

**Report to:** **STRATEGIC COMMISSIONING BOARD**

**Date:** 27 March 2019

**Officer of Strategic Commissioning Board** Kathy Roe – Director Of Finance – Tameside & Glossop CCG and Tameside MBC

**Subject:** **STRATEGIC COMMISSION AND NHS TAMESIDE AND GLOSSOP INTEGRATED CARE FOUNDATION TRUST – CONSOLIDATED 2018/19 REVENUE MONITORING STATEMENT AT 31 JANUARY 2019 AND FORECAST TO 31 MARCH 2019**

**Report Summary:** As at 31 January 2019 the Integrated Commissioning Fund is forecasting to spend £583.270m against an approved budget of £583.258m, an over spend of £0.012m. Further detail on the economy wide position is included at **Appendix 1**. This forecast is an 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 £8m in excess of budget. Further detail is included at **Appendix 2**.

The improved position is due mainly to the release of corporate contingency and improvements in the forecast position for Governance, Growth and Operations & Neighbourhoods. Further detailed analysis of budget performance and progress against savings is included in **Appendix 2**.

The Council's Collection Fund update for month 10 is detailed in **Appendix 3**. The forecast position at month 10 is a £0.6m deficit on Council Tax and £1.0m deficit on Non-Domestic Rates (NDR). This is better than the budgeted assumptions, which assumed deficit positions of £1.8m and £5m respectively. The level of provisions required for non-collection and appeals are also forecast to be better than expected but will continue to be monitored.

**Appendix 4** details the Council's irrecoverable debts over £3,000 that have been written off in the period October to December 2018.

**Recommendations:** Strategic Commissioning Board Members are recommended to:

1. Acknowledge the significant level of savings required during 2018/19 to deliver a balanced recurrent economy budget together with the related risks which are contributing to the overall adverse forecast.
2. Acknowledge the significant cost pressures facing the Strategic Commission, particularly in respect of Continuing Healthcare, Children's Social Care and Growth.

**Financial Implications:**  
**(Authorised by the statutory Section 151 Officer & Chief Finance Officer)**

This report provides the 2018/19 consolidated financial position statement at 31 January 2019 for the Strategic Commission and ICFT partner organisations. For the year to 31 March 2019 the report forecasts that service expenditure will exceed the approved budget in a number of areas, due to a combination of cost pressures and non-delivery of savings. These pressures are being partially offset by additional income in corporate and

contingency which may not be available in future years.

The report emphasises that there is a clear urgency to implement associated strategies to ensure the projected funding gap in the current financial year is addressed and closed on a recurrent basis across the whole economy. The Medium Term Financial Plan for the period 2019/20 to 2023/24 identifies significant savings requirements for future years. If budget pressures in service areas in 2018/19 are sustained, this will inevitably lead to an increase in the level of savings required in future years to balance the budget.

It should be noted that the Integrated Commissioning Fund (ICF) for the Strategic Commission is bound by the terms within the Section 75 and associated Financial Framework agreements.

**Legal Implications:**

**(Authorised by the Borough Solicitor)**

Given the implications for each of the constituent organisations this report will be required to be presented to the decision making body of each one to ensure good governance.

**How do proposals align with Health & Wellbeing Strategy?**

The Integrated Commissioning Fund supports the delivery of the Tameside and Glossop Health and Wellbeing Strategy

**How do proposals align with Locality Plan?**

The Integrated Commissioning Fund supports the delivery of the Tameside and Glossop Locality Plan

**How do proposals align with the Commissioning Strategy?**

The Integrated Commissioning Fund supports the delivery of the Tameside and Glossop Strategic Commissioning Strategy

**Recommendations / views of the Health and Care Advisory Group:**

A summary of this report is presented to the Health and Care Advisory Group for reference.

**Public and Patient Implications:**

Service reconfiguration and transformation has the patient at the forefront of any service re-design. The overarching objective of Care Together is to improve outcomes for all of our citizens whilst creating a high quality, clinically safe and financially sustainable health and social care system. The comments and views of our public and patients are incorporated into all services provided.

**Quality Implications:**

As above.

**How do the proposals help to reduce health inequalities?**

The reconfiguration and reform of services within Health and Social Care of the Tameside and Glossop economy will be delivered within the available resource allocations. Improved outcomes for the public and patients should reduce health inequalities across the economy.

**What are the Equality and Diversity implications?**

Equality and Diversity considerations are included in the re-design and transformation of all services

**What are the safeguarding implications?**

Safeguarding considerations are included in the re-design and transformation of all services

**What are the Information Governance implications? Has a privacy impact**

There are no information governance implications within this report and therefore a privacy impact assessment has not been carried out.

**assessment been  
conducted?**

**Risk Management:**

Associated details are specified within the presentation

**Access to Information :**

Background papers relating to this report can be inspected by contacting :

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## 1. BACKGROUND

- 1.1 This report aims to provide an overview on the financial position of the Tameside and Glossop economy in 2018/19 at the 31 January 2019 with a forecast projection to 31 March 2019. Supporting details for the whole economy are provided in **Appendix 1**.
- 1.2 The report includes the details of the Integrated Commissioning Fund (ICF) for all Council services and the Clinical Commissioning Group. The total net revenue budget value of the ICF for 2018/19 is currently £583.258 million.
- 1.3 It should be noted that the report also 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 overall Tameside and Glossop economy position. Reference to Glossop solely relates to health service expenditure as Council services for Glossop are the responsibility of Derbyshire County Council.
- 1.4 Please note that any reference throughout this report to the Tameside and Glossop economy refers to the three partner organisations namely:
  - Tameside and Glossop Integrated Care NHS Foundation Trust (ICFT)
  - NHS Tameside and Glossop CCG (CCG)
  - Tameside Metropolitan Borough Council (TMBC)

## 2. FINANCIAL SUMMARY

- 2.1 As at 31 January 2019 the Integrated Commissioning Fund is forecasting to spend £583.270m against an approved budget of £583.258m, **an over spend of £0.012m**. 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 £8m in excess of budget**.
- 2.2 The improved position is due mainly to the release of corporate contingency and improvements in the forecast position for Governance, Growth and Operations & Neighbourhoods. Further detailed analysis of budget performance and progress against savings is included in **Appendix 2**.
- 2.3 The attached Month 10 Integrated Finance report provides an overview of the financial position across the economy as a whole. **Appendix 2** provides detailed analysis for all service areas in the Strategic Commission.

## 3. COLLECTION FUND MONITORING AND IRRECOVERABLE DEBTS

- 3.1 The Collection Fund is a statement that reflects the statutory obligation of the Council as the billing authority to maintain a separate Collection Fund. The Collection Fund statement shows the Council's transactions in relation to the collection from taxpayers of Council Tax and Non-Domestic Rates (NDR) and its distribution to the relevant preceptors and Central Government
- 3.2 **Appendix 3** to this report provides a summary of the Council's month 10 Collection Fund monitoring. The forecast position at month 10 is a £0.6m deficit on Council Tax and £1.0m deficit on NDR. The level of provision required for non-collection and appeals will have a significant impact on the outturn position and will continue to be monitored
- 3.3 **Appendix 4** details the Council's irrecoverable debts over £3,000 that have been written off in the period October to December 2018.

#### **4. RECOMMENDATIONS**

- 5.1 As stated on the front cover of the report.