

# WY&H Integrated Care System

## H1 and H2 plans

10 June 2021



# H1 plans

- **Key Risks**
- **Efficiency**
- **ERF**
- **M2 and H1 Forecast 2021/22**



# H1 plans – Headlines

1. System plan is break even, with all orgs at break-even
2. Total risks of £81.4m, equal to 1.8% of allocation. Mitigations identified for full risk
3. Total efficiencies of £55m, or 2.4% of system resources
4. Planned ERF of £32.5m. No 'profit' supporting positions
5. H1 underlying exit run-rate up to £135m deficit – subject to a number of caveats and assumptions



# H1 plans – Key Risks Overview

Organisation	H1 Income / Allocation £m	H1 Expenditure £m	H1 plan £m	RISK TOTAL £m	MITIGATIONS TOTAL £m	NET RISK £m	Risk as % of income / allocation
NHS CALDERDALE CCG	177.4	-177.4	0.0	(2.5)	2.5	-	1.4%
NHS KIRKLEES CCG	348.2	-348.2	0.0	(3.5)	3.5	-	1.0%
NHS WAKEFIELD CCG	595.2	-595.2	0.0	(3.8)	3.8	-	0.6%
NHS LEEDS CCG	678.9	-678.9	0.0	(6.8)	6.8	-	1.0%
NHS BRADFORD DISTRICT AND CRAVEN CCG	513.8	-513.8	0.0	(10.1)	10.1	-	2.0%
<b>Sub total - CCGs</b>	<b>2,313.5</b>	<b>-2,313.5</b>	<b>0.0</b>	<b>(26.6)</b>	<b>26.6</b>	-	<b>1.2%</b>
BRADFORD TEACHING HOSPITALS NHS FOUNDATION TRUST	238.1	-238.1	0.0	(7.1)	7.1	-	2.9%
AIREDALE NHS FOUNDATION TRUST	108.2	-108.2	0.0	(4.6)	4.6	-	4.3%
LEEDS AND YORK PARTNERSHIP NHS FOUNDATION TRUST	101.0	-101.0	0.0	(2.0)	2.0	-	2.0%
LEEDS TEACHING HOSPITALS NHS TRUST	766.3	-766.3	0.0	(22.7)	22.7	-	3.0%
CALDERDALE AND HUDDERSFIELD NHS FOUNDATION TRUST	237.8	-237.8	0.0	(1.3)	1.3	-	0.5%
YORKSHIRE AMBULANCE SERVICE NHS TRUST	158.5	-158.5	0.0	(1.9)	1.9	-	1.2%
MID YORKSHIRE HOSPITALS NHS TRUST	304.3	-304.3	0.0	(5.0)	5.0	-	1.6%
SOUTH WEST YORKSHIRE PARTNERSHIP NHS FOUNDATION TRUST	129.4	-129.4	0.0	(1.8)	1.8	-	1.4%
LEEDS COMMUNITY HEALTHCARE NHS TRUST	93.2	-93.2	0.0	(5.3)	5.3	-	5.5%
BRADFORD DISTRICT CARE NHS FOUNDATION TRUST	89.9	-89.9	0.0	(3.2)	3.2	-	3.3%
<b>Sub total - Providers</b>	<b>2,226.8</b>	<b>-2,226.8</b>	<b>0.0</b>	<b>(54.8)</b>	<b>54.8</b>	-	<b>2.4%</b>
<b>SYSTEM TOTAL</b>	<b>4,540.3</b>	<b>-4,540.3</b>	<b>0.0</b>	<b>(81.4)</b>	<b>81.4</b>	-	<b>1.8%</b>

Note: Risk range

GREEN = 0 – 2.9%    AMBER = 3 – 4.9%    RED = 5% +



# H1 plans – Top 3 risks by place

Place	Key Risk 1	Key Risk 2	Key Risk 3
Leeds	Mismatch of allocations vs costs	Activity pressures ( e.g acute costs in excess of ERF funding & growth in MH OOA placements)	Income gaps emerging from non-NHS Commissioner contracts of material value
Bradford	QIPP risk	Activity pressures ( e.g acute costs in excess of ERF funding & growth in MH OOA placements)	Other NHS income shortfalls.
Wakefield	QIPP risk	Activity pressures ( e.g acute costs in excess of ERF funding & growth in MH OOA placements)	Cost growth/pressures across the place in excess of national assumptions (includes prescribing, CHC, non NHS income)
Kirklees	QIPP risk	Risk of overspend in prescribing	Other NHS income shortfalls.
Calderdale	QIPP risk	Risk of overspend in prescribing	risk of overspend on independent sector activity
YAS	111 – 111 first income, sickness, demand	999- demand , sickness , hospital handover delays	PTS – single patient journeys, increased elective work, journeys to diagnostic hubs and pre op swabbing, sickness

## Recurrent themes:

QIPP risk; ERF risk; prescribing; Out of Area Placements in MH; other non NHS income; reduced CCG allocations; sickness levels



# H1 plans – Mitigations

1. Release of CCG contingency
2. Additional CIP / QIPP
3. Non-recurrent use of balance sheet provisions
4. Reduced service offer
5. Demand management
6. Delays in investments
7. Additional workforce controls



# H1 plans – Efficiency

Organisation	Low risk	Medium risk	High Risk	Efficiency in H1 plan £m	% of income / allocation
NHS CALDERDALE CCG	0.5	0.3	1.2	2.0	1.1%
NHS KIRKLEES CCG	2.5	1.5		4.0	1.2%
NHS WAKEFIELD CCG	0.7	0.7	0.0	1.4	0.4%
NHS LEEDS CCG	1.7	4.3	1.6	7.6	1.1%
NHS BRADFORD DISTRICT AND CRAVEN CCG	1.5	5.2		6.7	1.3%
<b>Sub total - CCGs</b>	<b>6.9</b>	<b>12.0</b>	<b>2.8</b>	<b>21.7</b>	
BRADFORD TEACHING HOSPITALS NHS FOUNDATION TRUST	2.0	1.5		3.5	1.5%
AIREDALE NHS FOUNDATION TRUST	0.9	0.3	1.3	2.5	2.3%
LEEDS AND YORK PARTNERSHIP NHS FOUNDATION TRUST	0.3			0.3	0.3%
LEEDS TEACHING HOSPITALS NHS TRUST	2.4	6.0	6.6	15.0	2.0%
CALDERDALE AND HUDDERSFIELD NHS FOUNDATION TRUST	3.0			3.0	1.3%
YORKSHIRE AMBULANCE SERVICE NHS TRUST	1.2	0.0	0.2	1.4	0.9%
MID YORKSHIRE HOSPITALS NHS TRUST	3.0	2.8		5.8	1.9%
SOUTH WEST YORKSHIRE PARTNERSHIP NHS FOUNDATION TRUST	0.4	0.3	0.1	0.8	0.6%
LEEDS COMMUNITY HEALTHCARE NHS TRUST	0.3			0.3	0.3%
BRADFORD DISTRICT CARE NHS FOUNDATION TRUST	0.1	0.3	0.3	0.7	0.7%
<b>Sub total - Providers</b>	<b>13.5</b>	<b>11.2</b>	<b>8.6</b>	<b>33.3</b>	
<b>SYSTEM TOTAL</b>	<b>20.4</b>	<b>23.2</b>	<b>11.4</b>	<b>55.0</b>	<b>2.4%</b>

- System 2.4% based on £55m as proportion of total system resources of £2.3bn
- YAS H1 plan submission was £3m. That represented full year, so revised down subsequently to £1.4m for M1-6



# H1 plans - Efficiency

Organisation	Total Planned Efficiencies £ms	Planned Efficiencies as % of cost base %	Comments
NHS CALDERDALE CCG	2.0	1.1%	CCCG states QIPP level is challenging and cannot be sustainable going into H2 and beyond.
NHS KIRKLEES CCG	4.0	1.2%	KCCG:CCG's efficiency made of £3.2m QIPP and £0.8m contract efficiencies which have been applied in the H1 Plan.
NHS WAKEFIELD CCG	1.4	0.2%	Efficiency is gap required to B/E in H1 21/22 after applying planned growth to H2 20/21 recurrent spend & incl. contingency of 0.5% of allocation
NHS LEEDS CCG	7.6	1.1%	£7.6m includes contingency, sig. proportion of this thro non recurrent slippage & non recurrent benefits (wont continue into H2 so assessing overall position across Place.
NHS BRADFORD DISTRICT & CRAVEN CCG	6.7	1.3%	BCCG: 0.28% efficiency requirement £1.5m - considering CHC and Prescribing, £5.2m remaining currently unidentified.
BRADFORD TEACHING HOSPITALS NHS FT	3.5	1.5%	BT: uncertainty re: impact of 4th COVID wave in Bradford & impact on Trust's cost base, so cost efficiencies being sought to provide headroom to address upsurge in COVID demand, org. anticipating far greater financial challenge in H2 21/22 & 22/23.
AIREDALE NHS FOUNDATION TRUST	2.5	2.4%	AIREDALE: Nurse staffing levels external review leading to increased investment on ward based nursing to ensure safe staff:patient ratios are maintained, plus recurrent impact of Covid (ARCU investment and increased resilience on Critical Care).
LEEDS AND YORK PARTNERSHIP NHS FT	0.3	0.3%	LYPT: Significant levels of PFI estate & high ratio of staff spend to total spend. Managing cost pressures / generating efficiency through cost control.
LEEDS TEACHING HOSPITALS NHS TRUST	15.0	2.0%	LTHT: Based on Board's agreed surplus for the yr, exit run-rate from previous yr plus known developments/cost pressures, & adjusted for known risk.
CALDERDALE AND HUDDERSFIELD NHS FT	3.0	1.3%	CHFT: At present Trust considers H1 CIP target to be achievable.
YORKSHIRE AMBULANCE SERVICE NHS T	1.4	0.9%	YAS now reduced to £1.4m – see 'additional comment' below.
MID YORKSHIRE HOSPITALS NHS TRUST	5.8	1.9%	MY states most sig. pressure as unachievable Non NHS Income in block funding. Further H1 pressures re: building revaluation exercise & FYE of PDC Dividend charges arising from DHSC loan conversion in 20/21 causing further £2m pressure. Around third of gap identified recurrently so far with remainder expected to be found non-recurrently.
SOUTH WEST YORK. PARTNERSHIP NHS FT	0.8	0.7%	SWYFT: Efficiencies directly linked to identified cost pressures in order to mitigate and offset.
LEEDS COMMUNITY HEALTHCARE NHS T	0.3	0.3%	LCOMM: Trust states efficiency schemes total H1 national ask, delivery will enable Trust to live within H1 income. Schemes will be delivered as services continue to be reset with new ways of working.
BRADFORD DISTRICT CARE NHS FT	0.7	0.8%	High risk CIP schemes of £0.3m requiring detailed plans to be scoped /delivered during H1. Early draft H2 plans require further £3.6m efficiencies to B/E, Trust has commissioned Deloitte to support targeted efficiency planning - deadline end of June.
	<b>55.0</b>	<b>1.3%</b>	

Note – YAS H1 plan submission was £3m. That represented full year, so revised down subsequently to £1.4m for M1-6





# H1 plans - ERF

Organisation	ERF H1 plans £m	Expected changes	Revised ERF £m
NHS CALDERDALE CCG	0.0	0.0	0.0
NHS KIRKLEES CCG	1.3	-0.5	0.8
NHS WAKEFIELD CCG	2.2	0.0	2.2
NHS LEEDS CCG	1.5	0.0	1.5
NHS BRADFORD DISTRICT AND CRAVEN CCG	2.3	0.0	2.3
<b>Sub total - CCGs</b>	<b>7.3</b>	<b>-0.5</b>	<b>6.8</b>
BRADFORD TEACHING HOSPITALS NHS FOUNDATION TRUST	2.0	0.0	2.0
AIREDALE NHS FOUNDATION TRUST	2.3	0.0	2.3
LEEDS AND YORK PARTNERSHIP NHS FOUNDATION TRUST	0.0	0.0	0.0
LEEDS TEACHING HOSPITALS NHS TRUST	13.0	-2.4	10.6
CALDERDALE AND HUDDERSFIELD NHS FOUNDATION TRUST	2.0	2.8	4.8
YORKSHIRE AMBULANCE SERVICE NHS TRUST	0.0		0.0
MID YORKSHIRE HOSPITALS NHS TRUST	6.0	0.0	6.0
SOUTH WEST YORKSHIRE PARTNERSHIP NHS FOUNDATION TRUST	0.0	0.0	0.0
LEEDS COMMUNITY HEALTHCARE NHS TRUST	0.0	0.0	0.0
BRADFORD DISTRICT CARE NHS FOUNDATION TRUST	0.0	0.0	0.0
<b>Sub total - Providers</b>	<b>25.3</b>	<b>0.4</b>	<b>25.7</b>
<b>SYSTEM TOTAL</b>	<b>32.5</b>	<b>-0.1</b>	<b>32.4</b>

## Notes

1. Difference between Trust expectations and 'ready reckoner' expected to reduce with activity resubmissions
2. No organisation expecting to 'profit' from ERF in plans
3. Changes H1 plan to current are all due to changes in expected activity delivery



# H1 plans – ERF (Month 2)

	TOTAL YTD				
	Income baseline target £000	Target Level £000	Provider Assessment £000	Variance to Target Level ( ) = below target £000	Achievement of 19/20 baseline
Day case, Ordinary Elective, Outpatient Procedures	80,347	58,184	63,977	5,793	80%
Outpatient Attendances	50,614	36,660	49,645	12,985	98%
Total ICS	130,961	94,844	113,622	18,778	87%

- Estimated Month 2 income could be £18.8m based on returns from each organisation
- All organisations (and therefore system) at 70% or above for April, and 75% or above for May
- Outpatients close to 100% of 19/20 baseline
- Currently assuming spend = allocation for CCGs
- Work ongoing to fully validate the values above



# H1 plans – Month 2 and Forecast H1 202/22

- Year to date slightly ahead of plan before ERF
- Work ongoing to validate ERF income position
- Issues on treatment of ERF and HDP in forecasts
- Forecast likely to include offsetting surpluses / deficits – forecast broadly balanced at this stage
- Delivery underpinned by risk management arrangements set out in WY&H ICS financial framework
- Significant risk to break-even if ERF below plans as expenditure now being incurred



# Capital

- LTHT – Building the Leeds Way programme and £8m NHP Pathology funding
- CHFT – CRH car park and HRI re-cladding
- AHT – RAAC
- BTHFT – COVID full year effect risk to be supported by ICS



# H2 plans

- Run rates
- Efficiency
- NHSE/I support
- Other issues



## H2 plans – run rates

- ICS exercise to determine H1 exit run rate
- Consistent approach by sector
- Considers impact of loss of Covid allocations and support for lost non NHS income
- Removes non-recurrent Covid costs
- Removes other non-recurrent costs / income / allocation



# H2 plans – run rates

Organisation	Adjusted H2 Income / Allocation <sup>1</sup> £m	H1 Expenditure £m	H1 Covid costs expected to stop £m	Remove any other H1 n/rec costs / benefits £m	Adjusted Expenditure £m	Underlying run-rate £m
NHS CALDERDALE CCG	176.0	-177.4	0.6	-1.5	-178.3	-2.3
NHS KIRKLEES CCG	345.4	-348.2	0.1	-1.6	-349.7	-4.3
NHS WAKEFIELD CCG	592.6	-595.2	0.0	-1.4	-596.6	-4.1
NHS LEEDS CCG	673.5	-678.9	0.0	-4.6	-683.5	-10.1
NHS BRADFORD DISTRICT AND CRAVEN CCG	508.6	-513.8	0.4	-10.0	-523.4	-14.8
<b>Sub total - CCGs</b>	<b>2,296.0</b>	<b>-2,313.5</b>	<b>1.1</b>	<b>-19.1</b>	<b>-2,331.5</b>	<b>-35.5</b>
BRADFORD TEACHING HOSPITALS NHS FOUNDATION TRUST	233.4	-245.8	6.4	-6.4	-245.8	-12.4
AIREDALE NHS FOUNDATION TRUST	99.1	-106.8	1.7	-1.7	-106.8	-7.7
LEEDS AND YORK PARTNERSHIP NHS FOUNDATION TRUST	96.4	-101.0	1.4	0.0	-99.6	-3.2
LEEDS TEACHING HOSPITALS NHS TRUST	726.6	-765.1	3.5	2.1	-759.5	-32.9
CALDERDALE AND HUDDERSFIELD NHS FOUNDATION TRUST	225.6	-237.0	7.1	-2.9	-232.8	-7.2
YORKSHIRE AMBULANCE SERVICE NHS TRUST	158.5	-162.2	-2.1	-5.5	-169.8	-11.3
MID YORKSHIRE HOSPITALS NHS TRUST	291.8	-307.5	3.4	-0.6	-304.7	-12.9
SOUTH WEST YORKSHIRE PARTNERSHIP NHS FOUNDATION TRUST	118.1	-124.5	2.7	0.0	-121.8	-3.7
LEEDS COMMUNITY HEALTHCARE NHS TRUST	90.1	-94.8	0.0	0.0	-94.8	-4.7
BRADFORD DISTRICT CARE NHS FOUNDATION TRUST	91.0	-95.5	0.6	0.2	-94.6	-3.6
<b>Sub total - Providers</b>	<b>2,130.5</b>	<b>-2,240.0</b>	<b>24.7</b>	<b>-14.8</b>	<b>-2,230.1</b>	<b>-99.6</b>
<b>SYSTEM TOTAL</b>	<b>4,426.5</b>	<b>-4,553.5</b>	<b>25.8</b>	<b>-33.9</b>	<b>-4,561.6</b>	<b>-135.1</b>

1 – Allocation after removal of Covid allocation and non-NHS income support



# H2 plans – underlying run rate by place

Surplus / (Deficit)	Underlying run-rate £m	% of CCG allocation
Bradford	(38.5)	7.5%
Calderdale	(6.6)	3.7%
Leeds	(50.9)	7.5%
Kirklees	(13.2)	3.8%
Wakefield	(14.6)	4.2%
YAS	(11.3)	n/a
<b>TOTAL</b>	<b>(135.1)</b>	<b>6.5%</b>

## Run-rate assumptions

1. H2 opening income / allocation based on H1 plan. Assume no change to blocks, top-ups, growth funding.
2. All Covid income support stops in H2 (modelling assumption, not national policy)
3. Lost non-NHS income support stops in H2 (modelling assumptions, not national policy)
4. H2 opening expenditure based on H1 plan.
5. Only recurrent Covid will form part of underlying costs calculation
6. Non-recurrent adjustments expected to be made to deliver H1 removed





## H2 plans – run rates

- Underlying run rate could be upto a £135m deficit
- Total Covid allocation of £119m, but cost reduction into H2 only £26m.
- Potential mismatch between Covid Allocation and System Top up?
- System top up is supporting underlying pressures as well as COVID related
- Delivery of H1 requires significant non-recurrent measures not repeated in H2



# H2 plans – efficiency

What level of savings do you aspire to achieve in H2

Organisation	Estimated H2 efficiency £m	% of income / allocation
NHS CALDERDALE CCG	2	1.1%
NHS KIRKLEES CCG	4.7	1.4%
NHS WAKEFIELD CCG	2.7	0.8%
NHS LEEDS CCG	7.6	1.1%
NHS BRADFORD DISTRICT AND CRAVEN CCG	6.7	1.3%
<b>Sub total - CCGs</b>	<b>23.7</b>	
BRADFORD TEACHING HOSPITALS NHS FOUNDATION TRUST	6	2.6%
AIREDALE NHS FOUNDATION TRUST	2.5	2.3%
LEEDS AND YORK PARTNERSHIP NHS FOUNDATION TRUST	1.6	1.6%
LEEDS TEACHING HOSPITALS NHS TRUST	15	2.0%
CALDERDALE AND HUDDERSFIELD NHS FOUNDATION TRUST	14.2	6.2%
YORKSHIRE AMBULANCE SERVICE NHS TRUST	1.6	1.0%
MID YORKSHIRE HOSPITALS NHS TRUST	3.4	1.1%
SOUTH WEST YORKSHIRE PARTNERSHIP NHS FOUNDATION TRUST	1.5	1.1%
LEEDS COMMUNITY HEALTHCARE NHS TRUST	0.3	0.3%
BRADFORD DISTRICT CARE NHS FOUNDATION TRUST	3.7	3.7%
<b>Sub total - Providers</b>	<b>49.8</b>	
<b>SYSTEM TOTAL</b>	<b>73.5</b>	

- Increase of £18.5m compared to H1
- Increased range across organisations
- Largest growth in provider sector



# H2 plans – efficiency

What work is in hand/planned to support that aspiration?

## CCGs

- Creation of Task and finish group to develop savings
- Review of all investments and evaluation of services
- Review of prescribing and continuing care costs

## Providers

- Use of existing efficiency and governance committees
- Re-start of CIP planning groups / committees
- Permanent recruitment = less reliance on agency
- Options for digital / service transformation
- BDFT – use of Deloittes to scope opportunities



# H2 plans – NHSE/I support

- GIRFT / model hospital / RightCare
- National service developments and associated funding (e.g. CDHs, EERS)
- Continuation of ERF?
- Continuation of HDP?
- Impact on plans if system top up ceases / replace with FRF?
- Early sight of H2 numbers
- Health Inequalities and CCG allocations
- National recognition of PFI excess costs

