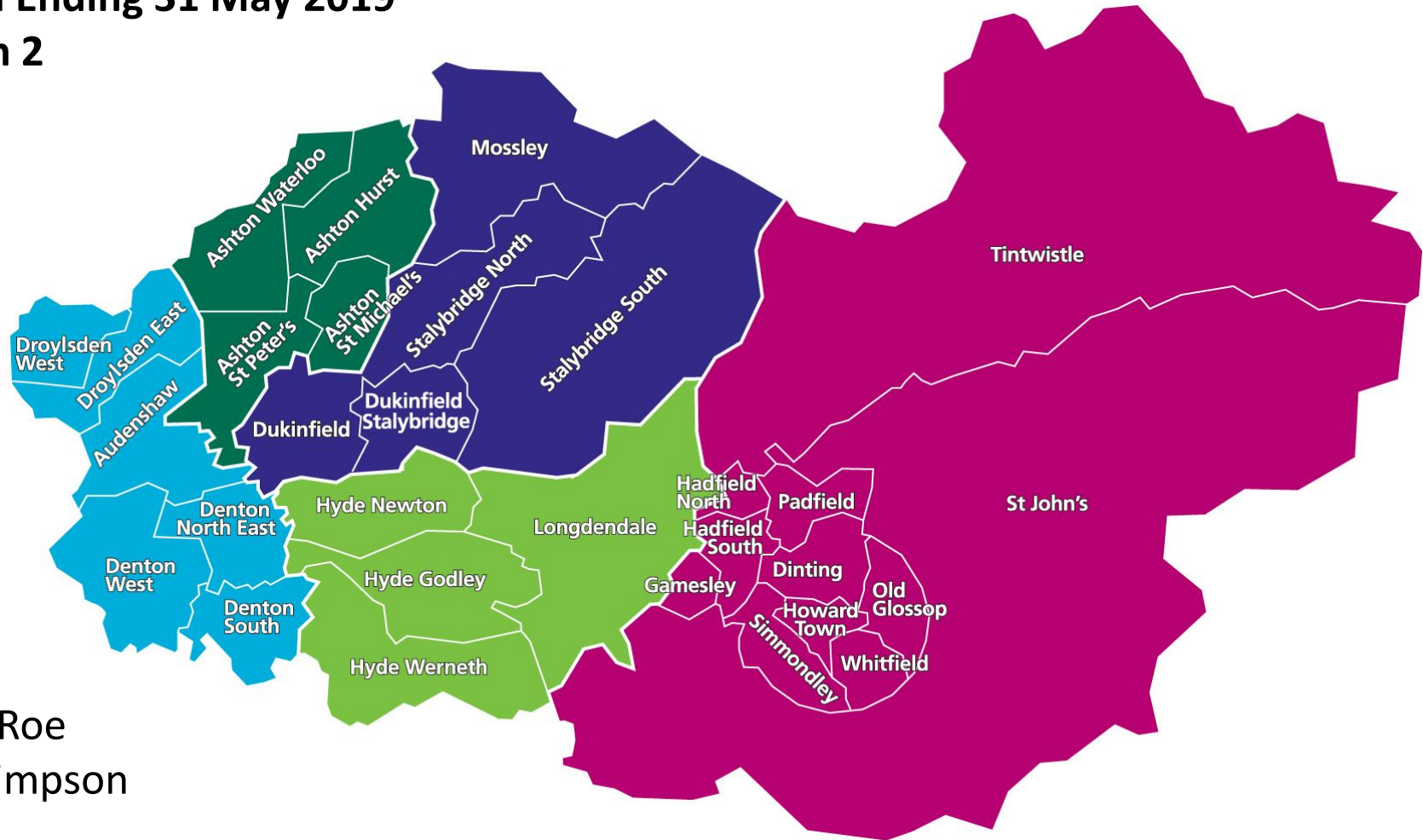


Tameside and Glossop Integrated Financial Position

financial monitoring statements 2019/20

Period Ending 31 May 2019

Month 2



Kathy Roe
Sam Simpson

Integrated Financial Position Summary Report

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Note:

The values in this report have been presented in £'000s. All values reconcile exactly in it lowest denomination, however, on presentation there may be some minor rounding differences in the variance calculations as a result of reporting the values at a higher level.

Tameside & Glossop Integrated Economy Wide Financial Position

£1,985k

CCG TEP Shortfall

The CCG financial plans for 2019/20 included a £1,985k post optimism gap related to the delivery of TEP schemes

£3,535k

TMBC Pressures

Expenditure on Children's Services and income short falls in Growth, Operations and Neighbourhoods

This report covers all spend at Tameside & Glossop Clinical Commissioning Group (CCG), 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.

Message from the DOFs

After a challenging year, the 2018/19 outturn position was successfully delivered in line with plan. This was a significant achievement, given we started the year forecasting an over-spend in excess of £10m, but we must not lose sight of the fact that many of the savings were only delivered non recurrently. Last year's outturn position also included some significant one-off income and spend in a number of areas was significantly in excess of budget.

Two months into the new financial year, this first report is an early look at emerging issues. A detailed monitoring report will be prepared at month 3 but already we are seeing some significant budgetary pressures in Children's Services, and continuing income shortfalls in Growth and Operations and Neighbourhoods. Urgent action is needed to address these pressures or identify additional savings if the financial plan for 2019/20 is to be delivered.

Financial plans for 2019/20 were approved in February and March 2019 (including a change to the CCG surplus to facilitate drawdown of accumulated surplus in 2020-21). There remains a significant savings target to be delivered this year, and work has already commenced to identify further savings for 2010/21 and beyond. Identified and proposed savings will continue to be subject to scrutiny through the 'Star Chamber' process and regular updates will be provided as part of the integrated finance report throughout the year.

Forecast Position £000's	Forecast Position		
	Net Budget	Net Forecast	Net Variance
CCG Expenditure	416,890	418,875	(1,985)
TMBC Expenditure	196,803	200,338	(3,535)
Integrated Commissioning Fund	613,693	619,213	(5,520)
ICFT - post PSF Agreed Deficit	(5,686)	(5,686)	0
Economy Wide In Year Deficit	(5,686)	(5,686)	0

Tameside & Glossop Integrated Commissioning Fund

For the 2019/20 financial year the Integrated Commissioning Fund is currently forecasting net spend of £619,213k against a net budget of £613,693k, a forecast over spend of £5,520k.

Forecast Position £000's	YTD Position			Forecast Position		
	Budget	Actual	Variance	Budget	Forecast	Variance
Acute	35,871	35,871	(0)	215,354	215,354	0
Mental Health	6,069	6,069	0	36,046	36,046	0
Primary Care	12,937	12,889	48	85,468	85,461	7
Continuing Care	2,995	2,991	4	18,003	17,987	16
Community	5,474	5,471	4	32,846	32,845	1
Other CCG	3,409	3,466	(57)	24,009	24,033	(24)
CCG TEP Shortfall (QIPP)	0	0	0	0	1,985	(1,985)
CCG Running Costs	715	713	1	5,164	5,164	0
Adults	6,222	3,785	2,437	37,333	37,313	20
Children's Services	8,093	8,326	(233)	48,556	52,814	(4,258)
Education	(24,300)	(24,738)	438	6,005	6,216	(211)
Population Health	2,682	2,245	437	16,092	16,080	12
Operations and Neighbourhoods	32,445	33,134	(688)	50,672	51,468	(796)
Growth	1,471	441	1,029	8,825	9,400	(575)
Governance	5,032	5,819	(787)	9,193	8,972	221
Finance & IT	802	524	278	4,809	4,809	0
Quality and Safeguarding	23	(8)	31	136	136	(0)
Capital and Financing	0	0	0	4,116	4,116	0
Contingency	946	1,818	(873)	5,674	4,281	1,393
Corporate Costs	899	1,527	(628)	5,392	4,733	659
Integrated Commissioning Fund	101,785	100,343	1,441	613,693	619,213	(5,520)

Tameside & Glossop Integrated Commissioning Fund

Forecast Position £000's	Forecast Position				
	Expenditure Budget	Income Budget	Net Budget	Net Forecast	Net Variance
CCG Expenditure	416,890	0	416,890	418,875	(1,985)
TMBC Expenditure	521,805	(325,002)	196,803	200,338	(3,535)
Integrated Commissioning Fund	938,695	(325,002)	613,693	619,213	(5,520)

Children's Services £4,258k

The significant aspect of the projected variance relates to placements expenditure. The number of looked after children when establishing the 2019/20 budget was 648 (December 2018). However, Members should note that the number of looked after children has since increased to 685 at 31 May 2019 – an increase of 5% during this period. The projection assumes the current cost of all existing placements for the remainder of the financial year with an assumption for a further slight increase in month 3, again for the remainder of the year.

The directorate is evaluating a number of initiatives to reduce the number and related costs of looked after children, the details of which will be reported in further detail at period 3 monitoring. These include:

- targeting earlier intervention to support children and families via existing embedded service initiatives such as edge of care and family group conferencing
- a redesign of the Family Intervention Service to deliver intensive support at the early signs of family breakdown
- increasing the seniority level for the approval of residential placements to ensure all other care options have been considered
- an urgent review of care provision sufficiency within the borough
- the implementation of a completed placements commissioning strategy review
- a review of the existing local authority residential estate for potential change of provision of one home to a short term assessment unit with a focus on either rehabilitation back to home and/or family or to support the identification of appropriate longer term placement arrangements
- the evaluation of an in borough planned / emergency respite unit to prevent family breakdown and admission to care
- a targeted senior management lead review of discreet cohorts of Looked After Children is now underway to ensure current placement arrangements, care plans and legal status are appropriate to need.

In addition, the now stabilised directorate senior leadership team will be reviewing the number and duration of budgeted posts within the service establishment to reduce the level of projected expenditure for existing vacant positions.

Tameside & Glossop Integrated Commissioning Fund

Operations & Neighbourhoods

The 796k projected overspend mainly relates to:

Highways & Transport – Continuing pressures from last year due to under recovery of income on car parks. Delays in the construction of new car parks, additional construction costs and lower than forecast income on other car parks is generating budget pressures.

Markets – There is a continued shortfall in income from Ashton Market due to the ongoing development works in Ashton Town Centre.

Growth

The £575k projected overspend mainly relates to:

Planning - Building Control income is forecast to be less than budget due to a reduction in the number of applications. Development and Control income is also forecast to be less than budget.

Estates - budget pressures relate to a shortfall in income due to vacant industrial units and delays recruiting surveyors for marketing industrial units. There have also been additional security costs at Plantation Industrial Estates.

CCG QIPP

The CCG Financial Plan for 2019/20 reported that financial control totals would be met, but that there was material risk associated with the achievement of QIPP. The £1,985k variance on CCG expenditure represents the post optimism gap on CCG TEP schemes.

We are optimistic that over the next few months we will be in a position to reduce reported risk and that by the end of the year we will be able to deliver against the control total. A more detailed CCG QIPP report will be presented to Finance and QIPP assurance group alongside this report.

Forecast Position £000's	Forecast Position				
	Expenditure Budget	Income Budget	Net Budget	Net Forecast	Net Variance
A: Section 75 Services	361,928	(46,735)	315,193	320,686	(5,493)
B: Aligned Services	323,250	(94,199)	229,051	228,915	136
C: In Collaboration Services	253,518	(184,068)	69,450	69,612	(162)
Integrated Commissioning Fund	938,695	(325,002)	613,693	619,213	(5,520)

Acute

Overall forecast is currently zero variance, however month 1 data has indicated some overspends and resulted in some contractual challenges. It is too early to draw any conclusions or establish trends at this stage.

Education

The projected over spend relates to School Transport due to an increase in children eligible for Special Educational Needs statutory support. The pressure is being partially offset by vacant posts.

Prescribing

Data for April is not yet available, however the actuals for January to March 2019 were significantly different to past trends and forecasts. A deep dive into prescribing will be reported in a future month.

Tameside & Glossop Integrated Care NHS Foundation Trust

Financial Performance Metric	Month 2			YTD			Outturn
	Plan £000	Actual £000	Variance £000	Plan £000	Actual £000	Variance £000	Plan £000s
Normalised Surplus / (Deficit) Before PSF	(2,363)	(2,333)	29	(4,602)	(4,576)	26	(25,220)
Provider Sustainability Fund (PSF)	236	236	0	472	472	0	4,727
Financial Recovery Fund (FRF)	740	740	0	1,480	1,480	0	14,807
Surplus / (Deficit)	(1,387)	(1,357)	29	(2,650)	(2,624)	26	(5,686)
Trust Efficiency Savings	610	499	(111)	1,205	1,155	(50)	11,850
Use of Resources Metric	3	3		3	3		3

Tameside and Glossop Integrated care NHS Foundation Trust

- **Revenue** - The Trust has agreed a control with NHS Improvement of **c.£5.686m** after Financial Recovery Fund (FRF) and Provider Sustainability Funding (PSF). For the financial period to **31st May 2019**, the Trust has reported a net deficit of **£2.333m** pre FRF and PSF, which is broadly in line with plan.
- **Trust Efficiency Programme (TEP)** - the Trust has a TEP target in 2019/20 of **£11.850m** including carried forward schemes from 2018/19. During month 2 the Trust delivered **£499k** against a plan of **£610k** reporting an underachievement of **c.£111k** in month. The Trust is forecasting at month 2 to deliver **c.£10.767m** by the end of the year. Schemes are being developed across the Trust to mitigate the shortfall.
- **Agency cap** - The Trust has an agency cap of **c.£9.454m**, but a plan of **£7m**. During Month 2 the Trust spent **£469k** against a plan of **£477k**, reporting an underspend of **£8k** and reporting significantly below the cap.