

Report to:	HEALTH AND WELLBEING BOARD
Date:	25 January 2018
Executive Member / Reporting Officer:	<p>Councillor Jim Fitzpatrick – First Deputy (Performance and Finance)</p> <p>Councillor Brenda Warrington – Executive Member (Adult Social Care and Wellbeing)</p> <p>Councillor Gerald P. Cooney – Executive Member (Healthy and Working)</p> <p>Kathy Roe – Director Of Finance – Tameside & Glossop CCG & Tameside MBC</p>
Subject:	<p>TAMESIDE & GLOSSOP CARE TOGETHER ECONOMY – 2017/18 CONSOLIDATED FINANCIAL MONITORING STATEMENT AT 31 OCTOBER 2017 AND PROJECTED OUTTURN TO 31 MARCH 2018</p> <p>TAMESIDE HEALTH AND WELLBEING BOARD 2017/18 BETTER CARE FUND MONITORING REPORT – PERIOD ENDING 31 DECEMBER 2017</p>
Report Summary:	<p>This is a jointly prepared report of the Tameside & Glossop Care Together constituent organisations on the consolidated financial position of the Economy.</p> <p>The report provides a 2017/2018 financial year update on the month 7 financial position (at 31 October 2017) and the projected outturn (at 31 March 2018).</p> <p>A summary of the Tameside and Glossop Integrated Care NHS Foundation Trust financial position is also included within the report. This is to ensure members have an awareness of the overall financial position of the whole Care Together economy and to highlight the increased risk of achieving financial sustainability in the short term whilst also acknowledging the value required to bridge the financial gap next year and through to 2020/21.</p> <p>The report also provides details of the Tameside Health and Wellbeing Board Better Care Fund 2017/18 monitoring report for the period ending 31 December 2017. It should be acknowledged that the associated Better Care Fund resources are included within the Integrated Commissioning Fund of the economy which is reported on a monthly basis to the Strategic Commissioning Board.</p>
Recommendations:	<p>Health and Wellbeing Board Members are recommended:</p> <ol style="list-style-type: none"> 1. To note the 2017/2018 consolidated financial position of the economy at 31 October 2017 and the projected outturn position at 31 March 2018 (Appendix A). 2. To acknowledge the significant level of savings required during 2017/2018 to achieve confirmed control totals and the financial sustainability of the economy on a recurrent basis thereafter.

3. To acknowledge the significant amount of financial risk associated with the achievement of financial control totals during this period.
4. To note the 2017/2018 Better Care Fund monitoring report for the period ending 31 December 2017. **(Appendix B).**

Links to Community Strategy:

The Sustainable Community Strategy and Local Area Agreement are key documents outlining the aims of the Council and its partners to improve the borough of Tameside (agreed in consultation with local residents). Within health the Clinical Commissioning Group's Commissioning Strategy and Primary Care Strategy are similarly aligned to these principles and objectives.

Policy Implications:

The Care Together resource allocations detailed within this report supports the strategic plan to integrate health and social care services across the Tameside and Glossop economy.

Financial Implications:

(Authorised by the Section 151 Officer))

This report provides the consolidated financial position statement of the 2017/18 Care Together Economy for the period ending 31 October 2017 (Month 7 – 2017/18) together with a projection to 31 March 2018 for each of the three partner organisations **(Appendix A).**

The report explains that there is a clear urgency to implement associated strategies to ensure the projected funding gap is addressed and closed on a recurrent basis across the whole economy.

A risk share arrangement is in place between the Council and CCG relating to the residual balance of net expenditure compared to the budget allocation at 31 March 2018, the details of which are provided within the report.

It should be noted that the Integrated Commissioning Fund for the partner Commissioner organisations are bound by the terms within the Section 75 agreement and associated Financial Framework agreement which has been duly approved by both the Council and Clinical Commissioning Group.

Health and Wellbeing members should also note that the Better Care Fund allocations relating to **Appendix B** are included within the Section 75 funding allocation of the Integrated Commissioning Fund.

Legal Implications:

(Authorised by the Borough Solicitor)

There is a need to deliver a balanced budget. Consequently, there are significant changes required to achieve this and reduce the current levels of spend which previously have been bailed out. This requires new models of working and relentless focus on budgets without compromising patient care and safety. Many of the new models are intended to achieve this rather than simply look to cut out waste.

Access to Information :

Any background papers relating to this report can be inspected by contacting :

Stephen Wilde, Finance Business Partner, Tameside Metropolitan Borough Council



Telephone:0161 342 3726



e-mail: stephen.wilde@tameside.gov.uk

Tracey Simpson, Deputy Chief Finance Officer, Tameside and Glossop Clinical Commissioning Group



Telephone:0161 304 5626



e-mail: tracey.simpson@nhs.net

David Warhurst, Associate Director Of Finance, Tameside Hospital NHS Foundation Trust



Telephone:0161 922 4624



e-mail: David.Warhurst@tgh.nhs.uk

1. EXECUTIVE SUMMARY

- 1.1 This report aims to provide an update on the financial position of the care together economy as at month 7 in 2017/18 (to 31 October 2017) and to highlight the increased risk of achieving financial sustainability. Supporting details are provided in **Appendix A**.
- 1.2 The report includes the details of the Integrated Commissioning Fund and the progress made in closing the financial gap for the 2017/18 financial year. The total Integrated Commissioning Fund is £485m in value, however it should be noted that this value is subject to change throughout the year as new Inter Authority Transfers are actioned and allocations are amended.
- 1.3 The Tameside and Glossop Care Together Strategic Commissioning Board are required to manage all resources within the Integrated Commissioning Fund and comply with both organisations' statutory functions from the single fund.
- 1.4 It should be noted that the report includes details of the financial position of the Tameside and Glossop Integrated Care NHS Foundation Trust. This is to ensure members have an awareness of the projected total financial challenge which the Tameside and Glossop Care Together economy is required to address during 2017/18.
- 1.5 Please note that any reference throughout this report to the Tameside and Glossop economy refers to the three partner organisations within the Care Together programme, namely:
 - Tameside and Glossop Integrated Care NHS Foundation Trust;
 - NHS Tameside and Glossop Clinical Commissioning Group;
 - Tameside Metropolitan Borough Council.

2. FINANCIAL SUMMARY

- 2.1 **Table 1** provides details of the summary 2017/18 budgets, net expenditure and forecast outturn of the Integrated Commissioning Fund and Tameside and Glossop Integrated Care NHS Foundation Trust. Supporting details of the forecast outturn variances are explained in sections 2 and 3 of **Appendix A**. Members should note that there are a number of risks that have to be managed within the economy during the current financial year, the key one's being:
 - Significant budget pressures for the Clinical Commissioning Group relating to Continuing Care related expenditure of £4.4m.
 - Children's Services within the Council is managing unprecedented levels of service demand which is currently projected to result in additional expenditure of £7.2m when compared to the available budget.
 - The Integrated Care Foundation Trust are working to a planned deficit of £24.5m for 2017/18. However it should be noted that efficiencies of £10.4m are required in 2017/18 in order to meet this sum.
- 2.2 **Table 2** provides details of the Strategic Commission risk share arrangements in place for 2017/18. Under this arrangement the Council has agreed to resource up to £5m in each of the next two financial years (2017/18 and 2018/19) in support of the Clinical Commissioning Group's Quality, Innovation, Productivity and Prevention programme savings target which is conditional upon the Clinical Commissioning Group agreeing to a reciprocal arrangement in 2019/20 and 2020/21.

Any variation from budget is shared in the ratio 80:20 for Clinical Commissioning Group:Council. A cap is placed on the shared financial exposure for each organisation (after the use of £5m) in 2017/18 which is a maximum £0.5m contribution from the Clinical Commissioning Group towards the Council year end position and a maximum of £2.0m contribution from the Council towards the Clinical Commissioning Group year end position. The Clinical Commissioning Group year end position is adjusted prior to this contribution for costs relating to the residents of Glossop (13% of the total Clinical Commissioning Group variance) as the Council has no legal powers to contribute to such expenditure.

Table 1 – Summary of the Tameside and Glossop Care Together Economy – 2017/18

	2017/18		
	Budget	Forecast	Variance
	£'000	£'000	£'000
Strategic Commission	484,816	495,988	(11,172)
ICFT	(23,344)	(23,344)	0
Total Whole Economy	460,472	471,644	(11,172)

Table 2 – Risk Share

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

There are a number of additional risks which each partner organisation is also managing during the current financial year, the details of which are provided within **Appendix 1** :

2.3 The additional risks which each constituent organisation is required to manage are provided within **Appendix A**:

- Section 2: The Strategic Commissioner (CCG and the Council))
- Section 3: Tameside and Glossop Integrated Care NHS Foundation Trust

3. 2017/18 EFFICIENCY PLAN

3.1 The economy has an efficiency sum of £35.1m to deliver in 2017/18, of which £24.7m is a requirement of the Strategic Commissioner.

3.2 **Section 4** and **Annex 1** of **Appendix A** provides supporting analysis of the delivery against this requirement for the whole economy. It is worth noting that there is a forecast £4.1m under achievement of this efficiency sum by the end of the financial year, £3.5m of which relates to the Strategic Commissioner.

3.2 It is therefore essential that additional proposals are considered and implemented urgently to address this gap and on a recurrent basis thereafter.

4. BETTER CARE FUND

4.1 Health and Wellbeing Board members are reminded that the Better Care Fund was introduced during 2015/16 and has continued in the current financial year. The funding is

awarded to the Economy to support the integration of health and social care to ensure resources are used more efficiently between Clinical Commissioning Groups and Local Authorities, in particular to support the reduction of avoidable hospital admissions and the facilitation of early discharge.

- 4.2 **Appendix B** provides supporting details of the 2017/18 quarter three (1 April 2017 to 31 December 2017) Better Care Fund monitoring statement recently submitted to NHS England. Guidance recommends that the quarterly monitoring returns are also presented to Health and Wellbeing Board members.

5. RECOMMENDATIONS

- 5.1 As stated on the front of the report.