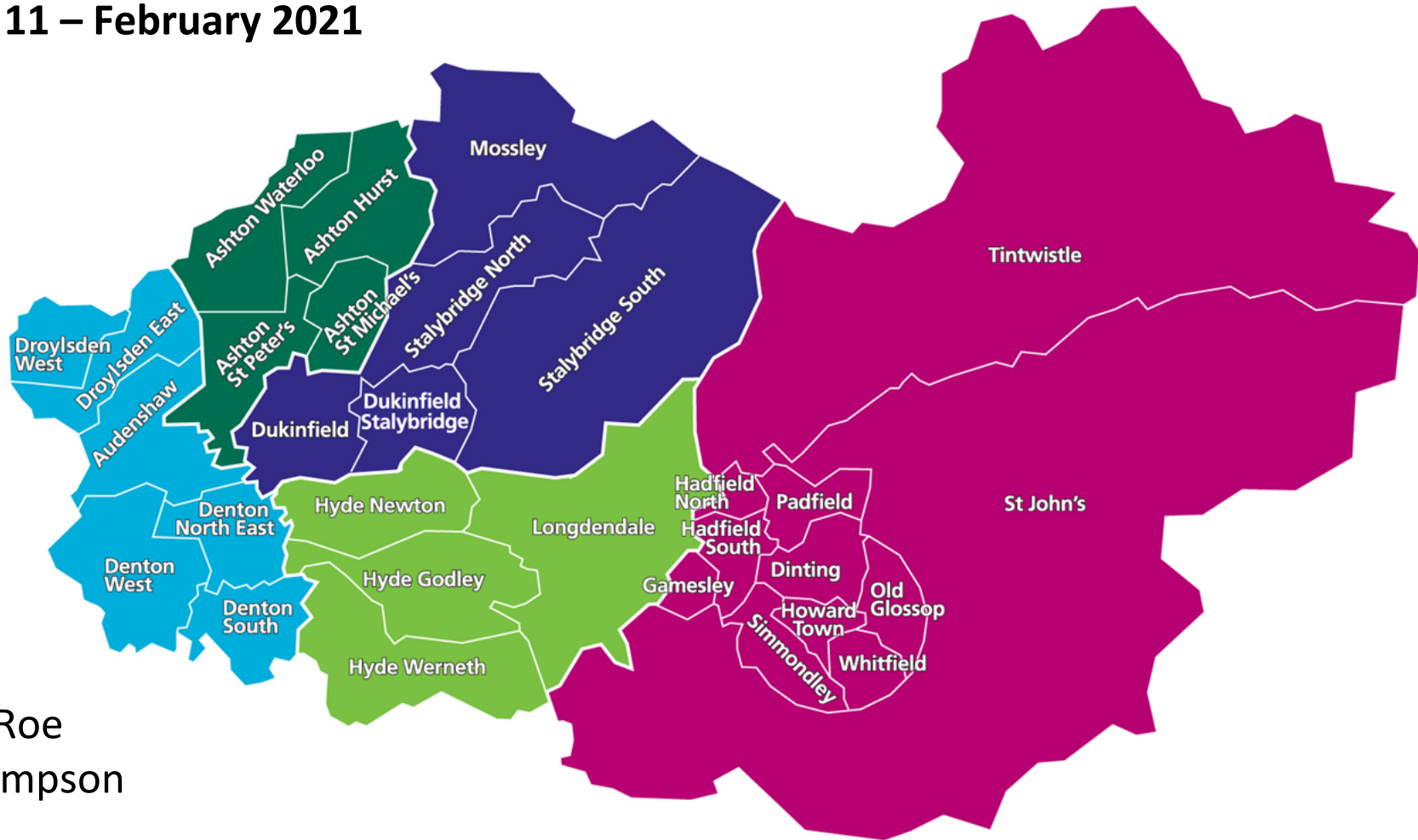


Tameside and Glossop Strategic Commission

Finance Update Report Financial Year 2021-22 Month 11 – February 2021



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Period 11 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:

As we enter the final few weeks of this financial year, we still have more work to do in order to balance the financial position for 2021/22.

At M11 the CCG is reporting an overspend of £2,285k, all of which is reimbursable through national schemes. Meaning that once M12 allocations have been transacted we are on track to balance the position on an in year, non recurrent basis. The same is true of the ICFT position where the trust is forecasting a breakeven position for 2021/22.

For the Local Authority an overspend of £622k is currently forecast. This represents an improvement of £79k compared to month 10 (made up of adverse movements in two areas, offset by the release of contingencies). But more work is still required to balance the position before year end.

The Council budget includes a small contingency which is released throughout the year to offset expected pressures. A further £327k of contingency has been released at month 11, leaving an unallocated contingency budget of £100k which will be released in Month 12 if not required.

Looking forward, the long term financial position within the locality remains a cause for concern as we contend with the aftermath of the pandemic at the same time as addressing an underlying financial deficit and implementing comprehensive organisation change across the NHS.

Financial plans for the Council have been agreed, while the new ICB is in the final stages of planning for health budgets. This will be discussed in more detail in the months to come, but significant work will be required in order to recurrently balance budgets across the system in 2022/23 and beyond.

TMBC Financial Position

£79k

Overall improvement in financial position since M10.

Children's Social Care

(£4,233k)

Forecast overspend against full year budget. A deterioration of £87k on the M10 position..

CCG Financial Position

£0k

While the CCG is reporting an over spend of £2,285k at M11. This is all reimbursable through the M12 allocation process. Meaning an effective break even position is forecast.

ICFT Forecast Position

£0k

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

Forecast Position £000's	YTD Position			Forecast Position			Variance	
	Budget	Forecast	Variance	Budget	Forecast	Variance	Previous Month	Movement in Month
CCG Expenditure	412,366	413,457	(1,091)	453,509	455,794	(2,285)	(3,376)	1,091
TMBC Expenditure	182,835	168,164	14,671	194,494	195,116	(622)	(701)	79
Integrated Commissioning Fund	595,201	581,622	13,579	648,003	650,909	(2,907)	(4,077)	1,171

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	210,357	209,922	435	229,355	228,836	519	509	10	229,355	0
Mental Health	41,320	41,218	102	45,424	45,275	149	224	(75)	45,424	0
Primary Care	85,097	85,257	(160)	95,396	96,487	(1,091)	(1,212)	121	95,396	0
Continuing Care	13,385	12,663	722	14,769	13,936	833	865	(31)	14,769	0
Community	39,097	39,655	(558)	42,415	43,242	(828)	(1,652)	825	42,415	0
Other CCG	18,768	20,504	(1,736)	21,360	23,282	(1,922)	(2,109)	187	21,360	0
CCG TEP Shortfall (QIPP)	0	0	0	0	0	0	0	0	0	0
CCG Running Costs	4,342	4,239	103	4,790	4,735	55	0	55	4,790	0
Adults	36,908	36,923	(15)	40,264	39,369	895	895	0	90,872	(50,608)
Children's Services - Social Care	47,958	53,630	(5,673)	53,314	57,546	(4,233)	(4,146)	(87)	64,961	(11,648)
Education	8,043	4,069	3,975	7,435	7,064	372	372	0	33,224	(25,788)
Individual Schools Budgets	5,099	(499)	5,598	0	0	0	0	0	124,462	(124,462)
Population Health	13,327	11,415	1,912	14,538	13,641	897	897	0	15,941	(1,403)
Place	58,067	59,264	(1,197)	61,581	62,343	(762)	(762)	(0)	124,215	(62,634)
Governance	10,820	10,258	562	9,083	9,656	(573)	(412)	(161)	71,470	(62,387)
Finance & IT	7,963	8,105	(142)	8,326	7,523	803	803	0	10,153	(1,827)
Quality and Safeguarding	131	29	102	142	142	0	0	0	383	(241)
Capital and Financing	(912)	(1,159)	247	4,775	4,270	505	505	0	8,964	(4,189)
Contingency	3,520	(5,233)	8,753	3,841	3,241	600	273	327	4,597	(756)
Contingency - COVID Costs	0	19,593	(19,593)	0	26,639	(26,639)	(26,639)	0	0	0
Corporate Costs	4,612	4,437	175	5,051	4,890	161	161	0	5,352	(301)
LA COVID-19 Grant Funding	(12,701)	(30,017)	17,315	(13,856)	(38,310)	24,454	24,454	0	(5,239)	(8,617)
Other COVID contributions	0	(2,650)	2,650	0	(2,898)	2,898	2,898	0	0	0
Integrated Commissioning Fund	595,201	581,622	13,579	648,003	650,909	(2,907)	(4,077)	1,171	1,002,864	(354,861)

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	412,366	413,457	(1,091)	453,509	455,794	(2,285)	(3,376)	1,091	453,509	0
TMBC Expenditure	182,835	168,164	14,671	194,494	195,116	(622)	(701)	79	549,355	(354,861)
Integrated Commissioning Fund	595,201	581,622	13,579	648,003	650,909	(2,907)	(4,077)	1,171	1,002,864	(354,861)

A: Section 75 Services	322,871	322,244	627	354,710	355,334	(624)
B: Aligned Services	205,207	196,726	8,481	220,081	222,525	(2,443)
C: In Collaboration Services	67,124	62,652	4,472	73,212	73,051	161
Integrated Commissioning Fund	595,201	581,622	13,579	648,003	650,909	(2,907)

Integrated Commissioning Fund Key Messages

Children's Social Care

The forecast outturn for Children's Social Care is £4,233k overspent, compared to £4,146k at month 10, an adverse movement of £87k.

Whilst the number of cared for children continues to reduce (at the end of February the number of cared for children was 664, a decrease of 11 from the previous month) the cost of external placements continues to increase. The adverse movement in the forecast at period 11 is due to an increase in external placement costs.

Governance

Within the Governance Directorate, an adverse movement of £71k in Exchequer Services combined with a £90k adverse movement on Policy and Communications budgets, has resulted in an overall forecast outturn position of £573k compared to £412k at month 10.

The movement in Exchequer services budgets relates to a reduction in the amount of Housing Benefit expenditure eligible for subsidy at the end of February compared to January.

In Policy and Communications, there is a proposal to make a contribution to reserves from the Communications Budget staffing underspends to fund a two year post supporting various development and growth projects across the borough

CCG Reported Position

The reported position at M11 shows a forecast overspend of (£2,285k). Which is £1,091k less than last month following receipt of M11 allocations for Hospital Discharge Programme and Winter Access Fund. As reported in previous months all of this reported variance is reimbursable, but in line with national reporting guidance needs to be shown as an overspend until appropriate allocation changes are transacted in March:

(£853k) Hospital Discharge Programme. In total we have spent £2,940k against the Hospital Discharge Programme in the first 11 months of the year, with full year forecast expenditure of £3,217k, which is broadly consistent with last month. Claims for Q3 were settled in February, taking total funding received for HDP in 21/22 to £2,365k. After adjusting for claims which have already been reimbursed, we are reporting a total variance of £853k in relation to Q4. We anticipate receipt of an allocation to match this variance in March, resulting in an effective breakeven position after reimbursement has been approved and transacted.

(£788k) GP Additional Roles & Responsibilities. £3.2m of ARR's 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 claiming a total of £2,571k (80% of the maximum allowed). This is lower than reported last month because of slippage against PCN plans. CCG baseline allocations include £1,785k of ARR's funding and we are able to reclaim any spend in excess of this, hence the reported variance (i.e. ARR's is cost neutral to the CCG position).

(£644k) 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. Funding of £402k has already been received, meaning that we need to forecast an overspend of £831k at M11 in anticipation of final allocations in March.

Finance Summary Position – T&G ICFT

	Month 11			YTD		
	Plan £000's	Actual £000's	Variance £000's	Plan £000's	Actual £000's	Variance £000's
Total Income	£23,180	£25,467	£2,287	£253,093	£258,790	£5,697
Employee Expenses	(£16,295)	(£17,811)	(£1,516)	(£174,056)	(£176,291)	(£2,235)
Non Pay Expenditure	(£5,975)	(£6,058)	(£83)	(£70,432)	(£73,565)	(£3,133)
Total Operating Expenditure (excl. COVID-19)	(£22,270)	(£23,869)	(£1,599)	(£244,488)	(£249,856)	(£5,368)
Income - COVID-19	£30	£30	£0	£151	£287	£136
Employee Expenses - COVID-19	(£739)	(£823)	(£84)	(£7,774)	(£7,968)	(£194)
Non Pay Expenditure - COVID-19	(£142)	(£182)	(£40)	(£1,922)	(£1,567)	£355
Total Operating Expenditure - COVID-19	(£851)	(£975)	(£124)	(£9,545)	(£9,248)	£297
Total Operating Expenditure	(£23,121)	(£24,844)	(£1,723)	(£254,033)	(£259,104)	(£5,071)
Net Surplus/ (Deficit) before exceptional Items	£59	£623	£564	(£940)	(£314)	£627
Trust Efficiency Programme	£846	£1,107	£261	£5,782	£6,080	£298
Capital Expenditure	(£1,237)	(£2,227)	(£990)	(£6,612)	(£6,080)	£532
Cash and Equivalents		£39,158				

Finance Summary Position – T&G ICFT

Trust Financial Summary – Month 11

The Trust is planning to breakeven, in line with national guidance. In month 11 the Trust reported an in month variance against plan of c.£564k favourable and a YTD position of c.£627k favourable.

The in month actual position is a reported surplus of c.£623k. This represents a favourable movement of c.£255k compared to the previous month, predominantly due to the receipt of funding in month 11. Total COVID expenditure incurred in month equated to c.£975k against planned spend of c.£851k which is an adverse variance against plan of c.£124k. 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£9.248m against a plan of c.£9.545m which represents an underspend of £297k.

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 and activity remains broadly in line with plan. However, the Trust continues to experience significant pressures within Urgent Care and Non-elective activity.

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. £1.107m in month 11 and c.£6.080m YTD, of which c59% have been delivered recurrently, predominantly achieved through productivity improvements and income generation schemes.