Report to:	**HEALTH AND WELLBEING BOARD**
Date:	22 September 2016
Executive Member / Reporting Officer:	Councillor Jim Fitzpatrick – First Deputy (Performance and Finance) Councillor Brenda Warrington – Executive Member (Adult Social Care & Wellbeing) Councillor Gerald P. Cooney – Executive Member (Healthy & Working) Councillor Peter Robinson – Executive Member (Children & Families) Kathy Roe – Director Of Finance – Single Commissioning Team
Subject:	**TAMESIDE & GLOSSOP CARE TOGETHER ECONOMY – 2016/17 REVENUE MONITORING STATEMENT AT 31 JULY 2016 AND PROJECTED OUTTURN TO 31 MARCH 2017**
Report Summary:	This is a jointly prepared report of the Tameside & Glossop Care Together constituent organisations on the revenue financial position of the Economy. The report provides a 2016/2017 financial year update on the month 4 financial position (at 31 July 2016) and the projected outturn (at 31 March 2017). A summary of the Tameside Hospital NHS Foundation Trust financial position is also included within the report. This is to ensure members have an awareness of the overall financial position of the whole Care Together economy and to highlight the increased risk of achieving financial sustainability in the short term whilst also acknowledging the value required to bridge the financial gap next year and through to 2020/21
Recommendations:	Health and Wellbeing Board Members are recommended : To note the 2016/2017 financial year update on the month 4 financial position (at 31 July 2016) and the projected outturn (at 31 March 2017). Acknowledge the significant level of savings required during the period 2016/17 to 2020/21 to deliver a balanced recurrent economy budget. Acknowledge the significant amount of financial risk in relation to achieving an economy balanced budget across this period. To note the 2016/17 quarter one Better Care Fund monitoring statement **(Appendix D)**
Links to Community Strategy:	The Sustainable Community Strategy and Local Area Agreement are key documents outlining the aims of the Council and its partners to improve the borough of Tameside (agreed in consultation with local residents).

Within health the CCG's Commissioning Strategy and Primary Care Strategy are similarly aligned to these principles and objectives.

Policy Implications:

The Care Together resource allocations detailed within this report supports the strategic plan to integrate health and social care services across the Tameside and Glossop economy.

Financial Implications:

(Authorised by the Section 151 Officer))

This report provides the financial position statement of the 2016/17 Care Together Economy for the period ending 31 July 2016 (Month 4 – 2016/17) together with a projection to 31 March 2017 for each of the three partner organisations.

The report explains that there is a clear urgency to implement associated strategies to ensure the projected funding gap is addressed and closed on a recurrent basis across the whole economy.

Each constituent organisation will be responsible for the financing of their resulting deficit at 31 March 2017.

It should be noted that the Integrated Commissioning Fund for the partner Commissioner organisations will be bound by the terms within the existing Section 75 agreement and associated Financial Framework agreement which has been duly approved by both the Council and CCG.

Health and Wellbeing members should also note that the 2016/17 Better Care Fund allocation sum of £15.323m (detailed within section 6, table 7 of the report) is included within the Section 75 funding allocation of the Integrated Commissioning Fund as detailed in **Appendix C** as this is a revenue funding allocation**.** Actual expenditure is included with table 1. The Disabled Facilities Grant sum of £1.978m (detailed within section 6, table 7 of the report) is excluded from this total as it is a capital funding allocation.

Legal Implications:

(Authorised by the Borough Solicitor)

There is a need to deliver a balanced budget. Consequently, there are significant changes required to achieve this and reduce the current levels of spend which previously have been bailed out. This requires new models of working and relentless focus on budgets without compromising patient care and safety. Many of the new models are intended to achieve this rather than simply look to cut out waste.

Access to Information :

Any background papers relating to this report can be inspected by contacting :

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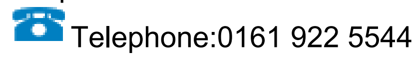
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1. INTRODUCTION

1.1 This report aims to provide an update on the overall financial position of the economy as at Month 4 and to highlight the increased risk of achieving financial sustainability in the short term whilst we all acknowledge how much it will take to bridge the financial gap next year also.

1.2 The report includes the components of the Integrated Commissioning Fund (ICF) and the progress made in closing the financial gap for the 2016/17 financial year. The total ICF is £447.5m in value (**Appendix C**), however this value is subject to change throughout the year as new Inter Authority Transfers (IATs) are actioned and allocations are amended.

1.3 The Tameside & Glossop Care Together Single Commissioning Board are required to manage all resources within the Integrated Commissioning Fund and comply with both organisations' statutory functions from the single fund.

1.4 The 2016/17 financial year is particularly challenging due to the significant financial gap and the risk of CCG QIPP schemes not being sufficiently developed to deliver the required level of efficiencies in year. A financial recovery plan was submitted to NHS England on 9 September following consideration by an extraordinary meeting of the Governing Body on 7 September. This report also considers the financial risks of the ICF in 2016/17. Please refer to section 7 for further details.

1.5 It should be noted that section 2 of the report includes details of the financial position of Tameside Hospital NHS Foundation Trust. This provides members with an awareness of the projected total financial challenge which the Tameside and Glossop economy is required to address during 2016/17.

1.6 Please note that any reference throughout this report to the Tameside and Glossop economy refers to the three partner organisations within the Care Together programme, namely:

- Tameside Hospital NHS Foundation Trust
- NHS Tameside and Glossop CCG
- Tameside Metropolitan Borough Council

2. FINANCIAL SUMMARY

2.1 Table 1 details the 2016/17 budgets, expenditure and forecast outturn of the ICF and Tameside Hospital NHS Foundation Trust. However there are a number of key risks that have to be managed within the economy during the financial year:-

- Achievement of the original £21.5m projected commissioner financial gap (£13.5m T&G CCG and £8.0m TMBC);
- Delivery of the £17.3m projected financial deficit (i.e. agreed control total) of Tameside Hospital NHS Foundation Trust;
- Management of any potential over spend within Acute services. Any over spend would be an additional pressure over and above the financial gap stated above;
- Ensure Parity of Esteem is achieved in relation to Mental Health Services;
- Financial pressures as a result of national changes to the health contribution of funded nursing care payments (40% increase). This will generate an estimated increased liability to the CCG of approximately £0.6 million but this will be confirmed and reported at month 5.
- Management of Care Home placements due to the volatility in this area;
- Unexpected and complex dependency placements within Children's Services;
- Emergency In-year reductions to Central Government resource allocations;

- Pro-active management of Continuing Healthcare and Prescribing – both of which are subject to volatility;
- Remaining within the running cost allocation for 2016/17.

Table 1 – Summary of the Tameside and Glossop Economy – 2016/17

Tameside & Glossop Integrated Commissioning Fund 2016/2017

	Year to Date (M4)			Year End			Movement	
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Description	**Budget**	**Actual**	**Variance**	**Budget**	**Forecast**	**Variance**	**Previous Month**	**Movement in Month**
Acute	66,044	66,788	(744)	198,348	198,622	(274)	(185)	(89)
Mental Health	9,699	9,732	(33)	29,097	29,300	(203)	(134)	(69)
Primary Care	26,908	27,461	(553)	80,379	80,969	(590)	(437)	(153)
Continuing Care	4,864	4,927	(63)	14,236	14,442	(206)	(207)	1
Community	9,124	9,122	2	27,357	27,362	(5)	0	(5)
Other	9,194	7,686	1,508	23,471	22,688	783	557	226
QIPP	0	4,500	(4,500)	0	12,893	(12,893)	(13,010)	117
CCG Running Costs	1,497	1,614	(117)	5,162	4,737	425	406	19
CCG Sub Total **	**127,330**	**131,830**	**(4,500)**	**378,050**	**391,013**	**(12,963)**	**(13,010)**	**47**
Adult Social Care& Early Intervention	13,995	14,311	(316)	41,980	43,243	(1,263)	(5,123)	3,860
Childrens Services, Strategy & Early Intervention	8,635	8,712	(77)	25,877	26,185	(308)	(1,594)	1,286
Public Health	(2,401)	(2,342)	(59)	1,639	1,876	(237)	(1,164)	927
TMBC Sub Total *	**20,229**	**20,681**	**(452)**	**69,496**	**71,304**	**(1,808)**	**(7,881)**	**6,073**
GRAND TOTAL	**147,559**	**152,511**	**(4,952)**	**447,546**	**462,317**	**(14,771)**	**(20,891)**	**6,120**

Tameside Hospital NHS Foundation Trust

	Year to Date (M4)			Year End			Movement	
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
	Budget	**Actual**	**Variance**	**Budget**	**Forecast**	**Variance**	**Previous Month**	**Movement in Month**
Net Surplus/(Deficit)	(6,397)	(6,159)	268	(17,300)	(17,300)	0	(17,300)	0

Summary

Tameside & Glossop Commissioner - Projected Gap - 31 March 2017	**(14,771)**
Tameside Hospital NHS Foundation Trust - Projected Gap - 31 March 2017	**(17,300)**
Tameside & Glossop Economy - Projected Gap - 31 March 2017	**(32,071)**

** Please note that accruals are included within the year end projections for the Council and not within the year to date totals. Projected expenditure and income within Council services is monitored on a monthly basis via data maintained within the respective service management information systems.*

*** The CCG figure quoted in table 1 differs from that reported to NHS England in the Non ISFE return, due to the treatment of QIPP. This is to ensure consistency of reporting across the Integrated Commissioning Fund, for both CCG and Local Authority. This is presentational only and does not affect the underlying position. It has been agreed at Single Commissioning Board, that all financial gaps (including QIPP) should be treated as a deficit until the savings have been achieved (ie, Reported as green in the QIPP table below)*

2.2 Assumptions included to deliver the Tameside Hospital NHS Foundation Trust projected deficit of £17.3m include:

- Savings of £7.8m (the FT's Cost Improvement Plan) are delivered (section 3.10 refers)
- £1.1m of additional income is received for the use of independent sector providers (this will finance associated expenditure incurred);
- There is a small over performance on PbR associate commissioner contracts;
- £6.9m Sustainability and Transformation funding is received (it should be noted that this is reliant on the condition that all financial and performance criteria is met);
- £17.3m working capital/loan is received to finance the projected year end deficit position;
- The Trust bed base is not increased;
- No significant unfunded additional expenditure materialises;

2.3 If these assumptions are not realised, sensitivity analysis suggests there is a risk that the projected year end deficit could increase by £1.4m (to a projected £18.7m deficit). It should be noted that by the end of 2016/17, the Trust will have £52m of repayable loans which have been borrowed to fund the deficit over the past 3 financial years. Repayment of this sum is scheduled to begin in 2018. However whilst it is anticipated the Department of Health will convert the loans into non repayable loans, the timescales and exact criteria required to facilitate this remains subject to confirmation.

3. FINANCIAL GAP

3.1 The Commissioner Financial Gap in 2016/17 for the ICF is £21.5m which includes £13.5m CCG QIPP target and an £8.0m TMBC financial savings target. It should be noted that this gap is a commissioner only gap. The economy wide position including the deficit at Tameside FT increases the scale of the challenge to £45.7m.

Commissioner Financial Gap

3.2 Table 2 lists the schemes identified to address the commissioner financial challenge and meet the QIPP targets in 2016/17. Each scheme is summarised with an evaluation of the risk of achievement and delivery in 2016/17.

Table 2 – Commissioner - Financial Gap Schemes (£'000) 2016/17

Scheme	16/17 Savings			Risk	Notes
	CCG	TMBC	Total		
SCHEMES WITH A QUANTIFIED FINANCIAL IMPACT IN 2016/17					
Public Health - savings found	0	217	217	G	Planned reduction to the annual management fee payable to Active Tameside and additional incidental savings delivered within the service
Public Health - savings found	0	169	169	G	A reduction in the Community Services contract value has been agreed with Tameside FT
Public Health - additional resource (projected cost pressures)	0	49	49	G	
Public Health - reduction in estimated capital financing repayments (Active Tameside)	0	514	514	G	The capital financing figure in 16-17 has redeuced due to a rephasing of works to reconfigure the Active Tameside estate
Public Health - savings still to find	0	432	432	A	.
Adult Social Care - additional resource (projected cost pressures)	0	3,908	3,908	G	
Adult Social Care - savings still to find	0	997	997	R	The Council is currently in the process of identifying further options to address the projected financial gap that is expected to arise during 2016/17. Updates will be reported within future monitoring reports.
Childrens Social Care - savings found	0	120	120	G	Reduction to inflationary increases that were projected to materialise during 2016/17.
Childrens Social Care - additional resource (projected cost pressures	0	1,215	1,215	G	
Childrens Social Care - savings still to find	0	379	379	R	The Council is currently in the process of identifying further options to address the projected financial gap that is expected to arise during 2016/17. Updates will be reported within future monitoring reports.
Wheelchair Service	230	0	230	G	Contract now signed, guaranteeing 16/17 saving. Procurement exercise is on-going to determine scale of recurrent benefit.
ISCAN	230	0	230	G	Business case rejected at June PRG. Therefore money which was held in reserves is no longer required
RADAR	32	0	32	G	Money held in reserve in anticipation of additional spend with Greater Manchester West FT. No longer required.
MH Safer Staffing	100	0	100	A	Business case to PRG in August. Depending on outcome and subsequent negotiation with Pennine Care savings of upto £200k could be available.
Efficiency Savings: Admin Budgets	115	0	115	G	Confirmed savings made in 16/17 from running costs budgets. Chiefly driven by no longer having to fund salary of Chief Operating Officer.
Efficiency Savings: Admin Budgets	385	0	385	A	Further savings/slippage possible following budget holder review and in the event of any staff vacancies
Efficiency Savings: Programme Budgets	500	0	500	A	Individual budget holder review meetings already held as part of budget setting process. Therefore all of the obvious savings have already been captured. However further reviews to identify slippage and savings will be held in year.
Risk Stratification/Review of high risk patients	1,000	0	1,000	A	Review by Practices of high risk patients via risk-strat information - All practices and neighbourhoods to be supported to analyse their risk stratification data and identify where support can be optimised to prevent unnecessary urgent and planned care system demand. Data has been shared with practices and benefits are expected from September onwards
Integrated Elective Services	800	0	800	A	Bridging arrangements in place with Care UK / GM Primary Eye Care for 2016/17, with fully integrated service in place for MSK, ENT & ophthalmology through the ICO from April 2017. Based on budgets in place as part of the bridging service, 16/17 in year savings in the region of £800k are expected. Longer term recurrent savings will be made once new integrated services start in April 2017.
Referral Interceptor Scheme	100	0	100	A	Short term scheme while detail of the full RMS are developed and implemented. Will enable quick wins and reduce inapropriate referrals . Also supportive of EUR target below.
Effective Use of Resources	500	0	500	A	Non-payment of un-authorised EUR procedures. Significant potential savings based on benchmarking data across GM. Monitoring and financial challenge system being finalised and will go live at the end of July to challenge M3 data. THFT implementing internal processes to prevent listing
GP Prescribing	1,000	0	1,000	R	Challenging target to reduce prescribing costs, building on schemes implemented in 15/16. See separate schedule for detailed exploration of prescribing QIPP schemes.
Total	**4,992**	**8,000**	**12,992**		

SCHEMES WITHOUT A QUANTIFIED FINANCIAL IMPACT IN 2016/17 - BUT WHERE WE ASPIRE TO REALISING SOME BENEFITS IN YEAR					
Neighbourhood Development	0	0	0		Part of the transformational funding request from devolution. Joint savings claimed in the business case (from neighbourhood development, home care and healthy lives) to stop future years activity growth and maintain at 16/17 plan levels. Dependent upon GM funding in order to realise the benefits. While the business case does not assume any savings until 2017/18, we hope to be able to bring forward some of the benefits to address the 16/17 QIPP challenge.
Home Care	0	0	0		Part of the transformational funding request from devolution. Joint savings claimed in the business case (from neighbourhood development, home care and healthy lives) to stop future years activity growth and maintain at 16/17 plan levels. Dependent upon GM funding in order to realise the benefits. While the business case does not assume any savings until 2017/18, we hope to be able to bring forward some of the benefits to address the 16/17 QIPP challenge.
Living Well - Self Care	0	0	0		Part of the transformational funding request from devolution. Joint savings claimed in the business case (from neighbourhood development, home care and healthy lives) to stop future years activity growth and maintain at 16/17 plan levels. Dependent upon GM funding in order to realise the benefits. While the business case does not assume any savings until 2017/18, we hope to be able to bring forward some of the benefits to address the 16/17 QIPP challenge.
Referral Management System	0	0	0		New referral management system reviewing all referrals. Will ensure availability of advice & guidance and appropriate use of diagnostics prior to consultation. Not part of the GM Devolution transformation fund bit but will require non-recurrent funding. Service design on-going and currently reviewing IM&T solution. Business case pushed back to allow for more work to be done on IM&T solution, but Referral Interceptor scheme above brought forward to ensure quick wins are achieved.
Digital Health	0	0	0		Part of the transformational funding request from devolution. Digital Health Suite allowing care home residents/carers to consult on health conditions as they arise and allowing the person to be treated remotely which will reduce A&E attendances and emergency admissions. Savings dependent upon GM funding in order to realise the benefits. While the business case does not assume any savings until 2017/18, we hope to be able to bring forward some of the benefits to address the 16/17 QIPP challenge.
Home First	0	0	0		Admission Avoidance & Discharge to Assess. Part of the transformational funding request from devolution which should reduce length of stay allowing the FT to close wards. Early implementation pilot on 2 wards from June but full realisation of benefits is dependent upon GM funding.
Flexible Community Beds	0	0	0		Reconfiguration of intermediate care beds. Part of the transformational funding request from devolution. Savings dependent upon GM funding in order to realise the benefits.
Commissioning Improvement Scheme	0	0	0		GP led schemes to manage demand, reduce inappropriate referrals and ensure value for money. Practices may be eligible to receive a payment under the scheme in 2017/18 based on achievement at both individual practice and neighbourhood
Anti Coag Review	0	0	0		Work on-going in transformation directorate to standardise service across all providers and ensure appropriate level of follow up in secondary care
Estates	0	0	0		Potential savings against the budgeted payments to Propco/CHP
Total	**0**	**0**	**0**		
SAVINGS TARGET	**13,500**	**8,000**	**21,500**		
SAVINGS STILL TO FIND	**8,508**	**1,808**	**10,316**		
SAVINGS STILL TO FIND FOLLOWING OPTIMISM BIAS ADJUSTMENT	**11,201**	**1,592**	**12,793**		**Assumes: 10% of red rated schemes will be realised in 2016/17. 50% of amber rated schemes will be realised in 2016/17. 100% of green rated schemes will be realised in 2016/17.**

3.3 On a year to date basis £6.285m of savings have been achieved (the green rated schemes in the table), £0.607m of this relates to CCG schemes while £5.678m has been identified by TMBC to support the council services. For the council, this comprises additional budget that the Council has put into Care Together services to recognise the 2016-17 in-year cost pressures together with a reduction in Active Tameside borrowing requirements and reduction in the Community Services contract which Public Health holds with Tameside FT.

3.4 In total £12.992m of savings have been identified, of which £2.376m have been risk rated red. £8.508m remains unidentified. We expect that some of this funding gap will be met by a combination of new schemes and proposals which are due to start or be actioned imminently, together with the implementation and acceleration of schemes which are included in the table but are not currently quantified. If we are unsuccessful at implementing the totality of these schemes, we will be facing substantial pressures resulting in a significant risk of the CCG moving into a deficit position and therefore non-delivery against the financial control target for 2016/17. It is therefore essential that this risk is widely understood across the economy and all efforts channelled in addressing this problem whilst ensuring the provision of clinically safe and sustainable services for our residents.

3.5 If we make an assumption that we will be unable to realise all of amber and red rated savings in 2016/17 and apply some optimism bias, the total savings which still need to be identified by the Commissioners increases to £12.793m.

3.6 Since last month the CCG has realised £0.115m of savings as a result of admin budget reviews, which have been categorised from amber into green, while integrated elective services and referral interceptor have moved from the unquantified portion of the report into amber rated schemes with expected savings of £0.800m and £0.100m respectively.

3.7 Options have been considered at previous finance committees to address the residual gap non-recurrently for 2016/17. However, it is important to recognise that some of the interventions would in effect be a form of financial support and the risk associated with this action would need to be fully evaluated.

3.8 The 2016/17 CCG QIPP target assumes that expenditure on secondary care, CHC, prescribing and other areas at risk of overspending against plan are assumed to perform in line with plan. If we have significant over spend in these areas we will have to review our options for addressing the gap.

3.9 The Councils position has improved significantly from the previous reporting period due to additional budget being allocated to fund in year cost pressures as outlined above. The Council is still in the process of identifying options to address the projected recurrent financial gap that is expected to arise during 2016/17. It is anticipated that the outcome be reported within future monitoring reports.

Tameside Hospital NHS Foundation Trust Efficiency Savings

3.10 Table 3 provides a summary of the Tameside Hospital NHS Foundation Trust efficiency savings for delivery in 2016/17

Table 3 -Tameside Hospital NHS Foundation Trust: Efficiency Savings Programme 2016/17

	Month 4 - Year to Date				Year End Forecast		
	Plan (£'000)	Actual (£'000)	Variance (£'000)		Plan (£'000)	Actual (£'000)	Variance (£'000)
In Year Total Savings	2,482	2,224	(258)		7,832	7,832	0
Recurrent Savings	2,482	561	(1,921)		7,832	3,675	(4,157)

3.11 Although the savings are forecast to deliver in year, only 47% are recurrent which will result in a financial pressure in 2017/18 if recurrent savings are not identified.

3.12 £1.0m of the recurrent savings have a high risk of delivery. These schemes include reduction in use of medical agency by recruiting substantively and radiology reconfigurations.

3.13 Whilst the current priority of the economy is to deliver a balanced budget during the current financial year, it is essential that additional efficiency schemes are progressed at scale and with urgency to address the projected financial gap the economy will need to address in the next and subsequent financial years. A summary of the projected gap for each financial year to 2020/21 is provided within table 4. Please note that this is consistent with the existing Locality plan submission to GM Health and Social Care Partnership, which will be reviewed during the Autumn of 2016.

Table 4 – Projected Tameside and Glossop Economy Financial Gap

T&G Projected Financial Gap	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000
Tameside MBC	8,000	22,114	22,601	21,752	25,837
Tameside & Glossop CCG	13,500	22,485	22,083	22,209	18,547
Tameside FT (after CIP)	*24,200	24,380	24,686	25,049	25,786
Economy Wide Gap	**45,700**	**68,979**	**69,370**	**69,010**	**70,170**

. *This represents the underlying recurrent financial position at THFT. However, the Trust is in receipt of £6.9m sustainability funding in 2016/17 resulting in a planned deficit of £ 17.3 m (referred to in section 2.2)*

4. MONTH 4 UPDATE

4.1 **Acute** The overall Acute budgets are forecast to over spend by (£0.274m) at year end. It must be noted only 3 months of activity data has been received at the time of writing therefore there is an element of risk associated with these figures. Activity will be monitored closely on a month by month basis.

4.2 Table 5 below details the position of our main acute providers. The full year forecast position of the main acute providers is an under spend of £0.023m which is partially offsetting the overall overspend of (£0.274m).

Table 5 - Main Acute Providers

Provider	Year to Date			Forecast		
	Budget £000's	Actual £000's	Variance £000's	Budget £000's	Actual £000's	Variance £000's
TFT	42,450	43,167	(717)	127,075	127,075	0
CMFT	7,441	7,579	(139)	22,280	22,546	(266)
SFT	3,974	3,766	208	11,969	11,770	198
UHSM	2,150	2,258	(108)	6,568	6,664	(96)
PAHT	1,336	1,242	94	4,029	3,896	133
SRFT	1,072	1,126	(54)	3,226	3,340	(114)
WWL	464	386	78	1,409	1,263	146
BOLT	27	19	0	80	58	22
Total	**58,914**	**59,544**	**(630)**	**176,635**	**176,612**	**23**

4.3 **Tameside FT** – Contract is over spending by (£0.717m) on a year to date basis based on month 3 data. This excludes a cross year pressure of (£0.178m) for excess bed days which is to be resolved alongside the other risks within the TFT contract at a senior level. We continue to forecast a year end break even position on the basis that there will be acceleration of transformational schemes which we anticipate will reduce activity back into line with budget from M07.

4.4 The risk associated with the forecast position needs to be appreciated within the context of the risk/gain share agreed as part of the contract, where a floor/ceiling has been set at £0.500m above/below this contract value. In the eventuality that full year overspend is in excess of this ceiling, premium payments of 50% are triggered. Based on the current levels of overspend and if the final contract reconciliation point was today, this clause would be triggered and over performance of £1.075m would be payable. This is not captured within the current financial position and poses a significant financial risk to the CCG which has been recorded in the risk register. It is imperative that action is taken in the months to come to ensure that agreed transformation schemes are implemented to drive down activity to the contracted level. This is in the financial interests of both provider (who have a marginal cost in excess of tariff) and commissioner (who do not have the resource to fund this level of demand). Conversations are being progressed at director level in order to determine how to manage this risk in the best interests of the economy.

4.5 In addition to the direct PbR tariff cost and volume pressures covered in the narrative below and the cross year excess bed days pressure of (£0.178m), the FT have identified cost pressures related to premiums they are paying to the commercial sector (£0.141m).

4.6 In terms of the year to date position elective activity is overspent by (£0.189m) and this is driven by Trauma & Orthopaedics (£0.235m). In order to avoid the premium cost incurred by TFT when making secondary referrals to the private sector, GPs have been encouraged to refer directly to providers other than Tameside Hospital including private providers where appropriate. In line with this protocol we have seen a decrease in T&O referrals to TFT averaging 35 cases per month in quarter 1 and an increase in the independent sector which is overspent on T&O by (£0.108m) year to date. This planned movement of service was factored into the 2016/17 TFT contracting round and the budget allocation for the reduction of the 2016/17 TFT plan is currently sat within CCG reserves to offset the year to date overspend on the independent sector.

4.7 Emergency Care is over spent by (£0.202m) based on month 3 data which is mainly due to pressures within Ambulatory Care (£0.192m). However, it must be noted that there was an extreme overspend on non-elective emergency within month 1 which has significantly reduced in subsequent months. This was due to a one off "spike" within General Medicine for pneumonia which peaked at (£0.117m) overspent in April and dropped to (£0.040m) overspent in June. In addition, there is a second element to the excess bed days cross year pressure relating to the spells. This equates to an additional pressure of (£0.112m) which has not been removed from the year to date position. Furthermore, the Care Together service redesign focuses on higher utilisation of ambulatory care hence the movement of (£0.192m) mentioned earlier was as expected, however a corresponding reduction in high cost admissions has not yet emerged. In particular, DVTs and Pulmonary Embolism are over spending by (£0.072m) and (£0.088m) respectively. Investigation of the D-Dimer scheme during M03 was unable to verify with any certainty that this initiative has reduced DVTs presenting in the acute setting, however there were indications from the analysis that the scheme is possibly offsetting underlying growth and that the over spend would be significantly higher if the new protocol was not in use. An audit of test outcomes is underway with the commissioning team to measure the performance of the scheme.

4.8 Non-Emergency care is over spending by (£0.133m), which is due to elevated births during May and June. The marked increase in antenatal pathways reported at M3 was investigated and the outcome was the identification of a presentational issue within the monitoring data provided by the FT in terms of unit plan prices. This will be resolved for M5. In addition, maternity data has been validated to alleviate concerns raised regarding duplicate charging of pathways across providers.

4.9 Outpatients are over spending by (£0.134m) year to date, with particular emphasis around first attendances which is over spending by (£0.152m). This is particularly interesting in view of the new Elective Care Pathways around MSK, ENT and Ophthalmology as we would expect to be seeing a reduction in first attendees as GPs aim to only refer patients to the acute setting if surgery is required using the referral guidance criteria. In particular, ENT is and T&O are (£0.02m) and (£0.009m) over spent year to date. This is also true of other GM providers and as such an exercise is underway to provide further referral analysis around DNAs, inappropriate referrals and referral outcomes in order to understand this further for M5.

4.10 Direct Access is over spending by (£0.094m) year to date of which (£0.040m) relates to MRI scans during month 1. The MRI costs significantly dropped from month 2 onwards due to the closure of the mobile unit, however as the unit would have been standing empty for the remaining month of the contract it was utilised for other services, hence the (£0.027m) over spend for M2 on unbundled diagnostics.

4.11 Finally we have an over spend within the independent sector of (£0.240m) which covers a range of services including T&O and MRI scans. As discussed within the elective position, this was a planned movement of service between TFT and the private sector factored into the 2016/17 contract. The expectation for activity levels to reduce at TFT as activity increases with private providers has not yet materialised, hence we are incurring the costs of

both providers, plus the pass through premium cost when TFT are internally referring patients to the independent sector. This is clearly not a sustainable nor an affordable scenario for either party. Hence the importance of the Director level conversations to understand the rationale and factors influencing decisions which are driving the improvement of RTT levels at TFT and how this needs to be balanced with overall financial stability.

4.12 **Central Manchester FT** is overspent by (£0.139m) at M4. The forecast position to year end is an over spend of (0.266m). The main issues are:

- Macular activity continues to overspend having increased to (£0.140m) year to date. The forecast has been adjusted this month to take account of this over performance and to factor in an additional £0.090m for future months. The CCG has recently written to providers about adherence to EUR policies and as such we expect cataract activity to reduce in future months and to broadly come back in line with plan. It was also noted that due to the financial envelope the plan was negotiated down for 2016/17. This area of activity will continue to be closely monitored along with SpaMedica within the Independent Sector where macular activity continues to grow.
- Daycase activity is overspent by (£0.058m). This is largely due to Gastroenterology, and mainly endoscopies, as CMFT reduces the Waiting List backlog.
- Easy Go Renal Dialysis Patient Transport – The forecast has been increased by a further (£0.018m) which represents an additional month’s service having been extended again and now due to cease on 30 September. The transfer date to NWAS is now expected to be 1 October 2016.
- The offset to the noted pressures is largely the under spend in drugs costs, currently stating a year to date £0.103m (27%) under plan. The main drivers are Adalimumab and Etanercept, which were drugs that reported significant over-performance in 2015-16, which we reflected in our 206/17 plan.

4.13 **Stockport FT –** Contract is currently under-spending by £0.208m on a year to date basis this is driven by large underspends in Elective Orthopaedics where we have seen underspends of £0.095m. This is currently being offset by bigger increases in activity at Tameside FT and private acute provider BMI. This trend at Stockport is expected to continue for the remainder of 2016/17.

4.14 The other main area where we are recognising a significant under performance of £0.066m is within the Stroke pathway where we have seen activity significantly below plan in Months 1 & 2 but assume this will return to expected levels at M3.
The forecast outturn for Stockport FT is an under performance £0.198m.

4.15 **University Hospital South Manchester –** Contract currently overspending year to date by (£0.108m) which is driven by over-performance in Critical Care and Day-cases but being partially off-set by a significant under performance in Non Elective of £0.093m.

4.16 Critical Care saw a significant over performance in the M2 position from a single patient who required organ support care and a significant stay in hospital equating to costs of (£0.070m). No activity was recorded in M3 so the decision to forecast the position back to plan for the remainder of 2016/17 is considered appropriate.

4.17 Long term ventilation support has seen a year to date overspend of (£0.021m) with the majority of this activity concentrated in M1 but M2 & M3 are still over-spending but with a lower cost impact. This trend is predicted to continue so has been reflected within the forecast position.

4.18 Implantation cardiac devices and stent procedures have been a key driver of increased day case costs. It is expected that these procedures will be in line with plan for the remainder of the year. Non elective procedures have reduced and particularly within Geriatric medicine for angiograms and angioplasty procedures.

4.19 **Salford Royal FT Contract** currently overspending by (£0.054m) in the year to date position which is mainly driven by Day cases and Non Elective activity. Neuro Rehab is under-spending against plan by £0.033m.

4.20 Overspends in Day cases are within pain management and clinical haematology. Further detail is being sought to try and understand the reason for this trend.
Non elective activity has seen increases in unplanned dermatology procedures and the provider is being contacted to gain a better understanding of what is driving this change. Stroke activity has increased also and these additional pressures are reflected in the forecast position.

4.21 There have been month on month reductions in neuro surgery and slow stream rehab but for prudence the forecast is reported to be in line with plan at this stage.

4.22 **Mental Health** budgets continue to forecast an overspend of (£0.135m) at year end. This is largely due to additional placements within the Non CHC service which were not included within the baseline budget. As with the CHC placements this continues to remain and area of volatility and risk. A patient level review has taken place between the Finance and CHC teams in July and work is continuing in August. A more robust methodology of data analysis is currently in development and this will ensure a much more streamlined process with more effective forecasting.

4.23 As notified to NHSE we continue to meet, if not exceed (due to additional costs being incurred within Non CHC) the 2016/17 Parity of Esteem. This continues to be one area that will be monitored on a monthly basis both internally and externally by NHSE.

4.24 **Primary Care** Month 4 Primary Care is forecast to overspend by (£0.590m) driven mainly from pressures in Prescribing.

4.25 The CCG also has a cross year pressure from Prescribing of £0.216m. At this early stage in the financial year, the PPA profile is used to estimate the forecast for the remainder of the year. The Medicines Management team are providing intense support to individual practices to reduce prescribing costs.

4.26 The CCG has a £1m QIPP target for prescribing in 2016/17. As referenced above, the Medicines Management team continue to work with GP practices in managing their prescribing costs, repeat orders and elimination of waste, but until a reduction in prescribing expenditure is reported in the Prescribing Monitoring Document (PMD), a forecast position of (£0.500m) overspend is felt to be realistic at this stage. Therefore, in order for the CCG to achieve the prescribing QIPP target in 2016/17 the CCG would need to implement schemes that actually achieve savings of £1.5m compared to the current forecast.

4.27 Delegated Co-Commissioning expenditure shows a forecast overspend of £0.059m compared to a previously reported underspend of £0.067m. This represents an adverse movement of £0.126m. This is attributable to three main areas:

- GMS – The national global sum rate is much higher than the 1% increase anticipated at budget setting. Furthermore, this overspend has increased by £0.073m in month following the adjustment to list sizes at quarter two. For prudence, a further increase based on 0.4% growth has been included for the remaining two quarters of the year. There is a possibility of some additional funding becoming available to CCGs which may mitigate this pressure however this has yet to be confirmed.
- QOF – The final achievement of the 2015/16 QOF is not available until formally signed off in July; this is then used to update the 2016/17 forecast. At month 3 an estimate of the 2015/16 position was used which together with the change in list size has seen a £0.067m increase in the estimated position for 2016/17.

- Premises Cost Reimbursement – The 2 pressures outlined above are offset slightly by a reduction in the forecast for premises cost reimbursement. This is the impact of a national recalculation of GP premises rateable values. Where practices have submitted invoices for reimbursement, any financial benefit has been reflected in the position reported, however where rates' invoices are still to be received this will be realised in future months.

4.28 The financial position in respect of Delegated Co- Commissioning budgets is discussed in in detail at the Primary Care Committee and the CCG and GMH&SCP colleagues work closely under the principles of the Memorandum of Understanding in place with NHS England.

4.29 **Continuing Care** The month 4 forecast outturn position for CHC remains an overspend of (£0.207m). A patient level review has taken place between the Finance and CHC teams in July and this review is continuing throughout August.

4.30 Initial findings from the review indicate that there has been an increase since last year on Long Term patients with a CHC care package. July 2015 reported 229 Long Term patients in the system compared with 245 patients in July 2016. This upward trend is an indication that more patients in T&G are requiring longer term CHC packages as people are living longer with more complex needs. On average each package of care costs the CCG £0.052m per annum.

4.31 The findings also confirm that there is a significant increase in Fast Track patients compared with last year. In July 2015 there was an average of 25 Fast Track patients in the system compared with an average of 47 in July 2016. Fast Track Patients have a shorter length of stay but the increase in demand could pose a risk to the financial position if this upward trend continues.

4.32 Detailed work in August will concentrate on the analysis of the invoicing for CHC. Currently patients are forecast to receive packages of care until the end of the financial year, unless they are clearly identified as a Fast Track patient. This detailed review will identify if there has been a cross year financial benefit from the accrual that was included at the end of 2015/16

4.33 **Funded Nursing Care.** In July the Department of Health announced an increase in Funded Nursing Care (FNC) rates payable by CCGs for 2016/17. The rate paid by the NHS to nursing homes for eligible patients will rise with effect from 1 April 2016 to £156.25 per week from the current standard rate of £112 per week. This equates to circa 40% increase but only a 2% increase was estimated in the budget setting process. This will generate an estimated financial pressure on the CCG of around £0.600m. This is currently being evaluated and will be confirmed and reflected in financial values at month 5.

4.34 **CCG Running Costs** The CCG running cost allocation has been reduced in 2016/17 by £0.040m in line with NHS England guidance. The annual budget in 2016/17 is £5.162m. The CCG is forecast to under spend on running costs by £0.425m at the year end. Table 6 below shows the running costs by directorate.

4.35 QIPP savings of £0.116m have been found within Running Costs due to natural attrition.

4.36 The cost of repairing the air conditioning unit in New Century House (£0.295m) is reflected in the Month 4 position. However, this pressure is partly off-set by a cross year benefit in telecommunications of £0.130m within the IM&T budget. The single commission's estates and legal team are currently reviewing the terms of the lease for New Century House to explore if this pressure could be mitigated.

Table 6 – CCG Running Costs 2016/17

Directorate	WTE Estab	£000's Budget	£000's Forecast	£000's Variance
Commissioning	15.36	747	757	(10)
Finance	13.03	750	673	77
CEO / Board Office	2.28	688	547	141
Chair / Non Execs	0.60	218	218	0
Communication & PR	5.00	233	184	49
Corporate Governance	9.80	455	449	6
Human Resources	1.50	45	38	7
IM&T	3.00	259	224	35
IM&T Projects	0.00	175	176	(1)
Nursing Directorate	2.00	115	113	2
Contract Management	4.40	323	251	72
Estates	0.00	430	430	0
Corporate / Other	1.00	724	696	28
TOTAL	57.97	5,162	4,756	406

4.37 **Tameside MBC** Additional Council resource of £5.172m to contribute to in year cost pressures is included in the month 4 figures. This was approved by the Executive Cabinet of the Council on 31 August 2016. The narrative below details additional service pressures.

Adult Social Care (Including Early Intervention)

4.38 **Better Care Fund** - Removal of payment for the performance element of BCF has resulted in changes to national conditions around NHS commissioned out of hospital services. There is a minimum requirement in 2016/17 to invest £4.4m of the overall BCF allocation into these services which represents an increase of £1.12m on the previous year's figure. Consequently this has resulted in a £1.12m reduction in the BCF resource available to fund Adult Social Care

4.39 **CCTV -** The service has a projected deficit of £0.060m. A service review is underway in this area to reduce expenditure where appropriate. Further updates will be provided in future reports.

4.40 **Residential & Nursing Care –** The current net cost of placements is projected to be £0.387m in excess of budget for the financial year. This is as a result of increased placement numbers and a reduction in client contributions due to individual financial circumstances. Changes to the FNC contribution rate will potentially reduce net expenditure in this area by approximately £0.600m. This will be confirmed and reported at month 5.

It should be noted that the Council are mid-range compared to other NW Local Authorities in terms of placement numbers into Residential & Nursing care for over 65s but will seek to improve the position to be top quartile performers as new models of care are implemented.

4.41 **Homecare** - The 2016/17 budget takes account of the increased fees payable to providers and was set based on March 2016 activity levels. Current data suggests that the number of commissioned hours has reduced therefore current projections are that spend for the year will be under budget by £0.195m.

4.42 There have been instances of provider failure over the last 18 months which has led to capacity concerns across the homecare market.

4.43 The Care Together Single Commissioning Board approved an increase to the hourly rate payable to providers on 7 June 2016 (backdated to 1 April 2016) as a result of the implementation of the National Living Wage from 1 April 2016.

4.44 The service continues to review existing commitments in line with statutory responsibilities to deliver a balanced budget by the end of the financial year. Associated progress will be included within further monitoring reports during 2016/17.

Childrens' Services (including Strategy and Early Intervention)

4.45 **Looked After Children (LAC) -** The current number of LAC supported by the Council is 445. This includes Fostering and Adoption placements as well residential care homes. Numbers have increased by 10 since April 2016 with some individual external residential placement costs in excess of £0.200m per annum. Current estimates are that spend will be in excess of budget by £0.401m by the end of the financial year. It should be noted that the service is exposed to the risk of further unexpected and complex needs placements.

Public Health

4.45 Current proposals to reduce the fee payable to Active Tameside for management and operation of the leisure estate will materialise during 2016/17. This will result in a cost saving to the Council of £0.350m per annum (as a minimum from 2017/18) as Active Tameside improves its financial self-sufficiency via capital investment by the Council in the estate.

4.46 The Directorate have negotiated a reduction of £0.169m in the Community Services contract with Tameside FT.

4.47 Temporary resourcing of the Active Tameside capital investment prudential borrowing repayments is currently under consideration. The temporary resourcing arrangements will be replaced in future years via the recurrent savings achieved from a significant reduction to the annual management fee payable. Currently a borrowing repayment of £0.186m is included within the month 4 projected outturn estimate.

5. ADDRESSING THE LOCAL HEALTH ECONOMY GAP

5.1 Considerable work is ongoing to ensure the Economy is investment ready by the end of August when the Greater Manchester Strategic Partnership Board will consider the Tameside and Glossop proposals for Transformational Funds. A revised sum of £23.2m has been requested over the period to 2019/20, £5.2m of which has been requested in 2016/17. It is envisaged a decision on the proposals will be known by 30 September 2016.

6. BETTER CARE FUND

6.1 Health and Wellbeing Board members are reminded that the better care fund was introduced during 2015/16 and has continued in the current financial year. The funding is awarded to the Economy to support the integration of health and social care to ensure resources are used more efficiently between Clinical Commissioning Groups and Local Authorities, in particular to support the reduction of avoidable hospital admissions and the facilitation of early discharge.

6.2 Table 7 provides details of the better care fund allocation for 2016/17 together with the actual expenditure to 30 June 2016 (Quarter 1) and the projected expenditure to 31 March 2017.

Table 7 – Better Care Fund 2016/17

Allocation	Funding Category	2016/17 Allocation	Actual Expenditure to 30 June 2016	Projected Expenditure to 31 March 2017	Projected Variation to 31 March 2017
		£'m	£'m	£'m	£'m
Better Care Fund	**Revenue**	**15.323**	**3.150**	**15.323**	**0.000**
Disabled Facilities Grant	**Capital**	**1.978**	**0.216**	**1.978**	**0.000**
Total		**17.301**	**3.366**	**17.301**	**0.000**

6.3 Health and Wellbeing members should note that the 2016/17 Better Care Fund allocation sum of £15.323m (detailed within table 7) is included within the Section 75 funding allocation of the Integrated Commissioning Fund as detailed in **Appendix C** as this is a revenue funding allocation**.** Actual expenditure is included with table 1. The Disabled Facilities Grant sum of £1.978m (again detailed within table 7) is excluded from this total as it is a capital funding allocation.

6.4 **Appendix D** provides supporting details of the 2016/17 quarter one (1 April 2016 to 30 June 2016) Better Care Fund monitoring statement recently submitted to NHS England. Guidance recommends that the quarterly monitoring returns are also presented to Health and Wellbeing Board members. Therefore, the remaining respective quarterly monitoring statements for 2016/17 will be included in future financial monitoring report agenda items as appropriate.

6.5 **Appendix E** provides confirmation for members that the 2016/17 Tameside Better Care Fund plan has been approved by NHS England.

7. RISKS

7.1 The key financial risks facing the Commissioners and THFT within the Economy at 31 July 2016 (month 4) are detailed in Table 8.

Table 8 : Schedule of Key Financial Risks – Month 4 2016-17

Risk	Probability	Impact	Risk	RAG	Detail of Risk	Mitigation
The achievement of meeting the Financial Gap recurrently.	4	4	16	R	£12.992m of savings have been identified, of which £7.499m have been risk rated red. £8.508m remains unidentified. We expect that some of this funding gap will be met by a combination of new schemes which will be brought forward, together with the implementation and acceleration of schemes which are included in the table but are not currently quantified. These schemes are unlikely to resolve the total gap meaning we have significant risk of non-delivery against the financial savings target in 2016/17. It is therefore essential that this risk is widely understood across the economy and all efforts channelled in addressing this problem to ensure the provision of clinically safe and sustainable services for our residents.	As part of the Commissioning Improvement Scheme (CIS), GP's along with Commissioners are developing schemes to improve care for patients and achieve the required financial gap in 2016/17.
Over Performance of Acute Contract	3	4	12	A	3 months SLAM data is available for 2016/17, however based on historic data and trends this is one area that is potentially volatile and could therefore create an additional pressure on the ICF in 2016/17. Despite £0.7m of year to date overspend we are currently forecasting that the TFT contract will be in line with plan by year end. If there is an over performance on the TFT contract a 50% premium will be paid.	Both finance and activity data when available for 2016/17 will be monitored and challenged where necessary. The CCG has a 1% uncommitted reserve and a 0.5% contingency that have been set aside as per NHSE guidance. The initial plan would be to utilise this funding to offset such pressures, but confirmation from NHSE would be required. It is anticipated transformational funding will be received which will enable investment in areas to redesign services that will provide savings and better services for patients.
Not receiving Transformation funding	2	4	8	A	It is anticipated transformational funding will be received in 2016/17. A decision is anticipated by 31st August.	There is the potential to use some LA funding to bridge the gap temporarily with the remainder of the £49m to follow later. The CCG, TFT and TMBC are working closely with the GM Health and Social Care Partnership team and confirmation of how much funding will be received will be confirmed in August 2016.
Over spend against GP prescribing budgets	3	5	15	R	Despite a QIPP scheme of £1m being set for 2016/17 for prescribing, the costs in the final quarter of 2015/16 increased considerably more than planned. The CCG has incurred a cross year pressure of £216k on prescribing and is forecasting a year end over spend of £500k. Therefore there is a significant financial risk on prescribing in 2016/17.	A number of practices have or are looking to use a practice based pharmacist to review prescriptions, along with the ongoing work with the Medicines Management team. This will hopefully drive costs down and identify additional areas for savings.
Over spend against Continuing Health Care budgets	2	3	6	A	CHC was a cost pressure in 2015/16 to the CCG. Budgets have been set based on outturn plus a level of growth.	Budgets have been set at outturn plus and an element of growth and there is a provision on the balance sheet for potential restitution claims. A full detailed analysis of the Non CHC and CHC database is taking place in July 2016 between finance and the CHC team. This should ensure a robust forecast is produced and all known information recorded accurately.

Operational risk between joint working.	1	5	5	A	The Integrated Commissioning Fund and integrated working is a new way of working and reporting, bringing together different cultures and different methods of accounting, which therefore bring with it an element of risk.	Working relationships between the CCG and TMBC are very good. There are numerous meetings, and committees which both members regularly attend, contribute and make decisions. Therefore this should mitigate any risk with joint working.
CCG Fail to maintain expenditure within the revenue resource limit and achieve a 1% surplus.	4	4	16	R	If the QIPP target and risks stated above are not mitigated the CCG would fail to achieve its mandated 1% surplus.	If all of the above risks are mitigated as explained then by default the CCG would achieve a 1% surplus and the ICF would have a balanced budget.
In year cuts to Council Grant Funding	2	3	6	A	In 2015/16 the Public Health grant was reduced by £1m part way through the financial year. The Council had to fund committed expenditure through use of existing reserves.	The Council maintains earmarked reserves, although these should not be viewed as a long term solution. Discussions are ongoing about more flexible contractual arrangements to enable easier withdrawal to mitigate the effect of similar reductions in the future.
Care Home placement costs are dependent on the current cohort of people in the system and can fluctuate throughout the year	3	4	12	A	Expenditure on Residential and Nursing care home placements accounts for a significant proportion of Adult Social Care spend. The Council aims to manage placement profiles by offering community based services as an alternative wherever possible. In some cases however this is not possible due to the complexity of individual needs.	Continued development of the community based offer and use of technology where appropriate to support self-management of care. It is accepted however that it is not possible to fully mitigate the risk of additional placements.
Looked After Children placement costs are volatile and can fluctuate throughout the year	3	4	12	A	The current number of LAC supported by the Council is 445. This includes Fostering and Adoption placements as well residential care homes. Numbers have increased by 10 since April 2016 with some individual placement costs in excess of £0.200m per year. The service is also exposed to the risk of unexpected and complex needs placements.	Multi-agency approach around Troubled families as part of GM approved model in order to intervene earlier in the child's life and prevent the need for costly interventions (such as care home placements). Incentives of the fostering service to increase placements via this route rather than costlier residential placements,
Unaccompanied Asylum Seekers	4	3	12	A	There will be a financial impact on the Tameside Economy as unaccompanied Asylum Seekers are accommodated within the borough. There is a risk that associated Central Government funding does not equate to related expenditure incurred by the Council and CCG.	Central Government funding will be received to support related expenditure. The economy will need to ensure services are delivered within resource allocations received.
Provider Market Failure	2	5	10	A	The economy commissions services from the private provider sector e.g. Homecare, Residential and Nursing Care, Children's Residential placements. Internal intelligence suggests that some providers are anticipating financial strain due to the impact of delivering services within commissioned payment rates (e.g. impact of national living wage etc).	A review is underway to reconfigure service delivery requirements from the private sector market to ensure it aligns with the strategic commissioning objectives of the Integrated Care Organisation. The associated fee structure aligned to the revised market provision will also be considered within this review to ensure stability within the market.
Underperformance on Trust Efficiency Savings programme	4	5	20	R	The Trust has a £7.8m savings programme, with c.£1.5m of high risk schemes. The Trust forecast assumes delivery of the total value of the savings.	There is a rolling programme of identification of new schemes. The Trust is also working with other GM organisations involved in the national NHS Financial Improvement Programme to identify further savings.
Independent sector	3	4	12	A	The Trust has incurred £480k of expenditure with the	The Trust is having ongoing discussions with the

expenditure not funded by commissioners					independent sector to July 2016. The Trust does not have budget for this. The 2016/17 contract was reduced to enable commissioners to contract directly with the IS. If this expenditure continues at the same rate, it is estimated the full year expenditure will be £1.1m.	commissioners to agree a financial position with relation to use of the independent sector. Internally, there is ongoing review of the activity required to deliver the performance targets. The Trust Efficiency programme will also potentially support this.
Total proposed value of Sustainability and Transformation Funding (STF) not received	3	5	15	R	It is anticipated the £6.9m STF will be received in full. This is dependent on achieving the planned financial control total and delivering the trajectories for A&E, RTT and Cancer.	A number of action plans are in place to support delivery of the performance targets (A&E action plan, RTT/Cancer monitoring and mitigation in place). Performance is monitored and challenged at all levels of the organisation from operational teams to the Board.
Additional unplanned expenditure due to winter pressures	4	4	16	R	The Trust has traditionally incurred additional expenditure over the winter period due to unplanned for pressures.	Several prior year schemes to reduce the impact of winter pressures have been funded an implemented. The Trust's winter resilience plans are also continuously monitored through the SRG. The Trust also has a de-escalation plan in progress to free up bed capacity, and the IUCT workstream will also support winter resilience.
Additional investment decisions agreed without identified funding	2	4	8	G	All the Trust's budget is allocated against planned expenditure and there is no contingency funding available for new investments.	The Trust has enhanced the governance process for approving additional investment and financial control. The Executive Management Team have communicated the recognition of the organisation's financial deficit position, and commitment of all budgets in 2016/17.
Unmitigated divisional overspends.	3	4	12	G	There are several areas of overspend within the Trust. Currently these overspends are offset by benefits relating to vacancies. However, recruitment to the vacancies are ongoing so this is not a sustainable position for the remainder of the year.	The Trust Efficiency programme supports the delivery of cash releasing savings schemes, to reduce expenditure and bring into line with budget. The Divisions report against a divisional performance framework to monitor and challenge overspending areas.

8 RECOMMENDATIONS

8.1 As stated on the report cover.

APPENDIX A

Summary of CCG Financial Position

NHS Tameside & Glossop CCG 2016/17 Financial Position								
	Year to Date (M4)			Year End			Movement	
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Description	Budget	Actual	Variance	Budget	Forecast	Variance	Previous Month	Movement in Month
Funding								
Programme Allocation	116,690	116,690	0	345,457	345,457	0	0	0
Admin Allocation	1,497	1,497	0	5,162	5,162	0	0	0
PC Co-Commissioning Allocation	10,307	10,307	0	30,922	30,922	0	0	0
Total Allocation	**128,494**	**128,494**	**0**	**381,541**	**381,541**	**0**	**0**	**0**
Expenditure								
Acute	66,044	66,788	(744)	198,348	198,622	(274)	(185)	(89)
Mental Health	9,699	9,732	(33)	29,096	29,300	(203)	(134)	(69)
Primary Care	26,908	27,461	(553)	80,379	80,969	(590)	(437)	(153)
Continuing Care	4,864	4,927	(63)	14,236	14,442	(206)	(207)	1
Community	9,125	9,122	2	27,357	27,362	(5)	0	(5)
Other	9,194	7,686	1,508	23,471	22,688	783	557	226
QIPP	0	4,500	(4,500)	0	12,893	(12,893)	(13,010)	117
Total Programme Costs	**125,833**	**130,216**	**(4,383)**	**372,888**	**386,276**	**(13,388)**	**(13,416)**	**28**
Running Costs	**1,497**	**1,614**	**(117)**	**5,162**	**4,737**	**425**	**406**	**19**
Total Costs (Admin + Programme)	**127,330**	**131,830**	**(4,500)**	**378,050**	**391,013**	**(12,963)**	**(13,010)**	**47**
Surplus / (Deficit)	**1,164**	**(3,336)**	**(4,500)**	**3,491**	**(9,472)**	**(12,963)**	**(13,010)**	**47**

APPENDIX B

Summary of TMBC Financial Position (ICF Fund Only)

Directorate	Work Group	Revenue Budget total	Actual	Projected outturn	Variance
		£'000	£'000	£'000	£'000
Adult Social Care	Adults Budget Strategy	(12,614)	(3,477)	(11,062)	(1,552)
Adult Social Care	Adults Performance & Development	1,326	357	1,226	100
Adult Social Care	Adults Senior Management	531	199	539	(8)
Adult Social Care	Supporting People	3,141	3,025	3,140	1
Adult Social Care	Adults Transport	335	92	333	2
Adult Social Care	Assessment & Care Management Contracts	742	279	714	28
Adult Social Care	CCTV	232	117	292	(60)
Adult Social Care	CHC Funding	27	19	27	0
Adult Social Care	Community Support	871	(410)	892	(21)
Adult Social Care	Dowries	169	(14)	169	0
Adult Social Care	FNC	0	148	18	(18)
Adult Social Care	Homecare	3,939	1,008	3,744	195
Adult Social Care	Localities	6,812	2,361	6,781	31
Adult Social Care	Long Term Support	3,818	1,040	4,017	(199)
Adult Social Care	Mental Health	2,290	712	2,233	57
Adult Social Care	Residential & Nursing Care	14,080	5,329	14,467	(387)
Adult Social Care	Occupational Therapy & Sensory Services	1,016	312	967	49
Adult Social Care	Residential and Day Services - Day Services	1,244	424	1,266	(22)
Adult Social Care	Residential and Day Services - Homemakers	5,049	1,016	4,890	159
Adult Social Care	Supported Accommodation	6,492	1,031	5,973	519
Adult Social Care	Urgent Care	2,480	743	2,617	(137)
Total		**41,980**	**14,311**	**43,243**	**(1,263)**
Public Health	Adult Pooled Treatment Budget	0	(27)	0	0
Public Health	Public Health Contracts	0	1,933	0	0
Public Health	Public Health Manager	(13,938)	(7,513)	(13,633)	(305)
Public Health	Public Health Non Prescribed	12,254	2,212	11,983	271
Public Health	Public Health Prescribed	2,019	173	2,036	(17)
Public Health	Sport	1,304	880	1,490	(186)
Total		**1,639**	**(2,342)**	**1,876**	**(237)**
Childrens Social Care	Adoption	1,060	432	1,056	4
Childrens Social Care	Assistant Executive Director - Children's	128	60	133	(5)
Childrens Social Care	Children with Disabilities	2,237	715	1,982	255
Childrens Social Care	Childrens - Safeguarding	448	76	479	(31)
Childrens Social Care	Children's Centre Services	0	168	(39)	39
Childrens Social Care	Childrens Home	1,181	462	1,390	(209)
Childrens Social Care	Childrens Legal Fees	228	88	227	1
Childrens Social Care	Children's Services Administration	1,004	273	894	110
Childrens Social Care	Childrens Social Work	2,416	832	2,603	(187)
Childrens Social Care	Early Help Contracts	130	46	106	24
Childrens Social Care	Early Help Services	1,081	498	1,010	71
Childrens Social Care	Early Years Team	160	53	160	0
Childrens Social Care	Fostering Services	600	189	587	13

Childrens Social Care	LAC Support Teams	1,089	329	1,054	35
Childrens Social Care	Local Safeguarding Children's Board	123	87	123	0
Childrens Social Care	Participation and Partnerships	47	0	24	23
Childrens Social Care	Placements Costs	13,322	4,677	13,723	(401)
Childrens Social Care	Social Work Child In Need	0	1	3	(3)
Childrens Social Care	Strategy & Early Intervention Management	374	85	340	34
Childrens Social Care	Troubled Families	0	(599)	0	0
Childrens Social Care	Young Carers	113	44	122	(9)
Childrens Social Care	Youth Offending Team	136	196	208	(72)
Total		**25,877**	**8,712**	**26,185**	**(308)**
TMBC Total		**69,496**	**20,681**	**71,304**	**(1,808)**

APPENDIX C

Reconciliation of the Integrated Commissioning Fund

Description	Value	Notes
	£000's	
Original ICF Value	**435,519**	**Based on 8th February Submission**
Amendment to CCG Surplus	1,239	Reduce from £4,730k to £3,491k
TMBC Adjustment	1,798	Includes inclusion of CCTV Operations
Final Adjustments	1,830	Confirmation of final contract values and amendments to BCF values
Month 1 ICF Budget	**440,386**	**Based on Final 11th April Submission**
CCG Allocation Correction	(31)	Tier 3 Specialist Wheelchairs Correction
TMBC M2 Budget Adjustment	175	Additional HR Budget & CCTV Adjustments
Month 2 ICF Budget	**440,530**	**As per month 2 Integrated Single Finance Report**
CCG Allocation	141	Eating Disorder Service Q1
CCG Allocation	53	Pain management immunosuppressants
CCG Allocation	18	Supporting Primary Care and LCPO development
CCG Allocation	807	7 day access funding
CCG Allocation	(24)	GM Stroke risk share
CCG Allocation	(40)	GM CHC Risk share
CCG Allocation	890	MH Stocktake
Month 3 ICF Budget	**442,375**	**As per month 3 Integrated Single Finance Report**
TMBC Cost Pressures Funding	5,172	
Month 4 ICF Budget	**447,547**	**As per month 4 Integrated Single Finance Report**

ICF Budget Reference	ICF Budget	CCG Net Budget 2016/17	TMBC Net Budget 2016/17	Total Net Budget 2016/17
		£m	£m	£m
A	Section 75 Services	190.216	42.244	232.460
B	Aligned Services	156.183	27.252	183.436
C	In Collaboration Services	31.650	0.000	31.650
		378.05	69.496	447.547

APPENDIX F

Glossary

Abbreviation	Description
AQP	Any Qualifying Provider
BCF	Better Care Fund
CAMHS	Child and Adolescent Mental Health Service
CCG	Clinical Commissioning Group
CHC	Continuing Healthcare
CIP	Cost Improvement Programme
CIS	Commissioning Improvement Scheme
CQUIN	Commissioning for Quality and Innovation
CSU	Commissioning Support Unit
CT	Care Together
DC	Daycase
DDRB	Doctors and Dentists Review Body
DES	Direct Enhanced Service
EL	Elective
GM	Greater Manchester
GMSS	Greater Manchester Shared Service
GP	General Practitioner
IAT	Inter Authority Transfer
ICF	Integrated Commissioning Fund
ISFE	Integrated Single Financial Environment
MfA	Manual For Accounts
MH	Mental Health
MMC	Medicines Management Committee
NEL	Non Elective
NHSE	National Health Service England
NMP	Non Medical Prescribing
ODN	Operational Delivery Network
OP	Outpatient
PBR	Payment By Results
PES	Paramedic Emergency Services
PMD	Prescribing Monitoring Document
PPA	Prescription Pricing Authority
PRG	Professional Reference Group
QIPP	Quality, Innovation, Productivity, Prevention
QOF	Quality and Outcomes Framework
RADAR	Rapid Access Detoxification Acute Referral
SCB	Single Commissioning Board
SFT	Stockport Foundation Trust
SHMI	Summary Hospital Level Mortality Index
SLA	Service Level Agreement
SLAM	Service Level Agreement Monitoring
TFT	Tameside & Glossop Foundation Trust
UHSM	University Hospital South Manchester Foundation Trust
WTE	Whole Time Equivalent
WWL	Wrightington, Wigan and Leigh Foundation Trust