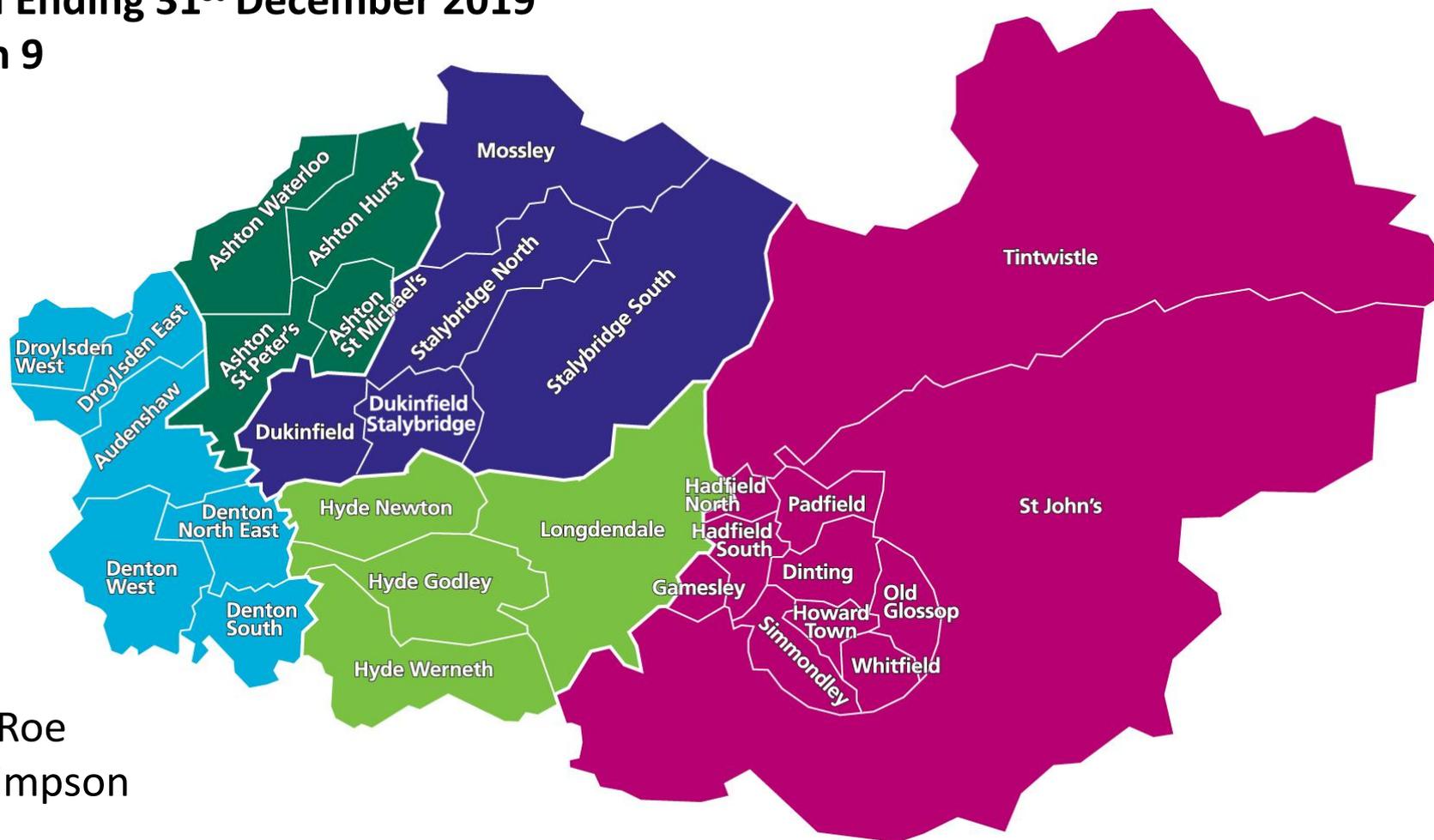


Tameside and Glossop Integrated Financial Position

financial monitoring statements

Period Ending 31st December 2019

Month 9



Kathy Roe
Sam Simpson

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

Children's Services **£8,353k**

Children's services continue to present the most significant financial risk to the Integrated Commissioning Fund, both for the 2019/20 forecasts and future year budgets.

At M9 the size of the pressure has increased again as a result of an increase in the number of higher tier placements and increased legal costs.

QIPP **£11,000k**

As of M9 we are confident that the CCG QIPP target of £11m will be achieved in full in 2019/20.

As such net risk reported to NHSE has been reduced to zero.

Message from the Directors of Finance

While this report focuses on the M9 financial position for 2019/20, a significant portion of our time at the moment is focused on planning for 2020/21 and beyond.

At the time of writing, NHS planning and operational guidance has not yet been published. But irrespective of this, we know that next year will be another challenging year financially. Provisional targets based on our Long Term Plan and assuming receipt of FRF at the ICFT, show that savings of £55.24m are required across the economy in 2020/21 (£12.50m CCG, £9.46m ICFT & £33.28m TMBC).

We already have a programme of savings schemes and initiatives in place across the economy, which will help towards delivery of our savings targets. But it is clear that more work is required to fully address the long term recurrent gap.

The Tameside and Glossop system has an excellent track record of joint working, underpinned by robust governance, effective relationships and a clear focus on the importance of integration.

It is important that this momentum and the spirit of joint working continues into the new financial year, as we seek to identify and deliver new savings. Financial Improvement Board and the TEP Assurance Group will be key to delivery of new savings at the ICFT, while Star Chamber and Finance & QIPP Assurance Group will perform a similar role within the Strategic Commissioner.

Forecast Position £000's	Forecast Position		
	Net Budget	Net Forecast	Net variance
CCG Expenditure	421,272	421,272	0
TMBC Expenditure	196,803	198,353	(1,550)
Integrated Commissioning Fund	618,075	619,625	(1,550)
ICFT - post PSF Agreed Deficit	(5,686)	(5,686)	0
Economy Wide In Year Deficit	(5,686)	(7,236)	(1,550)

Tameside & Glossop Integrated Commissioning Fund

With a gross budget for 2019/20 in excess of £948m, as at month 9 the Integrated Commissioning Fund has a forecast net spend of £619.6m, against a net budget of £618.1m. The forecast overspend at month 9 is £1.550m which is £1.2m deterioration from last month. This movement is due mainly to a significant deterioration in the forecast outturn position for Children's Social Care Services.

Forecast Position £000's	Forecast Position					Net Variance	
	Expenditure Budget	Income Budget	Net Budget	Net Forecast	Net Variance	Previous Month	Movement in Month
Acute	214,112	0	214,112	215,255	(1,143)	(906)	(236)
Mental Health	38,064	0	38,064	38,881	(817)	(830)	13
Primary Care	84,927	0	84,927	84,661	265	616	(351)
Continuing Care	15,823	0	15,823	15,521	302	631	(329)
Community	33,520	0	33,520	33,512	8	9	(1)
Other CCG	29,662	0	29,662	28,278	1,384	480	904
CCG TEP Shortfall (QIPP)	0	0	0	0	0	(101)	101
CCG Running Costs	5,164	0	5,164	5,164	(0)	0	(0)
Adults	84,285	(46,974)	37,311	37,951	(640)	(640)	0
Children's Services	53,632	(5,199)	48,432	56,785	(8,353)	(6,674)	(1,679)
Education	26,348	(20,343)	6,005	6,046	(41)	(41)	(0)
Individual Schools Budgets	119,128	(119,128)	0	0	0	0	0
Population Health	16,262	(170)	16,092	16,327	(235)	(235)	0
Operations and Neighbourhoods	78,840	(28,213)	50,627	49,857	770	770	(0)
Growth	42,940	(33,811)	9,129	9,972	(843)	(842)	(0)
Governance	74,156	(64,926)	9,229	9,042	187	87	100
Finance & IT	9,259	(2,167)	7,092	6,764	328	268	60
Quality and Safeguarding	440	(304)	136	136	(0)	(0)	0
Capital and Financing	10,788	(7,986)	2,803	(1,300)	4,103	3,913	190
Contingency	5,551	(235)	5,316	2,293	3,023	3,023	0
Corporate Costs	5,104	(473)	4,631	4,480	151	175	(24)
Integrated Commissioning Fund	948,003	(329,928)	618,075	619,625	(1,550)	(298)	(1,252)
CCG Expenditure	421,272	0	421,272	421,272	0	(101)	101
TMBC Expenditure	526,731	(329,928)	196,803	198,353	(1,550)	(197)	(1,353)
Integrated Commissioning Fund	948,003	(329,928)	618,075	619,625	(1,550)	(298)	(1,252)

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	329,322	(47,044)	282,278	283,275	(997)	(1,172)	175
B: Aligned Services	398,101	(99,918)	298,183	264,584	33,600	3,345	30,255
C: In Collaboration Services	220,580	(182,966)	37,613	71,766	(34,152)	(2,471)	(31,682)
Integrated Commissioning Fund	948,003	(329,928)	618,075	619,624	(1,550)	(298)	(1,252)

Primary Care £265k

The delegated position is currently reporting an underspend of £453k. £384k of this relates to 18/19 cross year (mainly estates).

Enhanced Services (£52k under) are the main driver of the PCDC underspend. Most of this relates to Minor surgery, where there has been a continual year on year downward trend. The reasons for this are currently the subject of further investigation.

Offsetting the PCDC underspend is a £213k over spend on Primary Care IT, relating to the purchase of equipment. While this presents as a pressure this year, it will help to enable savings in the future.

Acute £1,143k

While we have overspend with Manchester FT, The Christie and Pennine Acute, this is offset by underspend at Stockport and other providers. Meaning that overall spend with associates is broadly in line with plan and enabling the release of £500k towards QIPP.

Independent Sector (£925k over) is the main driver of overspend in Acute. Pressures at Spa Medica (£422k) and Optegra (£141k) are driven by the increased demand for Ophthalmology services, due to an aging population and introduction of new procedures.

Overspend with BMI (£188k) relates to T&O, where RTT is a known issue for NHS providers. Increased activity at Hyde Physio (£154k over) is forecast to continue and may actually increase once the outcome of Physio First are better understood.

Children's Services £8,353k

While the overall size of the Looked After population has been relatively stable since M6 (709 at 15th Jan), the forecast position has deteriorated by a further £1,697k at M9. This is largely due to changes in the placement mix and includes:

- Increased number of higher tier placements
- Exceptional costs for specialist bespoke provision.
- Significant rise in legal costs/complexity of court activity
- The number of young people in transitional placements.

In seeking to address these issues, work is actively under way to implement the Placement Sufficiency Plan, focusing on improvements across strategic commissioning, placement procurement and brokerage, contract management and quality assurance. Alongside this, the Placement and Permanence panel is individually reviewing each placement.

Mental Health £817k

While we have a pressure in the core MH directorate (driven by OOA placements), this is offset by reduced MH spend in other areas. For example a reduction in Cat M prices for MH drugs and fewer S117 placements within continuing care.

We are on track to meet our obligations under the Mental Health Investment Standard.

Tameside Integrated Care Foundation Trust Financial Position

Financial performance metric	Month 9			YTD			Annual
	Plan (£000)	Actual (£000)	Variance (£000)	Plan (£000)	Actual (£000)	Variance (£000)	Plan (£000)
Normalised Surplus/(Deficit) before PSF & FRF	(£2,170)	(£2,146)	£24	(£20,056)	(£20,044)	£12	(£25,220)
PSF	£472	£472	£0	£3,072	£3,072	£0	£4,727
FRF	£1,480	£1,480	£0	£9,624	£9,624	£0	£14,807
Surplus/(Deficit) post PSF	(£218)	(£194)	£24	(£7,360)	(£7,348)	£12	(£5,686)
Capital Expenditure	£577	£500	(£77)	£2,958	£1,755	(£1,203)	£3,826
Cash and Equivalents	£1,220	£1,930	£710				£1,220
Trust Efficiency Savings	£1,167	£1,011	(£157)	£8,051	£7,598	(£452)	£11,580
Use of Resources Metric	3	3		3	3		3

Summary

- **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 December 2019**, the Trust has reported a net deficit of **£194k** post FRF and PSF, which is **£24k (fav.)** better than plan.
- **Forecast Position** – The Trust is forecasting to achieve its control total. The Trust is working closely with its commissioners to address activity and acuity related pressures.
- **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 9 to deliver **c.£11.701m** by the end of the year, this is an improvement in month of **c£134k**.
- **Agency cap** - The Trust has an agency cap of **£9.454m**, but a plan of **£7m**. During Month 9 the Trust spent **£439k** against a plan of **£739k**, reporting an underspend of **£300k** and YTD the Trust is reporting spend of **£4.119m** against a plan **£5.669m**, an underspend of **£1.550m**.
- **Capital** – Capital expenditure is behind plan by **c.£77k** in month and **c.£1.203m** year to date.
- **Cash** – The cash balance is above plan at Month 9 due to receiving a late Q2 PSF payment.