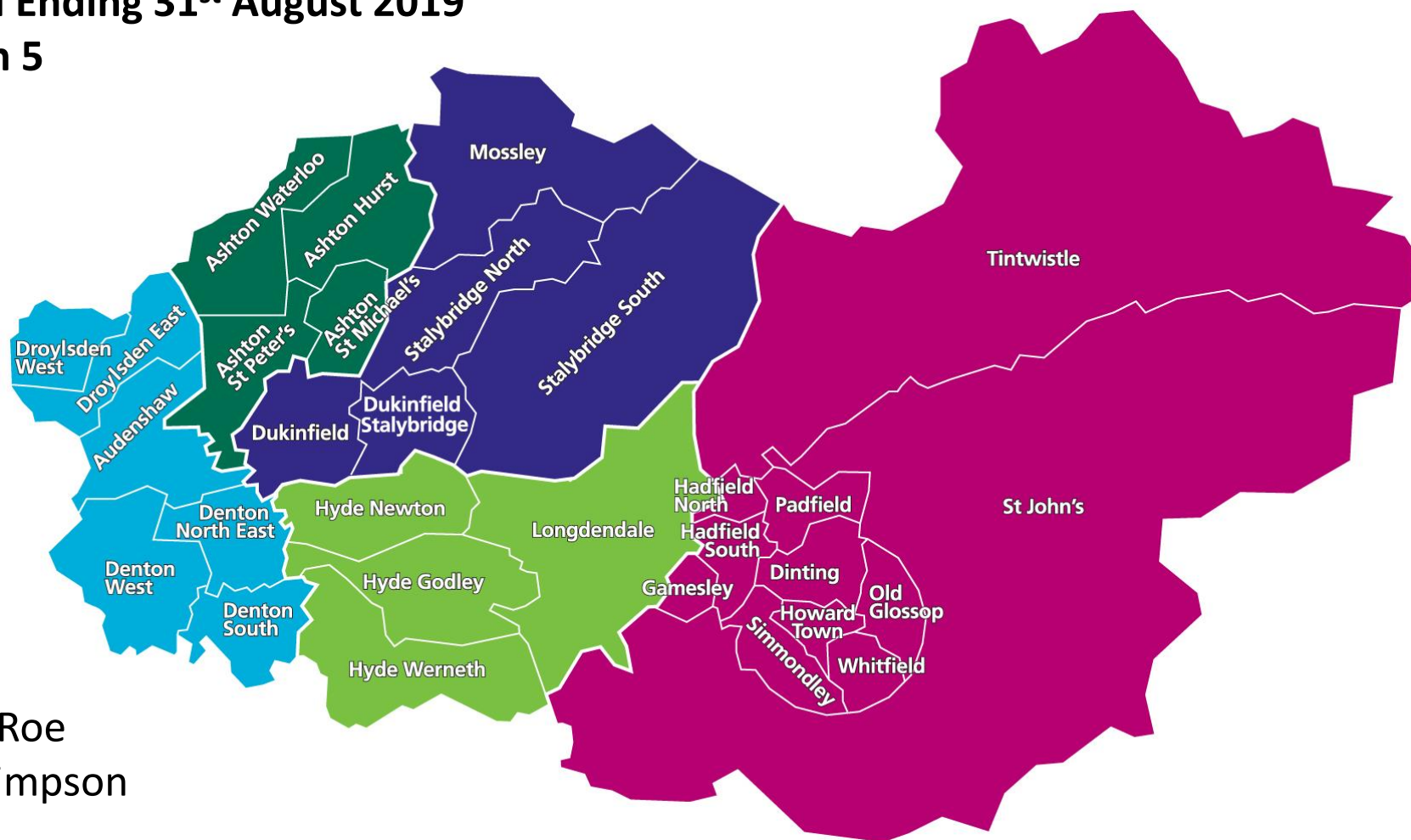


Tameside and Glossop Integrated Financial Position

financial monitoring statements

Period Ending 31st August 2019
Month 5



Kathy Roe
Sam Simpson

Integrated Financial Position Summary Report

Economy Wide Financial Position	3
Tameside and Glossop Integrated Commissioning Fund	4 – 5
Children's Services Initiatives	6
Integrated Care Foundation Trust	7

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.

Tameside & Glossop Integrated Economy Wide Financial Position

Message from the Directors of Finance

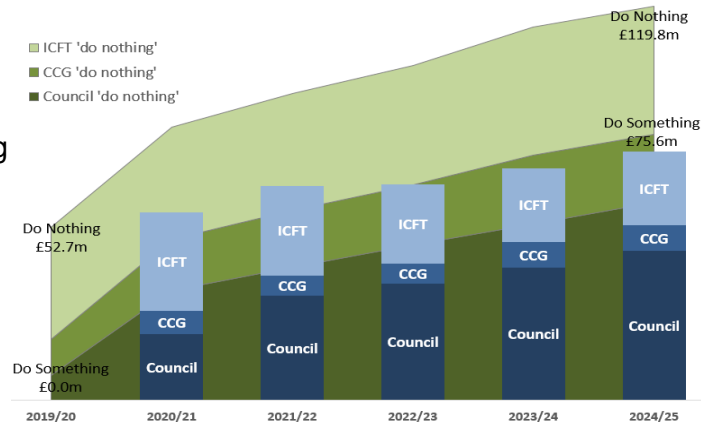
This month there continues to be a focus on delivery of current TEP programme as well as the challenge of delivering future TEP plans enabling the economy to close the financial gap. These challenges were presented to the Board to Board meeting in September.

Across the economy there is a “Do Nothing” financial gap of £119m by 2024/25. Plans are in place which will deliver expected savings of £44m, but even in this “Do Something” scenario there is still a financial gap of £76m.

New saving ideas are being generated right across the economy that will be presented at the Star Chamber in October where the detail of the schemes will be reviewed and assessed for their viability to contribute going forward to deliver the financial targets required.

In addition to the future saving plans, there continues to be challenges in the economy that require attention to achieve the financial position in 2019/20. Whilst Children’s Services poses the most significant financial risk, it is important that other service areas do not lose focus on what is expected of them.

Balancing 2020-25



Breakdown of funding gap

	20/21 £000	21/22 £000	22/23 £000	23/24 £000	24/25 £000
Demographic Pressures	32,798	35,480	39,744	44,276	46,084
Staffing related cost pressure	3,454	6,909	9,490	12,079	14,669
Inflationary Pressures	4,323	6,587	8,643	10,734	12,826
Other service pressures	967	680	680	680	680
Grant Reduction	3,304	3,866	2,572	2,543	2,543
Reduction in Core Grant(s)	4,111	4,254	4,241	4,066	4,066
Provider Deficit	34,028	35,361	36,336	38,948	38,948
Do Nothing Gap	82,985	93,137	101,706	113,326	119,816
CCG QIPP	-8,756	-11,165	-12,100	-13,025	-13,025
Provider TEP	-4,021	-8,075	-12,210	-16,439	-16,439
Council Savings	-13,130	-8,740	-11,689	-13,302	-14,740
Do Something Gap	57,078	65,156	65,707	70,560	75,612
Demand/Prices Pressures	91%	91%	93%	94%	94%
Funding Reductions	9%	9%	7%	6%	6%

£255k

ICF Position Improvement

The overall forecast outturn has improved since last month by £255k. The position is relatively stable with minimal movements across all service areas. The key areas for improvement has been within Governance of £124k and the reduction in the CCGs reported net risk of £158k.

Forecast Position £000's	Forecast Position					Net Variance	
	Expenditure Budget	Income Budget	Net Budget	Net Forecast	Net Variance	Previous Month	Movement in Month
CCG Expenditure	420,600	0	420,600	421,249	(649)	(807)	158
TMBC Expenditure	524,783	(327,980)	196,803	197,820	(1,017)	(1,114)	97
Integrated Commissioning Fund	945,383	(327,980)	617,403	619,068	(1,666)	(1,921)	255

Tameside & Glossop Integrated Commissioning Fund

With a gross budget for 2019/20 in excess of £945m, as at month 5 the Integrated Commissioning Fund has a forecast net spend of £619m, against a net budget of £617m. The forecast overspend at month 5 is now £1.7m which is an improvement of £255k. The main key areas for improvement are within Governance and the reduction in the CCGs net risk. Other areas across the CCG and Council has seen very little movement in the forecast outturn from last month.

Forecast Position £000's	Forecast Position					Net Variance	
	Expenditure Budget	Income Budget	Net Budget	Net Forecast	Net Variance	Previous Month	Movement in Month
Acute	214,407	0	214,407	215,049	(642)	(811)	169
Mental Health	37,477	0	37,477	37,986	(509)	(259)	(250)
Primary Care	85,153	0	85,153	85,151	2	(34)	36
Continuing Care	16,861	0	16,861	16,454	406	471	(65)
Community	33,413	0	33,413	33,416	(3)	(2)	(1)
Other CCG	28,125	0	28,125	27,379	746	636	110
CCG TEP Shortfall (QIPP)	0	0	0	649	(649)	(807)	158
CCG Running Costs	5,164	0	5,164	5,164	0	0	(0)
Adults	84,083	(46,750)	37,333	37,607	(274)	(274)	0
Children's Services	53,756	(5,199)	48,556	53,078	(4,522)	(4,522)	0
Education	28,109	(22,104)	6,005	6,054	(49)	(86)	37
Individual Schools Budgets	115,558	(115,558)	0	0	0	0	0
Population Health	16,262	(170)	16,092	16,372	(280)	(280)	(0)
Operations and Neighbourhoods	78,840	(28,213)	50,627	51,529	(902)	(902)	0
Growth	42,753	(33,883)	8,870	9,916	(1,046)	(1,046)	(0)
Governance	74,070	(64,876)	9,193	8,878	315	191	124
Finance & IT	6,204	(1,394)	4,809	4,774	35	44	(9)
Quality and Safeguarding	440	(304)	136	136	(0)	0	(0)
Capital and Financing	10,763	(6,647)	4,116	899	3,217	3,217	0
Contingency	5,674	0	5,674	3,876	1,798	1,798	0
Corporate Costs	8,272	(2,881)	5,392	4,701	691	746	(55)
Integrated Commissioning Fund	945,383	(327,980)	617,403	619,068	(1,666)	(1,921)	255

Tameside & Glossop Integrated Commissioning Fund

Forecast Position £000's	Forecast Position					Net Variance	
	Expenditure Budget	Income Budget	Net Budget	Net Forecast	Net Variance	Previous Month	Movement in Month
A: Section 75 Services	376,369	(46,820)	329,549	330,365	(817)	(819)	2
B: Aligned Services	318,955	(100,424)	218,531	215,647	2,884	(4,185)	7,069
C: In Collaboration Services	250,058	(180,735)	69,323	73,056	(3,733)	3,083	(6,816)
Integrated Commissioning Fund	945,383	(327,980)	617,403	619,068	(1,666)	(1,921)	255

Acute **£642k**

There has been an improvement to the position this month of £169k. This is predominately due to a supplier incorrectly invoicing the CCG for a service it did not commission. This has since been reimbursed reducing the forecast position.

As previously reported pressures exist within the independent sector posed by pressures within the NHS providers to meet national targets.

The Christie contract continues to over perform against plan this month with a projected forecast overspend of £615k, which is 30% above plan. Discussions are ongoing with the provider and the cancer network linking this level of performance against the achievement of national targets and outcomes.

Children's Services **£4,522k**

Since budgets were set, we are already seeing an increase of 10% which as at Sept 19 stands at 714 placements. The implications of this increase is currently subject to a comprehensive review in order to determine the revised projected outturn position at 31 March 2020 together with the related implications on future year budget allocations. In addition, there are a range of initiatives that are designed to where appropriate, arrest and reverse the current trend of a rising looked after population. The revised projected financial outturn position together with details of the related initiatives that are underway to manage this demand will be reported to the Executive Cabinet on 27 November 2019. The initiatives are detailed on page 6. Until this comprehensive review and sign off from the Exec Cabinet, the forecast remains the same.

Mental Health **£509k**

There has been an increase since last month of £250k. £50k of this relates to placements at the Hurst and Beckett unit. Whilst we have gone over our allocated placement numbers, work is ongoing to make this short term, but will be monitored closely over the forthcoming months. £200k relates to the re-classification of s117 MH clients. Budget for this will be transferred from CHC next month

Governance **£315k**

The overall position for Governance is showing an underspend of £315k. This is an improvement of £124k since last month, which is due to a reduction in workforce development training costs and systems. The most significant movement being in Exchequer of £86k from staff turnover.

The savings above are being marginally off-set by increases in legal costs due to Children services cases.

Primary Care

Whilst there has been a small improvement in the forecast this month, this is due to another month of prescribing data which has been lower than expected. This has been off-set by pressures emerging around the transfer for the walk in centre of £144k. This will form part of the mid-year review with the ICFT around all the financial impact from the transfer.

Children's Services Initiatives

Initiative	Completion Timescale
Clear guidance and increasing seniority of oversight for the approval of residential placements to ensure all other care options have been considered	Implemented
Detailed tracker developed to support improved management oversight of key areas of case progression such as Special Guardianship and the discharge of orders	Implemented
Implementation of a completed placements commissioning strategy review	Implementation commenced - interim head of service appointed pending permanent recruitment to the post
Targeting earlier intervention to support children and families via existing embedded service initiatives such as edge of care and family group conferencing - this includes a redesign of the Family Intervention Service to deliver intensive support at the early signs of family breakdown across the continuum of need - Early Help, Child in Need, Child Protection, Looked After	Investment business case to be considered mid autumn 2019
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	Investment business case to be considered mid autumn 2019
Evaluation of an in borough planned / emergency respite unit to prevent family breakdown and admission to care	Investment business case to be considered mid autumn 2019
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. This is focused initially on the 15 year plus cohort	30th November 2019
Targeted activity to address Children placed at home on Care Orders where discharge is appropriate	30th November 2019
Targeted activity to where appropriate step children down to lower tariff placement options, Special Guardianship or semi independence	30th November 2019
Review and where possible, renegotiation of all independent residential placement provision by STAR procurement	30th November 2019

Tameside Integrated Care Foundation Trust Financial Position

Financial Performance Metric	Month 3			YTD			Outturn
	Plan £000	Actual £000	Variance £000	Plan £000	Actual £000	Variance £000	Outturn Plan £000s
Normalised Surplus / (Deficit) Before PSF	(2,693)	(2,618)	75	(12,296)	(12,139)	157	(25,220)
Provider Sustainability Fund (PSF)	315	315	0	1,339	1,339	0	4,727
Financial recovery Fund (FRF)	987	987	0	4,195	4,195	0	14,807
Surplus / (Deficit)	(1,391)	(1,316)	75	(6,762)	(6,605)	157	(5,686)
Trust Efficiency Savings	767	849	82	3,343	3,653	310	11,580
Use of Resources Metric / Risk Rating	3	3		3	3		3

NHSI Feedback - Given the current **financial deficit** it is likely that the Trust will be rated

Requires Improvement

Performance Metric - Month 5	Plan YTD	Actual YTD	Annual Plan	Forecast
Capital service cover rating	4	4	4	4
Liquidity rating	4	4	4	4
I&E margin rating	4	4	4	4
I&E margin: distance from financial plan		1		1
Updated agency rating	1	1	1	1
Risk Rating after overrides		3		3

Capital servicing capacity – The degree to which generated income covers financial obligations. If any Trust has a deficit and also any borrowing, this will always be at 4.

Liquidity - Days of operating costs held as cash or cash equivalents. To improve to just 3 (Requires Improvement) – the Trust would need to spend at least £6m less.

I&E margin - Degree of surplus/(deficit). The Trust deficit, at current income levels would need to be c. £17m less than it currently is i.e. around £2m.

Distance from financial plan - Variance between the planned and actual I&E position. The Trust **MUST** achieve this, by achieving the control total, the Trust can score a 1 and help to offset the others.

Agency spend – Distance from cap, this is the something the Trust **MUST** achieve and is currently achieving.

- **Revenue** - The Trust has agreed a control with NHSI of **c.£5.686m** after Financial Recovery Fund (FRF) and Provider Sustainability Funding (PSF); for the financial period to **31st August 2019**, the Trust has reported a net deficit of **£1.316m** post FRF and PSF, which is £75k better than plan.
- **Trust Efficiency Programme (TEP)** - the Trust has a TEP target in 2019/20 of **£11.580m** including carried forward schemes from 2018/19. The Trust is forecasting at month 5 to deliver **c.£11.209m** by the end of the year, this is a deterioration in month of **£58k**. Schemes are being developed across the Trust to mitigate the shortfall of **c.£371k (3.2%)**.
- **Agency cap** - The Trust has an agency cap of **c.£9.454m**, but a plan of **£7m**. During Month 5 the Trust spent **£607k** against a plan of **£788k**, reporting an underspend of **£132k** and reporting below the cap.
- **Capital** – Capital expenditure is behind plan **by c.£38k** year to date.
- **Cash** – The cash balance was **£34k** better than plan at the end of Month 5, the Trust has received Q1 PSF and FRF in September M6. 7