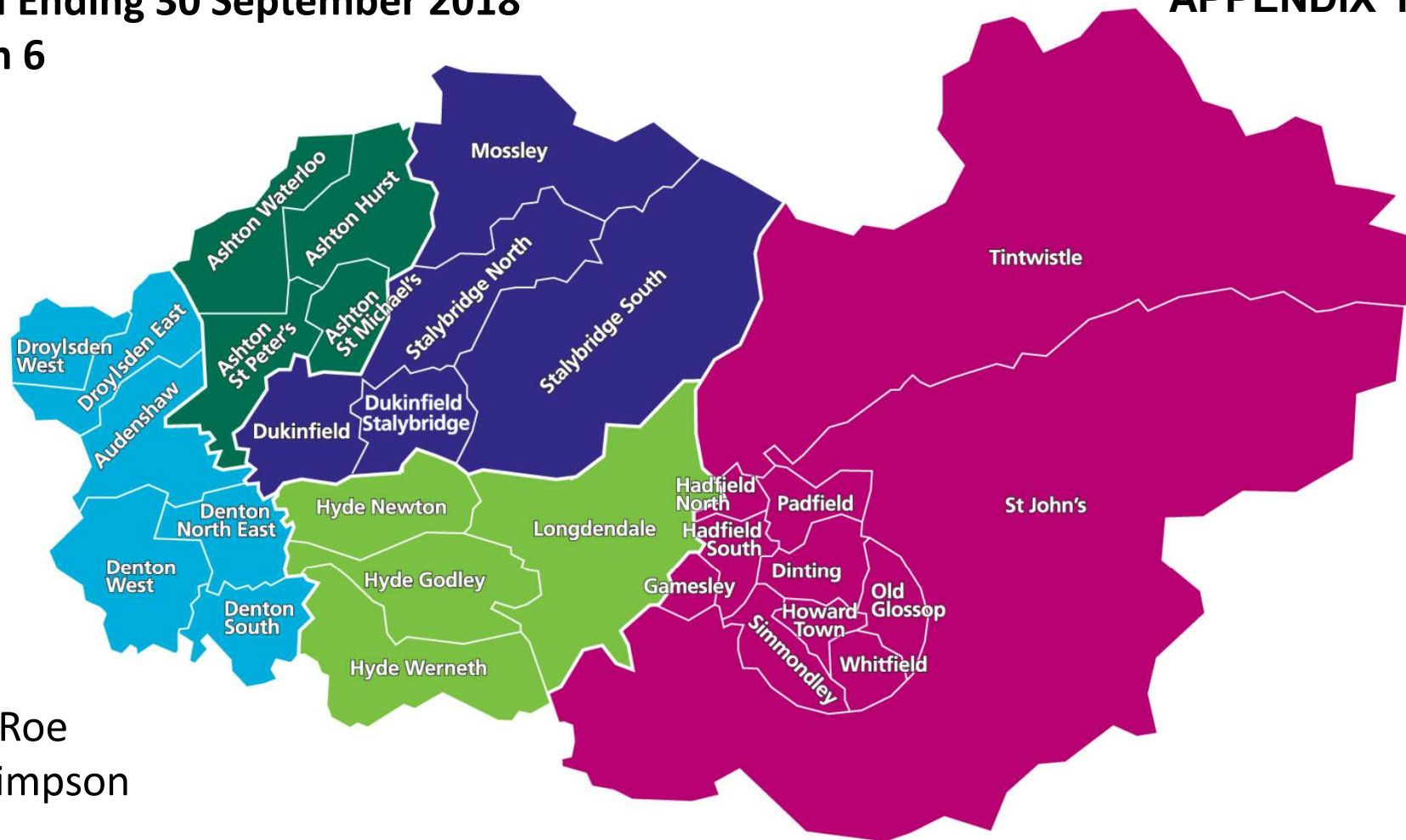


Tameside and Glossop Integrated Financial Position

financial monitoring statements

Period Ending 30 September 2018
Month 6

APPENDIX 1



Kathy Roe
Sam Simpson

Period Ending 30 September 2018

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Appendix 2 – Children’s Social Care

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Tameside & Glossop Integrated Economy Wide Financial Position

£6.7m

Children's Services

Unprecedented levels of demand in Children's Social Care continue and place significant pressures on staff and resources. **Placement costs are the main driver of the forecast £6.7m in excess of approved budget.**

Message from the DOFs

At the half way point in the financial year, the economy wide financial position has improved but the overall picture remains mixed with significant challenges in some areas.

A combination of additional income, delivery of further savings and the release of contingencies has resulted in an improvement in the forecast outturn position. However, this improved overall position masks continuing pressures due to the non delivery of savings in some areas, and a further significant deterioration in Children's Services where the forecast overspend has increased from £3.1m to £6.7m in excess of approved budget. A detailed deep dive into Children's Social Care is included at Appendix 2.

Alongside delivery of in year savings, the focus continues to be on the identification of savings to deliver a balanced position for 2019/20 and beyond. Proposed savings are being subject to scrutiny at the 'Star Chambers' during October, with a draft plan for 2019/20 due by December.

£2.2m

Strategic Commission Forecast

Overall forecast outturn for the Strategic Commission has improved by £2.2m. This is due to delivery of savings, additional grant income and release of contingencies.

This report covers all spend at Tameside & Glossop Clinical Commissioning Group (CCG), Tameside Metropolitan Borough Council (TMBC) and Tameside & Glossop Integrated Care Foundation Trust (ICFT). It does not capture any Local Authority spend from Derbyshire County Council or High Peak Borough Council for the residents of Glossop.

Forecast Position £000's	Forecast Position			Variance	
	Budget	Forecast	Variance	Previous Month	Movement in Month
CCG Expenditure	393,935	395,305	-1,370	-1,546	176
TMBC Expenditure	186,514	187,834	-1,320	-2,370	1,050
Integrated Commissioning Fund	580,449	583,139	-2,691	-3,916	1,225
ICFT - post PSF Agreed Deficit	-19,149	-19,149	0	0	0
Economy Wide In Year Deficit	-19,149	-21,840	-2,691	0	0

Tameside & Glossop Integrated Commissioning Fund

As at 30 September 2018 the Integrated Commissioning Fund is forecasting to spend £583.1m against an approved budget of £580.4m, an **overspend of £2.7m**. This forecast is a significantly improved position from the previous month but masks significant and increased pressures in a number of areas, including **Children's Services** which is **now forecasting expenditure to be £6.7m in excess of budget**. The improved position is due mainly to the release of corporate contingency budgets (to offset increased pressures in Children's Services), additional grant income in respect of business rate reliefs, and underspends in Governance. Overspends remain in Continuing Healthcare, Operations & Neighbourhoods and Growth as highlighted in previous reports.

Forecast Position £000's	Forecast Position					Net Variance	
	Expenditure Budget	Income Budget	Net Budget	Net Forecast	Net Variance	Previous Month	Movement in Month
Acute	204,645	0	204,645	204,529	116	-613	729
Mental Health	32,373	0	32,373	33,006	-633	-107	-526
Primary Care	84,077	0	84,077	83,856	221	29	192
Continuing Care	14,377	0	14,377	17,144	-2,767	-2,915	148
Community	29,844	0	29,844	30,149	-305	-305	0
Other CCG	23,410	0	23,410	20,042	3,367	3,911	-544
CCG TEP Shortfall (QIPP)	0	0	0	1,370	-1,370	-1,546	176
CCG Running Costs	5,209	0	5,209	5,209	0	0	0
Adults	82,653	-42,172	40,480	40,306	174	-22	196
Children's Services	78,200	-28,871	49,330	56,063	-6,733	-3,074	-3,659
Individual Schools Budgets	127,944	-127,944	0	0	0	0	0
Population Health	16,353	-121	16,232	16,171	61	41	20
Operations and Neighbourhoods	88,936	-32,081	56,855	59,001	-2,146	-1,744	-402
Growth	30,023	-28,641	1,382	2,277	-894	-902	8
Governance	88,643	-79,889	8,754	7,711	1,043	0	1,043
Finance & IT	6,103	-1,550	4,553	4,306	248	-113	361
Quality and Safeguarding	367	-288	79	73	6	-6	12
Capital and Financing	10,998	-1,360	9,638	8,058	1,580	1,402	178
Contingency	4,163	-6,823	-2,660	-6,714	4,054	728	3,326
Corporate Costs	8,726	-6,857	1,870	583	1,287	1,320	-33
Integrated Commissioning Fund	937,045	-356,596	580,449	583,139	-2,691	-3,916	1,225

Tameside & Glossop Integrated Commissioning Fund

Forecast Position £000's	Forecast Position					Net Variance	
	Expenditure Budget	Income Budget	Net Budget	Net Forecast	Net Variance	Previous Month	Movement in Month
CCG Expenditure	393,935	0	393,935	395,305	-1,370	-1,546	176
TMBC Expenditure	543,110	-356,596	186,514	187,834	-1,320	-2,370	1,050
Integrated Commissioning Fund	937,045	-356,596	580,449	583,139	-2,691	-3,916	1,225
A: Section 75 Services	372,391	-106,563	265,829	268,252	-2,423	-3,097	674
B: Aligned Services	414,705	-173,612	241,093	241,131	-38	-1,839	1,801
C: In Collaboration Services	149,949	-76,421	73,527	73,759	-232	1,020	-1,252
Integrated Commissioning Fund	937,045	-356,596	580,449	583,139	-2,691	-3,916	1,225

Continuing Care

This remains a significant financial risk but a financial recovery plan is now in place, with detailed updates presented at Finance & QIPP Assurance Group on a quarterly basis.

Whilst still forecasting an **overspend of £2,767k**, the historic growth rates have slowed and we are starting to make inroads into the pressures, including marked reduction in the number of fast track patients.

Contingency

The Corporate Contingency budget includes an annual provision for risks and unforeseen costs. This contingency budget has been released in period 6 to partially offset the significant pressures in Children's services.

Also reflected within the forecast **underspend of £4m** for Contingency is additional grant monies for Business rate reliefs which are in excess of that forecast when the budget was set.

Governance

The forecast outturn for Governance is now showing an **underspend against budget of just over £1m**. This is due to a number of factors including budget savings which have already been identified as savings for 2019/20, and underspends on staffing costs across the service.

A service review/redesign currently in progress is likely to result in some cost pressures for future years.

Children's Services

Children's Social Care continues to present the single greatest financial risk for 2018/19, and is the most significant risk area for the medium term financial sustainability of the Council.

The forecast outturn position of **£6.7m in excess of budget** has significantly deteriorated since the last period as forecast reductions in placements numbers and costs are not yet being achieved. **Further analysis is included at Appendix 2.**

Tameside & Glossop Integrated Commissioning Fund

Forecast Position £000's	YTD Position			Forecast Position			Variance	
	Budget	Actual	Variance	Budget	Forecast	Variance	Previous Month	Movement in Month
Acute	101,003	102,065	-1,062	204,645	204,529	116	-613	729
Mental Health	16,068	16,471	-403	32,373	33,006	-633	-107	-526
Primary Care	40,815	40,645	171	84,077	83,856	221	29	192
Continuing Care	6,863	7,772	-909	14,377	17,144	-2,767	-2,915	148
Community	14,922	14,845	77	29,844	30,149	-305	-305	0
Other CCG	16,063	13,923	2,140	23,410	20,042	3,367	3,911	-544
CCG TEP Shortfall (QIPP)	0	0	0	0	1,370	-1,370	-1,546	176
CCG Running Costs	1,954	1,947	7	5,209	5,209	0	0	0
Adults	20,240	20,541	-301	40,480	40,306	174	-22	196
Children's Services	27,665	30,707	-3,042	49,330	56,063	-6,733	-3,074	-3,659
Population Health	10,116	10,274	-158	16,232	16,171	61	41	20
Operations and Neighbourhoods	30,428	31,469	-1,041	56,855	59,001	-2,146	-1,744	-402
Growth	691	1,017	-325	1,382	2,277	-894	-902	8
Governance	4,377	3,999	378	8,754	7,711	1,043	0	1,043
Finance & IT	2,277	2,163	114	4,553	4,306	248	-113	361
Quality and Safeguarding	39	-25	65	79	73	6	-6	12
Capital and Financing	0	0	0	9,638	8,058	1,580	1,402	178
Contingency	-1,330	-498	-831	-2,660	-6,714	4,054	728	3,326
Corporate Costs	935	-1,646	2,581	1,870	583	1,287	1,320	-33
Integrated Commissioning Fund	293,126	295,668	-2,542	580,449	583,139	-2,691	-3,916	1,225
CCG Expenditure	197,689	197,669	20	393,935	395,305	-1,370	-1,546	176
TMBC Expenditure	95,438	98,000	-2,562	186,514	187,834	-1,320	-2,370	1,050
Integrated Commissioning Fund	293,126	295,668	-2,542	580,449	583,139	-2,691	-3,916	1,225
A: Section 75 Services	136,504	135,696	807	265,829	268,252	-2,423	-3,097	674
B: Aligned Services	124,714	122,672	2,042	241,093	241,131	-38	-1,839	1,801
C: In Collaboration Services	31,908	37,300	-5,392	73,527	73,759	-232	1,020	-1,252
Integrated Commissioning Fund	293,126	295,668	-2,542	580,449	583,139	-2,691	-3,916	1,225

The CCG surplus has increased from £9.3m to 12.3m as approved by the Strategic Commissioning Board in September 2018. This will enable draw down of £6m of cumulative surplus in 2019/20, Improving the economy wide financial position in future years

Tameside Integrated Care Foundation Trust Financial Position

SUMMARY



- For the financial period to the **31st September 2018**, the Trust has reported a net deficit of c.£12.1m (Post PSF), which is c.£162k better than plan. The in month position for September reported a £1.7m deficit, £32k worse than plan.
- The Trust delivered c.£846k of savings in month, this is an underachievement against target by c.£248k in month, cumulatively the Trust is reporting an overachievement against plan of c£0.7m
- To date the Trust has spent c.£4.0m on Agency spend, against a plan of £4.7m; based on this run rate, spend should be within the agency cap of £9.5m.

KEY RISKS

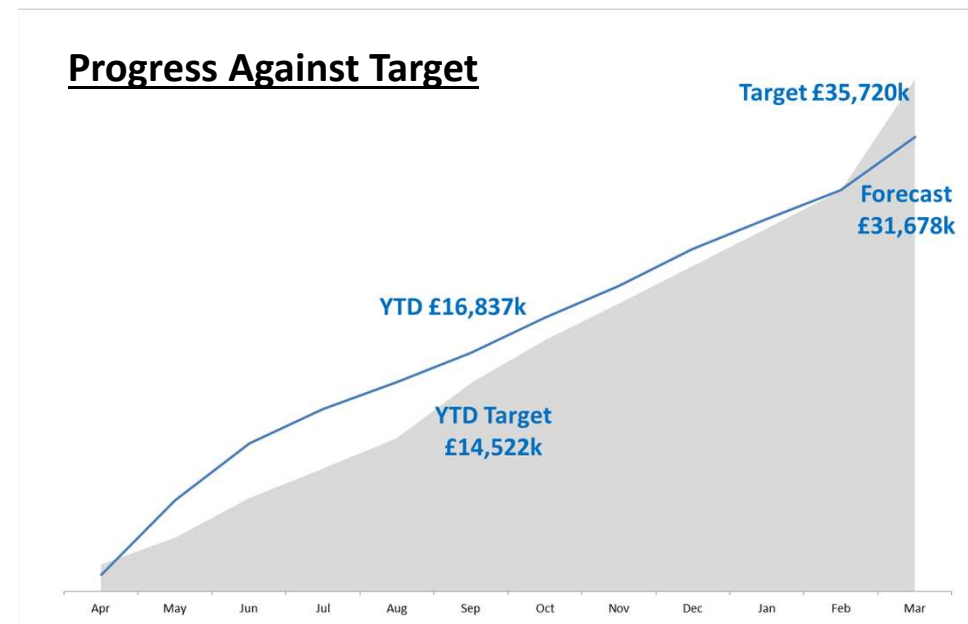
- Control Total** – The Trust now has an agreed control for 2018/19 of **c£19.1m**, this assumes the Trust will be in receipt of the full Provider Sustainability fund.
- Provider Sustainability Fund** - The Trust must achieve its financial plan at the end of each quarter to achieve 70% of the PSF, the remainder is predicated on achievement of the A&E target, The Q2 target is 93.45% - NHSI have confirmed that the Trust will not receive the 30% PSF if it fails the A&E target. This will result in the Trust needing to borrow more cash nationally at a rate of 1.5%.
- TEP** – The Trust is currently forecasting an underachievement against its in year TEP delivery of **c£1.5m** and recurrently of **c£1.8m. 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 hopper ideas to improve this forecast position.

Financial Performance Metric	Month 6			YTD			Outturn
	Plan £000s	Actual £000s	Variance £000s	Plan £000s	Actual £000s	Variance £000s	Plan £000s
Normalised Surplus/(deficit) before PSF	(1,947)	(1,979)	(33)	(13,756)	(13,594)	162	(23,370)
Provider Sustainability Fund (PSF)	281	281	0	1,476	1,476	0	4,221
Surplus/(Deficit) post PSF	(1,666)	(1,698)	(33)	(12,280)	(12,118)	162	(19,149)
Capital Expenditure	325	8	(317)	1,509	705	(804)	5,027
Cash and Cash Equivalents	1,220	1,582	362				1,220
Trust Efficiency Savings	1,095	846	(248)	4,726	5,382	655	13,000
Use of Resources Metric	3	3		3	3		3

TEP – Targeted/Trust Efficiency Plan

Organisation	High Risk	Medium Risk	Low Risk	Savings Posted	Total	Opening Target	Post Bias Expected Saving	Post Bias Variance
CCG	45	3,168	6,023	10,818	20,054	19,800	18,430	(1,370)
TMBC	547	280	1,028	456	2,311	3,119	1,679	(1,440)
Strategic Commissioner	592	3,448	7,051	11,274	22,365	22,919	20,108	(2,811)
ICFT	1,316	1,346	4,842	5,382	12,885	12,801	11,569	(1,233)
Economy Total	1,908	4,793	11,893	16,655	35,250	35,720	31,677	(4,043)

- The economy wide savings target for 2018/19 is £35,720k:
 - Commissioner £22,919k (£19,800k CCG & £3,119k TMBC)
 - Provider £12,801k
- Against this target, £16,655k of savings have been realised in the first six months, 47% of the required savings.
- Expected savings by the end of the year are £31,677k, a shortfall of £4,043k against target and a small improvement on the position reported last month.
- More work is required to identify new schemes and turn red and amber schemes green.
- The scale of the financial gap in future years mean there must be a continued focus on identifying schemes for 2019/20 and beyond.



TEP – Targeted/Trust Efficiency Plan



£198k

CCG

Overall expected savings have improved slightly from the previous month. This includes an improved savings forecast on GP prescribing where, despite pressures on Category M drugs, significant savings are being realised by medicines management.



£74k

TMBC

Savings previously rated as high risk in Growth and Operations & Neighbourhoods have now been removed from the TEP as they will not be achieved. Red rated savings in Adults and Governance are being offset by budget underspends in other areas within the service.

Org	Theme	High Risk	Medium Risk	Low Risk	Savings Posted	Total	Opening Target	Post Bias Expected Saving	Post Bias Variance
CCG	Emerging Pipeline Schemes	0	0	0	0	0	3,239	0	(3,239)
	GP Prescribing	20	1,222	500	1,143	2,885	2,000	2,256	256
	Individualised Commissioning Recovery Plan	25	0	440	254	718	1,326	696	(630)
	Other Established Schemes	0	1,246	372	1,941	3,560	4,283	2,937	(1,346)
	Tameside ICFT	0	0	1,240	1,240	2,480	2,480	2,480	0
	Technical Financial Adjustments	0	700	3,471	6,240	10,411	6,472	10,061	3,589
CCG Total		45	3,168	6,023	10,818	20,054	19,800	18,430	(1,370)
TMBC	Adults	318	0	379	0	697	697	411	(286)
	Growth	0	25	340	0	365	245	353	(546)
	Finance & IT	50	0	0	122	172	172	127	(45)
	Governance	129	0	0	25	154	154	38	(116)
	Childrens (Learning)	0	0	90	0	90	90	90	0
	Operations & Neighbourhoods	50	255	0	0	305	1,233	133	(448)
	Pop. Health	0	0	219	309	528	528	528	0
TMBC Total		547	280	1,028	456	2,311	3,119	1,679	(1,440)
Strategic Commissioner Total		592	3,448	7,051	11,274	22,365	22,919	20,108	(2,811)

TEP – Targeted/Trust Efficiency Plan



£951k

ICFT

Overall expected savings have deteriorated from the previous month and The Trust is currently forecasting an underachievement against its in year TEP delivery of **£1.5m** and recurrently of **£1.8m**. **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 hopper ideas to improve this forecast position.

Org	Theme	High Risk	Medium Risk	Low Risk	Savings Posted	Total	Opening Target	Post Bias Expected Saving	Post Bias Variance
ICFT	Community	0	68	269	0	336	10	336	326
	Corporate	0	0	410	661	1,072	1,300	1,072	(228)
	Demand Management	435	39	404	447	1,325	1,621	890	(731)
	Estates	29	10	184	171	394	550	365	(185)
	Finance Improvement Team	100	120	486	750	1,456	1,067	1,356	289
	Medical Staffing	391	119	17	52	579	1,103	188	(914)
	Nursing	151	104	400	588	1,244	1,250	1,093	(157)
	Paperlite	105	50	26	55	235	250	130	(120)
	Pharmacy	0	250	249	63	562	450	562	112
	Procurement	105	411	84	53	653	752	547	(204)
	Transformation Schemes	0	0	1,500	1,500	3,000	3,100	3,000	(100)
	Technical Target	0	175	88	87	350	0	350	350
	Vacancy Factor	0	0	726	953	1,679	1,350	1,679	329
ICFT Total		1,316	1,346	4,842	5,382	12,885	12,801	11,569	(1,233)