

<b>To:</b>	Health & Care Integrated Commissioning Board (HCICB)
<b>From:</b>	Stockport Council Financial Services, Stockport CCG Finance
<b>Subject:</b>	2019/20 Pooled Budget: Budget Monitoring – Q4 (Outturn)
<b>Date:</b>	31 March 2021

## 1. Introduction

This report focuses on the financial performance at Quarter 4 (Outturn) for the 2019/20 Section 75 pooled budget between Stockport Council and Stockport CCG, which supports the ongoing s.75 agreement between the two organisations.

## 2. Budget Position at Quarter Four (Outturn)

The table below provides a summary by commissioning organisation of the total budget resources available at Quarter 4 2019/20. It also illustrates any changes from the Q3 position.

Table One – Draft Budget Position at Quarter 4

<b>Commissioner</b>	<b>Quarter 3 2019/20 Budget £000</b>	<b>Movement(s) £000</b>	<b>Proposed Quarter 4 2019/20 Budget £000</b>
Stockport Council	90,037	270	90,307
Stockport Council contribution variation	0	3,808	3,808
Stockport CCG	128,222	0	128,222
Stockport CCG contribution variation	0	(3,808)	(3,808)
<b>Total</b>	<b>218,259</b>	<b>270</b>	<b>218,529</b>

Stockport Council and Stockport CCG entered into a funding agreement (19/20 and 20/21) for Non Acute Services for Older People. The funding agreement aligns to investment proposals within the Section 75 agreement and is underpinned by the agreed cash flow and payment schedule as detailed below.

<b>Financial Year</b>	<b>Stockport Council Contribution £000</b>	<b>Stockport CCG Contribution £000</b>
2019/20	3,808	(3,808)
2020/21	(3,808)	3,808

The Stockport Council additional contribution has been funded by an appropriation from reserves as detailed in section 6 of the report.

Stockport Council:

<b>Service / Portfolio</b>	<b>Description</b>	<b>Movement(s) £000</b>
Adult Social Care	Redundancy allocation from corporate contingencies	179
Public Health	Redundancy allocation from corporate contingencies	91
<b>Total</b>		<b>270</b>

Stockport CCG:

There are no budget changes to the pooled budget in Q4.

### 3. Quarter 4 (Outturn) position by service 2019/20

The table below provides a summary by Commissioner of the outturn position. In summary, this illustrates a £3.063m deficit. (+1.40% variance).

Table Two: Quarter 4 Position by Service 2019/20

<b>Commissioner</b>	<b>Service / Portfolio</b>	<b>Quarter 4 2019/20 Budget</b>	<b>Outturn Q4</b>	<b>Variance Q4</b>	<b>Forecast Variance Q3</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Stockport Council	Adult Social Care	80,125	80,214	89	497
Stockport Council	Health	10,182	10,182	0	0
Stockport Council	Non acute services for older people contribution variation	3,808	3,808	0	0
Stockport CCG	Acute - NHS Providers	75,119	74,943	(176)	(321)
Stockport CCG	Acute – Independent Sector	5,086	5,208	122	122
Stockport CCG	Non Acute and Other Health	48,017	51,045	3,028	2,309
Stockport CCG	Non acute services for older people contribution variation	(3,808)	(3,808)	0	0
<b>Total</b>		<b>218,529</b>	<b>221,592</b>	<b>3,063</b>	<b>2,607</b>

#### 4. Budget Position at Quarter 4 (Outturn) by POD 2019/20

The table below illustrates the pooled budget resource based on Points of Delivery (PODs) at Quarter 4. It also illustrates any changes from the Q3 position.

Table Three: Resource changes by Point of Delivery

Points of Delivery	Commissioner	Quarter 3 2019/20 Budget £000	Movement(s) £000	Quarter 4 2019/20 Budget £000
Prevention	SMBC	14,400	171	14,571
	SCCG	354	0	354
Boroughwide Services	SMBC	7,251	0	7,251
	SCCG	3,846	0	3,846
Community/Out of Hospital	SMBC	83,455	99	83,554
	SCCG	43,817	0	43,817
Acute	SMBC	0	0	0
	SCCG	80,205	0	80,205
Better Care Fund	SMBC	(15,069)	0	(15,069)
Contribution Variation	SMBC	0	3,808	3,808
	SCCG	0	(3,808)	(3,808)
<b>Total</b>		<b>218,259</b>	<b>270</b>	<b>218,529</b>

See Section 2 for the net movement to budgets.

#### 5. Quarter 4 (Outturn) by POD 2019/20

The Quarter 4 (Outturn) position by POD is reflected in the table below. Further analysis is illustrated in Appendix 1 of this report.

Table Four: Quarter 4 (Outturn) by Point of Delivery

Points of Delivery	Commissioner	Quarter 4 2019/20 Budget £000	Outturn Q4 £000	Variance Q4 £000	Forecast Variance Q3 £000
Prevention	SMBC	14,571	14,465	(106)	(25)
	SCCG	354	354	0	0
Boroughwide Services	SMBC	7,251	7,103	(148)	(105)
	SCCG	3,846	3843	(3)	(3)
Community / Out of Hospital	SMBC	83,554	83,897	343	627

	SCCG	43,817	46,848	3,031	2,312
Acute	SMBC	0	0	0	0
	SCCG	80,205	80,151	(54)	(199)
Better Care Fund	SMBC	(15,069)	(15,069)	0	0
Contribution Variation	SMBC	3,808	3,808	0	0
	SCCG	(3,808)	(3,808)	0	0
<b>Total</b>		<b>218,529</b>	<b>221,592</b>	<b>3,063</b>	<b>2,607</b>

### **Prevention (SMBC) surplus: £0.106m**

The minor underspend is due to underspends within non pay commitments and external contracts.

#### Variance from Q3

The underspend increased by £0.081m from the Q3 position due to reduced commitments within Safeguarding and Stockport Local Assistance Scheme (SLAS).

### **Boroughwide (SMBC) surplus: £0.148m**

Underspends due to in year vacancies predominantly within the Reablement service were part offset by additional expenditure within the Equipment service due to additional demand, particularly through discharge from Hospital. There was also an overspend within the Telecare Service, partly aligned to the new commission model of telecare provision.

#### Variance from Q3

The underspend has increased from the Q3 position by £0.043m due to a minor reduced cost in Intermediate Tier bed costs that previously forecasted.

### **Community / Out of Hospital (SMBC) deficit £0.343m**

The overspend was mainly due to additional commitments within Neighbourhoods non-residential care services and additional commitments aligned to the Internal Learning Disability Supported Living Service. Within Learning Disabilities there has been increased demand alongside increased complexity of individuals in receipt of services.

These overspends were part offset by in year vacancies in services and reduced commitments within Mental Health services.

#### Variance from Q3

The overspend reduced by £0.284m from the Q3 position due to continued in year vacancies and a reduced commitment within Extra Care Housing services.

### **Prevention (SCCG) breakeven**

Expenditure on CCG commissioned prevention services were in line with plan and an outturn breakeven position has been reported.

#### **Variance from Q3**

There has been no change to the financial position reported at Q3.

### **Boroughwide Services (SCCG) surplus £0.003m**

Boroughwide Services commissioned by the CCG are broadly in line with a small surplus of £0.003m.

#### **Variance from Q3**

There has been no change to the financial position reported at Q3.

### **Community / Out of Hospital (SCCG) deficit £3.031m**

The deficit is due to increased Continuing Healthcare (CHC) expenditure. The increase in Continuing Healthcare expenditure reflects increased commissioned discharge to assess (D2A) capacity to support hospital discharges and patient flow. In addition CHC expenditure has increased due an increase in the number of patients assessed as eligible for Continuing Healthcare funding.

#### **Variance from Q3**

The deficit has increase by £0.719m from the Q3 reported position due to the reasons detailed above.

### **Acute (SCCG) surplus £0.054m**

The small surplus reflects elective and outpatient (excluding procedures) activity at the main NHS providers being below plan due to supply issues as evidenced by increasing waiting lists.

#### **Variance from Q3**

The surplus decreased by £0.145m from the Q3 reported position due to an increase in elective and outpatient activity prior to the acute sector being impacted by Covid.

## 6. Reserves

At outturn the Stockport Council, where it is the lead commissioner, completed the following transfers from reserves totalling **£9.581m**.

- £0.273m - Support for new ASC Operating Model
- £0.165m - Senior Management Support
- £2.131m - improved Better Care Fund schemes
- £0.168m - ASC Grant balance schemes
- £1.765m - ASC Stockport Neighbourhood Care Schemes
- £3.808m - Additional contribution to Non Acute Services for Older People
- £0.662m - Implementation of the Liquid Logic System across Childrens and Adults Social Care
- £0.367m - To fund delay in implementation of charging policy
- £0.006m - Domestic Homicide Review
- £0.018m - Hate Crime Funding
- £0.036m - Social Care Digital Innovation Programme
- £0.075m - Public Health – in year pressures and other contributions
- £0.107m - Controlling Migration Fund

The Council also completed the following transfer of balances to reserves totalling £2.087m.

- £1.810m - Improved Better Care Fund balances 19/20
- £0.019m - Hate Crime Funding
- £0.024m - Social Care Digital Innovation Programme
- £0.156m - ASC Stockport Neighbourhood Care Schemes
- £0.078m - Controlling Migration Fund

## 7. Savings

Below is a summary of savings / efficiencies affecting the pooled budget in 2019/20 and their status:

Proposal	Risk Rating	Value	Value Achieved	Additional Information
<b>Proposal 3 – Support Funds</b>		<b>£000</b>	<b>£000</b>	
SLAS – contribution from Council Tax discount	Green	175	175	
Further capitalisation of equipment to DFG	Green	150	150	Achieved in addition to £0.300m in 18/19, on basis appropriate provision was available to capitalise.
Review of wider Direct Payments / ISFs / SDS	Amber	350	350	Achieved non recurrently via CHC reclaim and DP returned funding
<b>Proposal 3 – subtotal</b>		<b>675</b>	<b>675</b>	
<b>Proposal 6 – Support &amp; Governance</b>				
Payments Administration	Green	39	39	Saving achieved within the wider Payments and Brokerage service
Information Management Review	Green	48	48	

Management and central costs review	Amber	163	163	£0.074m balance achieved non recurrently. Reviewed as part of new AoM.
<b>Proposal 6 – subtotal</b>		<b>250</b>	<b>250</b>	
<b>Proposal 8 – Balancing the cost of services</b>				
ASC - Balancing the Cost of Services	Green	46	46	
<b>Proposal 8 – subtotal</b>		<b>46</b>	<b>46</b>	
<b>Adult Social Care - Subtotal</b>		<b>971</b>	<b>971</b>	
Public Health Grant allocation reduction	Amber	414	395	£0.029 savings found recurrently in staffing establishment. £0.366m of remaining £0.385m balance found non recurrently in year
<b>Public Health - Subtotal</b>		<b>414</b>	<b>395</b>	<b>£0.019m balance drawn down from reserve</b>
<b>Total</b>		<b>1,385</b>	<b>1,366</b>	

Risk rating

- **Green** – good confidence (90% plus) the saving is/will be delivered or minor variances (<£0.050m) that will be contained within the portfolio.
- **Amber** – progressing at a reasonable pace, action plan being pursued may be some slippage across years and/or the final position may also be a little unclear.
- **Red** – Significant issues arising or further detailed consultation required which may be complex/ contentious

## 8. Recommendations

The Board are asked to:

1. Approve the Q4 (Outturn) budget movements
2. Note the outturn position of a £3.063m deficit.

**Appendix 1:****HCICB Pooled Budget Report Q4 2018/19**

	<b>Budget Q4 £'000</b>	<b>Forecast Q4 £'000</b>	<b>Variance Q4 £'000</b>
<b>PODs</b>			
<b><u>Prevention</u></b>			
Dementia / Memory Services	51	51	0
Flu Services	93	93	0
Dementia Services	0	0	0
People Powered Health	210	210	0
Public Health	10,182	10,182	0
Health and Wellbeing	0	0	0
ASC Preventative Services	4,389	4,283	(106)
<b>Total</b>	<b>14,925</b>	<b>14,819</b>	<b>(106)</b>
<b><u>Intermediate Tier &amp; Boroughwide Services</u></b>	<b>11,097</b>	<b>10,946</b>	<b>(151)</b>
<b><u>Community / Out of Hospital</u></b>			
<b><u>Integrated Neighbourhood Service</u></b>			
Residential and Nursing Care	22,304	22,195	(109)
Non Residential Services	13,834	14,354	520
District Nursing, Palliative Care and Tier Two Services	12,542	12,674	133
Care Homes Development and Care Home Planning	2,100	2,121	22
FNC, Neighbourhood Services, ESS, Reablement, Rapid Response	9,261	9,030	(231)
Continuing Care / Domiciliary	6,682	9,383	2,701
IV Therapy and Pathfinder	0	0	0
Hospices	1,389	1,389	0
Carers / Alzheimer's	835	839	4
Programme Management Services	170	181	11
<b><u>Learning Disabilities</u></b>			
Residential and Nursing Care	6,272	6,063	(209)
Non Residential Services	21,920	22,169	249
Internal Tenancy provision	6,883	7,438	555
<b><u>Mental Health</u></b>			
Residential and Nursing Care	2,618	2,631	13
Non Residential Services	1,256	1,128	(128)
Crisis Resolution	0	0	0
<b><u>Operational staffing support</u></b>	<b>8,154</b>	<b>8,095</b>	<b>(59)</b>
<b><u>Other services including ASC Support Services</u></b>	<b>11,152</b>	<b>11,055</b>	<b>(97)</b>
<b>Total</b>	<b>127,371</b>	<b>130,745</b>	<b>3,374</b>
<b><u>Acute Services</u></b>	<b>80,206</b>	<b>80,151</b>	<b>(54)</b>
<b><u>Better Care Fund contribution excluding iBCF</u></b>	<b>(15,069)</b>	<b>(15,069)</b>	<b>0</b>
<b>Total</b>	<b>218,529</b>	<b>221,592</b>	<b>3,063</b>