

Shaping Sefton

Financial update - the journey to transformation

Martin McDowell, Chief Finance Officer

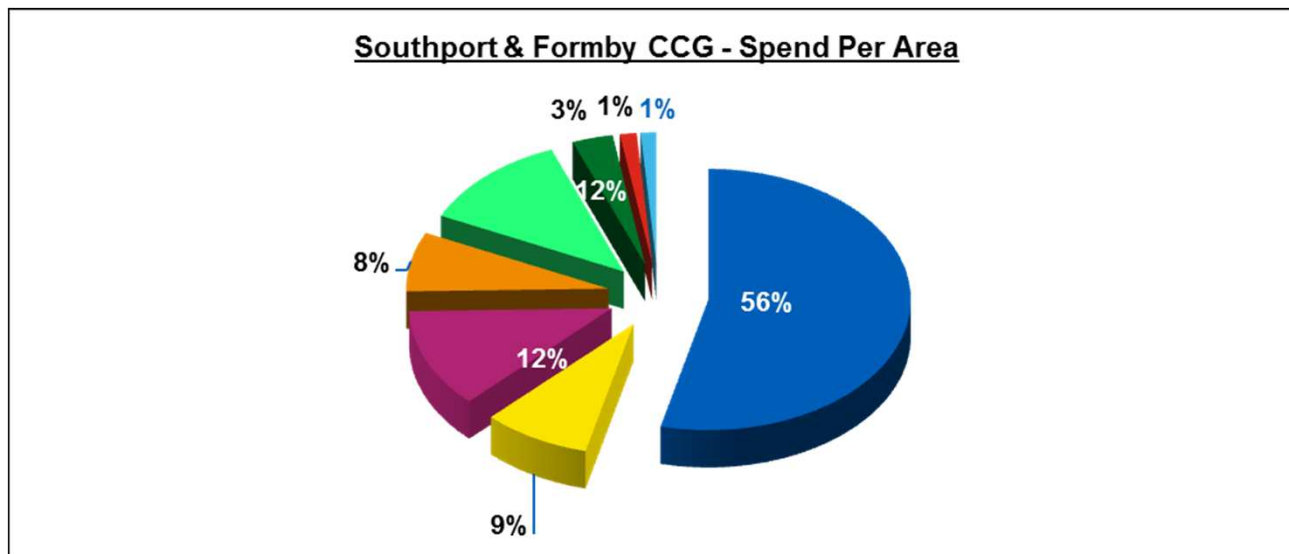
Overview and Scrutiny Committee (Adult Social Care and Health)

26 June 2018



Staying **local & together**
together with you

NHS Southport and Formby CCG: How we spent our money in 2017/18



Area	Total Costs (£000s)
Acute Services	100,124
Mental Health Services	16,035
Community Services	22,812
Continuing Care Services	13,704
Prescribing	22,615
Primary Care Services	6,055
Programme Costs	2,487
Running Costs	2,280



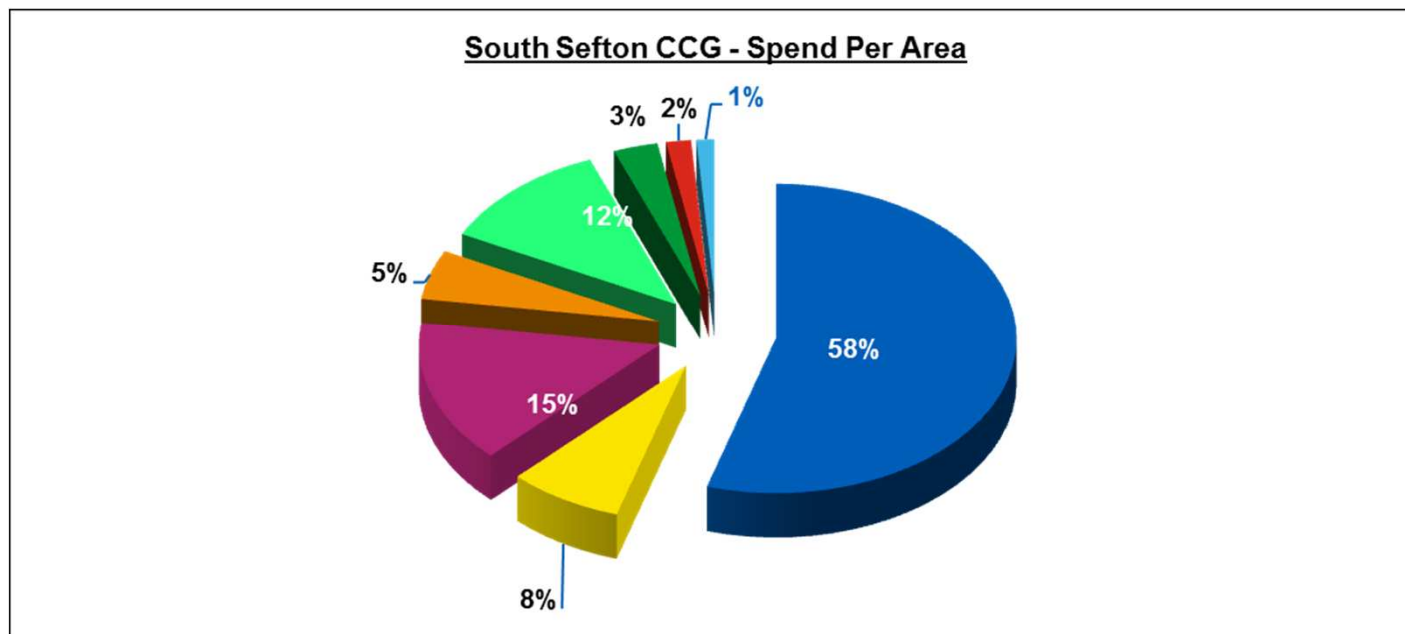
NHS Southport and Formby CCG: Financial Performance 2013/14 to 2017/18

	2013/14		2014/15		2015/16		2016/17		2017/18	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
	£'M	£'M	£'M	£'M	£'M	£'M	£'M	£'M	£'M	£'M
Programme	168.92	167.52	170.06	168.55	176.18	176.39	178.92	187.81	179.93	184.98
Running Cost Allowance	2.98	2.63	3.20	2.96	2.65	2.44	2.63	2.25	2.58	2.28
TOTAL	171.90	170.15	173.26	171.51	178.83	178.83	181.55	190.06	182.51	187.26
Surplus/(Deficit) before application of NHS England reserves		1.75		1.75		0.00		-8.51		-4.75
Adjust for:										
Risk reserve - (1% 2016/17 - 0.5% 2017/18)								1.81		0.91
Category M drug rebate										0.24
Surplus/(Deficit) for the year		1.75		1.75		0.00		-6.70		-3.60

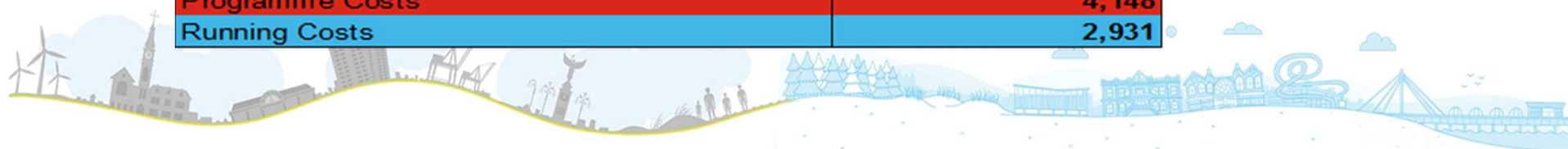
- Delivered NHS E business rules: 1% surplus in 2013/14 and 2014/15
- Delivered Statutory Duty of break-even in 2015/16
- Combined deficit of £10.3m during 2016/17 and 2017/18 despite making savings of £13.6m during the period
- Improved financial position by £3.1m during 2017/18



NHS South Sefton CCG: How we spent our money in 2017/18



Area	Total Costs (£000s)
Acute Services	135,385
Mental Health Services	19,083
Community Services	37,111
Continuing Care Services	12,817
Prescribing	28,920
Primary Care Services	7,391
Programme Costs	4,148
Running Costs	2,931



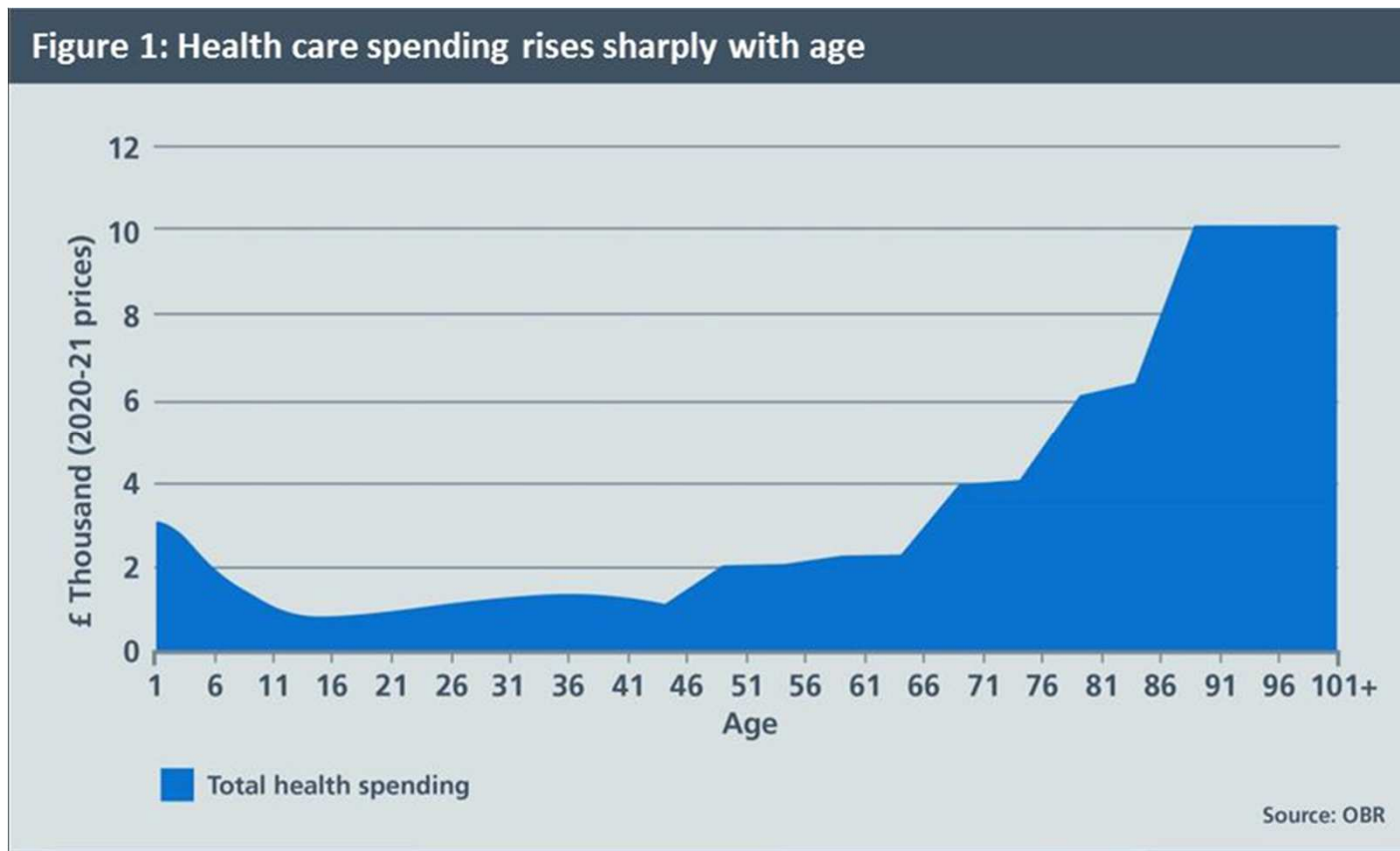
NHS South Sefton CCG: Financial Performance 2013/14 to 2017/18

	2013/14		2014/15		2015/16		2016/17		2017/18	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
	£'M	£'M	£'M	£'M	£'M	£'M	£'M	£'M	£'M	£'M
Programme	222.47	220.34	227.28	224.91	239.42	237.06	241.05	243.70	241.57	246.36
Running Cost Allowance	3.68	3.50	4.06	3.58	3.30	3.26	3.27	2.86	3.22	2.93
TOTAL	226.15	223.84	231.34	228.49	242.72	240.32	244.32	246.56	244.79	249.29
Surplus/(Deficit) before application of NHS England reserves		2.31		2.85		2.40		-2.24		-4.50
Adjust for:										
Risk reserve - (1% 2016/17 - 0.5% 2017/18)							2.34		1.21	
Category M drug rebate									0.30	
Surplus/(Deficit) for the year		2.31		2.85		2.40		0.10		-2.99

- Delivered NHS E business rules: 1% surplus in 2013/14, 2014/15 and 2016/17
- Delivered Statutory duty of break-even in 2016/17
- Deficit of £2.99m in 2017/18 as a consequence of not delivering very challenging savings plan / increased pressures on services



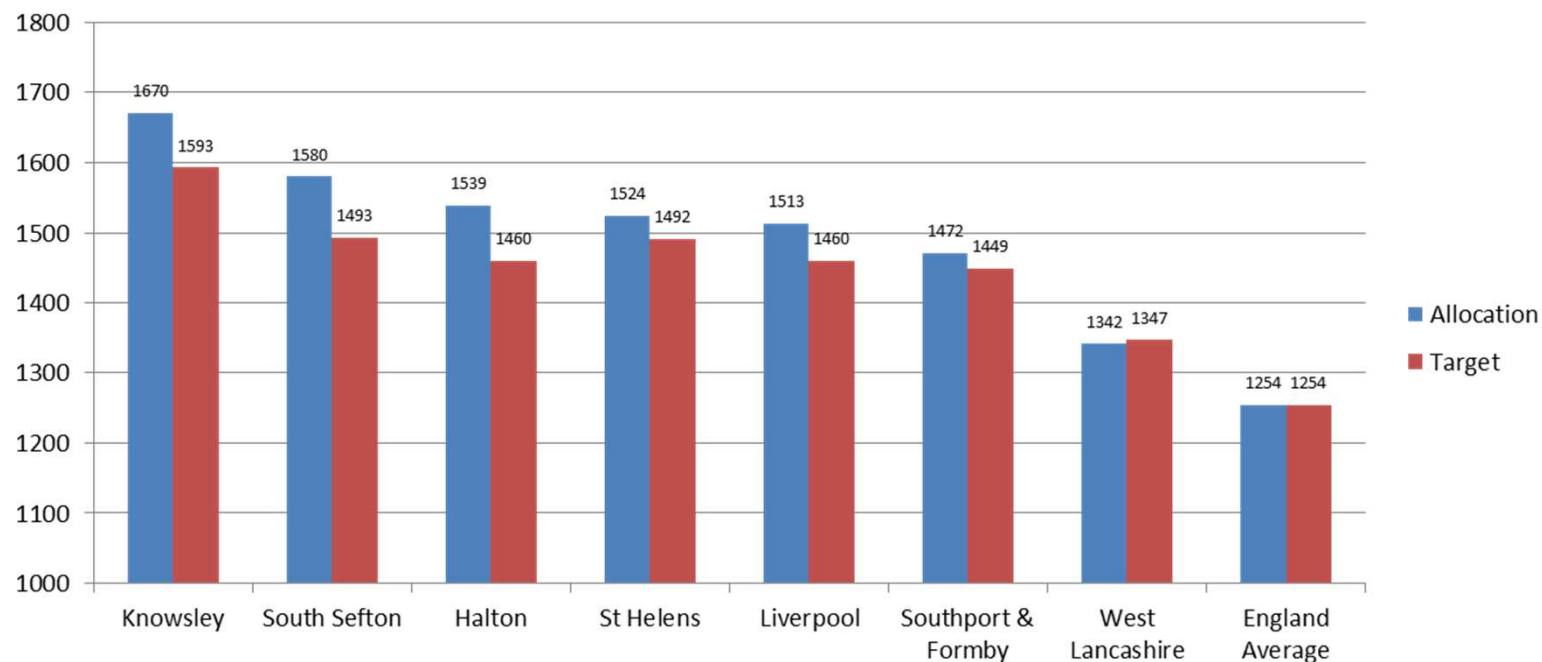
Health care spending by age group



Source – Five Year Forward View Next Steps – March 2017



2018/19 Allocations: Merseyside & WL CCGs



Allocation : Amount of funding received by CCG to provide core services for its population. Excludes Specialised Commissioning and GP services

Target : Mathematically modelled view of what the CCG needs to provide core services for its population taking account of key characteristics and variables

Distance from Target : The different between allocation and target. Higher allocation than target is “over-target” and over-funded in NHS England view. Lower allocation than target is “under-target” and under-funded in NHS England view



2018/19 Allocations: Merseyside & WL CCGs (£ms)

CCGs	Allocation	Estimated Target	Variance From target	Distance From Target (%)	Allocation v English Average (%)
Knowsley	274.946	262.353	12.593	4.80	33.2
Liverpool	802.595	775.155	27,440	3.54	20.7
South Sefton	243.960	230.499	13.461	5.84	26.0
Halton	201.919	192.231	9.688	5.04	22.7
St Helens	301.737	295.386	6.351	2.15	21.5
Southport & Formby	183.931	181.034	2.897	1.60	17.4
West Lancashire	152.633	153.184	-0.551	-0.36	7.0

- CCG Core Programme Budgets Only
- SSCCG has 3rd highest £ per head in Country, S&F is Joint 13th highest
- Both CCG's allocations are higher than the national average allocation.
- 2018/19 growth, SSCCG = 2.25%, SFCCG = 2.8% compared with 2.98% nationally



Shaping Sefton

“We want all health and care services to work better together – to be more joined up – with as many as possible provided in our local communities, so it is easier for you to get the right support and treatment first time, to help you live a healthy life and improve your wellbeing”

We call this:
community centred health and care

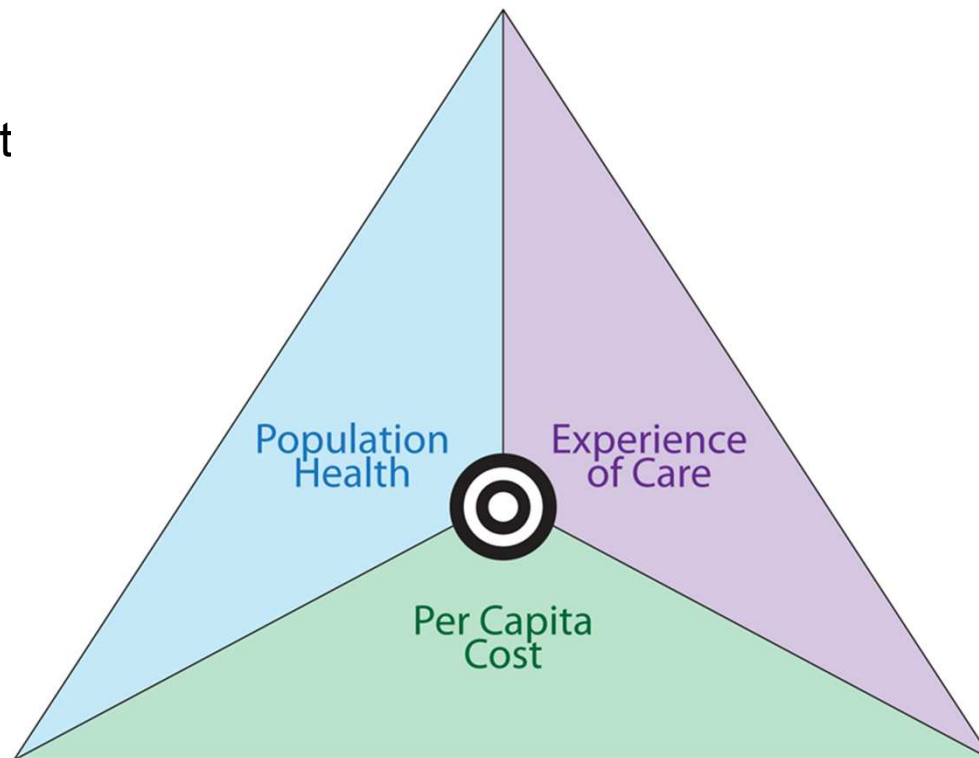




Triple aim triangle

Institute for Healthcare Improvement

Shaping Sefton's fourth aim:
Improve experience for our
workforce



Challenges facing our CCGs

- Sefton Health and Care Partnership – quality, standards and safety
- Case for change understood – re-define out of hospital healthcare
- Need for change for complex reasons – address both impact of growing numbers of frail elderly and early morbidity issue
- Deliver our Shaping Sefton vision
 - Shift resources across health sectors through transformed services
 - Strengthen General Practice capacity and capability
 - “Place” based focus across 30,000 to 50,000 population areas
 - “100 staff” in locality area delivering range of services to meet local population needs
 - Informed debate with public / constituents regarding expectations from NHS

Further savings required in 2018/19: S&F - £5.2m, SS - £5.3m

