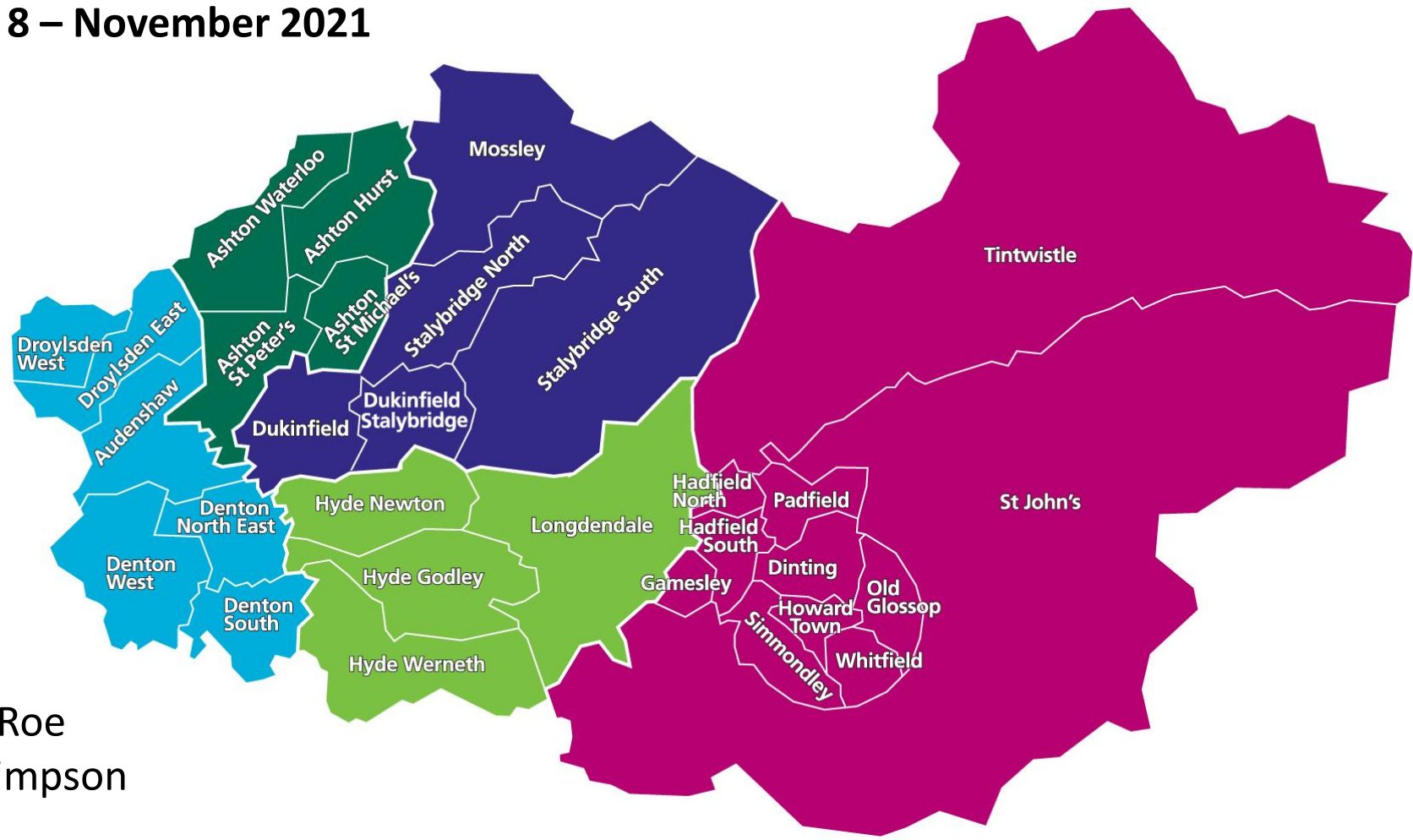


Tameside and Glossop Strategic Commission

Finance Update Report
Financial Year 2021-22
Month 8 – November 2021



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Period 8 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.

Finance Update Report – Executive Summary

Message from the DOFs:

Last month we reported that NHS plans for the second half of 2021/22 had not been formally approved at the time the report was written. Plans were approved by NHS England in mid November and allocations have now been transacted. As a result of this, full year budgets are now in place across the NHS and for the first time this year we are able to present full 12 month budget position.

While we are now focused upon delivery against this plan, delivery is now against the backdrop of the new Omicron variant and the accelerated vaccine roll out recently announced by the Government. These will inevitably impact upon operational delivery and may make delivery of financial savings more challenging. It is too early to quantify this risk, but finance are working with operational colleagues to facilitate delivery and monitor financial progress, while ensuring that we operate within the agreed funding envelope and access any new COVID funding as appropriate.

Looking forward to next year, the Council are in the process of calculating budgets and identifying potential savings in advance of the Local Government Finance Settlement which is expected in mid December. Whilst the recent spending review did offer some additional funding for Local Government, current estimates are that cost and demographic pressures will continue to significantly exceed available funding.

There remains uncertainty about the future financial regime within the NHS. But work is underway to prepare for the creation of the Greater Manchester Integrated Care Board from April. We are working with colleagues from Derbyshire to ensure successful transition of commissioning arrangements for Glossop patients into the Derbyshire ICB. This includes appropriate financial and contractual transfers and the preparation of a revised section 75 Agreement to reflect the CCG's changed boundaries.

TMBC Financial Position

£371k

Improvement in financial position since M7, as a result of reduced costs in Children's Social Care and other one off benefits

Children's Social Care

(£4,619k)

Forecast overspend against full year budget. Though note this represents an improvement on the M7 position

CCG QIPP

(£451k)

Post Optimism Bias shortfall against QIPP target. Work underway to progress further savings and close this gap.

ICFT YTD Position

£34k

Despite In month pressures in November, spend on a YTD basis is slightly less than plan.

Forecast Position £000's	YTD Position			Forecast Position			Variance	
	Budget	Forecast	Variance	Budget	Forecast	Variance	Previous Month	Movement in Month
CCG Expenditure	294,840	295,377	(536)	451,719	455,272	(3,553)	N/A	N/A
TMBC Expenditure	130,002	125,430	4,572	194,494	195,701	(1,207)	(1,579)	371
Integrated Commissioning Fund	424,842	420,807	4,035	646,213	650,973	(4,761)	(1,579)	371

Integrated Commissioning Fund Budgets

Forecast Position £000's	YTD Position (Net)			Forecast Position (Net)			Net Variance		Gross Position (full year)	
	Budget	Actual	Variance	Budget	Forecast	Variance	Previous Month	Movement in Month	Expenditure Budget	Income Budget
Acute	152,062	151,724	338	228,148	227,805	343	N/A	N/A	228,148	0
Mental Health	29,927	29,820	107	45,466	45,417	49	N/A	N/A	45,466	0
Primary Care	61,324	61,710	(387)	95,496	96,470	(974)	N/A	N/A	95,496	0
Continuing Care	9,231	8,816	415	14,769	14,595	174	N/A	N/A	14,769	0
Community	25,385	25,841	(456)	38,024	39,636	(1,611)	N/A	N/A	38,024	0
Other CCG	14,055	14,677	(622)	25,259	26,342	(1,083)	N/A	N/A	25,259	0
CCG TEP Shortfall (QIPP)	0	0	0	0	451	(451)	N/A	N/A	0	0
CCG Running Costs	2,857	2,788	69	4,556	4,556	(0)	N/A	N/A	4,556	0
Adults	26,809	27,686	(877)	40,214	39,335	879	879	0	90,822	(50,608)
Children's Services - Social Care	34,852	38,510	(3,658)	53,510	58,129	(4,619)	(4,826)	207	65,395	(11,885)
Education	5,635	1,919	3,716	7,239	6,928	311	311	0	32,730	(25,491)
Individual Schools Budgets	3,457	(1,083)	4,541	0	0	0	0	0	124,147	(124,147)
Population Health	9,647	6,436	3,211	14,470	13,610	860	860	0	15,873	(1,403)
Place	40,082	51,225	(11,143)	61,581	61,900	(319)	(319)	0	124,215	(62,634)
Governance	7,583	9,099	(1,516)	9,083	9,607	(524)	(524)	0	71,470	(62,387)
Finance & IT	5,750	5,530	220	8,326	7,637	689	689	0	10,153	(1,827)
Quality and Safeguarding	98	(8)	106	142	142	(0)	(0)	0	383	(241)
Capital and Financing	(663)	(890)	226	4,775	4,327	448	448	0	8,964	(4,189)
Contingency	2,634	(1,800)	4,434	3,959	3,918	41	(211)	252	4,715	(756)
Contingency - COVID Costs	0	12,880	(12,880)	0	16,229	(16,229)	(16,229)	0	0	0
Corporate Costs	3,355	3,425	(70)	5,051	4,973	78	78	0	5,352	(301)
LA COVID-19 Grant Funding	(9,237)	(25,688)	16,451	(13,856)	(29,359)	15,503	15,591	(88)	(5,239)	(8,617)
Other COVID contributions	0	(1,811)	1,811	0	(1,676)	1,676	1,676	0	0	0
Integrated Commissioning Fund	424,842	420,807	4,035	646,213	650,973	(4,761)	(1,579)	371	1,000,698	(354,485)

Forecast Position £000's	YTD Position			Forecast Position			Variance		Gross Position (full year)	
	Budget	Forecast	Variance	Budget	Forecast	Variance	Previous Month	Movement in Month	Expenditure Budget	Income Budget
CCG Expenditure	294,840	295,377	(536)	451,719	455,272	(3,553)	N/A	N/A	451,719	0
TMBC Expenditure	130,002	125,430	4,572	194,494	195,701	(1,207)	(1,579)	371	548,979	(354,485)
Integrated Commissioning Fund	424,842	420,807	4,035	646,213	650,973	(4,761)	(1,579)	371	1,000,698	(354,485)

A: Section 75 Services	230,262	228,755	1,507	352,512	354,363	(1,851)	Note: The CCG did not have H2 budgets in place at M7, therefore unable to measure movements to variance at M8, but will do so again at M9			
B: Aligned Services	146,373	137,049	9,324	220,450	223,337	(2,887)				
C: In Collaboration Services	48,207	55,002	(6,795)	73,251	73,273	(22)				
Integrated Commissioning Fund	424,842	420,807	4,035	646,213	650,973	(4,761)				

Integrated Commissioning Fund Key Messages

Children's Social Care (£4,619k) Overspend

The Directorate forecast position is an over spend of (£4,619k), a favourable decrease of £207k since period 7. The over spend is predominately due to the number and cost of external and internal placements. At the end of November the number of cared for children was 696 a decrease of 2 from the previous month. The reduction in forecasts since period 7 is due to a favourable decrease in external placements (£207K).

Overall TMBC Position

The forecast outturn on Council Budgets has improved by 371k since Month 7, mainly due a reduction in external placement costs in Children's Social Care (£207k). There are some other favourable movements (£252k) relating to the release of contingency budget and additional one-off income relating to reimbursement of costs from a prior year, and a small reduction (£88k) in COVID related funding for administration costs recognised in 2021/22.

CCG QIPP

Against a full year target of £5,164k, £3,863k (75%) of the required savings have realised in the first 8 months of the year.

In addition to our banked savings, there is a further £310k, which we are completely confident of realising in future months. This leaves savings of £991k still to find.

After application of optimism bias, we anticipate making further savings of £540k from schemes currently rated as amber. Reducing the savings gap to £451k.

Work is underway to identify further schemes which will close this gap

CCG Reported Position

The reported position at M8 shows a forecast overspend of (£3,553k), with a YTD variance of (£536k). This is made up as follows:

(£1,681k) Hospital Discharge Programme (YTD £536k). In total we have spent £2,087k against the Hospital Discharge Programme in the first 8 months of the year. Claims of £1,551k relating to H1 have already been approved by NHSE, resulting in the YTD variance of £536k. Total forecast spend for the full year is £3,232k. After adjusting for H1 claim results which have already been reimbursed, we are reporting a total variance of £1,681k. We anticipate receipt of an allocation to match this variance, resulting in an effective breakeven position after reimbursement has been approved and transacted.

(£1,422k) GP Additional Roles & Responsibilities (YTD £0k) . £3,207k of total funding has been made available by NHS England, against which our Primary Care Networks can claim in 2021/22. Based on current PCN plans, this is expected to be spent in full. CCG baseline allocations include £1,785k of ARRs funding and we are able to reclaim any spend in excess of this, hence the reported variance . Any slippage in PCN expenditure will reduce the value of CCG claims (i.e. ARRs will be cost neutral for the CCG position).

(£451k) QIPP Shortfall (YTD £0k). We have reported to NHS England that QIPP will be achieved in full. However based on standard optimism bias rules we are currently projecting a shortfall in achievement. Work is underway to address this risk and identify schemes which will close the gap. A more detailed report will be taken to Finance & QIPP Assurance Group, updating on progress.

Finance Summary Position – T&G ICFT

	Month 8			YTD		
	Plan £000's	Actual £000's	Variance £000's	Plan £000's	Actual £000's	Variance £000's
Total Income	£22,553	£22,863	£310	£182,170	£184,652	£2,482
Employee Expenses	(£16,241)	(£15,959)	£282	(£125,186)	(£126,037)	(£851)
Non Pay Expenditure	(£6,415)	(£6,987)	(£572)	(£51,933)	(£54,107)	(£2,174)
Total Operating Expenditure (excl. COVID-19)	(£22,656)	(£22,946)	(£290)	(£177,119)	(£180,144)	(£3,025)
Income - COVID-19	£30	£28	(£2)	£60	£191	£131
Employee Expenses - COVID-19	(£739)	(£694)	£45	(£5,558)	(£5,424)	£134
Non Pay Expenditure - COVID-19	(£93)	(£189)	(£96)	(£1,496)	(£1,126)	£370
Total Operating Expenditure - COVID-19	(£802)	(£855)	(£53)	(£6,994)	(£6,359)	£635
Total Operating Expenditure	(£23,458)	(£23,801)	(£343)	(£184,113)	(£186,503)	(£2,390)
Net Surplus/ (Deficit) before exceptional Items	(£905)	(£938)	(£33)	(£1,943)	(£1,851)	£92
Trust Efficiency Programme	£375	£542	£167	£3,714	£3,493	(£221)
Capital Expenditure	(£506)	(£814)	(£308)	(£2,942)	(£2,559)	£383
Cash and Equivalents		£29,571				

Finance Summary Position – T&G ICFT

Trust Financial Summary – Month 8

The Trust H2 financial plan for H2 is breakeven, in line with national guidance. In month 8 the Trust reported an in month variance against plan of c.£33k deficit and a YTD surplus of c.£92k. The Trust H2 financial plan for H2 is breakeven, in line with national guidance. The Trust H2 financial plan for H2 is breakeven, in line with national guidance.

The in month actual position is a reported deficit of c.£938k this represents a reduction of spend from the previous month of c.£31k. Ward arrears for H1 was transacted in month 6, in line with national guidance, the impact of the pay award was assumed to be fully funded in H1. Any shortfall Total COVID expenditure incurred in month equated to c.£855k against planned spend of c.£802k and a total YTD spend of c£6.359m against a plan of c.£6.994m which represents an underspend of £635k. COVID spend increased during month 8 predominantly due to increases in the numbers of COVID positive in-patients treated during the month.

The Trust is forecasting a breakeven financial position for 2021/22 in line with plan.

Activity and Performance:

Restoration plans have been established within the Trust and the Trust continues to aspire to deliver nationally prescribed activity targets, which for H2 is to deliver 89% of the completed Referral to Treatment pathways relative to 2019/20. The Trust continues to report good levels of performance against restoration targets. However, the Trust continues to experience significant pressures within Urgent Care, Non-elective and COVID positive admissions.

Efficiency target:

The Trust has set an efficiency target for H2 of 3% in line with national guidance. This equates to c£4.381m for H2 and c£7.472m for the financial year 2021/22.

The Trust has delivered efficiencies equating to c. £542k in month 8 and c.£3.493m YTD which are predominantly through productivity improvements and income generation schemes.