



Report to: East Sussex Better Together (ESBT) Strategic Commissioning Board

Date of report: 6 June 2018

By: Chief Officer, Eastbourne Hailsham & Seaford and Hastings & Rother Clinical Commissioning Groups

Director of Adult Social Care & Health, East Sussex County Council

Title: East Sussex Better Together Financial Position

Purpose: To provide the Board with an update on the East Sussex Better Together financial position

RECOMMENDATIONS

The Board is recommended to:

1. note the East Sussex Better Together system financial outturn for 2017/18;
 2. note the Health and Social Care Commissioning 2018/19 financial position; and
 3. note the recovery actions being developed and implemented collaboratively through the ESBT structures.
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1. Background

1.1 The East Sussex Better Together (ESBT) Alliance is forecasting a deficit of £79.9m in 2018/19 compared to a £94.9m deficit in 2017/18.

1.2 Plans for 2018/19 forecast a Health and Social Care Commissioning deficit of £32m for the Clinical Commissioning Groups (CCGs) and break-even for East Sussex County Council (ESCC) Adult Social Care (ASC) which is in line with the control totals issued by NHS England.

1.3 ASC has a net expenditure reduction target for ESBT of £6.2m for 2018/19, details of which are set out below. Decisions about savings proposals will be considered by the Cabinet at its meeting on 26th June, following consideration by the People Scrutiny Committee.

1.4 The CCGs' plan submissions to NHS England in April identified a Quality, Innovation, Productivity and Prevention (QIPP) expenditure reduction target of £13m to meet the control total of £32m deficit. The CCGs have increased this to £18m to manage slippage and additional in-year pressures.

2. Supporting Information

2.1 ESBT is the whole system health and care transformation programme, which was formally launched in August 2014, to fully integrate health and social care across the ESBT footprint in order to deliver high quality and sustainable services to the local population. Originally formed as a partnership between Eastbourne, Hailsham & Seaford (EHS) CCG, Hastings and Rother (H&R) CCG and East Sussex County Council, the Programme now formally includes East Sussex Healthcare NHS Trust (ESHT) and Sussex Partnership NHS Foundation Trust (SPFT), and a formal Alliance has been established. Our shared vision is to ensure that people receive proactive, joined up care, supporting them to live as independently as possible and achieve the best possible outcomes.

2.2 As a reminder, the scale of budgets within the control of Alliance Partners is c£1 billion.

ESBT System Overview

2.3 The ESBT Alliance is forecasting a deficit of £79.9m in 2018/19 compared to a £94.9m deficit in 2017/18.

2.4 The ESBT Alliance partners have expenditure reduction plans totalling £47.7m (ASC £6.2m, ESHT £23.5m and the CCGs £18m) to deliver the forecast position and to manage slippage and in-year risk. Our collective assessment of this in-year risk is £15.2m.

2.5 The in-year position is being managed by the System Financial Recovery Board which will receive monthly detailed reports on the overall financial position and individual expenditure reduction plans to provide assurance that:

- the system is achieving the required financial improvement;
- the effect of individual plans is understood by all partners;
- individual and system risks are being actively managed;
- urgent action is taken where expenditure reduction plans are not delivering so that the overall system financial position is achieved.

ESBT Finance and Activity Monitoring – 2017/18 Outturn

2.6 The ESBT Alliance ended the year with a combined deficit of £94.9m. The ESBT Alliance Executive and Governing Board have received reports detailing the reasons for this position.

Organisation	2017/18 Plan surplus/(deficit) £m	2017/18 Final Outturn surplus/(deficit) £m	2017/18 Variance surplus/(deficit) £m
ESCC	0.0	(0.4)	(0.4)
EHS & HR CCGs	0.0	(37.1)	(37.1)
ESHT	(26.5)	(57.4)	(30.9)
Total	(26.5)	(94.9)	(68.4)

Health and Social Care Commissioning Financial Position 2018/19

2.7 Our plans for 2018/19 forecast a Health and Social Care Commissioning deficit of £32m for the CCGs and break-even for ASC which is in line with the control totals issued by NHS England.

2.8 To achieve the control total position partners have expenditure reduction plans that are described in the sections relating to the individual commissioning organisations below.

Adult Social Care

2.9 Adult Social Care has a net budget of £166 million for 2018/19, of which 77% (£128 million) is invested within the ESBT geographical area complementing existing NHS services and supporting the development of collaborative and complementary services. The remaining 23% (£38 million) of the budget is invested in a similar manner within the geographic area of Connecting 4 You C4Y, which covers High Weald, Lewes and Havens.

2.10 As part of the development of this 2018/19 budget and in line with the East Sussex County Council Medium Term Financial Plan, Adult Social Care will need to deliver a net total of £8 million of savings, after the application of the additional, one-off, funding for 2018/19 of £1.6 million, provided by the Ministry of Housing, Communities & Local Government. Proposals to deliver this level of savings are currently under public consultation and the final decisions about how they will be delivered will be made by Cabinet on 26th June 2018. The subsequent monitoring of the implementation of savings will be undertaken through the quarterly Council Plan reports to Cabinet.

2.11 The delivery of savings in relation to the geographic regions of ESBT and C4Y will be in the same proportions as the net budget, referred to above, which means that there are savings proposals currently under consideration equivalent to £6.2 million in relation to ESBT, whilst proposals relating to the C4Y geographic area total £1.8 million.

2.12 The table below sets out in summary the ESBT related savings proposals currently under consultation. (Appendix 1 provides further detail of the savings proposals relating to the ESBT geographic area.)

Service Area	£m
Carers Services	0.291
Supporting People services	1.341
Stroke Association	0.063
Commissioning Staffing Review	0.449
Assessment & Care Management Staffing Review	1.361
Review of Day Services	0.059
Review of Milton Grange & Firwood House	1.109
Discretionary East Sussex Support Scheme Review	0.312
Learning Disability Service Review	1.224
Total	6.209

2.13 Once the consultation process has been completed and final decisions have been made by Members about the savings proposals, implementation of the savings plans will be managed on a practical and phased basis, to ensure that there is minimal disruption to services and that all contractual and statutory duties are fulfilled, which means that the full savings will be delivered from 1st April 2019.

Eastbourne Hailsham & Seaford CCG and Hastings & Rother CCG

2.14 With the CCGs' plan submissions to NHS England in April there is a QIPP expenditure reduction target of £13m to meet the control total of £32m deficit. The CCGs have increased this to £18m to manage slippage and additional in-year pressures.

2.15 A summary of the CCGs' QIPP expenditure plan reductions is set out below:

	£m
Agreed QIPP Schemes	
Medicines Management	3.0
EHS Sussex MSK contract	1.2
MSK diagnostics pathway redesign	0.6
Low Priority Procedures	0.3
Diabetes pathway redesign	0.2
Continuing Health Care	1.0
Additional QIPP to be agreed with providers	1.1
5% non-acute budget reduction (excluding Mental Health and Primary Care) opportunity	6.4
Continued review of investment with ESHT opportunity	
Community Services	6.9
Primary Care Streaming	1.6
Winter funding	1.5
Ambulatory Care	tbc
Total QIPP and opportunity	22.8

2.16 The CCG's have identified £10.7m risk to the delivery of their financial plans which is being managed through the extended QIPP programme.

3. Recommendations

3.1 The ESBT Strategic Commissioning Board is recommended to:

1. **note** the East Sussex Better Together (ESBT) system financial outturn for 2017/18;
2. **note** the Health and Social Care Commissioning system 2018/19 financial position; and
3. **note** the recovery actions being developed and implemented collaboratively through the ESBT structures.

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Appendix 1

ESBT 2018/19 Savings			Revised Savings
			2018/19
Service Description	Description of savings proposal	Impact assessment	£'000
ADULT SOCIAL CARE:			
Carers	Reduce the Adult Social Care contribution to the Better Care Fund in relation to Carers Services - Decommission low level support services	Less opportunity to identify and support carers at an early stage before they reach crisis. Reduced availability of peer support, engagement, wellbeing and training. Direct impact on carer support, health and wellbeing of carers, proactive care and maintaining independence. Reduced support for carers with complex caring roles and with end of life. Direct impact on carers ability to continue in their caring role which is likely to result in increased demand and cost pressure on the Community Care budget.	291
Supporting People	Review Supporting People	Review and recommission services in line with council priorities and available resource. Potential impact for service users: Reduction or loss of support for: multiple needs i.e. drug and alcohol problems; mental health issues and challenging behaviour; support to prevent deterioration in mental health; on-site support for young pregnant women and new mums with complex needs; Potential loss of appropriate accommodation for individuals and young families using the services. Impact on stakeholders and community: Potential increase in homelessness, including street homelessness; Likely increase in anti-social behaviour and impact on community safety; Increased pressure on drug and alcohol services; Increased pressure on acute health services and mental health services.	1,341

Stroke Association	Review service	People affected by stroke would be affected by a reduction in prevention, support and advice to live independently and have equality of opportunity in daily life, equal access and mobility. Potential impact for individuals and their families / carers to manage the condition and live independently.	63
Commissioned Services			1,695
Management and Support	Review of staffing structures within Strategy, Commissioning, Planning, Performance & Engagement	Review of staffing and capacity across Strategy and Commissioning, Planning Performance & Engagement. Impact on staffing numbers and capacity across these functions.	449
Assessment and Care Management	Review Assessment and Care Management Staffing	Review of staffing levels within Assessment and Care Management. Reducing assessment and care management capacity within operational teams will impact on the timeliness of assessments and reviews and will increase waiting times for services. Priority will be given to Safeguarding and urgent cases.	1,361
Management and Support			1,810
Older People Services	Review Day Centre Services	Potential impact on individuals using these services of reduced choice and some negative impact on independent living and distress caused by changing arrangements / providers. Potential loss of friendship networks, increasing levels of social isolation and increased pressure on carers. Potential for reduced access to services for some people in some rural areas.	59
Older People Services	Review Milton Grange and Firwood House intermediate care services	Potential impact upon the individuals using these services and their families, including reduced choice and distress caused by changing arrangements for their care. This is net of the costs of recommissioning services for clients.	1,109

Other Adults	Review Discretionary East Sussex Support Scheme (DESSS)	Potential impact on local residents facing temporary financial hardship where the need cannot be met any other way and there is a significant risk to a person's health and safety. The discretionary scheme aims to meet the most fundamental needs of hunger and warmth in an emergency or crisis and on a short term basis. It can provide assistance to people to establish or maintain themselves in the community.	312
Learning Disabilities	Review Existing Service Models	Potential impact on individuals receiving support and their families or carers.	1,224
Directly Provided Services			2,704
Community Care	Review of Community Care funding	Impact on the levels of care and support funding available to meet eligible social care needs. Reduced choice for service users in the way care and support is delivered and reduced choice of services provided. Reductions in preventative support may result in individuals eligible care needs increasing more quickly. Impact on families and carers supporting service users due to reduced choice and possible changes in the level of care and the way care is provided. Impact of reduced staffing levels as a result of other savings will also increase waiting times for assessments and reviews of peoples needs, compounding the likelihood of increased anxiety and stress for people using services and their families.	0
Community Care			0
TOTAL ESBT			6,209