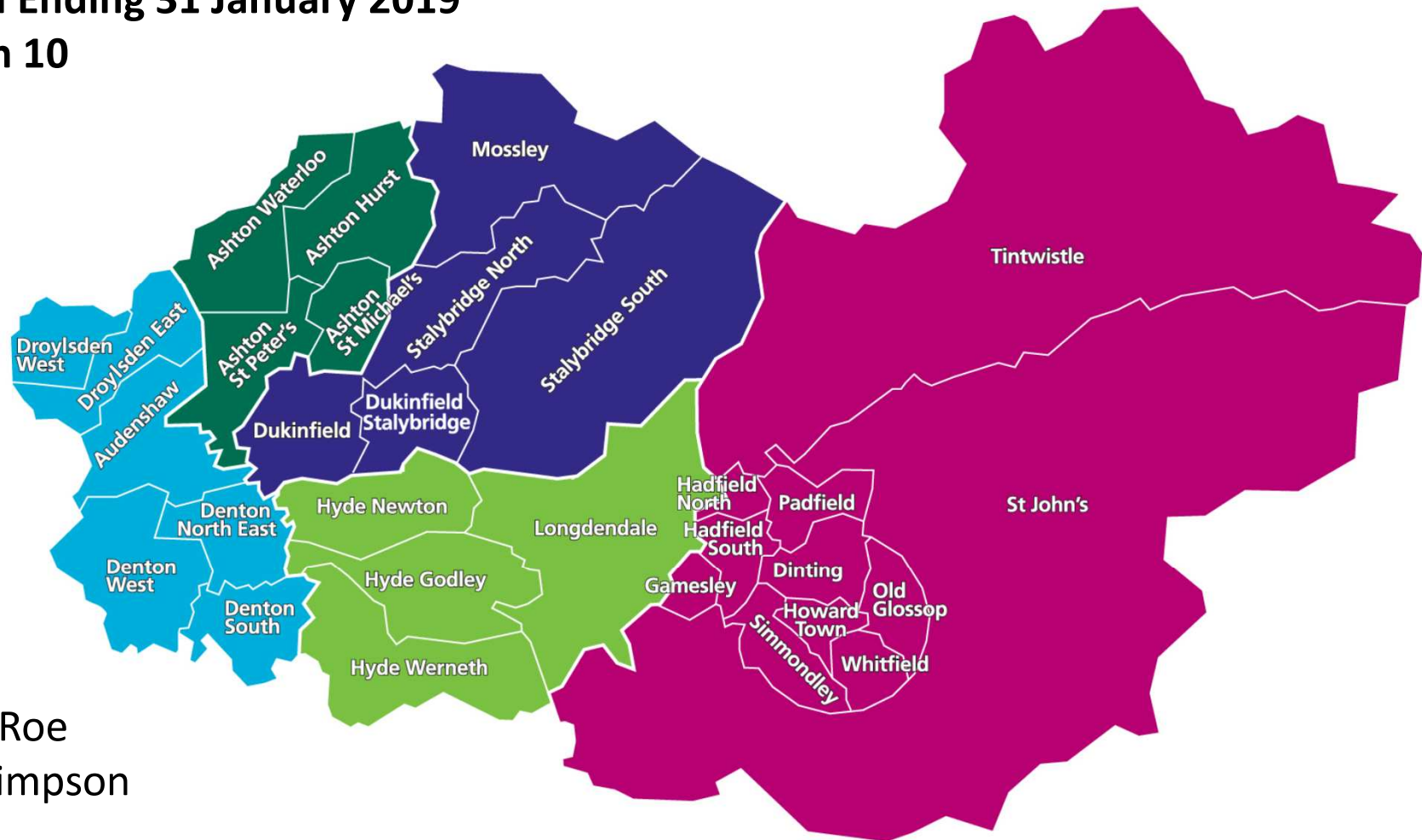


Tameside and Glossop Integrated Financial Position

financial monitoring statements

Period Ending 31 January 2019
Month 10



Kathy Roe
Sam Simpson

Period Ending 31 January 2019

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Tameside & Glossop Integrated Economy Wide Financial Position

£8m

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 £8m in excess of approved budget.

Message from the DOFs

As we move into the final 2 months of the financial year, the economy wide financial position has improved but the overall picture remains mixed with significant challenges in some areas.

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 £7.2m to £8m in excess of approved budget. Further details of the key drivers behind this are 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 will continue to be subject to scrutiny through the 'Star Chamber' process and regular updates will be provided on a periodic basis.

£0.4m

Strategic Commission Forecast

Overall forecast outturn for the Strategic Commission has improved by £0.4m. This is due predominantly to delivery of savings 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			Variance	
	Budget	Forecast	Variance	Previous Month	Movement in Month
CCG Expenditure	396,744	396,744	0	0	0
TMBC Expenditure	186,514	186,526	(12)	(449)	437
Integrated Commissioning Fund	583,258	583,270	(12)	(449)	437
ICFT - post PSF Agreed Deficit	(19,148)	(19,148)	0	0	0
Economy Wide In Year Deficit	(19,148)	(19,160)	(12)	(449)	437

Tameside & Glossop Integrated Commissioning Fund

As at 31 January 2019 the Integrated Commissioning Fund is forecasting net spend £583.270m against an approved net budget of £583.258m, with a slight **overspend of £12k**. 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**. The improved position is due mainly to improvements in the forecast position for the majority of TMBC areas with the exception of Childrens Services.

Forecast Position £000's	Forecast Position					Net Variance	
	Expenditure Budget	Income Budget	Net Budget	Net Forecast	Net Variance	Previous Month	Movement in Month
Acute	202,819	0	202,819	203,559	(740)	(867)	127
Mental Health	32,618	0	32,618	33,236	(618)	(657)	39
Primary Care	82,840	0	82,840	82,252	588	504	85
Continuing Care	14,118	0	14,118	16,286	(2,168)	(2,419)	251
Community	29,976	0	29,976	30,189	(213)	(185)	(28)
Other CCG	29,159	0	29,159	26,007	3,151	3,624	(473)
CCG TEP Shortfall (QIPP)	0	0	0	0	0	0	0
CCG Running Costs	5,214	0	5,214	5,214	0	0	0
Adults	82,653	(42,172)	40,480	40,252	228	204	24
Children's Services	46,814	(3,051)	43,763	51,761	(7,998)	(7,189)	(809)
Education	31,212	(25,644)	5,567	5,623	(56)	(273)	217
Individual Schools Budgets	114,919	(114,919)	0	0	0	0	0
Population Health	16,912	(680)	16,232	15,853	379	72	307
Operations and Neighbourhoods	76,782	(26,448)	50,333	50,746	(412)	(932)	520
Growth	42,705	(34,860)	7,846	9,804	(1,958)	(2,410)	452
Governance	88,704	(79,887)	8,818	7,128	1,690	1,101	589
Finance & IT	6,103	(1,550)	4,553	4,147	406	290	116
Quality and Safeguarding	367	(288)	79	71	8	(15)	23
Capital and Financing	10,998	(1,360)	9,638	7,852	1,786	1,580	206
Contingency	4,163	(6,823)	(2,660)	(6,246)	3,586	5,052	(1,466)
Corporate Costs	8,721	(6,857)	1,865	(464)	2,328	2,071	257
Integrated Commissioning Fund	927,797	(344,539)	583,258	583,270	(12)	(449)	437
CCG Expenditure	396,744	0	396,744	396,744	0	0	0
TMBC Expenditure	531,053	(344,539)	186,514	186,526	(12)	(449)	437
Integrated Commissioning Fund	927,797	(344,539)	583,258	583,270	(12)	(449)	437

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	396,744	0	396,744	396,744	0	0	0
TMBC Expenditure	531,053	(344,539)	186,514	186,526	(12)	(449)	437
Integrated Commissioning Fund	927,797	(344,539)	583,258	583,270	(12)	(449)	437
A: Section 75 Services	310,643	(41,823)	268,820	269,355	(535)	(592)	57
B: Aligned Services	411,473	(170,213)	241,260	242,565	(1,305)	(1,429)	123
C: In Collaboration Services	205,680	(132,502)	73,178	71,350	1,828	1,572	256
Integrated Commissioning Fund	927,797	(344,539)	583,258	583,270	(12)	(449)	437

Continuing Care

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

Whilst still forecasting an **overspend of £2.167m**, 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 forecast outturn on Contingency includes additional income in year relating to business rates reliefs, and the release of contingency provisions to support service pressures across the council.

The adverse movement in the forecast outturn since period 9 relates to an expected increase in the provision for non-recovery of debtors. A review of debtor balances is in progress and the level of provision will be reviewed in before year end.

Governance

The forecast outturn for Governance is now showing an **underspend against budget of £1.6m**. 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 **£8m 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 detail 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	168,198	169,308	(1,109)	202,819	203,559	(740)	(867)	127
Mental Health	27,318	27,899	(581)	32,618	33,236	(618)	(657)	39
Primary Care	68,700	68,235	465	82,840	82,252	588	504	85
Continuing Care	11,694	13,158	(1,464)	14,118	16,286	(2,168)	(2,419)	251
Community	24,979	25,104	(125)	29,976	30,189	(213)	(185)	(28)
Other CCG	26,040	23,255	2,785	29,159	26,007	3,151	3,624	(473)
CCG TEP Shortfall (QIPP)	0	0	0	0	0	0	0	0
CCG Running Costs	3,251	3,221	30	5,214	5,214	0	0	0
Adults	33,733	42,730	(8,996)	40,480	40,252	228	204	24
Children's Services	36,469	42,282	(5,813)	43,763	51,761	(7,998)	(7,189)	(809)
Education	31,212	17,563	13,649	5,567	5,623	(56)	(273)	217
Individual Schools Budget	0	0	0	0	0	0	0	0
Population Health	13,527	14,042	(515)	16,232	15,853	379	72	307
Operations and Neighbourhoods	41,944	45,799	(3,855)	50,333	50,746	(412)	(932)	520
Growth	6,538	11,062	(4,524)	7,846	9,804	(1,958)	(2,410)	452
Governance	7,348	7,823	(474)	8,818	7,128	1,690	1,101	589
Finance & IT	3,794	3,813	(19)	4,553	4,147	406	290	116
Quality and Safeguarding	66	(49)	114	79	71	8	(15)	23
Capital and Financing	8,032	1	8,031	9,638	7,852	1,786	1,580	206
Contingency	(2,216)	(871)	(1,345)	(2,660)	(6,246)	3,586	5,052	(1,466)
Corporate Costs	1,554	(2,029)	3,583	1,865	(464)	2,328	2,071	257
Integrated Commissioning Fund	512,181	512,343	(163)	583,258	583,270	(12)	(449)	437
	Forecast Position			Forecast Position			Variance	
	Budget	Forecast	Variance	Budget	Forecast	Variance	Previous Month	Movement in Month
CCG Expenditure	330,180	330,180	0	396,744	396,744	0	0	0
TMBC Expenditure	182,000	182,164	(163)	186,514	186,526	(12)	(449)	437
Integrated Commissioning Fund	512,181	512,343	(163)	583,258	583,270	(12)	(449)	437

Tameside Integrated Care Foundation Trust Financial Position

SUMMARY

- **Revenue** - For the financial period to the 31st January 2019 the Trust has reported a net deficit of c.£20.117m, pre-Provider Sustainability Funding (PSF), which is £277k better than plan. The in month position for January reported a £1.485m deficit, £101k better than plan.
- **Trust Efficiency programme (TEP)** - The Trust delivered £1.038m of savings in month, this is an underachievement against target by £319k in month, cumulatively the Trust is reporting an overachievement against plan of £343k.
- **Agency cap** - To date the Trust has spent £5.693m on Agency, against a plan of £8.069m; 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 £19.149m, this assumes the Trust will be in receipt of the full PSF. NHSI monitor financial delivery from a revenue perspective against post PSF targets, for the Trust this plan is £23.369m
- **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. If the Trust fail to deliver the financial and/or performance targets it will need to borrow additional cash at 1.5%. Quarter 4 target for Performance will be predicated on March only.
- **TEP** – The Trust is currently forecasting an underachievement against its in year TEP delivery of £0.502m and recurrently of £1.811m. **Failure of delivering the TEP target will challenge the Trust's ability to deliver its control total.** Work is on-going with Theme groups to develop high risk schemes and generate proposals to improve this forecast position.

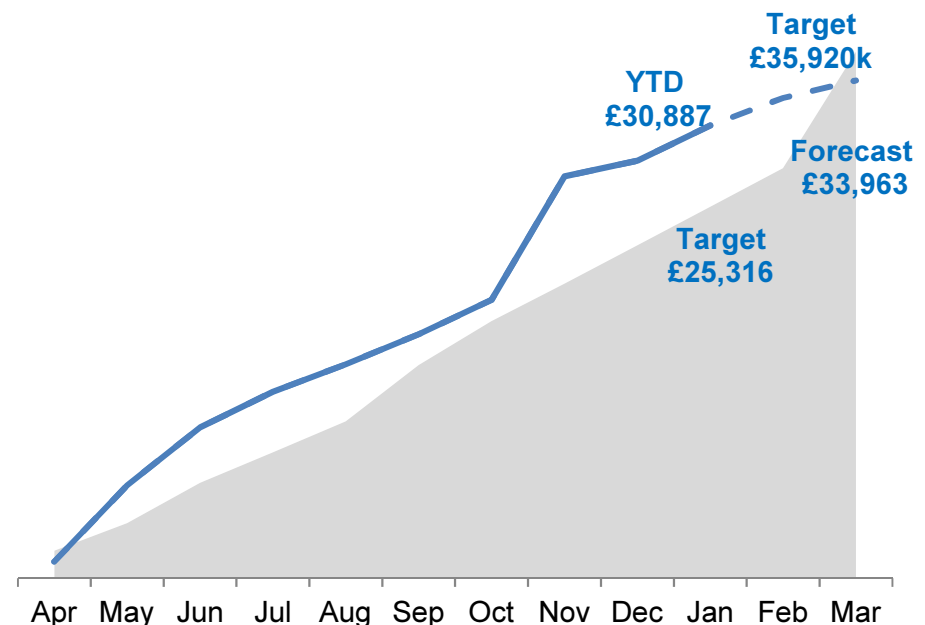
Financial Performance Metric	Month 10			YTD			Outturn
	Plan £000	Actual £000	Variance £000	Plan £000	Actual £000	Variance £000	Plan £000s
Normalised Surplus / (Deficit) Before PSF	(1,584)	(1,483)	101	(20,393)	(20,116)	277	(23,369)
Provider Sustainability Fund (PSF)	492	492	0	3,235	3,235	0	4,221
Surplus / (Deficit)	(1,092)	(991)	101	(17,158)	(16,881)	277	(19,148)
Trust Efficiency Savings	1,356	1,038	-318	10,001	10,343	342	13,001
Use of Resources Metric	3	3		3	3		3

TEP – Targeted/Trust Efficiency Plan

Organisation	High Risk	Medium Risk	Low Risk	Savings Posted	Total	Target	Post Bias Expected Saving	Post Bias Variance
CCG	0	0	740	19,060	19,800	19,800	19,800	0
TMBC	259	305	0	1,484	2,048	3,119	1,664	(1,455)
Strategic Commissioner	259	305	740	20,544	21,848	22,919	21,464	(1,455)
ICFT	374	44	2,112	10,343	12,873	13,001	12,499	(502)
Economy Total	633	349	2,852	30,887	34,721	35,920	33,963	(1,957)

- The economy wide savings target for 2018/19 is £35.920m:
Commissioner £22.919m (£19.8m CCG & £3.119m TMBC)
Provider £13.001m
- Against this target, £30.887m of savings have been realised, 86% of the required savings.
- Expected savings by the end of the year are £33.963m, a shortfall of £1.957m against target
- The Trust is currently forecasting an underachievement against its in year TEP delivery of £0.502m and recurrently of £1.811m. Work is on-going with Theme groups to develop high risk schemes and generate proposals to improve this forecast position.
- TMBC savings have been identified by underspends in other areas and a balanced position will be delivered.
- The scale of the financial gap in future years mean there must be a continued focus on identifying schemes for 2019/20 and beyond.

Progress Against Target



TEP – Targeted/Trust Efficiency Plan



CCG

The CCG has posted year to date savings of £19.060m and expects to fully achieve the £19.8m TEP target in year, £7.920m recurrently. Work is ongoing to identify recurrent TEP schemes as part of the Star Chamber process.



TMBC

£35k

The overall expected saving has reduced slightly since the previous month. Savings previously rated as medium risk in Growth are now considered high risk. 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	Target	Post Bias Expected Saving	Post Bias Variance
CCG	Emerging Pipeline Schemes	0	0	0	0	0	3,239	0	(3,239)
	GP Prescribing	0	0	482	2,518	3,000	2,000	3,000	1,000
	Individualised Commissioning Recovery Plan	0	0	94	532	626	1,326	626	(700)
	Other Established Schemes	0	0	164	3,694	3,858	4,283	3,858	(425)
	Tameside ICFT	0	0	0	2,480	2,480	2,480	2,480	0
	Technical Financial Adjustments	0	0	0	9,836	9,836	6,472	9,836	3,364
CCG Total		0	0	740	19,060	19,800	19,800	19,800	0
TMBC	Adults	105	0	0	379	484	697	390	(307)
	Growth	25	0	0	340	365	898	343	(555)
	Finance & IT	0	0	0	122	122	172	122	(50)
	Governance	129	0	0	25	154	154	38	(116)
	Childrens (Learning)	0	0	0	90	90	90	90	0
	Operations & Neighbourhoods	0	305	0	5	305	580	153	(427)
	Pop. Health	0	0	0	528	528	528	528	0
TMBC Total		259	305	0	1,489	2,048	3,119	1,664	(1,455)
Strategic Commissioner Total		259	305	740	20,549	21,848	22,919	21,464	(1,455)

TEP – Targeted/Trust Efficiency Plan



£30k

ICFT

The overall level of expected savings has improved from the previous month with the Trust now forecasting an underachievement against its in year TEP delivery of £0.502m and recurrently of £1.811m. 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	Target	Post Bias Expected Saving	Post Bias Variance
ICFT	Community	3	0	43	268	313	363	311	(53)
	Corporate	12	0	103	1,006	1,121	805	1,110	305
	Demand Management	160	0	152	962	1,273	1,474	1,113	(361)
	Estates	18	4	124	288	434	569	416	(154)
	Finance Improvement Team	53	0	187	1,360	1,600	1,067	1,546	480
	Medical Staffing	0	0	37	207	244	1,103	244	(859)
	Nursing	47	0	129	974	1,150	1,243	1,103	(140)
	Paperlite	14	0	13	84	111	250	97	(153)
	Pharmacy	21	40	219	398	678	450	657	207
	Procurement	46	0	264	164	474	752	428	(324)
	Transformation Schemes	0	0	612	2,823	3,436	3,000	3,436	436
	Technical Target	0	0	29	459	488	375	488	113
	Vacancy Factor	0	0	200	1,350	1,550	1,550	1,550	0
ICFT Total		374	44	2,112	10,343	12,873	13,001	12,499	(502)