

# Tameside Strategic Commission

Finance Update Report  
Financial Year 2022/23  
Month 9 – 31<sup>st</sup> December 2022



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## Period 9 Finance Report

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*This report covers spend across the Tameside Strategic Commission (Delegated Tameside Locality budgets from Greater Manchester Integrated Care Board (ICB), and Tameside Metropolitan Borough Council (TMBC).*

*Forecasts reflect a full 12 months for TMBC, but only 9 months for the ICB for the period 1 July 2022 to 31 March 2023.*

*It does not incorporate financial data for Tameside & Glossop CCG, which ceased to exist on 30 June 2022. The CCG closedown position has been reported separately.*

*The report does not capture any health spend relating to Glossop, where commissioning responsibility was transferred to Derby & Derbyshire ICB from 1 July 2022.*

# Finance Update Report – Executive Summary

As we enter the final quarter of the financial year, the financial position at the end of Month 9 shows further signs of improvement. Whilst still reporting an overspend on Council budgets, the scale of the overspend has reduced at month 9 to **£2,491k**, an improvement of £861k since month 8. ICB budgets for the Tameside locality are now forecasting an underspend of £533k, an increase in the level of underspend since M8 of £325k.

The improved forecast at M9 on Council budgets mainly reflects updated staffing forecasts, where vacancies across a number of services remain open, resulting in an increase in the level of underspend on staffing budgets. As reported in months 7 and 8, a number of mitigations have also been identified to offset against the non delivery of planned savings in year. The forecast outturn position assumes that these mitigations will be delivered before the end of the financial year.

Ongoing demand and cost pressures on Council budgets have implications for the 2023/24 budget and work continues at pace to deliver mitigations for 2022/23, whilst plans are developed to ensure a balanced budget can be delivered for 2023/24. The 2023/24 budget plans are now being finalised, with the budget proposals for next year due for consideration and approval at Full Council at the end of February 2023.

Plans for Tameside Locality were submitted for delivery of a £595k surplus in 22/23. At M9 we are forecasting to achieve the surplus plus a further £533k. The plan to deliver a surplus requires savings of £7.3m to be found, and whilst this has now been achieved, work continues to ensure that savings identified become recurrent.

## ICB Locality Position

Final delegated budgets are about to be signed off. As such indicative budgets have been reported, with an assumption that we will deliver a (£595k) surplus as per plan plus a further (£533k).

## Council Financial Position

**£2,491k**

The forecast overspend on Council budgets has improved by £861k since M8. This assumes that a number of identified mitigations are delivered to offset pressures due to non delivery of planned savings.

## ICFT Position

**£5,274k**

M9 forecast variance to plan, driven by continued pressures within Urgent and Emergency care, unfunded Pay Award and inflationary pressures and unachieved efficiency plans.

Forecast Position £000's	Forecast Position (Net)			Net Variance		Gross Budget (full year)	
	Budget	Forecast	Variance	Previous Month	Movement in Month	Expenditure Budget	Income Budget
ICB Expenditure	82,316	81,783	(533)	(208)	(325)	82,316	0
TMBC Expenditure	208,609	211,100	2,491	3,352	(861)	593,230	(384,621)
Integrated Commissioning Fund	290,925	292,883	1,958	3,144	(1,186)	675,546	(384,621)

# Integrated Commissioning Fund – Council Budgets

Forecast Position £000's	Forecast Position (Net)			Net Variance		Gross Budget (full year)	
	Budget	Forecast	Variance	Previous Month	Movement in Month	Expenditure Budget	Income Budget
Adults	44,617	46,182	1,565	1,662	(97)	117,535	(72,918)
Children's Services	57,024	57,642	617	851	(234)	69,138	(12,114)
Education	7,200	8,057	858	1,066	(208)	33,755	(26,555)
Schools	0	0	0	0	0	130,343	(130,343)
Population Health	14,301	12,969	(1,332)	(1,366)	34	15,995	(1,694)
Place	28,438	34,791	6,352	6,476	(123)	93,232	(64,794)
Governance	9,614	9,452	(162)	(30)	(132)	72,057	(62,443)
Finance and IT	9,882	9,427	(455)	(356)	(99)	11,914	(2,033)
Quality and Safeguarding	106	97	(8)	0	(8)	349	(243)
Capital and Financing	4,513	2,525	(1,988)	(1,988)	0	8,680	(4,167)
Contingency	(2,959)	(5,937)	(2,978)	(2,978)	0	4,048	(7,007)
Corporate Costs	5,169	5,176	7	0	7	5,479	(310)
Levies	30,704	30,719	15	15	0	30,704	0
<b>TMBC Expenditure</b>	<b>208,609</b>	<b>211,100</b>	<b>2,491</b>	<b>3,352</b>	<b>(861)</b>	<b>593,230</b>	<b>(384,621)</b>

**The Month 9 forecast is for a significant net overspend by 31 March 2023 of £2,491k. This represents an improvement of £861k since M8 due an increase in the level of underspend on staffing budgets.**

Council budgets continue to face significant pressures with continued challenges with the delivery of savings, combined with ongoing inflationary cost pressures around utilities and fuel costs, meaning that the forecast outturn position by March 2023 remains challenging.

Since month 8, the forecast expenditure on staffing budgets has been reduced due to vacancies across a number of services remaining open and not expected to be filled before the end of March. This accounts for the majority of movements across all Directorates since M8. Some additional income is now reflected in the forecast above due to additional ICB funding being received in quarter 3 which was not anticipated.

# Integrated Commissioning Fund – ICB Locality Budgets

Forecast Position £000's	Forecast Position (Net)			Net Variance		Gross Budget (full year)	
	Budget	Forecast	Variance	Previous Month	Movement in Month	Expenditure Budget	Income Budget
Mental Health	6,912	6,510	(402)	(376)	(26)	6,912	0
Primary Care	36,097	36,108	11	58	(47)	36,097	0
Continuing Care	8,966	9,092	126	348	(222)	8,966	0
Community	27,076	27,412	336	356	(20)	27,076	0
NHS Estates	3,025	2,661	(364)	(364)	0	3,025	0
Efficiency Savings	240	0	(240)	(230)	(10)	240	0
<b>ICB Expenditure</b>	<b>82,316</b>	<b>81,783</b>	<b>(533)</b>	<b>(208)</b>	<b>(325)</b>	<b>82,316</b>	<b>0</b>

## Tameside Locality

Month 9 is the sixth month in which the ICB has been operational. Plans for Tameside assumed delivery of a £595k surplus in 22/23. At M9 we assume that this plan will be delivered with a further surplus of £533k being forecast.

- **Mental Health – Forecast underspend £402k** - Underspend primarily due to lower than expected placements, costs are anticipated to increase over Jan – Mar, however this has been factored in.
- **Primary Care – Forecast overspend (£11k)** – Whilst slippage has been identified within GP budgets there continues to be pricing pressures within prescribing budgets.
- **Continuing Care – Forecast overspend (£126k)** - Whilst placements are lower than expected, there is a high-cost placement that has been reported within the M9 position, which has moved the overall position to a forecast overspend.
- **Community – Forecast overspend £336k** - The pressure within community budgets relates to both Termination of Pregnancy and Audiology services, due to increased activity levels within 2022/23.
- **NHS Estates – Forecast underspend £364k** - Following a reconciliation of void and subsidy payments an underspend has arisen from the Q1 actual activity.
- **Efficiency Savings – Forecast underspend £240k** - The updated savings target for Tameside is £7,325k. The original savings target was £7,800k, however this included savings now held at a GM level. At the present time we are expecting to overachieve the updated target by £240k, which has been generated from non-recurrent sources.

## Greater Manchester Integrated Care

Overall, NHS GM is reporting being on plan delivering a surplus of £63.6m (FOT), including the impact of Q1 delivery in the 10 CCGs. Gross risk of £117.1m has been reported, with potential mitigations available which would bring this down to £40.1m, reflecting a £20m improvement from the net risk position reported at month 8. The main pressures within the financial position relate to higher than budgeted activity within the private sector and higher volumes and average cost per case than budgeted for mental health placements.