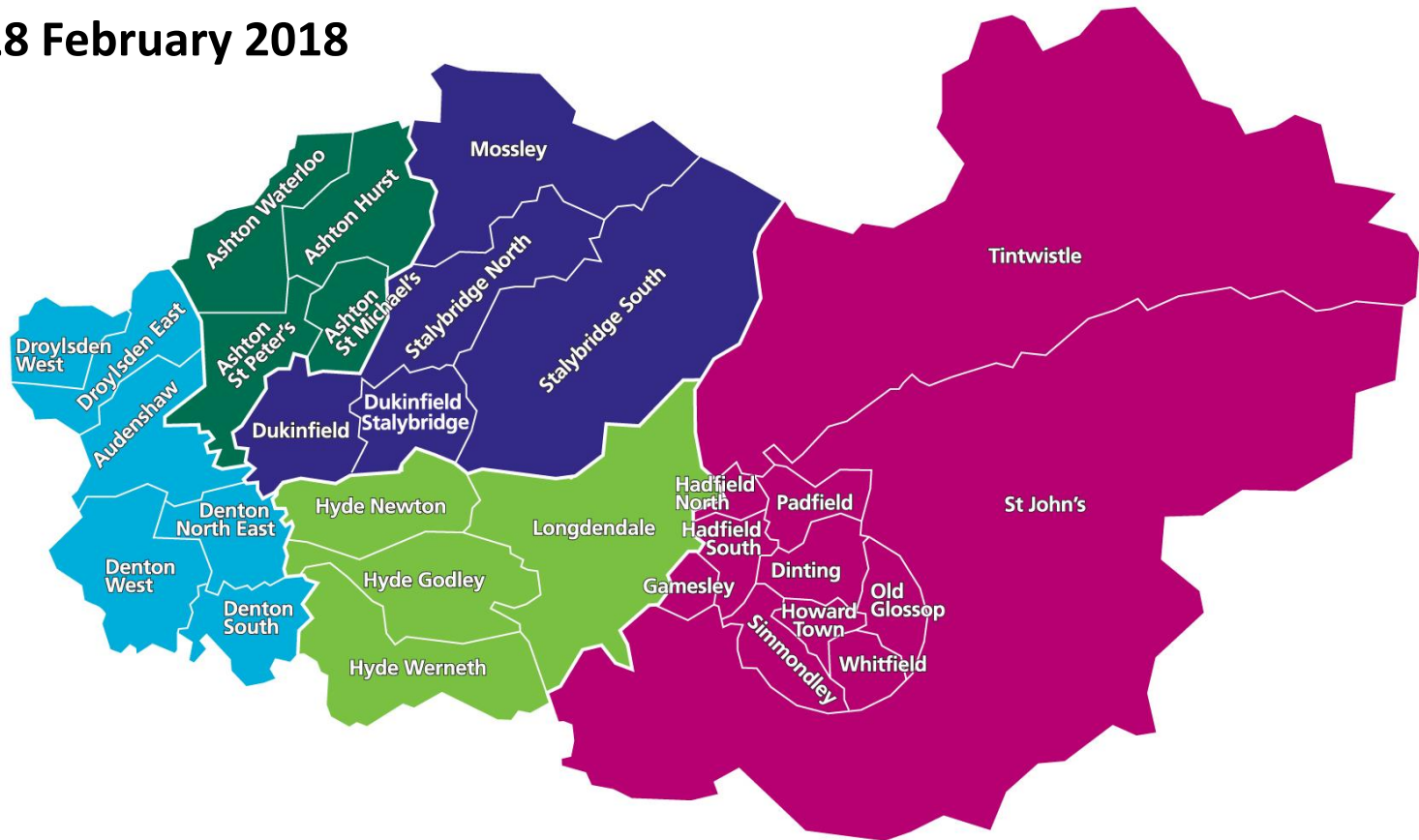


Tameside and Glossop Integrated Financial Position

financial monitoring statements

Period Ending 28 February 2018
Month 11



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Integrated Care Together Economy Financial Position

In 2017/18 the Care Together economy still has a £7,429k 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	444,335	451,150	-6,815	487,381	494,810	-7,429	-7,116	-313
ICFT	-22,088	-22,054	34	-23,730	-23,730	0	0	0
Total	422,247	429,096	-6,781	463,651	471,080	-7,429	-7,116	-313

- Following transaction of the Integrated Commissioning Fund risk share, the Strategic Commission funding position shows a gap of £7,429k. 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. Both CCG and council continue to report that we will meet financial control totals.
- The ICFT are working to a planned deficit of £23,730k for 2017/18, which is consistent with the reported position last month. Trust efficiencies of £10,397k are required in order to meet this control total.
- 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 equals 1.6% of the total budget:



Economy Wide Highlights

- The full £23,900k QIPP target has been achieved in year (£12,252k delivered recurrently). As such the CCGs post mitigation risk for 2017/18 is reported as 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 £2,193k. This includes the increased contribution from the risk share highlighted above. This doesn't change the underlying position that there is a £6,393k cost pressure in this area.
- £8,208k projected overspend on Children's Services predominantly driven by out of area placements. £500k from the risk share contribution was transacted in this area as outlined above.
- £2,566k 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 11			Year to Date			Forecast Outturn		
	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Actual	Variance
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Normalised Surplus/(Deficit)	(1,767)	(1,040)	727	(22,088)	(22,054)	34	(23,730)	(23,730)	0
Capital Expenditure	1,131	489	(642)	4,825	2,451	(2,374)	4,664	4,664	0
Cash and Equivalents	1,190	1,510	320						
Trust Efficiency Savings	1,230	904	(326)	9,134	8,612	(522)	10,397	10,096	(301)
Use of Resources Metric	3	3	0	3	3	0	3	3	0



YTD Net position is £22m deficit, which is broadly in line with plan



Internal management forecast at Month 11 is c£23.7m deficit, which is in line with plan



Trust Efficiency Programme is c. £0.5m behind the year to date (YTD) target



Cash is £0.3m above the planned balance

Key risks and highlights

Key Risks – I&E

- **Control Total** - The Trust has agreed with NHSI that it will deliver its 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 £54.8m. It is anticipated that this will increase to £78.1m 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 February month end cash balance was £0.3m above the expected the £1.2m plan.
- **Winter Tranche 1 & 2** – The forecast assumes the receipt of Tranche 1 monies of £618k which will reduce the Trusts Planned deficit to £23.7m. 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 £1.2m. Currently the Trust is forecasting to achieve the Agency cap by c. £0.3m, Total Forecast spend at Month 11 is £10.9m

Overall Risk Rating - Medium

↓ Pressure/High Risk ↑ Improvement/Low risk

Tameside and Glossop Strategic Commissioner Financial Position

- Forecast overspend of £7,429k is driven by significant pressures in children's services, which has seen further deterioration of £396kin M11. This deterioration relates primarily to an increase in the number of looked after children.
- The ICF risk share has been transacted as follows:
 - 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	185,918	188,847	- 2,929	203,170	205,736	- 2,566	- 2,233	- 333
Mental Health	27,050	27,239	- 189	29,754	29,995	- 240	- 196	- 45
Primary Care	76,089	74,765	1,324	83,109	81,775	1,334	1,192	142
Continuing Care	12,485	12,278	207	13,623	14,340	- 717	- 712	- 5
Community	25,239	25,360	- 121	27,473	27,501	- 28	- 108	80
Other	24,297	24,184	113	28,970	26,760	2,210	2,053	157
QIPP	-	-	-	-	-	-	-	-
CCG Running Costs	4,867	3,277	1,590	5,197	5,189	8	4	3
Adult Social Care	42,328	41,847	481	44,185	43,660	525	526	- 1
Children's services	30,040	37,564	- 7,524	35,192	43,400	- 8,208	- 7,812	- 396
Public Health	16,022	15,789	233	16,708	16,454	254	170	84
Integrated Commissioning Fund	444,335	451,150	- 6,815	487,381	494,810	- 7,429	- 7,116	- 313
CCG Expenditure	355,945	355,950	- 5	391,296	391,296	- 0	- 0	0
TMBC Expenditure	88,390	95,200	- 6,810	96,085	103,514	- 7,429	- 7,116	- 313
Integrated Commissioning Fund	444,335	451,150	- 6,815	487,381	494,810	- 7,429	- 7,116	- 313
A: Section 75 Services	245,701	244,736	965	266,791	266,929	- 138	- 128	- 10
B: Aligned Services	168,211	176,503	- 8,291	187,296	195,161	- 7,865	- 7,502	- 363
C: In Collaboration Services	30,423	29,911	512	33,294	32,720	574	513	60
Integrated Commissioning Fund	444,335	451,150	- 6,815	487,381	494,810	- 7,429	- 7,116	- 313

Integrated Commissioning Fund Risks

Individualised Commissioning

A

- Growth in individualised packages of care remains the CCGs biggest financial risk. While overspend in the ledger is £2,193, this includes mitigation through increased council contribution to the ICF risk share. The underlying pressure against opening budgets is £6,393k.
- A financial recovery plan is in place and work is underway to implement the schemes and a paper looking at procurement of care home beds for patients with dementia went through the governance process in February.
- 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 £8,208k 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 was 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 615 in February 2018.
- The current budget allocation will finance approximately 450 placements

QIPP

G

- The CCG had an annual savings target of £23,900k in 17/18, which has been reported as fully achieved in year.
- However less than half of this was achieved on a recurrent basis, meaning we will start 2018/19 with a target of £19,800k. Further work is required to identify new schemes to close this gap recurrently.

Acute services

A

- Demand Management for emergency services at the associate providers remains a key risk for the CCG. There has been a further deterioration in the position at M11, driven by critical care and acute oncology. In total overspend against signed contracts is £2,489k, broken down as follows:.

A&E	(£186k)
Planned Care	£284k
Outpatients	(£483k)
Urgent Care	(£1,201k)
Excess Bed days	(£72k)
Critical Care	(£859k)
Other	£27k

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 safer staffing requirements are also a risk.

Adult Social Care

A

- While an in year underspend of £525k 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 £34,769k are expected, which is an improvement of £94k from M10, but still leaves a shortfall of £301k within the ICFT (although the provider planned deficit will still be met).
- The ICFT still have £1,147k savings to deliver in final month 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.

Key Headlines:

- £33,923k of actual savings delivered in first 11 months of year.
- This represents an over-achievement against plan of £5,299k due to the profiling.
- Final projected economy savings are £301k lower than target. More work is required to bring forward new schemes addressing the short fall.
- £19,592k (56%) 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	9,134	8,612	- 522	10,397	9,250	846	-	592	10,096	- 301
Technical Target	1,139	1,680	541	1,243	1,705	62	-	-	1,767	524
Divisional Target - Corporate	923	1,386	464	1,020	1,442	-	-	13	1,442	422
Pharmacy	329	428	99	392	448	77	-	8	525	133
Divisional Target - Surgery	585	662	77	640	727	-	-	-	727	87
Transformation Schemes	111	151	40	121	151	20	-	-	171	50
Workforce Efficiency	800	404	- 396	1,000	453	547	-	145	1,000	0
Estates	450	491	41	557	508	-	-	7	508	- 49
Paperlite	115	6	- 109	125	8	-	-	3	8	- 117
Divisional Target - Medicine	734	667	- 68	803	725	7	-	17	732	- 72
Medical Staffing	626	458	- 168	716	518	-	-	35	518	- 198
Nursing	890	623	- 267	975	633	70	-	-	703	- 272
Demand Management	1,557	1,259	- 298	1,732	1,453	4	-	337	1,457	- 274
Procurement	875	398	- 478	1,073	479	59	-	27	538	- 535
Strategic Commissioner	18,852	24,673	5,821	24,673	24,673	-	-	-	24,673	- 0
Technical Target	1,635	10,611	8,976	1,875	10,611	-	-	-	10,611	8,736
Primary Care	1,700	2,279	579	1,748	2,279	-	-	-	2,279	532
Single Commissioning	1,034	1,221	187	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	1,375	815	- 560	1,500	815	-	-	-	815	- 685
Mental Health	294	296	2	994	296	-	-	-	296	- 698
GP Prescribing	2,265	1,185	- 1,079	2,516	1,185	-	-	-	1,185	- 1,331
Back Office Functions	480	562	81	2,024	562	-	-	-	562	- 1,463
Demand Management	7,205	4,840	- 2,365	8,885	4,840	-	-	-	4,840	- 4,045
Adult Social Care	308	308	-	336	308	5	23	-	336	-
Public Health	400	400	-	437	400	30	6	-	437	-
Total Economy Position	27,986	33,285	5,299	35,070	33,923	846	-	592	34,769	- 301