

BARNSELEY HEALTH AND WELLBEING BOARD

Ernst and Young Modelling of Systems Impact

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to update the Barnsley Health and Wellbeing Board on progress and next steps in the development of the Barnsley Health and Social Care economy model being undertaken by Ernst and Young LLP.

2. RECOMMENDATIONS

- 2.1 **The Health and Wellbeing Board is asked to note progress to date and next steps towards completing the modelling work by the end of August 2014. There will then need to be consideration given to how the model is utilised to inform discussions about actions required to 'close the gap'.**

3. INTRODUCTION/BACKGROUND

- 3.1 Ernst and Young have been commissioned to develop and report on the 5 year financial challenge to the Barnsley Health and Social Care Local Health Economy (LHE) and to consider two requirements.

- **Requirement 1:** To determine the size of the financial challenge facing the Barnsley LHE over the five year period
- **Requirement 2:** To work with stakeholders within the Barnsley LHE to model the impact of potential interventions across the system with reference to the financial impact on their organisations.

Further, to better enable the Barnsley LHE meet the two requirements, to also provide a sustainable tool for future use, the project has employed a Care Economy Planning Model (CEPM) tool to support the financial modelling of granular activity and income data.

- 3.2 Appended to this paper is a draft report on work to date and next steps to enable completion of the work within the project time-frame of the end of August 2014.

4. WORK TO DATE

- 4.1 The draft report and the model have utilised assumptions and data provided to Ernst and Young from the CCG Financial Plan, the base data on BMBC Financial Challenge and available published data for providers such as Financial Accounts.
- 4.2 From this base data the analysis envisages a gross financial gap of £180.5m over 5 years for the whole Health and Social Care economy.
- 4.3 There are however caveats to this draft, particularly with reference to detail from Providers and BMBC. For example, currently the SWYPFT finance budget has been considered in its entirety and this will need revising in relation to the Barnsley community element of services provided by them. The gap shown is also gross and

to reach a Local Health Economy net position, all counteracting efficiency targets between organisations will require review and off-setting. Further, the need to articulate where an efficiency saving is a real 'cut' and those that are more about efficiency will need to be explored. In next steps, the process for addressing these caveats is detailed.

- 4.4 The draft report also does not detail the modelling of impacts from proposed interventions by the parties involved.

5. NEXT STEPS

- 5.1 In order that the model is complete a number of next steps need to be completed. These are namely;

- All organisations to review and confirm the assumptions utilised in the base model to ensure that these are accurate and reflect each organisation's view of the challenge.
- To confirm and review the impact of interventions that can be modelled at the current time.
- To utilise the finished model to undertake further work to understand the interventions required to close the gap and review how each of these will impact on the whole Health and Social Care economy.

- 5.2 Ernst and Young have established meetings with all partners, to include the Deputy CFO of Barnsley CCG in the first half of August to address the first 2 issues above. This will also involve meeting with ? provider service leads for interventions as appropriate. Consideration will then need to be given to the progression of the third step above.

APPENDICES

Appendix 1: 2014079_Barnsley LHE report_v1.0.pdf

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