



Report of: Leeds Health and Care Partnership Executive Group (PEG)

Report to: Leeds Health and Wellbeing Board

Date: 11th December 2019

Subject: Leeds Health and Care Quarterly Financial Reporting

Are specific geographical areas affected? If relevant, name(s) of area(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

This report provides the Health and Wellbeing Board with an overview of the financial positions of the health and care organisations in Leeds, brought together to provide a single citywide financial report (Appendix 1). Key system headlines:

- At the end of September 2019/20, the system is reporting a slight year end forecast surplus position against plan of £0.4m.
- Leeds City Council's Children's Social Care, Adults Social Care and Public Health is forecasting a deficit against plan of £0.5m offset by a forecast surplus at Leeds and York Partnership Foundation Trust of £0.9m.

Recommendations

The Health and Wellbeing Board is asked to:

- Note the 2019/20 April to September partner organisation financial positions.

1. Purpose of this report

- 1.1 This report provides the Health and Wellbeing Board with a brief overview of the financial positions of the health and care organisations in Leeds, brought together to provide a single citywide quarterly financial report (Appendix 1). This report is for the period ending months ending September 2019.
- 1.2 Together, this financial information and associated narrative aims to provide a greater understanding of the collective and individual financial performance of the health and care organisations in Leeds. This provides the Health and Wellbeing Board with an opportunity to direct action which will support an appropriate and effective response.
- 1.3 This paper supports the Board's role in having strategic oversight of both the financial sustainability of the Leeds health and care system and of the executive function carried out by the Leeds Health and Care Partnership Executive Group (PEG).

2. Background information

- 2.1 The financial information contained within this report has been contributed by Directors of Finance from Leeds City Council (LCC), Leeds Community Healthcare Trust (LCH), Leeds Teaching Hospital Trust (LTHT), Leeds and York Partnership Trust (LYPFT) and NHS Leeds Clinical Commissioning Group (CCG).

3. Main issues

- 3.1 At the end of September 2019/20, the system is reporting a slight year end forecast surplus position against plan of £0.4m (Q1 deficit against plan of £0.2m).
- 3.2 Leeds Teaching Hospitals, Leeds Community Healthcare and Leeds CCG are continuing to forecast to achieve plan. Leeds and York Partnership Foundation Trust is forecasting a slight surplus against plan of £0.9m whilst Leeds City Council's Childrens' Social Care and Adults Social Care and Public Health are reporting a slight deficit against plan of £0.5m (an improvement of £0.6m compared to Q1).

4. Health and Wellbeing Board governance

4.1 Consultation, engagement and hearing citizen voice

- 4.1.1 Development of the Leeds health & care quarterly financial report is overseen by the Directors of Finance and equivalents from Leeds City Council, Leeds Community Healthcare Trust, Leeds Teaching Hospital Trust, Leeds and York Partnership Trust and the Leeds Clinical Commissioning Group.
- 4.1.2 Individual organisations engage with citizens through their own internal process and spending priorities are aligned to the Leeds Health and Wellbeing Strategy 2016-2021, which was developed through significant engagement activity.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 Through the Leeds health & care quarterly financial report we are better able to understand a citywide position and identify challenges and opportunities across the health and care system to contribute to the delivery of the vision that 'Leeds will be a healthy and caring city for all ages, where people who are the poorest improve their health the fastest', which underpins the Leeds Health and Wellbeing Strategy 2016-2021.

4.3 Resources and value for money

- 4.3.1 The Health and Wellbeing Board has oversight of the financial stability of the Leeds system with PEG committed to using the 'Leeds £', our money and other resources, wisely for the good of the people we serve in a way in which also balances the books for the city. Bringing together financial updates from health and care organisations in a single place has multiple benefits; we are better able to understand a citywide position, identify challenges and opportunities across the health and care system and ensure that people of Leeds are getting good value for the collective Leeds £.

4.4 Legal Implications, access to information and call In

- 4.4.1 There is no access to information and call-in implications arising from this report.

4.5 Risk management

- 4.5.1 The Leeds health & care quarterly financial report outlines the extent of the financial challenge facing the Leeds health and care system. These risks are actively monitored and mitigated against, through regular partnership meetings including the Citywide Director of Finance group and reporting to the PEG and other partnership groups as needed. Furthermore, each individual organisation has financial risk management processes and reporting mechanisms in place.

5. Conclusions

- 5.1 At the end of September 2019/20, partner organisations are collectively forecasting a slight surplus against plan. However the system continues to deal with significant challenges.

6. Recommendations

- 6.1 The Health and Wellbeing Board is asked to:
- Note the 2019/20 April to September partner organisation financial positions.

7. Background documents

None.



How does this help reduce health inequalities in Leeds?

An efficient health and care system in financial balance enables us to use resources more effectively and target these in areas of greatest need.

How does this help create a high quality health and care system?

Driving up quality depends on having the resources to meet the health and care needs of the people of Leeds. Spending every penny wisely on evidence based interventions and ensuring we have an appropriate workforce and can manage our workforce effectively promotes system-wide sustainability.

How does this help to have a financially sustainable health and care system?

It maintains visibility of the financial position of the statutory partners in the city

Future challenges or opportunities

Future updates will be brought to the Health and Wellbeing Board as requested and should be factored into the work plan of the Board.

Priorities of the Leeds Health and Wellbeing Strategy 2016-21	
A Child Friendly City and the best start in life	X
An Age Friendly City where people age well	X
Strong, engaged and well-connected communities	X
Housing and the environment enable all people of Leeds to be healthy	X
A strong economy with quality, local jobs	X
Get more people, more physically active, more often	X
Maximise the benefits of information and technology	X
A stronger focus on prevention	X
Support self-care, with more people managing their own conditions	X
Promote mental and physical health equally	X
A valued, well trained and supported workforce	X
The best care, in the right place, at the right time	X

Quarterly Finance Report to Leeds Health and Wellbeing Board

A. Quarter 2 (April-September financial position for 2019/20)

A1 - City Summary

At the end of September 2019/20, the system is reporting a slight year end forecast surplus position against plan of £0.4m (Q1 deficit against plan of £0.2m).

Leeds Teaching Hospitals, Leeds Community Healthcare and Leeds CCG are continuing to forecast to achieve plan. Leeds and York Partnership Foundation Trust is forecasting a slight surplus against plan of £0.9m whilst Leeds City Council's Childrens' Social Care and Adults Social Care and Public Health are reporting a slight deficit against plan of £0.5m (an improvement of £0.6m compared to Q1).

Section 1 - City Summary

6 months ended 30th September 2019	Total Income/Funding			Pay Costs			Other Costs			Total Costs			Net surplus/(deficit)			
	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
Leeds City Council	323.6	324.1	0.6	72.3	71.7	0.6	251.3	252.7	- 1.3	323.6	324.4	- 0.8	-	-	0.2	- 0.2
Leeds Community Healthcare Trust	80.1	80.0	- 0.1	57.2	57.0	0.2	22.3	22.3	-	79.5	79.3	0.2	0.6	0.7	0.1	
Leeds Teaching Hospitals NHS Trust	648.7	657.6	8.9	385.0	392.5	- 7.6	272.8	273.9	- 1.1	657.8	666.4	- 8.6	- 9.0	- 8.8	0.2	
Leeds & York Partnership Foundation Trust	84.8	86.0	1.2	59.9	59.9	0.0	24.6	24.7	- 0.0	84.6	84.6	0.0	0.2	1.5	1.3	
Leeds CCG Partnership	637.2	637.2	-	5.0	4.7	0.3	632.2	632.5	- 0.3	637.2	637.2	-	-	-	-	

Forecast year end 2019/20	Total Income/Funding			Pay Costs			Other Costs			Total Costs			Net surplus/(deficit)			
	Plan	Forecast	Var	Plan	Forecast	Var	Plan	Forecast	Var	Plan	Forecast	Var	Plan	Forecast	Var	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
Leeds City Council	647.1	648.2	1.1	144.5	143.4	1.1	502.6	505.3	- 2.7	647.1	648.7	- 1.6	-	-	0.5	- 0.5
Leeds Community Healthcare Trust	157.6	157.4	0.2	113.1	113.2	- 0.1	42.8	42.5	0.3	155.9	155.7	0.2	1.7	1.7	-	
Leeds Teaching Hospitals NHS Trust	1,309.4	1,335.8	26.3	768.3	782.6	- 14.3	529.1	541.1	- 12.0	1,297.4	1,323.7	- 26.3	12.01	12.01	- 0.0	
Leeds & York Partnership Foundation Trust	170.0	170.9	0.9	119.5	119.5	-	49.2	49.2	-	168.7	168.7	-	1.3	2.2	0.9	
Leeds CCG Partnership	1,300.1	1,300.1	-	9.8	9.6	0.2	1,290.3	1,290.5		1,300.1	1,300.1	-	-	-	-	

Sign convention: (negative numbers) = adverse variances
 Numbers may not sum due to roundings

A2 – Organisational commentary on quarter 2 position

a. Leeds City Council

The numbers quoted above relate solely to the Adults and Health directorate (which includes Adult Social Care, Children's Social Care and Public Health).

Adults and Health are projecting a balanced budget. The overall savings plan target is expected to be delivered.

Children and Families are reporting an overspend of £0.5m. The pressure is primarily within Children Looked After (CLA), financially supported Non-CLA and client transport.

b. Leeds Community Healthcare Trust

At the end of Quarter 2 the Trust's surplus is running £0.1m more than planned. Pay costs are £0.2m underspent. Identified CIPs are being delivered; there remains £0.2m of unidentified CIPs for 2019/20, these continue to be mitigated by non-recurrent underspending. The Trust's forecast outturn is that the agreed control total will be achieved. Both the year to date and forecast outturn positions assume the Provider Sustainability Fund and the CQUIN income are achieved in full. The main risks to the financial position are increases in costs as a result of service pressures.

c. Leeds Teaching Hospitals Trust

Prior to PSF and MRET income, the Trust ended Q2 £17.9m in deficit, which was £0.2m better than the £18.1m planned deficit. This position meant the Trust was eligible to receive £6.0m of PSF and, because it signed up to its control total, £3.1m MRET as well, totalling £9.1m. An additional £0.9m year-end distribution PSF was also recognised in Q1, but adjusted out so as not to improve the overall Trust I&E position, as per NHSI guidance. Taking all of the above together, at the end of Q2 the Trust's financial position was a deficit of £8.8m, which was £0.2m better than plan.

d. Leeds and York Partnership Trust

The Trust reported a £1.484m surplus variance for quarter 2 2019/20. This position is attributable to additional unplanned Provider Sustainability Funding (£0.936m) relating to 2019/20.

e. NHS Leeds CCG

The CCG is forecasting to achieve its financial control total. The CCG position is based on the best available information but there are a number of inherent uncertainties which are currently outside of the CCG's direct control. These include regional/system and national funding streams in respect of additional Long Term Plan allocations, other ICS allocations, Primary Care Networks and resources targeting the development of Technology infrastructure funding as the main examples. The specific risks associated with these funding streams range from not being clearly quantifiable at this point in time, the lack of detail around their application and associated workforce deployment issues and simple timing of the allocations in the context of procurement and service engagement timelines.