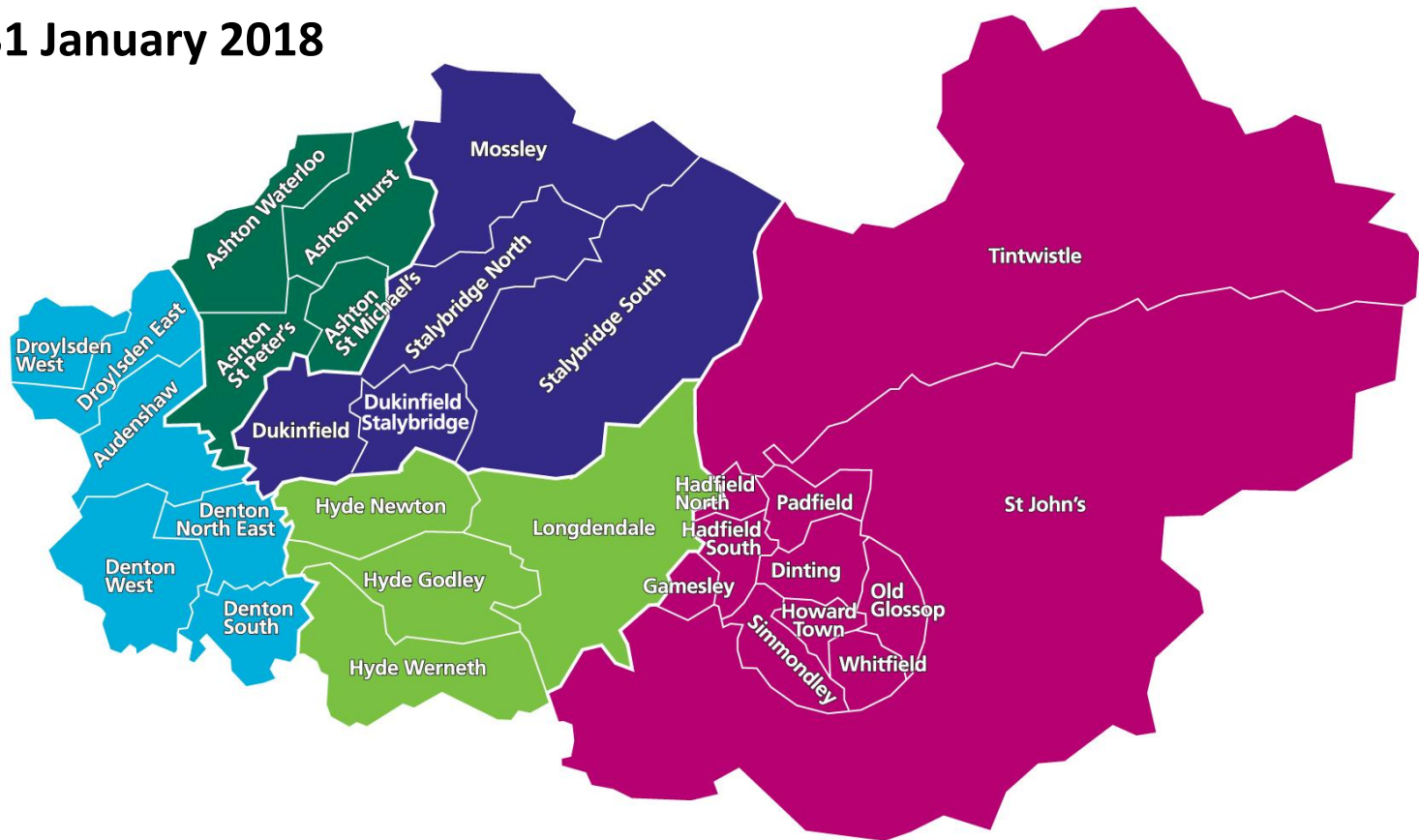


Tameside and Glossop Integrated Financial Position

financial monitoring statements

Period Ending 31 January 2018
Month 10



Kathy Roe
Claire Yarwood

Integrated Care Together Economy Financial Position

In 2017/18 the Care Together economy still has a £7,116k financial gap

How do we close this gap?

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
Strategic Commission	403,297	409,232	-5,934	487,247	494,363	-7,116	-11,219	4,103
ICFT	-20,321	-21,013	-693	-23,730	-23,730	0	0	0
Total	382,976	388,219	-6,627	463,517	470,633	-7,116	-11,219	4,103

- Following transaction of the Integrated Commissioning Fund risk share, the Strategic Commission funding position has improved by £4,103k this month to show a gap of £7,116k. This gap relates primarily pressures within Children's Social Care as explained within the Executive Summary. This net funding gap within the Council will be resourced via a £500k contribution from the CCG into the ICF risk share agreement, with the residual balance financed via a combination of Council in year revenue and existing general reserve balances. We continue to report that we will meet our financial control totals.
- The ICFT are working to a planned deficit of £23,730k for 2017/18, which is an improvement of £619k since last month). Trust efficiencies of £10,397k are required in order to meet this control total. (The trust has seen an improvement towards this of £135k since month 9)
- The Integrated Commissioning Fund has now received the extra non-recurrent contributions from the risk share agreement ensuring a balanced position is now achieved.
- While the financial gap is a large figure, it is important to appreciate this within the context of the total budget:




Economy Wide Highlights


- The full £23,900k QIPP target has now been achieved this month which reduces the CCGs post mitigations risk for 2017/18 to zero.
- Risk Share contributions transacted > £3,700k – Continuing Care > £500k – MH Non-CHC > **£4,200k Sub Total** > £500k Children's Services
- CHC/MH Non-CHC and Neuro Rehab is forecast to overspend by £2,188k. This is a reduction of £4,200k from last month due to the risk share contribution highlighted above. This doesn't change the underlying position that there is a £6,388k cost pressure in this area.
- £7,812k projected overspend on Children's Services predominantly driven by out of area placements. £500k from the risk share contribution has been transacted in month 10.
- £2,233k projected overspend on acute, driven by increased activity (mainly emergency admissions) at providers other than the ICFT
- Risk Attached to delivery of Trust Efficiency Plan (TEP)
- Medical agency spend creating particular pressures


Tameside Integrated Care Foundation Trust Financial Position

High level financial overview

	Month 10			Year to Date			Forecast Outturn
	Plan	Actual	Variance	Plan	Actual	Variance	Plan
	£000	£000	£000	£000	£000	£000	£000
Normalised Surplus/(Deficit)	(1,435)	(1,641)	(206)	(20,321)	(21,013)	(693)	(23,730)
Capital Expenditure	661	421	(240)	4,664	1,962	(2,702)	4,664
Cash and Equivalents	1,190	1,861	671				
Trust Efficiency Savings	1,261	852	(409)	7,903	7,697	(206)	10,397
Use of Resources Metric	3	3	0	3	3	0	3

 YTD Net position is £21,000k deficit, c. £700k over the proposed deficit.

 Internal management forecast at Month 10 is c£23,700k deficit

 Trust Efficiency Programme is c. £200k behind the year to date (YTD) target

 Cash is £600k above the planned balance

Key risks and highlights

Key Risks – I&E

- **Control Total** - The Trust has agreed with NHSI that it will deliver it's planned deficit. As the Trust did not sign up to the NHSI control total, there will be no access to STF or capital monies for A&E Streaming and from the Digital fund.
- **Medical Staffing** - The level of medical agency expenditure is providing a financial pressure for the Trust
- **Unfunded Beds** - The Trust has a number of escalated beds that are unfunded.
- **Activity levels** - Income on smaller clinical contracts is falling, but no corresponding reduction in costs.
- **TEP** - Failure to deliver the Trusts efficiency target.
- **Expenditure on A&E and General Medicine** is significantly over budget reflecting pressure in non-elective activity.

Key Risks – Balance Sheet/Other

- **Loans** - At the end of 2016/17, the Trust had loan liability of £54,800k. It is anticipated that this will increase to £78,100k in 2017/18. The Trust will be required to repay part of this liability in 2018 and a further loan may be required to service this repayment.
- **Cash** - The January month end cash balance was £600k above the expected the £1,200k plan.
- **Winter Tranche 1 & 2** – The forecast assumes the receipt of Tranche 1 monies of £618k which will reduce the Trusts Planned deficit to £23,700k. The Tranche 2 monies of £725k will be used to support winter schemes and will be expended during Quarter 4
- **Agency Cap** - The NHSI requirement is for the Trust to reduce medical agency expenditure by £1,200k. Currently the Trust is forecasting to achieve the Agency cap by c. £200k, Total Forecast spend at Month 10 is £11,300k

Overall Risk Rating - Medium

 Pressure/High Risk  Improvement/Low risk

Tameside and Glossop Strategic Commissioner Financial Position

- Forecast overspend of £7,116k is driven by significant pressures in children's services.
- Following the transaction of the ICF risk share the overall position has improved by £4,102k since M9.
 - In line with the terms of the agreement the council have contributed £4,200k into the risk share in relation to pressures in individualised commissioning (£3,700k to individualised commissioning patients & £500k for individualised commissioning team Mental Health placements).
 - The CCG has contributed £500k into the ICFT risk share pool in response to pressures in Children's Services (which may not be obvious to see in the high level table below as the benefit has been used to refund council reserves where the original budget increase came from).
- Both organisations are currently reporting that statutory duties and financial control totals will be met. The CCG is reporting that the QIPP target has been fully achieved, with post mitigation risks of zero.

£000's	YTD Position			Forecast Position			Forecast Position	
	Budget	Actual	Variance	Budget	Forecast	Variance	Previous Month	Movement in Month
Acute	168,494	169,943	- 1,449	203,143	205,376	- 2,233	- 1,990	- 243
Mental Health	24,587	24,733	- 146	29,502	29,698	- 196	- 697	501
Primary Care	69,112	67,928	1,185	82,839	81,647	1,192	1,188	4
Continuing Care	11,347	11,108	239	13,623	14,334	- 712	- 4,256	3,544
Community	23,004	22,988	16	27,473	27,581	- 108	- 108	0
Other	20,652	22,071	- 1,419	29,385	27,333	2,053	5,862	- 3,809
QIPP	-	-	-	-	-	-	- 3,798	3,798
CCG Running Costs	4,589	3,020	1,570	5,197	5,193	4	-	4
Adult Social Care	38,870	38,432	438	44,185	43,659	526	196	330
Children's services	28,096	34,606	- 6,510	35,192	43,004	- 7,812	- 7,800	- 12
Public Health	14,545	14,403	142	16,708	16,538	170	184	- 14
Integrated Commissioning Fund	403,297	409,232	- 5,934	487,247	494,363	- 7,116	- 11,219	4,103
CCG Expenditure	321,786	321,791	- 4	391,162	391,162	- 0	- 3,799	3,799
TMBC Expenditure	81,511	87,441	- 5,930	96,085	103,201	- 7,116	- 7,420	304
Integrated Commissioning Fund	403,297	409,232	- 5,934	487,247	494,363	- 7,116	- 11,219	4,103
A: Section 75 Services	222,169	221,673	496	266,778	266,906	- 128	- 3,748	3,620
B: Aligned Services	153,532	160,382	- 6,850	187,268	194,770	- 7,502	- 7,754	252
C: In Collaboration Services	27,597	27,177	420	33,201	32,687	513	283	230
Integrated Commissioning Fund	403,297	409,232	- 5,934	487,247	494,363	- 7,116	- 11,219	4,102

Better Care Fund

- The Better Care Fund (BCF) is a programme spanning both the NHS and local government which seeks to join-up health and care services, so that people can manage their own health and wellbeing, and live independently in their communities for as long as possible.
- 2017/18 Better Care Fund contributions for both Tameside and Derbyshire have now been agreed. As detailed in the table below the Tameside BCF for 2017/18 is £24,093k. In Derbyshire the fund is valued at £101,283k.
- Contributions from T&G CCG are £15,597k and £2,252k respectively. Meaning the CCG is investing £17,849k in BCF in total.
- An expenditure plan that meets all requirements is in place and funds are now being spent in line with the approved plan. Actuals are expected to come in equal to budget, with neither an under or overspend forecast.
- The CCG is spending £5,085k from the BCF pot, reducing the net contribution down to £12,764k.
- There is expected to be an element of slippage on the 2017-18 i-BCF allocation, this is acceptable within the guidance from the Department for Communities and Local Government (DCLG). An updated investment profile will be shared once finalised. The Q3 i-BCF submission was made to DCLG in mid-January, this indicated that all performance targets and metrics were being met in line with the agreed plan.

2017/18 BCF Funding (£000's)	Tameside			Derbyshire			Total CCG Position
	Council	CCG	Total	Council	CCG	Total	
T&G CCG Contribution	0	15,597	15,597	0	2,252	2,252	17,849
Centrally Funded Grants (DFG)	2,153	0	2,153	5,966	0	5,966	0
iBCF	6,343	0	6,343	19,612	0	19,612	0
Other Sources of funding (other CCGs)	0	0	0	73,454	0	73,454	0
Total BCF Funding 2017/18	8,496	15,597	24,093	99,031	2,252	101,283	17,849

2017/18 BCF Expenditure (£000's)	Tameside			Derbyshire			Total CCG Position
	Council	CCG	Total	Council	CCG	Total	
Integrated Neighbourhoods	3,265	3,027	6,292	0	456	456	3,483
Integrated Urgent Care	2,375	1,602	3,977	0	0	0	1,602
Maintaining and Enhancing Services	11,671	0	11,671	0	0	0	0
Disabled Facilities Grant	2,153	0	2,153	5,966	0	5,966	0
Other	0	0	0	94,840	0	94,840	0
Total BCF Expenditure	19,464	4,629	24,093	100,806	456	101,262	5,085

Net CCG contribution	12,764
Tameside	10,968
Derbyshire	1,796

Integrated Commissioning Fund Risks

Continuing Care

A

- Growth in individualised packages of care remains the CCGs biggest financial risk. From the reported £6,000k financial pressure, £4,200k has been used from the risk share to mitigate some of this risk in month 10.
- The financial recovery plan was updated and presented to the finance and QIPP group in January. A significant amount of work is underway to look at service redesign with the ICFT around Fast Track patients and moving away from spot purchasing to block contracts for individualised commissioning packages across both CCG and LA.
- There is now a clear and established process for accessing the Dowry fund as part of the transforming care strategy. The CCG has submitted its claims for 3 cases at the end of January and waiting on the outcome. To mitigate some of the risk associated with this, the CCG is only assuming 50% back at this stage.

Children's Services

R

- Pressure of £7,812k due to increased investment required in children's placements and social workers as a result of the increased demand being experienced in this area and in line with OFSTED recommendations. As part of the risk share contribution, £500k has been transacted in month 10 from the CCG to support the pressures in Children's.
- The number of Looked After Children has increased from 519 at April 2017 to 590 in January 2018.
- The current budget allocation will finance approximately 450 placements

QIPP

G

- Against an annual savings target of £23,900k, all £23,900k has been fully banked in month 10.
- The reported net risk last month was £2,000k. Our net post mitigation risk reported to NHSE this month is zero.

Acute services

A

- Demand Management for emergency services at the associate providers remains a key risk for the CCG. The acute position has adversely moved by £200k this month, rising to £2,300k forecast overspend. This is summarised below identifying the key drivers by point of delivery.
 - A&E (£200k)
 - Planned Care £200k
 - Outpatients (£500k)
 - Urgent Care (£1,200k)
 - Excess Bed days (£100k)
 - Critical Care (£600k)
 - Other £100k

Mental Health:

A

- Heightened levels of out of area placements at premium prices due to shortage of MH beds locally are a significant driver of overspend
- Cost pressures to deliver requirement of Five Year Forward View present a significant medium term risk to financial position of Strategic Commissioner (though slippage in implementation of schemes in 17/18 has improved the in year position slightly).
- Sustainability of local MH providers and potential requirement of additional commissioner contributions is also a risk.

Adult Social Care

A

- While an in year underspend of £526k is currently being forecast, there is significant medium term risk in this area as a result of:
 - increased demand for social care services to support improvement in DTOCs and as a result of demographic growth
 - financial pressure from living wage legislation and care home market

Financial Gap and Efficiency Position

- In order to deliver financial control totals, an economy wide savings target of £35,070k was set for 2017/18. This is made of £10,397k Trust Efficiency Plan (TEP) savings at the ICFT and £24,673k across the strategic commissioner (made up of £23,900k CCG QIPP and £773k of planned council savings).
- The table below details progress against this target. In total, savings of £34,675k are expected, which is an improvement of £3,722k from M9, but still leaves a shortfall of £395k within the ICFT. This is however an improvement of £135k since last month at the ICFT. The £3,700k comes from transacting the risk share contribution this month into the ICF resource to contribute towards the CHC / MH-Non CHC individualised commissioning and children's.
- The ICFT still have £2,305k savings to deliver in final 2 months of the year. Deep dives are underway to confirm delivery of outstanding schemes.
- For the commissioner, the full £23,900k QIPP target has now been achieved in full at month 10. The council remains on track to deliver the full target of £773k with only £129k still to find in the next 2 months.

Key Headlines:

- £32,241k of actual savings delivered in first 10 months of year.
- This represents an over-achievement against plan of £6,831k due to the profiling.
- Final projected economy savings are £395k lower than target.
- This represents a £3,722k improvement against the position reported at M9 due to the transacted risk share contribution.
- More work is required to bring forward new schemes addressing the short fall.
- £19,505k (59%) of expected savings are due to be delivered on a recurrent basis.

£000's	YTD Position			Annual Target	Risk Rated Forecast Position				Expected Savings	Variance
	Target	Delivered	Variance		Posted	Low	Medium	High		
ICFT	7,903	7,697	- 206	10,397	8,900	1,092	10	809	10,002	- 395
Technical Target	1,036	1,655	619	1,243	1,701	62	-	-	1,763	520
Divisional Target - Corporate	825	1,276	451	1,020	1,392	-	4	23	1,396	375
Pharmacy	296	409	113	392	448	77	-	17	525	133
Divisional Target - Surgery	529	572	43	640	700	-	3	-	704	64
Transformation Schemes	101	130	29	121	130	40	-	-	170	49
Workforce Efficiency	600	355	- 245	1,000	453	547	-	216	1,000	0
Estates	342	473	131	557	508	13	3	4	524	- 34
Paperlite	104	3	- 101	125	8	5	-	-	14	- 111
Divisional Target - Medicine	665	562	- 104	803	646	46	-	33	691	- 112
Medical Staffing	536	359	- 177	716	474	44	-	122	518	- 198
Nursing	809	555	- 254	975	568	137	-	-	705	- 270
Demand Management	1,383	1,029	- 354	1,732	1,417	8	-	337	1,425	- 306
Procurement	677	320	- 358	1,073	454	113	-	58	567	- 506
Strategic Commissioner	17,507	24,544	7,037	24,673	24,544	71	58	-	24,673	- 0
Technical Target	1,635	10,611	8,976	1,875	10,611	-	-	-	10,611	8,736
Primary Care	1,688	2,279	592	1,748	2,279	-	-	-	2,279	532
Single Commissioning	931	1,221	290	1,137	1,221	-	-	-	1,221	84
Neighbourhoods	781	781	-	781	781	-	-	-	781	-
Acute Services - Elective	586	586	-	1,116	586	-	-	-	586	- 530
Other	724	724	-	1,324	724	-	-	-	724	- 600
Effective Use of Resources	1,250	815	- 435	1,500	815	-	-	-	815	- 685
Mental Health	294	296	2	994	296	-	-	-	296	- 698
GP Prescribing	2,013	1,185	- 828	2,516	1,185	-	-	-	1,185	- 1,331
Back Office Functions	437	562	125	2,024	562	-	-	-	562	- 1,463
Demand Management	6,525	4,840	- 1,685	8,885	4,840	-	-	-	4,840	- 4,045
Adult Social Care	280	280	-	336	280	10	46	-	336	-
Public Health	364	364	-	437	364	61	12	-	437	-
Total Economy Position	25,410	32,241	6,831	35,070	33,444	1,163	68	809	34,675	- 395