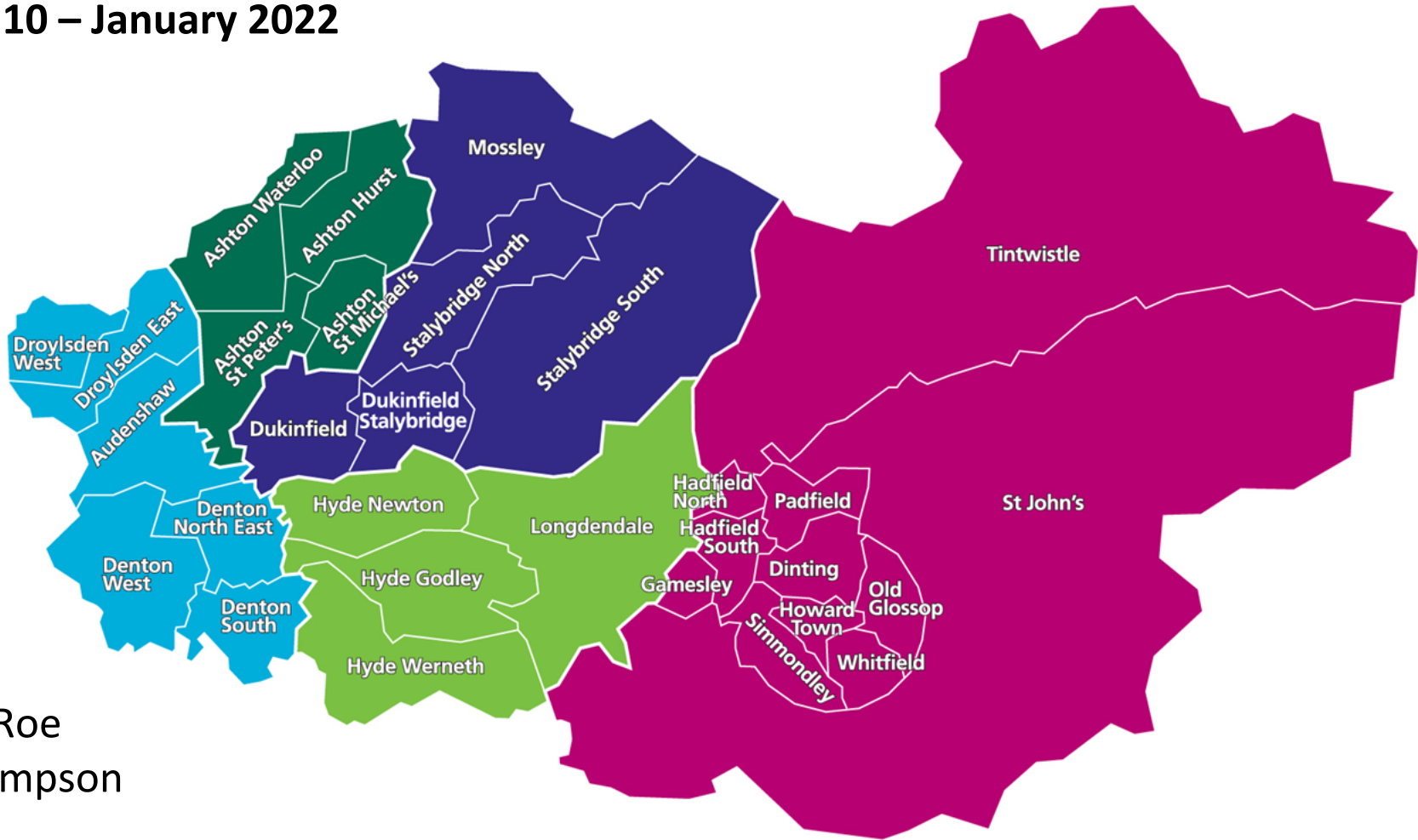


Tameside and Glossop Strategic Commission

Finance Update Report
Financial Year 2021-22
Month 10 – January 2022



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Period 10 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

As we enter the final two months of the financial year, the forecast outturn position for the council continues to look more positive for 2021/22, a £458k improvement has been reported since last month, taking year-end projected overspend to £701k. The overall improvement is largely due to non recurrent, pandemic related funding streams which will not be available next year. The 2022/23 budget is expected to be approved at Full Council on 22 February 2022 – this includes additional funding for both Children’s and Adults Social Care, but cost and demand pressures are expected to continue to increase.

The CCG reported position at Month 10 shows a forecast overspend of £3,376k, all of which is reimbursable. Once appropriate allocations have been received, we are effectively reporting a break even position, which includes full achievement QIPP. Work is in progress on national planning returns for 2022/23 with allocations published at an ICB level.

The Trust is forecasting a breakeven financial position for 2021/22 in line with plan. 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 and as a result there has been a small reduction in the number of elective and day cases versus plan this month

TMBC Financial Position

£458k

Improvement in financial position since M9 as a result of further improvement in the forecast for Children’s Social Care and release of some contingencies.

Children’s Social Care (£4,146k)

Forecast overspend against full year budget. Though note this represents an improvement on the M9 position

ICFT Surplus

£0k

ICFT forecasting a breakeven financial position for 2021/22 in line with plan

CCG Position

£0k

The reported position at Month 10 shows a forecast overspend of (£3,376k). This is all reimbursable but in line with national reporting guidance must be shown until allocation transactions in M11 & M12

Forecast Position £000's	YTD Position			Forecast Position			Variance	
	Budget	Forecast	Variance	Budget	Forecast	Variance	Previous Month	Movement in Month
CCG Expenditure	369,964	371,349	(1,385)	452,254	455,630	(3,376)	(3,931)	555
TMBC Expenditure	165,285	156,017	9,268	194,494	195,195	(701)	(1,159)	458
Integrated Commissioning Fund	535,250	527,366	7,884	646,748	650,825	(4,077)	(5,090)	1,012

Integrated Commissioning Fund Budgets

Forecast Position £000's	YTD Position (Net)			Forecast Position (Net)			Net Variance	
	Budget	Actual	Variance	Budget	Forecast	Variance	Previous Month	Movement in Month
Acute	191,291	190,852	439	229,280	228,771	509	491	18
Mental Health	37,479	36,970	509	45,424	45,201	224	159	65
Primary Care	76,798	77,229	(431)	95,109	96,321	(1,212)	(1,386)	174
Continuing Care	12,000	11,369	632	14,769	13,904	865	506	358
Community	31,704	32,733	(1,029)	38,262	39,914	(1,652)	(1,669)	16
Other CCG	16,844	18,430	(1,586)	24,620	26,728	(2,109)	(1,591)	(518)
CCG TEP Shortfall (QIPP)	0	0	0	0	0	0	(441)	441
CCG Running Costs	3,848	3,766	83	4,790	4,790	0	0	0
Adults	33,553	34,184	(631)	40,264	39,369	895	879	16
Children's Services - Social Care	43,696	48,487	(4,792)	53,314	57,459	(4,146)	(4,533)	388
Education	7,189	3,830	3,358	7,435	7,064	372	311	61
Individual Schools Budgets	4,608	(909)	5,517	0	0	0	0	0
Population Health	12,115	10,653	1,462	14,538	13,641	897	860	37
Place	52,019	55,160	(3,141)	61,581	62,343	(762)	(319)	(443)
Governance	9,741	9,609	132	9,083	9,495	(412)	(524)	112
Finance & IT	7,229	7,203	26	8,326	7,523	803	689	114
Quality and Safeguarding	120	19	101	142	142	0	(0)	0
Capital and Financing	(829)	(1,159)	329	4,775	4,270	505	448	57
Contingency	3,198	(1,837)	5,035	3,841	3,568	273	41	232
Contingency - COVID Costs	0	17,372	(17,372)	0	26,639	(26,639)	(16,288)	(10,351)
Corporate Costs	4,193	4,217	(24)	5,051	4,890	161	78	83
LA COVID-19 Grant Funding	(11,547)	(28,425)	16,879	(13,856)	(38,310)	24,454	15,525	8,929
Other COVID contributions	0	(2,390)	2,390	0	(2,898)	2,898	1,676	1,223
Integrated Commissioning Fund	535,250	527,366	7,884	646,748	650,825	(4,077)	(5,090)	1,012

Integrated Commissioning Fund Key Messages

Council Budgets (£701k) Overspend

The forecast outturn position across Council budgets shows an overall improvement in the forecast outturn position, however this is net of a number of overspends and the forecast has deteriorated in some areas.

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

Adults £895k Underspend

The forecast outturn position for Adults Services is an underspend of £895k. This is due to two main factors:

- The continuation of the Hospital Discharge funding beyond the end of September 2021 means that significant costs 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 been allocated to fund COVID related cost pressures.

Both of these factors are additional and one-off/non-recurrent funding streams that will not be available to support cost pressures which are expected to continue into 2022/23.

Education £372k Underspend

The overall position for the service is showing an underspend of £372k. This is a net position due to a number of factors including:

- under spends on non-grant funded staffing
- Savings on the on AED budget due to budget review and utilisation of Central Schools Services Grant;
- a saving on the Education Psychology Service due to a reduction in the use of associates
- an under spend on the teachers retirement costs of £110k;
- a projected overall under achievement in school-traded income
- a forecast pressure on SEN Transport following updated routes from the Autumn term and covid related costs for the summer term due to social distancing measures being put in place.

Children's Social Care (£4,146k) Overspend

The Directorate forecast position is an over spend of (£4,146k), a favourable decrease of £411k since period 9. The over spend is predominately due to the number and cost of external and internal placements. At the end of January the number of cared for children was 675 a decrease of 12 from the previous month. The reduction in forecasts since period 9 is predominately due to an increase in vacant posts and a reduction in interagency adoption fees. Key pressures include:

Looked After Children (External Placements): (£3,112k) over budget: At 1st February there were 62 young people aged 18 and over in external placements paid for by Children Services. The number of young people aged 18 and over in external placements is due in large to the lack of more appropriate alternatives. Adoption interagency fees are forecast to underspend by £669k and concurrent fostering placements are forecast to underspend by £100k which are offsetting some of the forecast overspend on residential placements

Looked After Children (Internal Placements): (£1,516K) over budget: The forecast overspend is in relation to in-house fostering allowances, adoption allowances, SGO allowances, child arrangement orders, staying-put allowances and Supported Lodging allowances.

Place (£762k) Overspend

The forecast outturn position for the Directorate is an overspend of £762k which is a deterioration in the position forecast previously. Key items contributing to the forecast overspend include:

- Planning – mainly attributable to loss of planning application fee income.
- Corporate Landlord – due to loss of income from room hire and rental income losses.
- Estates – reduction in commercial income from shopping centres.
- Highways commercial income target is not expected to be achieved, and winter gritting costs expected to exceed budget.
- Bereavement income is below normal levels due to reduced capacity whilst the replacement cremator project is completed.
- Car parking and markets income remains below budget due in part to the impacts of COVID-19.

Integrated Commissioning Fund Key Messages

Governance (£412k) Overspend

The current forecast for the Directorate is (£412k) over budget. This is an improved position from the last full monitoring report; however, there are COVID related pressures across Exchequer Services.

There are pressures of (£1,169k) 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 £645k due mainly to vacant posts and savings on supplies and services.

Population Health £897k Underspend

Overall, Population Health is showing a forecast under spend of £897k against the approved budget as at Period 10. The directorate is in receipt of £572k of Contain Outbreak Control Fund that is covering employee costs of staff members working on the Covid-19 response.

The forecast underspend has increased since the last report in Period 6 by £37k mainly due to staffing costs as vacancies will now not be filled by year-end.

Contingency £273k Underspend

The forecast outturn position has improved slightly since the prior period due to the release of some contingencies. The Contingency budget includes provision for pay award in 2021/22 which has yet to be settled.

Capital Financing £505k Underspend

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

Finance & IT £803k Underspend

The current forecast for the Directorate is £803k under budget. This underspend is mainly due to Additional one-off grant funding to support acceleration of Office 365 roll out to support more effective remote working of £579k.

Corporate Costs £161k Underspend

The overall position of the service is now showing an under spend of £161k. The move in forecast from period 6 is £83k. This is mainly due to a reduction in the payment schedule for the Pensions Increase Act to GMPF £60K plus other minor variations across the service.

Integrated Commissioning Fund Key Messages

COVID Expenditure and Income	Net Forecast Expenditure	COVID-19 Grant Funding	Other COVID contributions
Covid 19 - Additional Restrictions Grant	£4,166	(£4,166)	£0
Covid 19 - Additional Restrictions Grant (Top up Jan 22)	£285	(£285)	£0
Covid 19 - Adults Services	£289	(£289)	£0
Covid 19 - Adults Services Discharge to Assess	£2,897	£0	(£2,897)
Covid 19 - Adults Services Infection Control and Testing Fund- Phase 4	£894	(£894)	£0
Covid 19 - CDC	£34	£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 - Corporate	£1,010	(£16,174)	£0
Covid 19 - Education	£35	£0	£0
Covid 19 - Emergency Assistance Grant for Food and Essential Supplies	£149	(£149)	£0
Covid 19 - Governance	£386	(£375)	(£1)
Covid 19 - Growth	£29	£0	£0
Covid 19 - Household Support Fund	£800	(£800)	£0
Covid 19 - Household Support Fund - Free School Meals	£1,425	(£1,425)	£0
Covid 19 - IT	£32	£0	£0
Covid 19 - Local Restrictions Support Grant (open)	£278	(£278)	£0
Covid 19 - Operations and Neighbourhoods	£413	£0	£0
Covid 19 - Population Health Asymptomatic Testing Sites	£199	(£199)	£0
Covid 19 - Population Health COMF - Discharge to Assess	£64	£0	£0
Covid 19 - Population Health COMF - Staffing	£128	£0	£0
Covid 19 - Population Health Contain Outbreak Management	£4,573	(£4,765)	£0
Covid 19 - Population Health Test & Trace	£899	(£899)	£0
Covid 19 - Self Isolation Support Payments/Grant - Practical Support Payments	£541	(£541)	£0
Covid 19 - Test and Trace Support Payments	£910	(£910)	£0
Covid 19 - Winter Grant Scheme	£1,134	(£1,133)	£0
DHSC Self-isolation Pathfinder	£146	(£146)	£0
Infection Control and Testing Fund- Round 3 (Oct21-Mar22)	£1,565	(£1,565)	£0
Workforce Recruitment and Retention Fund	£2,225	(£2,225)	£0
Grand Total	£26,639	(£38,310)	(£2,898)

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' funding of £16,174k in the table.

Integrated Commissioning Fund Key Messages

CCG Financial Position

The reported position at M10 shows a forecast overspend of (£3,376k), with a YTD variance of (£1,385k). All of this is reimbursable, but in line with national reporting guidance needs to be shown as an overspend until appropriate allocation changes are transacted in Month 11 and Month 12.

- **(£1,673k) Hospital Discharge Programme** – In total we have spent £2,636k against the Hospital Discharge Programme in the first 10 months of the year. Claims of £1,551k relating to H1 have already been approved by NHSE. Total forecast spend for the full year is £3,224k, which is marginally lower than last month. After adjusting for claims which have already been reimbursed, we are reporting a total variance of £1,673k. We anticipate receipt of an allocation to match this variance, resulting in an effective breakeven position after reimbursement has been approved and transacted.
- **(£873k) GP Additional Roles and Responsibilities** - £3.2m of ARR funding has been made available by NHS England, against which our Primary Care Networks can claim in 2021/22. Based on current PCN forecasts, we anticipate ARR utilisation of 82%.
- **(£831k) Primary Care Winter Access Fund** - £250m of additional funding has been allocated nationally this year to help improve access to GP services and increase the number of patient appointments available over the winter. In T&G we anticipate total spend of £1,046k, all of which will ultimately be funded nationally. An allocation of £215k has already been received, meaning that we need to forecast on overspend of £831k at M10.

CCG QIPP

In M10 we are able to report full achievement of the CCG QIPP target for 2022/23.

Total savings of £5,164k have been realised. This includes £500k of recurrent prescribing related savings. But all other savings have been non-recurrent.

While these transactional schemes have contributed towards balancing the in year position, it does not contribute towards the underlying financial challenge. Therefore in the longer term we still need to revisit the strategic savings discussed pre-COVID at Star Chamber and through the cross cutting themes review.

Finance Summary Position – T&G ICFT

	Month 10			YTD		
	Plan £000's	Actual £000's	Variance £000's	Plan £000's	Actual £000's	Variance £000's
Total Income	£23,330	£24,006	£676	£229,913	£233,320	£3,407
Employee Expenses	(£16,301)	(£16,408)	(£107)	(£157,762)	(£158,476)	(£714)
Non Pay Expenditure	(£6,195)	(£6,139)	£56	(£64,456)	(£67,507)	(£3,051)
Total Operating Expenditure (excl. COVID-19)	(£22,496)	(£22,547)	(£51)	(£222,218)	(£225,983)	(£3,765)
Income - COVID-19	£30	£29	(£1)	£120	£257	£137
Employee Expenses - COVID-19	(£739)	(£983)	(£244)	(£7,036)	(£7,144)	(£108)
Non Pay Expenditure - COVID-19	(£142)	(£136)	£6	(£1,780)	(£1,386)	£394
Total Operating Expenditure - COVID-19	(£851)	(£1,090)	(£239)	(£8,696)	(£8,273)	£423
Total Operating Expenditure	(£23,347)	(£23,637)	(£290)	(£230,914)	(£234,256)	(£3,342)
Net Surplus/ (Deficit) before exceptional Items	(£17)	£369	£386	(£1,001)	(£936)	£65
Trust Efficiency Programme	£759	£811	£52	£4,936	£4,973	£36
Capital Expenditure	£1,762	£749	(£1,013)	£5,354	£3,853	(£1,501)
Cash and Equivalents		£27,145				

Trust Financial Summary – Month 10

The Trust is planning to breakeven, in line with national guidance. In month 10 the Trust reported an in month variance against plan of c.£386k favourable and a YTD position of c.£65k favourable.

The in month actual position is a reported surplus of c.£369k. This represents an adverse movement of c.£176k compared to the previous month, predominantly due to the receipt of funding in month 9. Total COVID expenditure incurred in month equated to c.£1.090m against planned spend of c.£851k which is an adverse variance against plan of c.£239k. This is largely due to impact of the Omicron variant on staffing sickness levels and increased instances of isolation as well as increased Critical Care spend. Total YTD spend for COVID is c£8.273m against a plan of c.£8.696m which represents an underspend of £423k..

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 and as a result there has been a small reduction in the number of elective and day cases versus plan this month.

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. £811k in month 10 and c.£4.973m YTD which are predominantly through productivity improvements and income generation schemes.