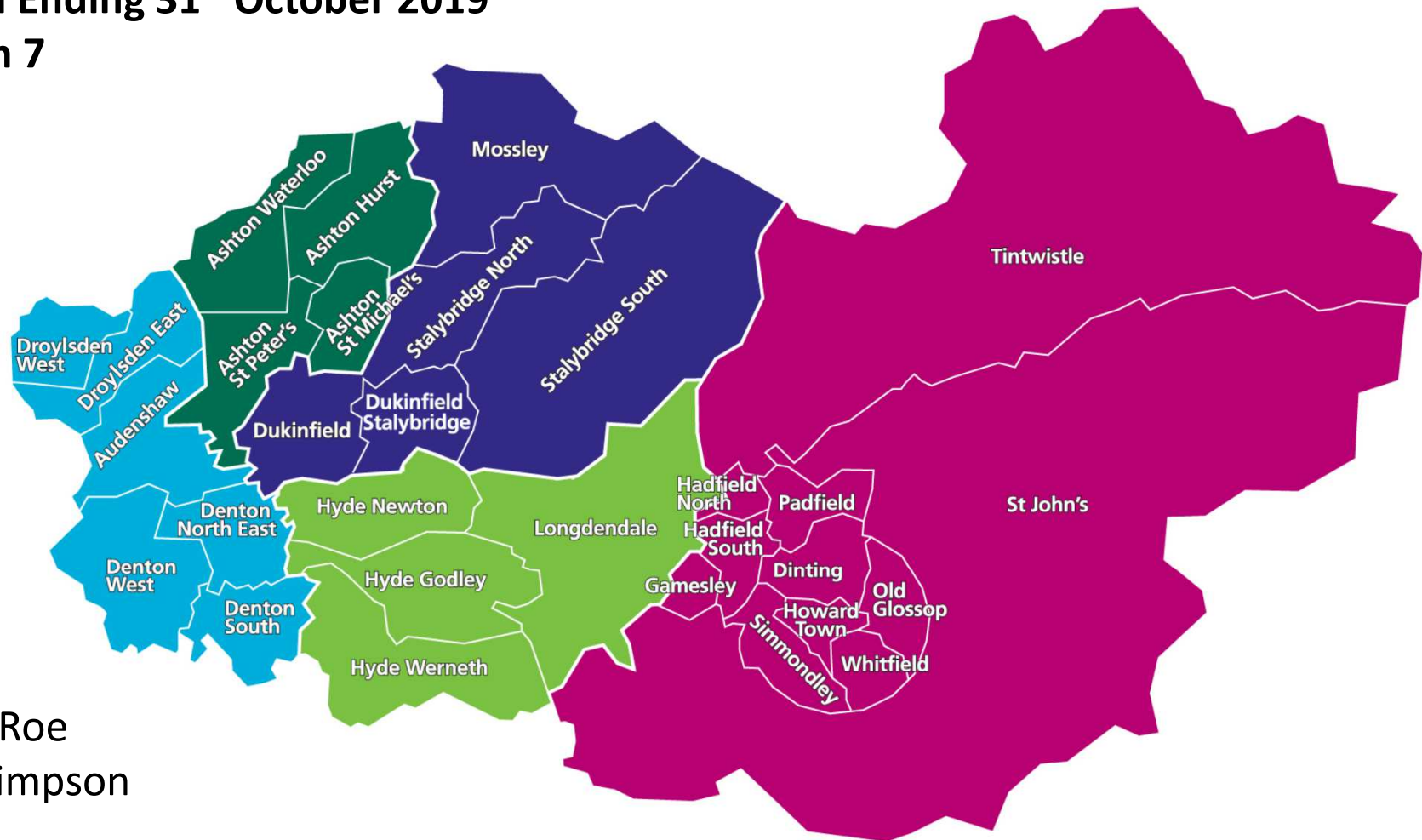


Tameside and Glossop Integrated Financial Position

financial monitoring statements

Period Ending 31st October 2019
Month 7



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Integrated Financial Position Summary Report

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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

£6.7m

Children's Services

Children's services continue to report significant pressures following unprecedented levels of demand.

Placement costs remain the driver to forecast being excess of approved budget

Message from the Directors of Finance

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 remains the most significant financial risk, it is important that other service areas do not lose focus on what is expected of them.

We are optimistic for delivery in 2019/20, although the risk of winter pressures on front line services will remain for the next few months.

The ICFT continues to forecast that the agreed control total will be met.

After the Star Chamber review this month, there will be renewed vigilance on supporting TEP schemes, to ensure the economy, continues to sustain the financial position.

Mental Health **£601k**

The key drivers of overspend relate to Individualised Commissioned (IC) packages of Care, NCA's and the PCFT Step Down Unit.

To comply with NHS planning guidance for 2019/20, the CCG has to demonstrate increased expenditure in mental health through the Mental Health Investment Standard (MHIS). Forecast spend shows that the CCG will be MHIS compliant for 2019/19.

Because of changes around the categorisation of dementia and learning disabilities we are forecasting that MH spend will increase by 5.8%, which is the minimum required under MHIS.

£514k

ICF Pressure

The overall forecast outturn has worsened since last month by £25k. The position is relatively stable with minimal movements across all service areas. We are optimistic that this will improve in the months to come.

Forecast Position £000's	Forecast Position		
	Net Budget	Net Forecast	Net variance
CCG Expenditure	421,732	422,141	(409)
TMBC Expenditure	196,803	196,908	(105)
Integrated Commissioning Fund	618,535	619,049	(514)
ICFT - post PSF Agreed Deficit	(5,686)	(5,686)	0
Economy Wide In Year Deficit	(5,686)	(6,200)	(514)

Tameside & Glossop Integrated Commissioning Fund

With a gross budget for 2019/20 in excess of £945m, as at month 7 the Integrated Commissioning Fund has a forecast net spend of £620m, against a net budget of £619m. The forecast overspend at month 7 is £514k which has worsened by £25k from last month. This movement relates to an increase in the shortfall of TEP of £25k, which is due to the recent review of the Star Chambers schemes.

Forecast Position £000's	YTD Position			Forecast Position			Variance	
	Budget	Actual	Variance	Budget	Forecast	Variance	Previous Month	Movement in Month
Acute	124,219	125,373	(1,153)	214,207	215,138	(930)	(626)	(304)
Mental Health	22,833	22,924	(92)	38,064	38,665	(601)	(640)	39
Primary Care	47,578	47,293	285	84,966	84,700	266	177	89
Continuing Care	8,856	8,095	761	16,317	15,937	380	463	(83)
Community	19,114	19,101	13	33,520	33,522	(2)	(3)	1
Other CCG	18,079	18,004	75	29,494	28,607	887	629	258
CCG TEP Shortfall (QIPP)	0	0	0	0	409	(409)	(384)	(25)
CCG Running Costs	2,437	2,326	111	5,164	5,164	0	0	0
Adults	21,778	29,324	(7,546)	37,333	37,973	(640)	(640)	(0)
Children's Services	28,324	34,266	(5,942)	48,556	55,230	(6,674)	(6,674)	(0)
Education	3,503	(62,817)	66,320	6,005	6,046	(41)	(41)	(0)
Individual Schools Budget	0	61,695	(61,695)	0	0	0	0	0
Population Health	9,387	5,935	3,452	16,092	16,327	(235)	(235)	0
Operations and Neighbourhoods	29,533	42,094	(12,561)	50,627	49,857	770	770	(0)
Growth	5,229	8,174	(2,945)	8,964	9,806	(842)	(842)	0
Governance	5,395	9,922	(4,527)	9,248	9,090	158	158	0
Finance & IT	4,137	3,267	870	7,092	6,359	733	733	(0)
Quality and Safeguarding	79	108	(29)	136	136	0	(0)	0
Capital and Financing	2,101	(6,066)	8,167	2,803	(680)	3,483	3,483	0
Contingency	2,634	(3,377)	6,011	5,316	2,293	3,023	3,023	0
Corporate Costs	2,702	3,256	(554)	4,631	4,471	160	160	0
Integrated Commissioning Fund	357,919	368,898	(10,979)	618,535	619,049	(514)	(489)	(25)

Tameside & Glossop Integrated Commissioning Fund

	YTD Position			Forecast Position			Variance	
	Budget	Forecast	Variance	Budget	Forecast	Variance	Previous Month	Movement in Month
A: Section 75 Services	163,883	167,681	(3,798)	282,731	283,872	(1,141)	(1,023)	(118)
B: Aligned Services	172,838	185,550	(12,712)	266,601	263,352	3,249	3,208	41
C: In Collaboration Services	21,197	15,666	5,532	69,203	71,825	(2,622)	(2,673)	52
Integrated Commissioning Fund	357,919	368,897	(10,978)	618,535	619,049	(514)	(489)	(25)

Acute £930k

The position has deteriorated in M7 by a further £304k. This can partly be attributed to increased charges for critical care patients at Manchester FT.

The CCG are now an associate to the Leeds Teaching Hospital Trust contract which has saved time and resources in validating NCA data. We are looking at replicating this approach with other local North Trusts.

Manchester FT is reporting a movement of £35k from month 6. Data shows that the CCG has been charged for a critical care patient with 5 organs supported costing £170k. This patient along with other critical care activity has contributed to the CCG spending £328k in Month 6 on critical care at MFT. The forecast has been increased to account for this exceptional activity. The forecast for DC/EL areas has reduced which offsets the critical care pressure.

Although there is no movement in the forecast for Stockport FT, a third T&G CCG patient has been admitted to the Devonshire Unit. There was some contingency within the month 6 position to cover this eventuality, so this contingency has now been released to cover this admission.

The NCA budget has reduced in Month 7 as the CCG in light of the Leeds THFT associate contract. Work is underway to review the methodology for preparing the NCA forecasts.

Children's Services £6,674k

Since budgets were set, we are already seeing an increase of 10% which as at early November 19 stands at 717 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.

Independent Sector

After reviewing Hyde Physio invoices, one invoice previously labelled as April activity actually related to March. Nothing was accrued so this is a £55k pressure.

ABL invoices are currently £3k under expected value.

We are contracting with a new provider, More Life. This has resulted in pressure of £20k.

Pioneer has increased by £32k and is based increased activity for Nerve Conduction studies and spinal procedures.

Palliative Care

The CCG has received additional non-recurrent funding in 19/20 for Adult and Children and Young People's Hospices and Palliative Services. T&G CCG received £119k for 19/20 non-recurrently and is a share of £25 million nationally.

Tameside Integrated Care Foundation Trust Financial Position

Financial Performance Metric	Month 7			YTD			Outturn Plan £000s
	Plan £000	Actual £000	Variance £000	Plan £000	Actual £000	Variance £000	
Normalised Surplus / (Deficit) Before PSF	(1,855)	(1,985)	(130)	(16,113)	(16,106)	7	(25,220)
Provider Sustainability Fund (PSF)	473	473	0	2,127	2,127	0	4,727
Financial recovery Fund (FRF)	1,481	1,481	0	6,663	6,663	7	14,807
Surplus / (Deficit)	99	(31)	(130)	(7,323)	(7,316)	7	(5,686)
Trust Efficiency Savings	1,138	921	(218)	5,573	5,481	(93)	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

- **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 October 2019**, the Trust has reported a net deficit of **£0.031m** post FRF and PSF, which is **£130k** above plan.
- **Trust Efficiency Programme (TEP)** - The Trust has a target in 2019/20 of **£11.580m** including carried forward schemes from 2018/19. The Trust is forecasting at Month 7 to deliver **c.£11.432m** by the end of the year, this is deterioration in month of **c£95k**. Schemes are being developed across the Trust to mitigate the shortfall of **c.£242k (2.09%)**.
- **Agency cap** - The Trust has an agency cap of **£9.454m**, but a plan of **£7m**. During Month 7 the Trust spent **£477k** against a plan of **£641k**, reporting an underspend of **£164k** and YTD the Trust is reporting spend of **£3.264m** against a plan **£4.389m**, an underspend of **£1.125m**
- **Capital** – Capital expenditure is behind plan by **c.£671k** in month and **c.£844k** year to date.
- **Cash** – The cash balance was **£93k** adverse to plan at the end of Month 7. The Trust has received confirmation that it will receive Q2 FRF in November (M8) and Q2 PSF will follow in December/January.

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.