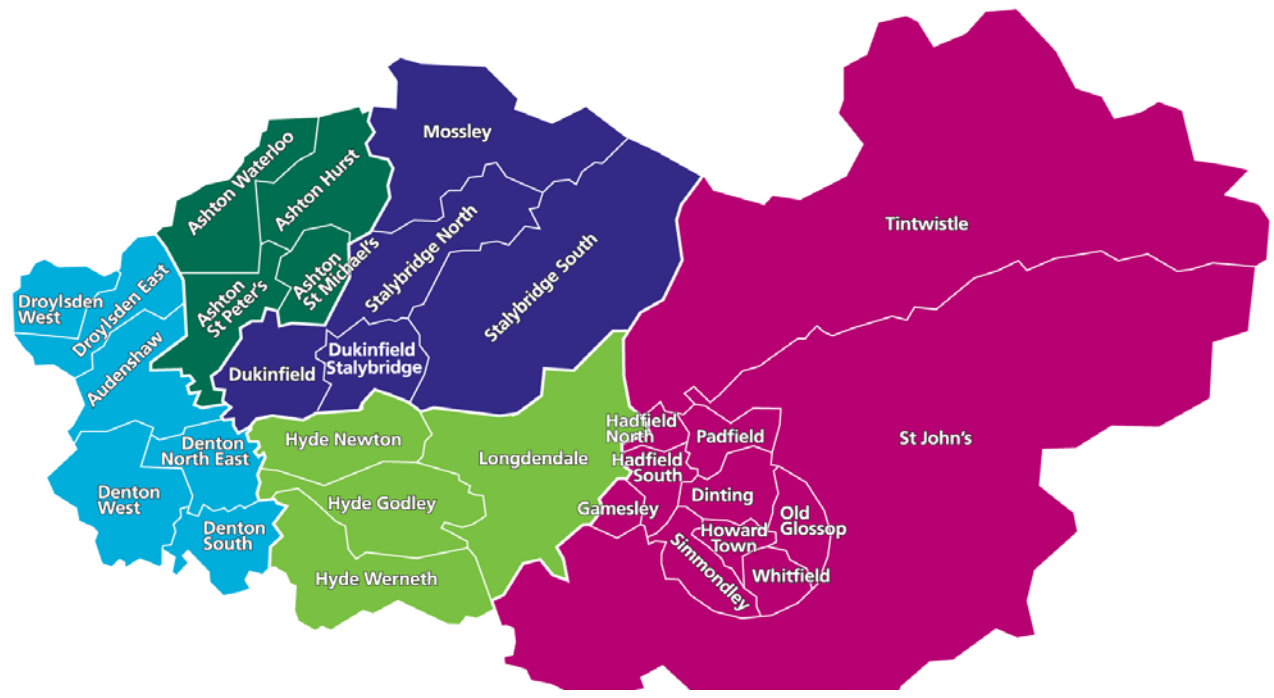


# Tameside and Glossop Integrated Financial Position

## Financial Monitoring Statements

Period Ending 31 October 2017 [Month 7]

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# Contents and Glossary of Terms

1	Care Together Economy Revenue Financial Position
2	Tameside Strategic Commission Financial Position
3	Tameside Integrated FT Financial Position
4	Health Economy Efficiency
5	Key / Emerging Risks
6	Annex 1 – ICFT Efficiency Plan

APMS	Alternative Provider Medical Services	ICF	Integrated Commissioning Fund
AQP	Any Qualifying Provider	ICFT	Integrated Care Foundation Trust
BCF	Better Care Fund	NCSO	No Cheaper Stock Obtainable
CCG	Clinical Commissioning Group	NHSI	NHS Improvement
CHC	Continuing Healthcare	OOA	Out of Area
CIS	Commissioning Improvement Scheme	QIPP	Quality, Innovation, Productivity & Prevention
CQUIN	Commissioning for Quality and Innovation	QOF	Quality and Outcomes Framework
GMHSCP	Greater Manchester Health & Social Care Partnership	RADAR	Rapid Access Detoxification Acute Referral
IAT	Inter Authority Transfer		

The care together economy position has **-£11.172m** deficit –  
how do we turn this around?

**-£4.4m** projected overspend on continuing care driven by number of patients accessing service

**-£7m** projected overspend on Children's Services predominantly driven by out of area placements

The ICFT are working to a planned deficit of **-£24.5m**

**£10.4m** ICFT efficiencies required to meet this total

Integrated Commissioning Fund will receive extra non-recurrent contributions to ensure balanced position is maintained



## Revenue Financial Position

### Financial Position:

### Key Headlines:

- YTD Position across the economy is currently: **£5.257m adverse variance**
- 2017/18 Projected year end position across the economy is currently: **£11.172m Deficit**
- Movement in forecast year end position is: **£277k Favourable**

Organisation	YTD Position			Forecast Position			Forecast Position	
	Budget	Actual	Variance	Budget	Forecast	Variance	Previous Month	Movement in Month
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Total Strategic Commission	287,592	291,590	-3,998	484,816	495,988	-11,172	-11,449	277
ICFT	-15,107	-16,367	-1,260	-24,344	-24,344	0	0	0
<b>Total Economy Position</b>	<b>272,485</b>	<b>275,223</b>	<b>-5,257</b>	<b>460,472</b>	<b>471,644</b>	<b>-11,172</b>	<b>-11,449</b>	<b>277</b>

## Revenue Forecast Position

- The forecast financial deficit of £11.172m on the strategic commissioner budgets and is mostly driven by Continuing Health Care and Children's Social Care. It should be noted that there are significant risks to ensure financial control totals are met.
- The ICFT are working to a planned deficit of £24.5m for 2017/18. Efficiencies of £10.4m are required in order to meet this total.
- The Integrated Commissioning Fund will receive extra non-recurrent contributions as appropriate during 2017-18 to ensure a balanced position is maintained.

## Revenue Financial Position

### Financial Position:

£000's	YTD Position			Forecast Position			Forecast Position	
	Budget	Actual	Variance	Budget	Forecast	Variance	Previous Month	Movement in Month
Acute	117,722	118,786	- 1,064	203,801	205,209	- 1,408	- 713	- 695
Mental Health	17,204	17,659	- 454	29,483	30,698	- 1,215	- 916	- 299
Primary Care	49,578	48,815	763	84,023	83,428	596	336	260
Continuing Care	7,931	10,314	- 2,383	13,628	18,063	- 4,434	- 4,527	93
Community	16,022	15,961	62	27,473	27,566	- 93	- 93	-
Other	18,779	15,728	3,052	25,129	18,574	6,554	5,914	641
QIPP	-	-	-	-	4,324	- 4,324	- 4,694	370
CCG Running Costs	3,283	3,261	22	5,197	5,197	0	-	0
Adult Social Care	26,291	26,196	95	44,181	44,018	163	182	- 19
Children's services	18,329	22,526	- 4,197	35,192	42,387	- 7,195	- 6,992	- 203
Public Health	12,451	12,344	107	16,708	16,524	184	55	129
<b>Integrated Commissioning Fund</b>	<b>287,592</b>	<b>291,590</b>	<b>- 3,998</b>	<b>484,816</b>	<b>495,988</b>	<b>- 11,172</b>	<b>- 11,449</b>	<b>277</b>
CCG Expenditure	230,521	230,524	- 3	388,735	393,059	- 4,324	- 4,694	370
TMBC Expenditure	57,071	61,066	- 3,995	96,081	102,929	- 6,848	- 6,755	- 93
<b>Integrated Commissioning Fund</b>	<b>287,592</b>	<b>291,590</b>	<b>- 3,998</b>	<b>484,816</b>	<b>495,988</b>	<b>- 11,172</b>	<b>- 11,449</b>	<b>277</b>
A: Section 75 Services	159,543	160,622	- 1,079	264,310	268,323	- 4,013	- 4,227	214
B: Aligned Services	108,093	111,449	- 3,356	186,962	194,149	- 7,187	- 7,101	- 86
C: In Collaboration Services	19,896	19,518	377	33,544	33,516	28	- 121	149
<b>Integrated Commissioning Fund</b>	<b>287,532</b>	<b>291,590</b>	<b>- 4,058</b>	<b>484,816</b>	<b>495,988</b>	<b>- 11,172</b>	<b>- 11,449</b>	<b>277</b>

Single Commission Risk Share (£000's)	11,172
TMBC - Non Recurrent Contribution	4,324
CCG	500
TMBC	6,348

- Non Rec repayable contributions between CCG/TMBC across 4 year period
- 80:20 Risk share arrangement between CCG/TMBC as per contributions to ICF
- £500k upper threshold on CCG contribution to TMBC & £2m cap on TMBC contribution to CCG

### Key Headlines:

- 2017/18 Projected year end position across the economy is currently: **£11,275m Deficit** (i.e. QIPP savings still to be delivered to meet financial control totals)
- Movement in forecast year end position is: **£277k Favourable** following M6 review of QIPP position
- Negative reserve over and above QIPP will need to be cleared in order to meet control total (driven by increased CHC spend)

### Financial Summary – Forecast Position

**£4.4m projected overspend on continuing care causing significant pressures**

**More work required to turn amber/red rated QIPP schemes green and to bring new schemes forward**

**Reporting that financial control totals will be met, but significant risk attached to this:**

- Deliver a surplus of 1% against opening allocation (£3.496m), plus carry forward of £3.678m from 16/17
- Achieve a £23.9m QIPP target.
- Keep 0.5% of allocation uncommitted to fund a national system risk reserve
- Demonstrate growth in Mental Health spend of 2%
- Remain within the running costs allocation

Theme	Highlights	Key Risks
<b>Acute</b>	<ul style="list-style-type: none"> <li>To support new operational structures within the finance team, some independent sector budgets have moved from the 'other' section of this report into 'acute'. Diagnostics are included in this, which has been overspend against budget all year.</li> <li>Several high cost OOA patients have resulted in a pressure of £300k on the NCA budget.</li> <li>Overspend at Central/South Manchester, Salford &amp; Christies is continuing to place a pressure on QIPP delivery.</li> </ul>	<ul style="list-style-type: none"> <li>Cost pressures at ICFT – risk to block contract.</li> <li>Specialist IAT under review which may offset pressures in Salford and Christies contracts.</li> </ul>
<b>Mental Health</b>	<ul style="list-style-type: none"> <li>Overspend relates to high cost placements, managed by individualised commissioning and within scope of CHC recovery plan.</li> <li>Most of the adverse movement relates to a single patient, who has been assessed as requiring a secure NHSE funded bed. However, as no suitable beds available commissioning responsibility remains with CCG until patient is transferred.</li> </ul>	<ul style="list-style-type: none"> <li>Transforming Care – movement of commissioning responsibility from specialist to CCG's.</li> <li>Pennine Care Sustainability.</li> </ul>
<b>Primary Care</b>	<ul style="list-style-type: none"> <li>Benefit on delegated commissioning following review of position with NHSE (release of prior year accruals).</li> <li>Underlying QIPP delivery of £2.2m is offset by uncontrollable external pressures.</li> </ul>	<ul style="list-style-type: none"> <li>NCSO pressure of £1.2m - Quetiapine and Olanzapine (anti psychotic drugs) is limiting the value of QIPP delivery.</li> </ul>
<b>Continuing Care</b>	<ul style="list-style-type: none"> <li>Overall projections around individualised commissioning has increased by around £200k.</li> <li>Pressure in mental health placements (£300k), offset by a reduction in the number of fast track patients being treated (£100k).</li> </ul>	<ul style="list-style-type: none"> <li>Transforming Care – movement of commissioning responsibility from specialist to CCG.</li> <li>Continuing growth in fast track patients.</li> </ul>

Theme	Highlights	Key Risks
<b>Community</b>	<ul style="list-style-type: none"> <li>Block contract in place with ICFT</li> </ul>	<ul style="list-style-type: none"> <li>Awaiting outcome of VAT reclaim on wheelchairs.</li> </ul>
<b>Other</b>	<ul style="list-style-type: none"> <li>Negative reserve to clear over and above the outstanding QIPP still to be delivered.</li> </ul>	<ul style="list-style-type: none"> <li>Nothing in position for additional critical care/ambulance costs associated with Healthier Together.</li> <li>Estates schedules from Propco still outstanding. Also risk on market rents allocation.</li> </ul>
<b>QIPP</b>	<ul style="list-style-type: none"> <li>£12.4m (52%) of targeted savings banked at M7.</li> <li>£1m reduction in expected savings since M6 as in-year expectations around high and medium risk schemes are reviewed to make forecast more realistic.</li> <li>Expected savings stable due to increase in banked schemes.</li> </ul>	<ul style="list-style-type: none"> <li>Still need to deliver further £4.3m savings (plus clear the negative reserve).</li> <li>Only 52% of expected savings delivered on recurrent basis.</li> </ul>
<b>CCG Running Costs</b>	<ul style="list-style-type: none"> <li>YTD QIPP savings of £778k released at M7.</li> <li>On track to remain within running cost allocation and deliver £1.1m QIPP savings.</li> </ul>	<ul style="list-style-type: none"> <li>Proposed changes to clinical governance are built into the projected QIPP.</li> </ul>
<b>Public Health</b>	<ul style="list-style-type: none"> <li>£42K Cost reductions resulting from an in year service redesign which includes a part year saving from the deletion of a management post. The full year effect of £74k will be realised in 2018/19.</li> <li>Expenditure forecast to be less than budget as a result of delayed recruitment to vacant posts. £34K</li> </ul>	

Theme	Highlights	Key Risks
<b>Adult Social Care</b>	<ul style="list-style-type: none"> <li>• £160k of Direct Payment (DP) clawbacks in year following client finance audits. These occur when clients no longer require the level of care originally stipulated in their DP agreement or where the allowance has not been used by the client in the agreed way</li> <li>• Increase of £84k in Fairer Charging income received for community based services, this is income based on the individual client financial assessments of approximately 1000 clients (this number varies slightly throughout the year).</li> <li>• Employee related spend is forecast to be £400k less than budget. The number of assessed hours required for the Council provided Learning Disabilities Homemaker Service are less than budgeted due to services being delivered by the independent sector.</li> <li>• Increased numbers of Nursing bed placements (201 at April 2017 to 221 at the end of October) has resulted in forecast spend being £656k in excess of budget (the average net cost of a nursing placement excluding Funded Nursing Care (FNC) is £29k per year). The additional placements have contributed to reductions in DTOC numbers since April 2017. The current daily average DTOC is 12 compared to 30+ in April 2017. The age of admission is also reducing which is leading to an increase in length of stay (average age of admission last year was 82 compared to 80 currently) which could have a future financial impact.</li> </ul>	<ul style="list-style-type: none"> <li>• Continued volatility in Care Home placement numbers over the winter period.</li> <li>• Increasing length of stay in Care Homes due to earlier admission resulting in additional costs</li> <li>• Nursing bed capacity in Care Homes is currently stretched with vacancy levels of 5% (28 beds) across the borough – discussions are currently being held with providers to increase capacity.</li> <li>• Transitions through from Children’s Social Care – detailed work is underway to understand the cost implications and external market capacity to ensure all care requirements can be met.</li> </ul>



Theme	Highlights	Key Risks
<b>Children's Social Care</b>	<ul style="list-style-type: none"> <li>Forecast spend on employee related costs forecast to be £874k in excess of budget. The service continues to recruit Social Workers to support the additional caseload demands since the 2017/18 budget was approved. The ongoing strategy is to transition agency employees onto permanent contracts within the service as this is a lower cost alternative and also improves the quality and stability of service delivery.</li> <li>Alongside the recruitment of agency Social Workers, there is also additional estimated expenditure to the approved budget on a number of additional senior positions as the Council and its partners take action to make the required improvements to the service, including the appointment of a new Director of Children's Services.</li> <li>The number of Looked After Children has increased from 519 at April 2017 to 579 in November 2017. The current budget allocation will finance approximately 450 placements, assuming average weekly unit costs for placements. This unprecedented level of demand has led to a forecast deficit position of £6.635m on the placement budget in 2017-18.</li> </ul>	<ul style="list-style-type: none"> <li>Capacity of in-borough care provision</li> <li>Additional demand requiring high cost independent sector placements</li> <li>Retention of Social Workers and associated impact on service delivery and budget allocation</li> <li>Impact of the additional resource implications to support the required improvements on the strategic commission budget</li> </ul>

## Revenue Financial Position

### Financial Position:

### Key Headlines:

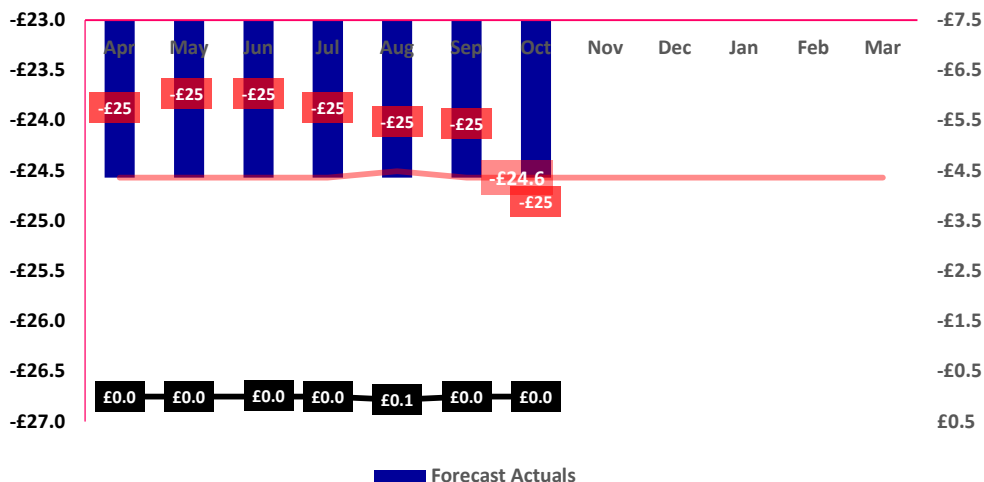
- YTD Position across at the ICFT is currently: **£1.26m overspent**
- This is an adverse movement in month of **£0.1m**

Organisation	YTD Position			Forecast Position		
	Budget	Actual	Variance	Budget	Forecast	Variance
	£000's	£000's	£000's	£000's	£000's	£000's
Income	119,237	120,006	768	204,701	204,701	-
Expenditure	- 129,110	- 130,958	- 1,848	- 219,916	- 219,916	-
EBITDA	- 9,873	- 10,952	- 1,079	- 15,215	- 15,215	-
Financing	- 5,234	- 5,415	- 181	- 9,129	- 9,129	-
Normalised Surplus/ (Deficit)	- 15,107	- 16,367	- 1,260	- 24,344	- 24,344	-
Exceptional Items	- 93	1,351	1,444	- 162	- 162	- 0
Net Deficit after Exceptional Costs	- 15,201	- 15,016	185	- 24,506	- 24,506	- 0

## Revenue Forecast Position

### Forecast detail - £m's

### Financial Summary – Key Risks



- The Trust is paying escalated rates to clinical staff due to gaps in medical rotas and a change in tax regulation. Consequently this is putting significant pressure on the Trust's financial position.
- The Trust has a number of escalated beds that are unfunded. Closing these beds will be difficult whilst the Trust's bed occupancy continues to be high.
- Income on smaller clinical contracts is falling and there is a focus on ensuring costs fall in relation to the loss of income.
- The Trust's efficiency programme is currently forecasting to underachieve, which will result in a financial pressure that will be managed within the overall ICFT financial position.

## Health Economy Position - At a glance

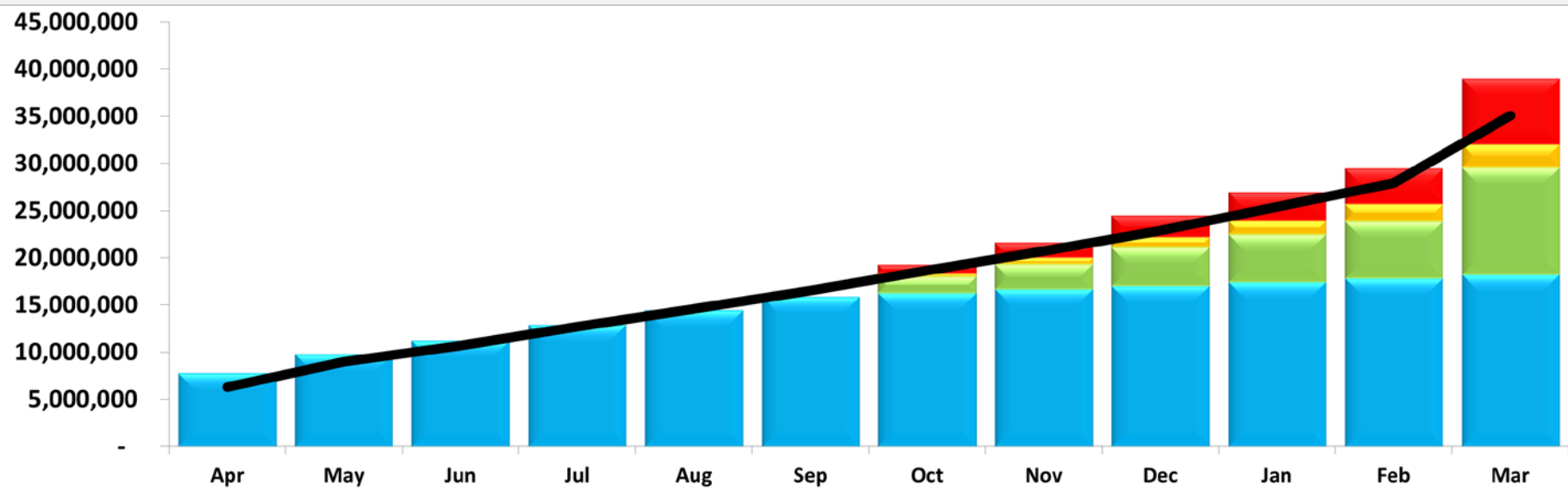
	YTD			2017/18 FORECAST BREAKDOWN £000'S								
	Target	Delivered	Variance	In Year Posted	Low	Medium	High	Forecast Savings	Forecast Savings Excl High Risk	Target	Variance	Status
ICFT	4,880	4,802	(78)	7,133	2,574	77	1,569	11,354	9,785	10,397	(612)	●
T&G CCG	13,299	12,406	(893)	12,406	7,170	866	2,172	22,614	20,442	23,900	(3,458)	●
LOCAL AUTHORITY	451	451	0	451	177	145	0	773	773	773	0	●
<b>TOTAL</b>	<b>18,630</b>	<b>17,659</b>	<b>(971)</b>	<b>19,990</b>	<b>9,921</b>	<b>1,088</b>	<b>3,741</b>	<b>34,741</b>	<b>31,000</b>	<b>35,070</b>	<b>(4,070)</b>	●

### In Month/YTD Position

- 17/18 YTD Delivery across the economy is currently: **£17,699k**
- This is an underachievement against plan of **£971k**

### Forecast Position

- 2017/18 Projected Economy saving forecast: **£4,070k Shortfall to plan**
- This represents an deterioration since M6 of: **£1,022k**



NB: Red Schemes are not included within the forecast savings figures due to high risk of non-financial delivery



## Children's services

Cost of Children's placements



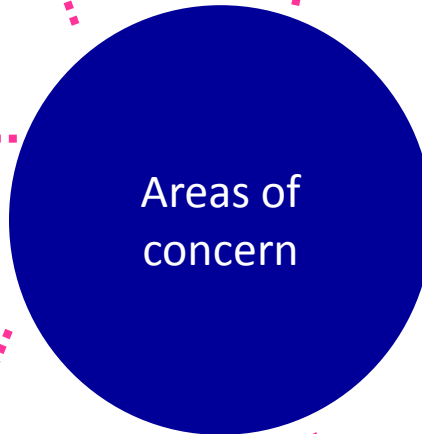
## Intermediate Care

Public consultation



## CHC

Increased cost of CHC and social care assessments



## Urgent Care

A&E streaming and longer term plans for urgent care centre



## Individualised Commissioning

Recovery plan & associated financial pressures



## Due Diligence

Complexities & timelines of due diligence to support transfer of services

## ICFT Position - At a glance

Theme	In Month £000			YTD £000			Forecast £000							Movement £000	
	Plan	Actual	Var	Plan	Actual	Var	Plan	Delivered FYE	Low	Medium	High	Total Exc Red	Var	Previous Var	Change
Technical Target	£104	£139	£35	£725	£1,068	£343	£1,243	1,213	487	0	0	£1,701	£458	£439	£19
Pharmacy	£22	£19	-£3	£187	£352	£166	£392	448	155	0	25	£603	£211	£211	£0
Divisional Target - Corporate	£81	£234	£153	£566	£943	£377	£1,020	1,232	0	6	61	£1,238	£218	£108	£110
Workforce Efficiency	£10	£0	-£10	£71	£70	-£1	£121	70	70	0	0	£140	£19	£33	-£14
Divisional Target - Surgery	£55	£45	-£10	£363	£302	-£61	£640	622	0	18	0	£640	£0	£0	£0
Transformation Schemes	£0	£49	£49	£133	£208	£75	£1,000	453	547	0	431	£1,000	£0	£0	£0
Estates	£24	£22	-£2	£174	£99	-£75	£557	168	347	38	3	£554	-£4	-£3	-£1
Divisional Target - Medicine	£68	£56	-£11	£459	£379	-£80	£803	589	114	0	83	£703	-£100	-£93	-£7
Paperlite	£10	£0	-£10	£73	£0	-£73	£125	0	16	15	78	£31	-£94	-£94	£0
Medical Staffing	£55	£32	-£23	£336	£193	-£142	£716	354	185	0	240	£539	-£177	-£165	-£12
Nursing	£85	£28	-£57	£557	£395	-£162	£975	429	345	0	0	£774	-£201	-£191	-£10
Demand Management	£141	£111	-£30	£920	£613	-£307	£1,732	1,185	85	0	461	£1,270	-£461	-£389	-£72
Procurement	£46	£25	-£22	£317	£179	-£138	£1,073	371	222	0	186	£593	-£480	-£451	-£30
<b>TOTAL ICFT - TEP</b>	<b>702</b>	<b>761</b>	<b>60</b>	<b>4,880</b>	<b>4,802</b>	<b>-78</b>	<b>10,397</b>	<b>7,133</b>	<b>2,574</b>	<b>77</b>	<b>1,569</b>	<b>9,785</b>	<b>-612</b>	<b>-596</b>	<b>-16</b>

### Performance to date and forecast:

#### Forecast position

£0.6m Forecast Shortfall in year and £1.1m Recurrently.



#### Most improved scheme

Corporate +£110k

#### Movement from Month 6

£16k adverse In Year  
£200k adverse recurrently



#### Most adverse movement

Demand Mgt -£72k

### Key issues and recovery:

- Amber/Green – Still over £2.6m to deliver in the last 5 months of the financial year. Deep dives to be undertaken for all low risk schemes to confirm delivery.
- 2018/19 – New schemes need to be developed for next year's TEP target, high level proposals due by end of November 17.