

ONE Stockport Health and Care Board Finance Report

Stockport is reporting a forecast outturn overspend of £8.019m at M9. The forecast outturn position assumes full achievement of the cost improvement programme (CIP) which is a significant risk totalling c£1.1m to the reported position. The forecast overspend is due to increasing cost and demand for continuing health care (CHC) and mental health packages of care and neurodiversity assessments and ADHD treatment costs as patients exercise their right to choose.

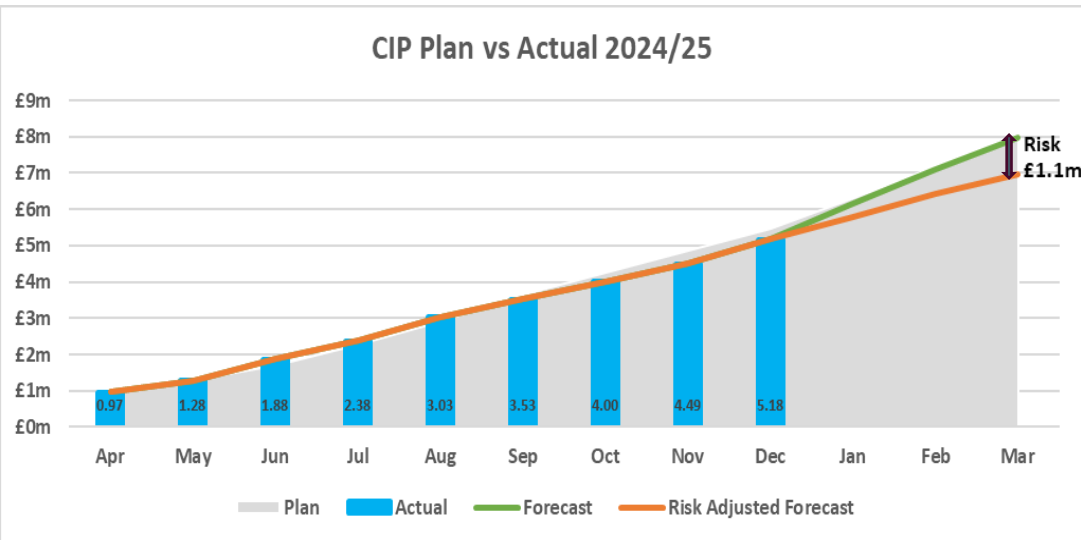
Expenditure Category	YTD Budget £million	YTD Actual £million	YTD Variance £ million	Annual Budget £ million	Forecast Outturn £ million	Forecast Variance £ million	M8	
							Forecast Variance £ million	Movement M8 to M9 £ million
Acute	£1.646	£1.648	£0.002	£2.195	£2.197	£0.002	£0.002	£0.000
Community	£24.858	£24.551	(£0.308)	£32.183	£31.898	(£0.285)	(£0.309)	£0.024
Mental Health	£12.647	£15.539	£2.892	£16.803	£19.860	£3.058	£3.353	(£0.295)
Continuing Health Care	£25.078	£29.924	£4.846	£33.281	£38.628	£5.347	£5.242	£0.105
Other	£0.477	£0.462	(£0.015)	£0.637	£0.634	(£0.003)	(£0.037)	£0.034
Primary Care	£9.736	£9.714	(£0.023)	£13.048	£12.948	(£0.100)	£0.000	(£0.100)
Grand Total	£74.443	£81.837	£7.394	£98.146	£106.165	£8.019	£8.251	(£0.232)

The £0.232 million improvement in the forecast outturn is due to:

- Improvement in MH placement forecast -£0.295m
- Increase in CHC placement costs +£0.105m
- Digital weight management services +£0.024m (Patients exercising right to choose)
- Estates cost increases +£0.034m
- Winter surge hub slippage -£0.100m

Note: The M9 forecast includes the reduction in spot purchased beds (£0.300m) and Living Well benefit (£0.392m) in line with the approved recovery plan.

CIP Plan vs Actual 2024/25

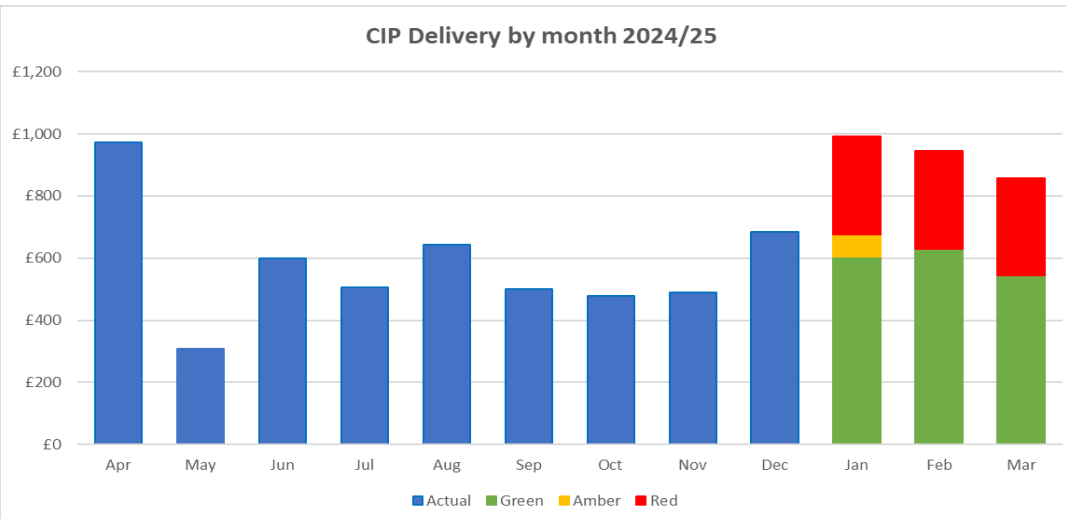


As at 31 December 2024 (M9) £5.178m of savings have been delivered which is £0.296m below the year-to-date plan. The forecast outturn position assumes full delivery of the £7.973m CIP target however there is c£1.1m of risk associated with the delivery of the target.

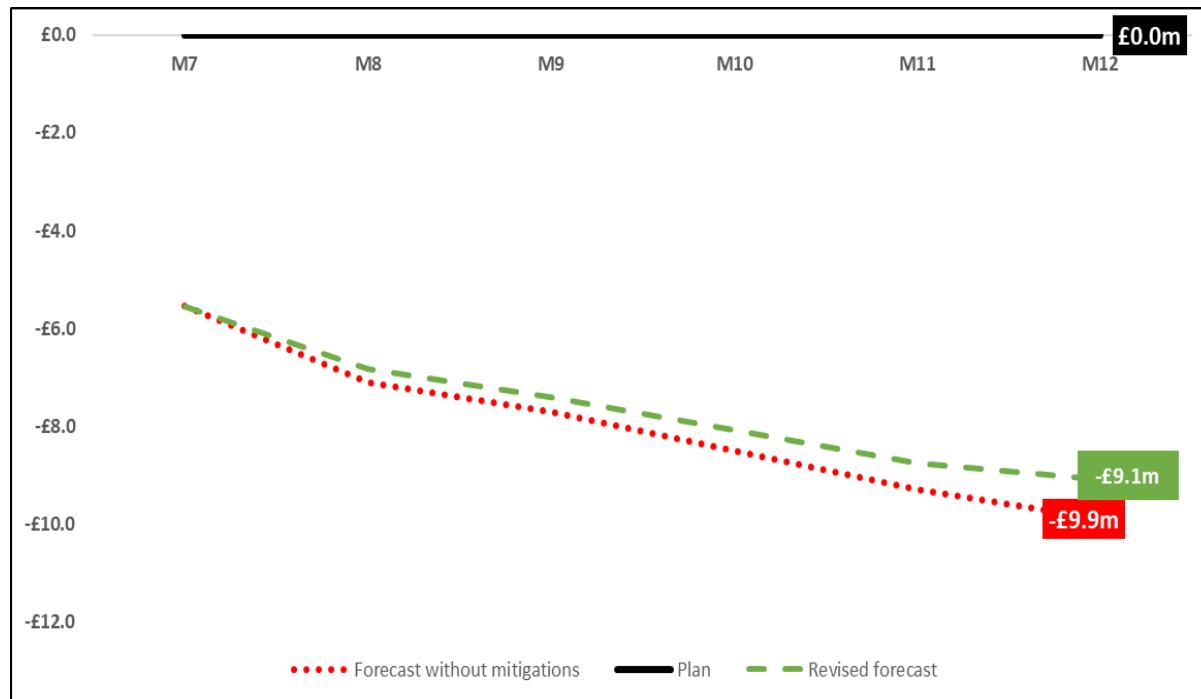
CIP delivery risks:

- Delays to the Granary Lane scheme (£0.233m)
- MH Out of Area Placements reductions not at planned levels (£0.242m)
- Review of s117 packages of care – Will commence following legal advice on process. No savings to be delivered in 24/5 but will be included in 25/6 CIP plan. (£0.200m)
- CHC reviews not achieving the level of savings planned (£0.366m)

CIP Delivery by month 2024/25



The £1.1m CIP risk has been included in the revised forecast of £9.2m because the risk is materialising and therefore reflects the mostly likely outturn position. To date recovery plan mitigations totalling £0.8m have been actioned and included in the M9 forecast position with a further two schemes (Pausing SMI Health Checks, Additional Winter Surge Hub) totalling £0.3m requiring further consideration. Schemes totalling £0.6m have been excluded after taken through the Equality Impact Assessment (EqIA) process.



All - £m	Monthly Actuals					
	M7	M8	M9	M10	M11	M12
Plan	£0.0	£0.0	£0.0	£0.0	£0.0	£0.0
Forecast without mitigations	-£5.5	-£7.1	-£7.7	-£8.5	-£9.3	-£10.0
Revised forecast	-£5.5	-£6.8	-£7.4	-£8.1	-£8.7	-£9.1
- Reduce Spot Purchase			£0.0	£0.1	£0.2	£0.3
- Living Well delayed implementation to Feb 2025		£0.3	£0.3	£0.3	£0.4	£0.4
- Winter Surge Hub slippage						£0.1
Further consideration required	£0.0	£0.0	£0.0	£0.1	£0.1	£0.3
- Pause SMI Health Check additional incentive				£0.1	£0.1	£0.1
- Additional Winter Surge Hub						£0.2
Schemes excluded through EQIA process	£0.0	£0.0	£0.0	£0.0	£0.1	£0.6
- Decommission Discharge to Assess Beds						£0.4
- Do not commission primary care winter surge hubs						£0.1
- Do not commission Acute Respiratory Infection hub						£0.0
- Mental Health admission avoidance / supporting discharge schemes				£0.0	£0.0	£0.0
- VCSE discharge service contract reduction				£0.0	£0.0	£0.0
- Pause Virtual Wards						£0.0

Recovery Plan

Review of Financial Challenges

The external review of the financial challenges impacting the locality which commenced in October has completed with a draft report with recommendations received.

Report Headlines

Main drivers of the Continuing Health Care (CHC) overspend

- Stockport’s demographics (aging population with a longer life expectancy) is a significant driver of CHC expenditure resulting in an increasing number and duration of CHC packages of care.
- Increasing cost of CHC packages of care
- Assessment numbers have remained stable; however, the conversion rate has increased. (11% higher than the national average and 5% higher than the GM average)
- Increasing number, duration and cost of CHC Fast Track packages of care.
- Stockport has 23 extra joint packages per 100k population versus the GM ICB average.

When benchmarked against other systems with similar demographics Stockport benchmark well in terms of CHC expenditure

Main drivers of the Mental Health overspend

- There has been significant growth in s117 packages of care commissioned (75 in 2022 to 216 M6 24/25).
- Stockport has the 4th highest s117 spend per 1,000 population in Greater Manchester (£30,287)
- Stockport has the second highest s117 case numbers per 100k patients (0.66)
- Dementia makes up 40% of the s117 spend
- Rapid and significant growth in Neurodiversity assessment and ADHD treatment costs driven by right to choose

Recommendations

The report details recommendations which can be categorised as:

- Regularly review open CHC and MH packages of care
- Strategic Commissioning and market management development
- Invest in preventative and early intervention services

Recommendations align to actions and work being taken as detailed on the next slide.

Continuing Care

Actions

Actions

- CHC Staff – recruitment and training.
- CHC placement reviews including 1:1 support – all outstanding reviews completed by the end of the financial year. (In-year savings £0.785m and recurrent savings £2.401m)
- Fast tracks – review of all placements completed end of October (In-year savings £0.483m and recurrent savings £0.913m delivered)
- Audit and working with SFT staff on fast-track eligibility to ensure appropriate referrals
- PHB audits completed. (£0.155m return in-year)
- Renegotiation of moving and handling assessment contract rates
- Review of equipment purchases and processes (Forecasting in-year savings of £0.040m)
- Home first ethos reinforced
- Development of strategic commissioning/market management including joint brokerage function with the council

Mental Health

Actions

Actions

- Review of s117 placements. Will commence following legal advice on process. No savings to be delivered in 24/5 but will be included in 25/6 CIP plan
- Review of high-cost placements (In-year savings £0.566m and recurrent savings £0.788m delivered)
- Greater Manchester neurodevelopment transformation programme – adults and children
- Review of dementia services and pathways
- Development of strategic commissioning/market management including joint brokerage function with the council

The financial impact of the above actions are included in 24/5 CIP performance.

The Board are asked to:

- **Note** the financial position including identified financial risks.
- **Note** the cost improvement programme update.
- **Note** progress against the recovery plan and recommendations of the external review of the financial challenges impacting the locality and the actions taken to address the challenges.