performance indicators			
Measure	Target	This month	YTD
RTT - Percentage seen within 18 weeks - admitted pathways	90%	70.5%	70.1%
RTT - Waits over 52 weeks	0	66	150
Diagnostics - Percentage of patients waiting over 6 weeks - 15 key tests	<1%	10.6%	9.0%
Cancer - Percentage seen within 2 weeks - urgent referral to first seen	93%	94.1%	91.9%
Cancer - Percentage treated within 62 days - urgent referral to first definitive treatment	85%	85.4%	81.9%
Cancer - Percentage treated within 31 days - decision to treat to first definitive treatment	96%	96.0%	96.4%
Ambulance handovers - Number of handovers over 30 minutes	0	127	254
Ambulance handovers - Number of handovers over 60 minutes	0	4	4
A&E - Percentage of attendances seen within 4 hours	95%	83.9%	83.8%
Delayed transfers of care (acute) - bed days		1,338	2909
Clostridium difficile - Number of hospital infections (avoidable)	35	0	0
MRSA - Number of hospital infections	0	0	0
Cancelled operations - patients to be offered another binding date within 28 days	0	18	42
Cancelled operations - urgent operations cancelled a second time	0	10	18

South Devon Healthcare Foundation Trust

The 2017/18 South Devon Healthcare Foundation Trust contract value for acute services has been set at a total of £6.07m. £5.15m of this accounts for the acute contract which is on a variable PbR basis, with a further £0.92m fixed contract for community services.

At month 2 the contract is under performing by £31k, however given the early stage of the year it is difficult to draw any meaningful conclusion.

Independent Sector & London Trusts

The volume and quality of data supplied at this early stage of the year means that it is too unreliable to be used for meaningful forecasts. As such these positions have been set to breakeven.

This will be revised as more data becomes available in the coming months.

Livewell Southwest

The Livewell Southwest (LSW) Contract is blocked. LSW produce a monthly performance/finance databook which allows both parties to shadow monitor the block contract and review key performance metrics.

Care Co-ordination Team

Despite the service redesign and additional support to maintain a 6 week timeframe for Intermediate Care, the system is increasingly showing signs of pressure with increasing referrals to intermediate care due to ongoing escalation at Plymouth Hospitals NHS Trust.

Primary Care Enhanced and Other Services

Whilst the budgets and expenditure are reported in the Western PDU report, this is to ensure that all lines of expenditure for the CCG are reported in a PDU and there is integrity to the reports produced. There is, however, a separate governance structure for Enhanced Services that sits outside and alongside the two PDU structures to ensure there is segregation of decision making in primary care investments. The outturn expenditure is in line with budgets.

Conclusion

In summary, the outturn position for both the Integrated Fund and the Western Planning and Delivery Unit is forecast to deliver to plan at this stage in the year. Pressures are emerging around the Intermediate Care agenda across both commissioners and remain under review, and subject to management action.

Ben Chilcott
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APPENDIX 1
PLYMOUTH INTEGRATED FUND AND RISK SHARE

Not reported at this stage in the year.

APPENDIX 2

WESTERN PDU MANAGED CONTRACTS FINANCIAL PERFORMANCE

NORTHERN, EASTERN AND WESTERN DEVON CLINICAL COMMISSIONING GROUP

2017/18 FINANCE BOARD REPORT

FOR THE PERIOD FROM 01 APRIL 2017 TO 30 JUNE 2017

Month 03 June	Year To Date			Current Year Forecast		
	Budget	Actual	Variance	Budget	Forecast	Variance
	£000's	£000's	Adv / (Fav) £000's	£000's	£000's	Adv / (Fav) £000's
ACUTE CARE						
NHS Plymouth Hospitals NHS Trust	45,415	45,416	0	181,008	181,008	-
NHS South Devon Healthcare Foundation Trust	1,626	1,626	0	6,535	6,535	-
NHS London Contracts	438	414	-24	1,759	1,759	-
Non Contracted Activity (NCA's)	2,228	2,228	0	8,954	8,954	-
Independent Sector	2,738	2,796	58	11,019	11,019	-
Referrals Management	666	667	0	2,678	2,678	-
Other Acute	6	6	-	24	24	-
Subtotal	53,117	53,152	35	211,976	211,976	-
COMMUNITY & NON ACUTE						
Livewell Southwest	12,258	12,258	0	49,032	49,032	-
GPwSI's (incl Sentinel, Beacon etc)	417	426	9	1,668	1,704	36
Community Equipment	162	162	-0	648	648	-0
Ultrasound (Sonarcare)	64	64	-	256	256	-
Reablement	379	379	-0	1,517	1,517	-0
Other Community Services	64	64	0	256	256	-
Joint Funding_Plymouth CC	1,678	1,677	-0	6,711	6,711	-0
Subtotal	15,022	15,030	9	60,087	60,123	36
MENTAL HEALTH SERVICES						
Livewell MH Services	6,746	6,746	0	26,985	26,985	-
Mental Health Contracts	6	6	-0	26	26	-
Other Mental Health	253	253	-0	1,010	1,010	-
Subtotal	7,005	7,005	-0	28,021	28,021	-
OTHER COMMISSIONED SERVICES						
Stroke Association	38	38	-	153	153	-
Hospices	670	671	1	2,679	2,679	-
Care Co-ordination Team	1,765	1,765	0	7,060	7,060	0
Patient Transport Services	569	570	0	2,278	2,278	0
Wheelchairs Western Locality	450	450	-	1,800	1,800	0
Commissioning Schemes	48	48	0	191	191	-
All Other	547	548	1	2,188	2,189	1
Recharges	-	-0	-0	156	156	-
Subtotal	4,087	4,089	2	16,505	16,506	1
PRIMARY CARE						
Enhanced Services	1,987	1,987	-0	8,740	8,740	-
GP IT Revenue	638	637	-0	2,914	2,914	-
Other Primary Care	24	24	-	95	95	-
Subtotal	2,648	2,648	-0	11,749	11,749	-
TOTAL COMMISSIONED SERVICES	81,879	81,925	46	328,338	328,375	37

APPENDIX 3
GLOSSARY OF TERMS

PCC - Plymouth City Council

NEW Devon CCG – Northern, Eastern, Western Devon Clinical Commissioning Group

CYPF – Children, Young People & Families

SCC – Strategic Cooperative Commissioning

EPS – Education, Participation & Skills

CC – Community Connections

FNC – Funded Nursing Care

IPP – Individual Patient Placement

CHC – Continuing Health Care

NHSE – National Health Service England

PbR – Payment by Results

QIPP —Quality, Innovation, Productivity & Prevention

CCRT – Care Co-ordination Response Team

RTT – Referral to Treatment

PDU – Planning & Delivery Unit

PHNT – Plymouth Hospitals NHS Trust