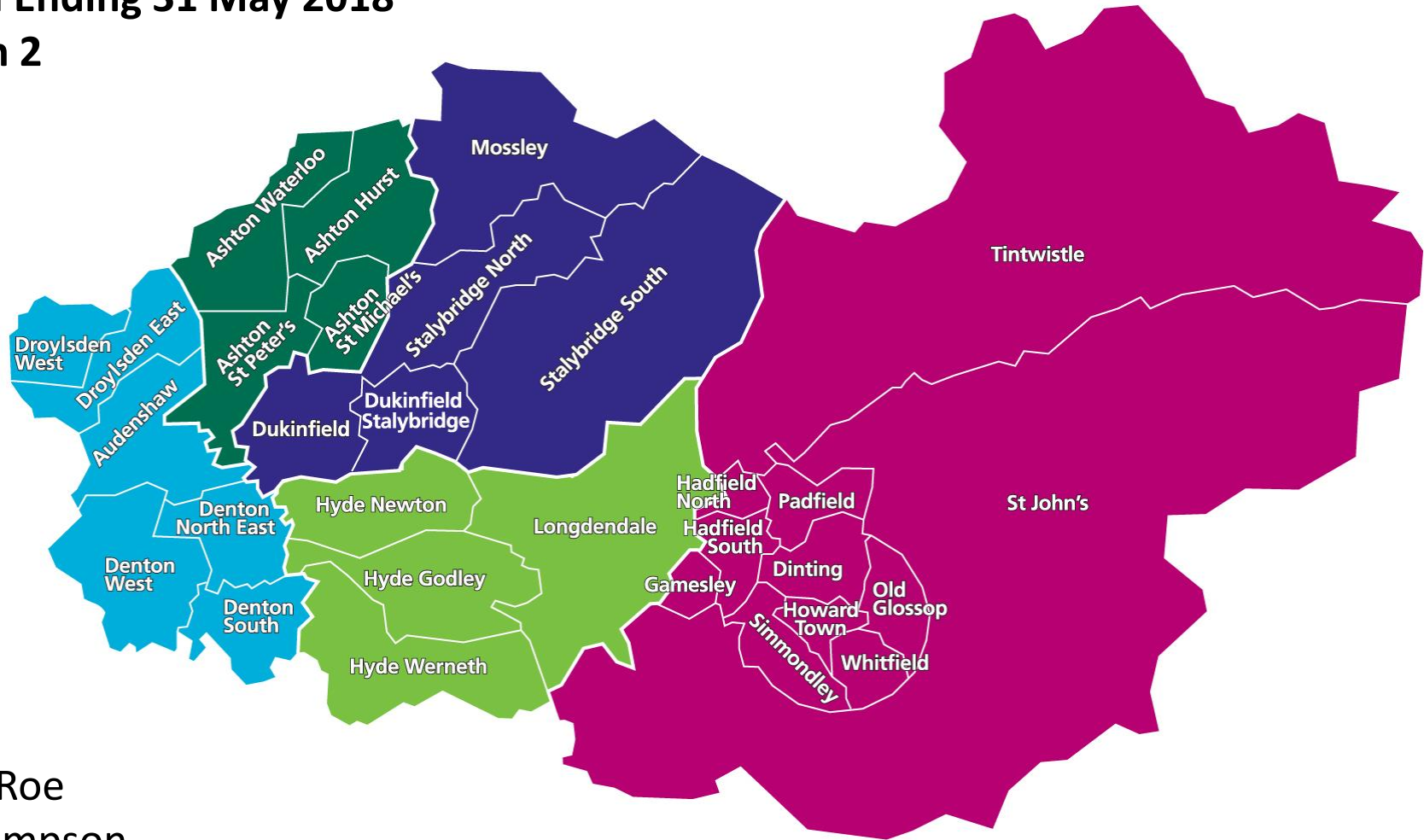


# Tameside and Glossop Integrated Financial Position

*High level financial position*

**Period Ending 31 May 2018**

**Month 2**



Kathy Roe

Sam Simpson

# 2018/19 Care Together Economy Revenue Financial Position

- Integrated Commissioning fund and associated risk share in place. Value of which will grow as allocations for Transformation Fund etc. are received.
- Currently reporting that control totals will be met for Strategic Commissioner and that ICFT will deliver planned deficit.
- However there is significant risk attached to delivery of these plans. There is currently forecast overspend of £8.7m across the Strategic Commissioner which needs to be addressed.
- CCG submitting monthly recovery plan to NHSE to report on progress.
- Reference to Glossop solely relates to health service expenditure as Council services for Glossop are the responsibility of Derbyshire County Council

**£911m**

**Gross Value of Integrated Commissioning Fund**

Total value of CCG and council budgets included in the 2018/19 integrated commissioning fund

**£19.8m**

**CCG Targeted Efficiency Plan**

Savings required to meet control total (i.e. QIPP)

**£3.1m**

**TMBC Targeted Efficiency Plan**

Savings required to deliver balanced budget

**£12.8m**

**Trust Efficiency Plan**

Savings required to deliver planned deficit

# 2018/19 Integrated Commissioning Fund: Expenditure (£911m)

TMBC				CCG			
Schools £117m		Housing Benefits £84m		Acute £207m			
Adult Social Care £83m		Children's Services £46m	Education £29m				
Operations & Neighbourhoods £76m		Development & Growth £20m	Public Health £17m	Corpor... Costs £15m	Primary Care - GP £45m	Mental Health £34m	Community £30m
		Support Services £18m	Capital Financing £11m		Prescribing £41m	Continuing Care £15m	BCF £13m

# 2018/19 Integrated Commissioning Fund: Income (£911m)

TMBC			CCG	
<b>Dedicated Schools Grant &amp; Pupil Premium</b> <b>£142m</b>		<b>Grant &amp; Subsidies</b> <b>£108m</b>		<b>Core Allocation from NHS England</b> <b>£356m</b>
<b>Council Tax</b> <b>£88m</b>	<b>Fees &amp; Charges</b> <b>£87m</b>	<b>Business Rates</b> <b>£86m</b>		
		<small>Investment...</small>		
			<b>Primary Care Allocation</b> <b>£33m</b>	<b>Runni</b> <b>ng...</b>

# Strategic Commissioner - Financial Summary

Service	Forecast Position			Non Delivery of Savings £000s	Pressure/ underspend £000s
	Budget £'000	Actual £'000	Variance £'000		
Acute	206,088	206,065	23		23
Mental Health	33,013	33,013	0		
Primary Care	86,319	86,301	18		18
Continuing Care	15,003	17,993	-2,990		-2,990
Community	30,040	30,040	0		
Other	18,402	15,453	2,949		2,949
CCG TEP Shortfall (QIPP)	0	3,741	-3,741	-3,741	
CCG Running Costs	5,175	5,175	0		
Adult Services	40,492	40,705	-213	-213	
Children's Services	47,015	50,230	-3,215		-3,215
Population Health	16,298	16,210	88		88
Operations and Neighbourhoods	50,379	51,144	-765	-565	-200
Place	7,858	9,422	-1,564	-594	-970
Governance	9,136	9,136	0		
Finance & IT	4,450	4,450	0		
Quality and Safeguarding	67	67	0		
Capital and Financing	9,638	9,638	0		
Contingency	-2,660	-3,389	729		729
Corporate Costs	3,841	3,841	0		
<b>Integrated Commissioning Fund</b>	<b>580,554</b>	<b>589,235</b>	<b>-8,681</b>	<b>-5,113</b>	<b>-3,568</b>
CCG Net Expenditure	394,040	397,781	-3,741	-3,741	0
TMBC Net Expenditure	186,514	191,454	-4,940	-1,372	-3,568
<b>Integrated Commissioning Fund</b>	<b>580,554</b>	<b>589,235</b>	<b>-8,681</b>	<b>-5,113</b>	<b>-3,568</b>
A: Section 75 Services	264,331	267,382	-3,051	-3,139	88
B: Aligned Services	241,961	247,152	-5,191	-1,735	-3,456
C: In Collaboration Services	74,262	74,701	-439	-239	-200
<b>Integrated Commissioning Fund</b>	<b>580,554</b>	<b>589,235</b>	<b>-8,681</b>	<b>-5,113</b>	<b>-3,568</b>

- Integrated Commissioning Fund (ICF) - Forecast **NET** overspend of £8.7m at 31 May 2018
- Risk of savings non delivery : £ 5.1 m
- Emerging pressures : £ 3.6 m

High Risk  
£5.3m

Medium Risk  
£4.4m

Low Risk  
£13.2m

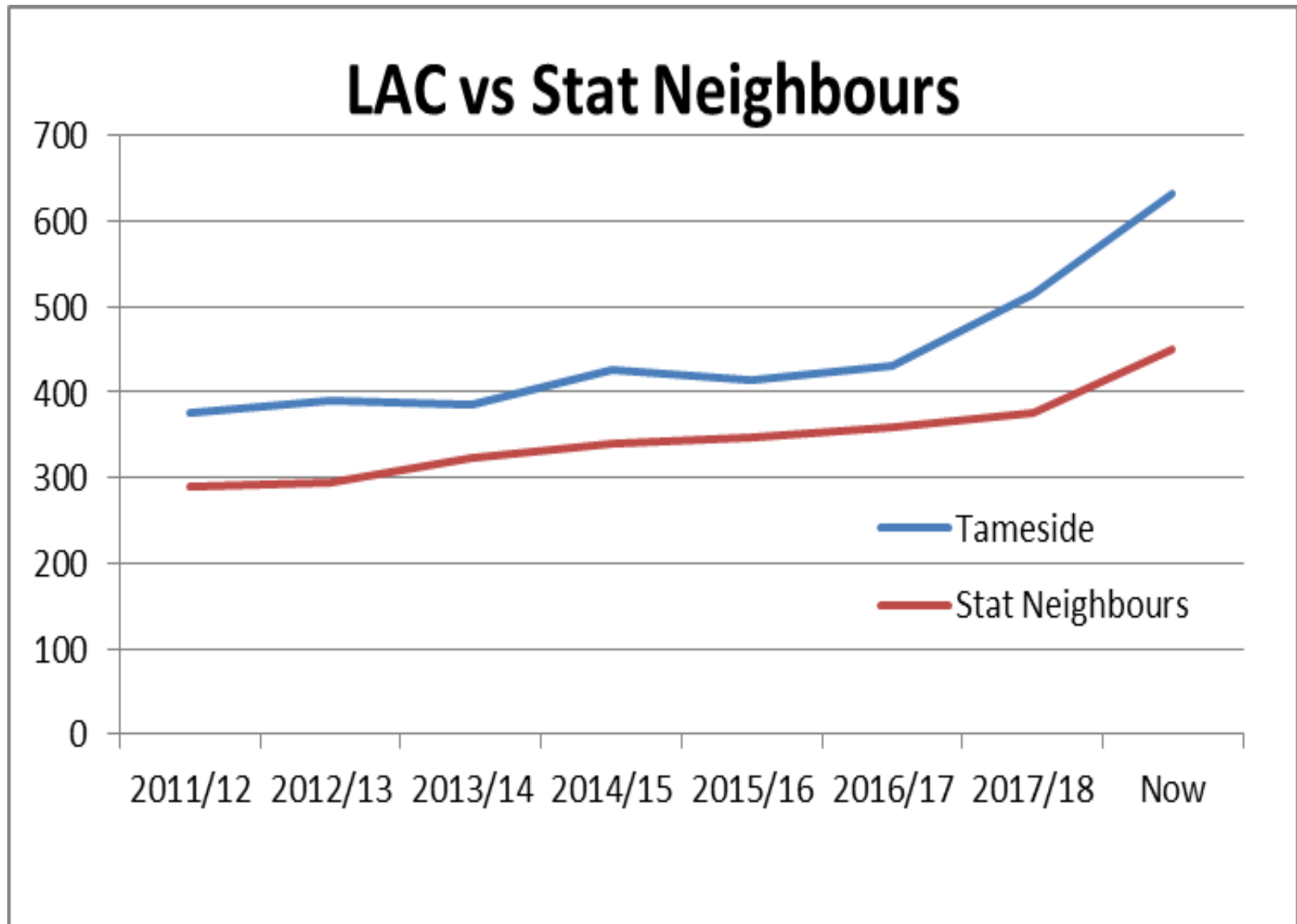
## Strategic Commissioner – Savings Non Delivery : £ 5.1 m

Service	Saving Proposal	£ m
Adults	Cessation of some day service provision, homecare through the night service and reduced 7 day working	0.2
Operations & Neighbourhoods	Delay to Darnton Road car park - reduced level of income	0.5
Operations & Neighbourhoods	Other schemes	0.1
Place	Re-provision of FM and Estates contract	0.3
Place	Non purchase of Plantation estate	0.2
Place	Other schemes / reduced level of income	0.1
Targeted Efficiency Programme	Post optimism bias against CCG Targeted Efficiency Plan (TEP) achievement – i.e. Savings with no identified schemes	3.7



## Strategic Commissioner – Emerging Pressures : £ 3.6 m

Service	Details	£ m
Education	Special Educational Needs (SEN) Transport – increased number of Education, Health, Care Plans (EHCP's), out of borough provision, excluded pupils attending Pupil Referral service	0.2
Children's Social Care	Looked after children (LAC) placements – 7% (43) increase since December 2017 – please refer to graph on next slide	3.0
Operations & Neighbourhoods	Waste levy	0.2
Place	Loss of annual income following sale of assets	0.2
Place	Liquidation of Carillion (PWC)	0.8
Contingency	Non recurrent Adult Social Care grant	(0.7)
Continuing Care	Continuing Health Care – growth in patient numbers	3.0
Other	Risk reserve	(3.0)



## Key financial metrics

### Summary

- For the financial period to the **31 May 2018**, the ICFT has reported a net deficit of c. £2.5m, which is c £37k better than plan.
- Cumulatively the ICFT has reported a net deficit of c.£5m, which is c£43k better than plan
- The Trust delivered c£914k of savings in month, this is a overachievement against target by c.£0.3m, Cumulatively the ICFT is overachieving by c.£0.5m
- To date the ICFT has spent c.£1.43m on Agency spend, against a plan of £1.52m – it is envisaged that annual expenditure will be below the agency cap of £9.5m.

Financial performance metric	Month 2			YTD			Outturn
	Plan (£000)	Actual (£000)	Variance (£000)	Plan (£000)	Actual (£000)	Variance (£000)	Plan (£000)
Normalised Surplus/(Deficit)	-£2,554	-£2,517	£37	-£5,096	-£5,052	£44	-£25,668
Capital Expenditure	£253	£0	£253	£510	£0	£510	£5,600
Cash and Equivalents	£1,220	£2,190	-£969				
Trust Efficiency Savings	£635	£914	£279	£1,265	£1,711	£446	£12,800
Use of Resources Metric	3	3		3	3		3

## Key financial metrics

### Key Risks

- **Control Total** – The ICFT has been in receipt of a formal control total offer in line with what was submitted and approved at Board. The ICFT resubmitted a revised financial plan on 20 June 2018 to confirm the agreed 2018/19 control total.
- **Loans** - The ICFT requires a Department of Health loan to fund the deficit. The ICFT will be subject to a borrowing rate of 1.5% due to the control total being agreed rather than 3.5%.
- **Targeted Efficiency Programme** – The ICFT is currently forecasting an underachievement against its in year TEP delivery of c£1.7m and recurrently c£2.4m. Failure to achieve TEP will result in the Trust not achieving its plan. Work is on-going with Theme groups to develop high risk schemes and generate proposals to improve this forecast position.
- **Loan Liability** - The ICFT currently has a loan of **£75.4m** at the end of 2017/18. The ICFT is potentially required to repay part of this liability in 2018. To do this the ICFT will require a new loan which is at the standard borrowing rate of 1.5%. The ICFT will have a total loan of c£100m at the end of the current financial year.