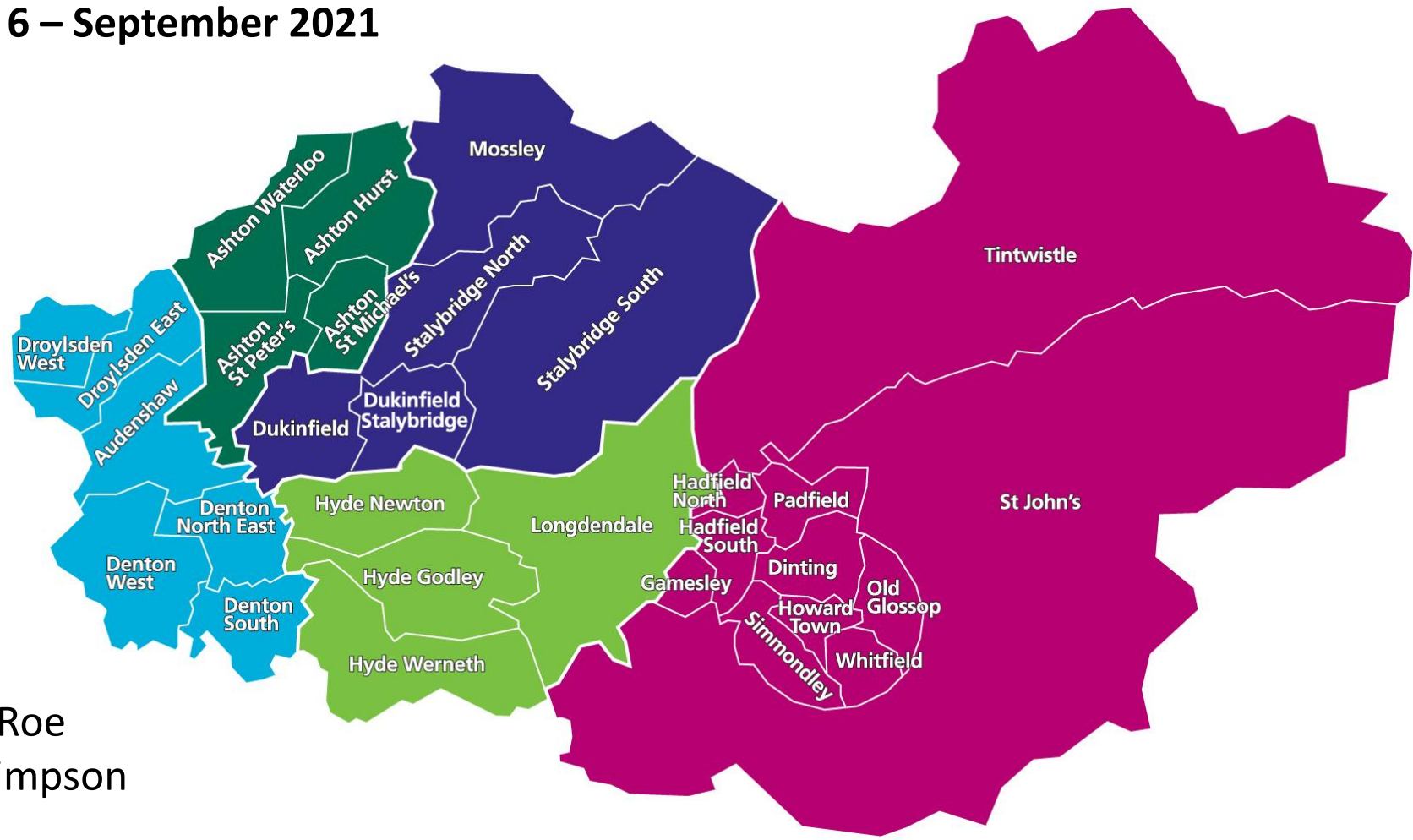


Tameside and Glossop Strategic Commission

Finance Update Report
Financial Year 2021-22
Month 6 – September 2021



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Period 5 Finance Report

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This report covers the Tameside and Glossop Strategic Commission (Tameside & Glossop Clinical Commissioning Group (CCG) and 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.

Forecasts reflect a full 12 months for TMBC, but only 6 months for the CCG/ICFT

Finance Update Report – Executive Summary

At the halfway point in the financial year, the forecast outturn position for the council is beginning to look more positive for 2021/22. Though it should be noted that this is largely due non recurrent, pandemic related funding streams which will not be available next year.

While the council position has improved, due to the allocation of one-off funding streams we continue to experience significant financial pressures, particularly in Children’s Social Care services. These need to be addressed in order to balance the in year financial position and address the longer term financial challenge.

The NHS financial regime has still not fully normalised following the command and control response to the pandemic last year. Funding has been allocated in order to cover the current costs in the system and is being monitored at a system level (i.e. Greater Manchester).

Both the ICFT and the CCG have managed within the required financial envelopes in the first half of this year.

Financial and operational guidance for the second half of the year was recently published. This includes a system level allocation and confirmation that HDP & ERF funding will continue into H2. But detailed budgets or financial envelopes are not yet agreed at a locality/organisation level. As such this report only includes NHS financial information for the first 6 months of the financial year.

Detailed H2 plans are currently under development and we will be in a better position to quantify our position next month. But anticipate the financial position will remain difficult as we rise to the national challenge to restore services, meet new care demands and reduce the care back logs that are a direct consequence of the pandemic. Whilst continuing to support staff recovery and taking further steps to address inequalities in access, experience and outcomes.

TMBC Financial Position

£2,933

Improvement in financial position since M5 as a result of non recurrent funding streams

Children’s Social Care

(£5,185k)

Forecast overspend against full year budget. Though note this represents an improvement on the M5 position

ICFT Surplus

£58k

Reported surplus against the agreed H1 financial envelope after taking account of non-rec COVID funding

Effective CCG Position

£0

Effective breakeven financial position for H1 once anticipated non-rec allocations for HDP are processed

Forecast Position £000's	YTD Position			Forecast Position			Net Variance	
	Budget	Actual	Variance	Budget	Forecast	Variance	Previous Month	Movement in Month
CCG Expenditure	222,294	223,526	(1,231)	222,294	223,526	(1,231)	(1,456)	225
TMBC Expenditure	95,534	96,306	(772)	194,494	196,422	(1,928)	(4,861)	2,933
Integrated Commissioning Fund	317,828	319,832	(2,004)	416,788	419,948	(3,159)	(6,317)	3,158

Note. Data presented for CCG covers April to September (H1) only, data for TMBC covers a full year

Integrated Commissioning Fund Budgets

Forecast Position £000's	YTD Position			Forecast Position			Net Variance	
	Budget	Actual	Variance	Budget	Forecast	Variance	Previous Month	Movement in Month
Acute	112,158	111,797	361	112,158	111,797	361	298	63
Mental Health	22,091	22,282	(191)	22,091	22,282	(191)	(95)	(96)
Primary Care	46,873	46,817	56	46,873	46,817	56	(42)	97
Continuing Care	7,885	7,640	246	7,885	7,640	246	156	90
Community	18,460	19,623	(1,164)	18,460	19,623	(1,164)	(1,407)	244
Other CCG	12,549	13,088	(539)	12,549	13,088	(539)	(366)	(173)
CCG TEP Shortfall (QIPP)	0	0	0	0	0	0	0	0
CCG Running Costs	2,278	2,278	0	2,278	2,278	0	(0)	0
Adults	20,107	19,521	586	40,214	39,335	879	(660)	1,539
Children's Services - Social Care	26,175	28,734	(2,560)	53,510	58,695	(5,185)	(5,670)	486
Education	3,984	1,712	2,272	7,239	6,928	311	161	150
Individual Schools Budgets	3,050	1,572	1,478	0	0	0	0	0
Population Health	7,235	4,643	2,592	14,470	13,610	860	615	245
Operations and Neighbourhoods	24,157	40,129	(15,972)	51,234	51,405	(171)	(516)	345
Growth	4,001	3,735	266	10,347	10,495	(148)	19	(167)
Governance	5,387	5,314	74	9,083	9,607	(524)	(626)	102
Finance & IT	4,301	4,582	(281)	8,326	7,637	689	(83)	772
Quality and Safeguarding	76	(35)	111	142	142	(0)	7	(7)
Capital and Financing	(498)	(680)	182	4,775	4,327	448	417	31
Contingency	1,972	(1,647)	3,619	3,959	4,305	(346)	(406)	60
Contingency - COVID Costs	0	11,448	(11,448)	0	16,229	(16,229)	(16,752)	523
Corporate Costs	2,516	2,644	(127)	5,051	4,973	78	45	33
LA COVID-19 Grant Funding	(6,928)	(23,945)	17,017	(13,856)	(29,591)	15,735	18,099	(2,364)
Other COVID contributions	0	(1,418)	1,418	0	(1,676)	1,676	489	1,186
Integrated Commissioning Fund	317,828	319,832	(2,004)	416,788	419,948	(3,159)	(6,317)	3,158
	YTD Position			Forecast Position			Variance	
	Budget	Forecast	Variance	Budget	Forecast	Variance	Previous Month	Movement in Month
CCG Expenditure	222,294	223,526	(1,231)	222,294	223,526	(1,231)	(1,456)	225
TMBC Expenditure	95,534	96,306	(772)	194,494	196,422	(1,928)	(4,861)	2,933
Integrated Commissioning Fund	317,828	319,832	(2,004)	416,788	419,948	(3,159)	(6,317)	3,158

Integrated Commissioning Fund Budgets

Forecast Position £000's	Forecast Position					Net Variance	
	Expenditure Budget	Income Budget	Net Budget	Net Outturn	Net Variance	Previous Month	Movement in Month
Acute	£112,158	£0	£112,158	£111,797	£361	£298	£63
Mental Health	£22,091	£0	£22,091	£22,282	(£191)	(£95)	(£96)
Primary Care	£46,873	£0	£46,873	£46,817	£56	(£42)	£97
Continuing Care	£7,885	£0	£7,885	£7,640	£246	£156	£90
Community	£18,460	£0	£18,460	£19,623	(£1,164)	(£1,407)	£244
Other CCG	£12,549	£0	£12,549	£13,088	(£539)	(£366)	(£173)
CCG TEP Shortfall (QIPP)	£0	£0	£0	£0	£0	£0	£0
CCG Running Costs	£2,278	£0	£2,278	£2,278	£0	(£0)	£0
Adults	£90,822	(£50,608)	£40,214	£39,335	£879	(£660)	£1,539
Children's Services - Social Care	£65,395	(£11,885)	£53,510	£58,695	(£5,185)	(£5,670)	£486
Education	£32,730	(£25,491)	£7,239	£6,928	£311	£161	£150
Individual Schools Budgets	£124,147	(£124,147)	£0	£0	£0	£0	£0
Population Health	£15,873	(£1,403)	£14,470	£13,610	£860	£615	£245
Operations and Neighbourhoods	£78,839	(£27,605)	£51,234	£51,405	(£171)	(£516)	£345
Growth	£45,375	(£35,028)	£10,347	£10,495	(£148)	£19	(£167)
Governance	£71,470	(£62,387)	£9,083	£9,607	(£524)	(£626)	£102
Finance & IT	£10,153	(£1,827)	£8,326	£7,637	£689	(£83)	£772
Quality and Safeguarding	£383	(£241)	£142	£142	(£0)	£7	(£7)
Capital and Financing	£8,964	(£4,189)	£4,775	£4,327	£448	£417	£31
Contingency	£4,715	(£756)	£3,959	£4,305	(£346)	(£406)	£60
Contingency - COVID Costs	£0	£0	£0	£16,229	(£16,229)	(£16,752)	£523
Corporate Costs	£5,352	(£301)	£5,051	£4,973	£78	£45	£33
LA COVID-19 Grant Funding	(£5,239)	(£8,617)	(£13,856)	(£29,591)	£15,735	£18,099	(£2,364)
Other COVID contributions	£0	£0	£0	(£1,676)	£1,676	£489	£1,186
Integrated Commissioning Fund	771,273	(354,485)	416,788	419,948	(3,159)	(6,317)	3,158

Forecast Position	Forecast Position					Net Variance	
	Expenditure Budget	Income Budget	Net Budget	Net Outturn	Net Variance	Previous Month	Movement in Month
CCG Expenditure	222,294	0	222,294	223,526	(1,231)	(1,456)	225
TMBC Expenditure	548,979	(354,485)	194,494	196,422	(1,928)	(4,861)	2,933
Integrated Commissioning Fund	771,273	(354,485)	416,788	419,948	(3,159)	(6,317)	3,158

Integrated Commissioning Fund Key Messages

Council Budgets (£1,928k) Overspend

The forecast outturn position across Council budgets has improved significantly at period 6 (£4,861k overspend at period 5) due primarily to additional income being recognised to offset cost pressures across the Directorates. The Council is in receipt of significant Contain Outbreak Management Funding (COMF) which is now being utilised to address COVID related cost pressures across the services, and the continuation of the Hospital Discharge Programme has resulted in additional funding being recognised in the Adults forecast.

Whilst this improved forecast position is positive in respect of the 2021/22 financial position, it must be noted that most of this favourable movement is due to the application of non-recurrent funding streams which will not be available in future years. Once the impact of additional COVID related funding streams and one-off savings attributed to COVID are removed from the financial position, the Council has an underlying in-year deficit of £6,195k which must still be addressed on an on-going basis.

Headlines for each Directorate are summarised below, with further detail on budget forecasts and key variances set out in Appendix 2.

Adults £879k Underspend

The forecast outturn position for Adults Services has improved significantly again at period 6 due to two main factors:

- The continuation of the Hospital Discharge funding beyond the end of September 2021 means that costs previously forecast for the period October to March will now be covered by this funding.
- In addition, the Council is in receipt of Contain Outbreak Management Funding (COMF) for 21/22 which has now been allocated to fund COVID related cost pressures.

It should be noted however that both these funding streams are non-recurrent, and will not be available to support cost pressures which may continue into 2022/23.

Education £311k Underspend

The forecast outturn for the service is showing an underspend of £311k. This is an improvement of £150k from the prior period due to further savings on staffing costs and application of COMF grant to support COVID related work.

The main under spends relate to non-grant funded staffing of £205k, a saving on the on AED budget of £224k, and an under spend on the teachers retirement costs of £90k. This is partially offset by a projected overall under achievement in school-traded income of (£230k) and a projected decrease of (£74k) in Education Welfare penalty notice income. There is also a forecast pressure on SEN Transport of (£33k) for the summer 2021 term due to social distancing measures being put in place.

Integrated Commissioning Fund Key Messages

Children's Social Care (£5,185k) Overspend

The Directorate forecast position is an over spend of (£5,185k), a favourable decrease of £486k since period 5. The over spend is predominately due to the number and cost of external and internal placements. At the end of September the number of cared for children was 701 an increase of 7 from the previous month.

The overall reduction in the reported overspend, is mainly due to a favourable decrease in staffing costs of £627k due to part year vacancies and delays in recruitment to posts and opening of the assessment and short breaks units. Additionally there have been favourable reductions in forecast expenditure for Home Care and Direct Payments Fees for children with additional needs of £259k and Inter Agency Adoption Fees of £253k. The Directorate has also received income from the CCG of £396K as part of the risk share agreement with the Council. These reductions in forecasts have been partly offset by an increase in external placements (£726K).

Population Health £860k Underspend

The forecast outturn position of £860k is an improved position on the previously reported period (£615k) due to further allocations of COMF to support COVID related cost pressures and activity, and reductions to forecast contract costs where the inflationary uplift is less than previously estimated.

Capital Financing £448k Underspend

The forecast outturn position has improved slightly since the prior period due to a revised forecast for interest income based on performance over the first six months of the year. The overall underspend continues to be driven by savings on borrowing and MRP.

Operations & Neighbourhoods (£171k) Overspend

The forecast outturn position for the Directorate is an overspend of £171k. This is a favourable movement from the previous monitoring period of £332k. It should be noted however that this improvement is heavily underpinned by the use of COMF monies which are offsetting additional COVID related costs but also funding staffing costs within Licensing and Enforcement Services for COVID related activity. The service is facing a number of pressures, including non delivery of planned savings, which are being mitigated in part by additional unplanned savings or income.

Integrated Commissioning Fund Key Messages

Governance (£524k) Overspend

The current forecast for the Directorate is (£524k) over budget. This is an improved position from the last full monitoring report due to staffing savings across the services, however COVID pressures have increased in Exchequer Services, resulting in deterioration in the forecast for this area.

There are pressures of (£1,328k) included within the forecasts that relate to the impact of COVID on Housing Benefit overpayments debt recovery and reduced income from court costs recovery and the additional pressure on the bad debt provision we hold for council tax summons. If the impact of COVID pressures is excluded from the position there is an underlying underspend of £747k.

Finance & IT £689k Underspend

The forecast outturn position of £689k which is an improvement of £772k from the previous period due to:

- £579k additional grant funding to support the acceleration of Office 365 roll out to support remote and hybrid working arrangements.
- Financial Management staffing costs forecast reduced due to a number of vacancies across the team.
- Digital Tameside forecast spend on projects is less than forecast due to reprioritisation of projects and changes to requirements which has resulted in expenditure being delayed or less than originally forecast.

Contingency (£346k) Overspend

The forecast outturn position has improved slightly since the prior period due to additional one-off income which cannot be attributed to service areas. The Contingency budget includes provision for pay award in 2021/22 which has yet to be settled, and provision for unexpected costs which may materialise over winter 2021/22.

Growth (£148k) Overspend

The Growth forecast outturn has deteriorated since period 5 from a forecast favourable variance of £19k to a forecast adverse variance of (£148k). The change in the variance is primarily related to the forecast non delivery of savings relating to the rationalisation of the Council Estate (£114k) and reduced levels of fee income relating to Land Charges and Pre-Planning Applications (£47k).

Corporate Costs £78k Underspend

The overall position of the service is now showing an under spend of £78k. The move in forecast from period 3 is £33k. This is mainly due to the contribution to the Adult Social Care Graphnet System now being forecast in the Adults Directorate plus other minor variations.

Integrated Commissioning Fund Key Messages

COVID Expenditure and Funding

The Council continues to capture direct costs relating to the COVID-19 pandemic and is in receipt of significant grant funding and other contributions to support both direct costs and indirect costs (which are reflected in Directorate budgets). The 2021/22 budget included £13,856k of budgeted COVID grant to support ongoing indirect costs in services, and this is reflected within 'Covid-19 – Corporate' below,

COVID Expenditure and Income (£000's)	Net Forecast Expenditure	COVID-19 Grant Funding	Other COVID contributions
Covid 19 - Additional Restrictions Grant	£3,178	(£3,178)	£0
Covid 19 - Adults Services - CCG Funding Stream	£0	£0	(£0)
Covid 19 - Adults Services Discharge to Assess	£1,675	£0	(£1,675)
Covid 19 - CDC	£29	£0	£0
Covid 19 - Children's Social Care	£41	£0	£0
Covid 19 - Clinically Extremely Vulnerable	£726	(£726)	£0
Covid 19 - Community Champions	£367	(£367)	£0
Covid 19 - Emergency Assistance Grant	£149	(£149)	£0
Covid 19 - Governance	£357	(£441)	(£1)
Covid 19 - IT	£7	£0	£0
Covid 19 - Local Restrictions Support Grant (open)	£278	(£278)	£0
Covid 19 - Population Health Asymptomatic Testing Sites	£199	(£199)	£0
Covid 19 - Population Health COMF - Discharge to Assess	£177	£0	£0
Covid 19 - Population Health COMF - Staffing	£128	£0	£0
Covid 19 - Population Health Contain Outbreak Management	£5,052	(£5,357)	£0
Covid 19 - Population Health Test & Trace	£935	(£935)	£0
Covid 19 - Test and Trace Support Payments	£365	(£365)	£0
Covid 19 - Winter Grant Scheme	£1,133	(£1,133)	£0
Covid 19 - Corporate	£1,010	(£16,318)	£0
Covid-19 - Operations and Neighbourhoods	£278	£0	£0
DHSC Self-isolation Pathfinder	£146	(£146)	£0
Grand Total	£16,229	(£29,591)	(£1,676)

Integrated Commissioning Fund Key Messages

CCG Financial Position & Hospital Discharge Programme.

The CCG is reporting an H1 overspend (£1,231k). All of which relates to the Hospital Discharge Programme. We anticipate receipt of an allocation to match this variance, which is effectively a net breakeven position once reimbursement has been transacted in full.

For HDP the CCG was allowed to claim for pre assessment placement costs of up to 6 weeks in Q1, which reduced to 4 week for patients discharged in Q2. In Q2, TMBC have been able to include further costs relating to equipment for hospital discharge (£378k) and homecare support costs (40k). The CCG have also been able to claim for transport costs relating to hospital discharges which amounts to a total £59k for H1.

The total HDP claim for H1 for the economy was £1,551k, plus an anticipated further claim of £221k to be made in M7 relating to the care of patient discharged from hospital in September. The CCG has so far received £320k of HDP funding in allocations, leaving a residual £1,231k still to drawdown.

It was recently confirmed that HDP funding will continue into the second half of the year. The CCG and TMBC will continue to ensure all valid reimbursable costs are claimed via HDP.

CCG QIPP

	High Risk	Medium Risk	Low Risk	Saving Posted	Total	Expected Saving	Opening Target
Star Chamber	0	0	0	0	0	0	0
Cross Cutting Themes	0	0	0	0	0	0	0
GP Prescribing	0	0	0	250,000	250,000	250,000	250,000
Other Established Schemes	0	0	0	425,889	425,889	425,889	958,000
Technical Financial Adjustments	0	0	0	1,092,111	1,092,111	1,092,111	560,000
Total	0	0	0	1,768,000	1,768,000	1,768,000	1,768,000
	High Risk	Medium Risk	Low Risk	Saving Posted	Total	Expected Saving	
Recurrent	0	0	0	250,000	250,000	250,000	
Non Recurrent	0	0	0	1,518,000	1,518,000	1,518,000	
Total	0	0	0	1,768,000	1,768,000	1,768,000	

The H1 QIPP target of £1,768k, has been met in full.

Delivery of 2020/21 QIPP plans was largely transactional in nature, with just 14% of planned savings delivered recurrently (all of which are prescribing related).

Further work is required to establish the scale of the challenge in H2, which is something we cannot quantify until financial envelopes are agreed across Greater Manchester.

Finance Summary Position – T&G ICFT

	Month 6			YTD		
	Plan £000's	Actual £000's	Variance £000's	Plan £000's	Actual £000's	Variance £000's
Total Income	£22,944	£25,190	£2,246	£137,512	£139,693	£2,181
Employee Expenses	(£15,767)	(£17,891)	(£2,124)	(£92,987)	(£94,355)	(£1,368)
Non Pay Expenditure	(£6,502)	(£7,008)	(£506)	(£39,121)	(£40,530)	(£1,409)
Total Operating Expenditure (excl. COVID-19)	(£22,269)	(£24,899)	(£2,630)	(£132,108)	(£134,885)	(£2,777)
Income - COVID-19	£0	£93	£94	£0	£135	£135
Employee Expenses - COVID-19	(£680)	(£660)	£21	(£4,081)	(£4,033)	£48
Non Pay Expenditure - COVID-19	(£231)	(£38)	£192	(£1,323)	(£852)	£471
Total Operating Expenditure - COVID-19	(£911)	(£605)	£307	(£5,404)	(£4,750)	£654
Total Operating Expenditure	(£23,180)	(£25,504)	(£2,323)	(£137,512)	(£139,635)	(£2,123)
Net Surplus/ (Deficit) before exceptional Items	(£236)	(£314)	(£77)	(£0)	£58	£58
Capital Expenditure	£517	£104	(£413)	£2,879	£1,479	(£1,400)
Cash and Equivalents		£24,409				

Finance Summary Position – T&G ICFT

Trust Financial Summary

The Trust reported a variance in month against plan of £78k adverse and c£58k surplus against the overall H1 plan. The month 6 in month position is a net deficit in month of c.£314k which represents a favourable movement from month 5 of c.£4k. Despite the Trust facing continuing pressures within ED, Urgent Care and Paediatric RSV, a balanced financial position was achieved against plan.

Total COVID expenditure incurred in month equates to c.£605k against planned spend of c.£911k and a total spend of c£4.750m against a plan of c.£5.404m for H1 which represents an underspend of £654k.

The Trust has delivered efficiencies equating to c.£2.507m which are predominantly through productivity improvements and income generation schemes.

Activity and Performance:

Restoration plans are well established within the Trust and the Trust continues to aspire to deliver nationally prescribed activity targets, which for August was 95% of 2019/20 activity levels. The Trust continues to report good levels of performance against restoration targets, which is currently at 85% overall. The Trust continues to experience significant pressures within Urgent Care and Non-elective admissions.

Efficiency target:

The Trust has achieved c£2.507m of efficiency savings via productivity improvements against an ambitious plan of c£3.095m for H1. Despite the under delivery of savings compared to plan, the Trust still delivered a balance financial position for H1.