



Finance Report

Report To (Meeting):	ONE Stockport Health and Care Board		
Report From (Executive Lead)	Michael Cullen, Deputy Chief Executive (Section 151 Officer) – Stockport MBC		
Report From (Author):	David Dolman, Associate Director of Finance, Greater Manchester Integrated Care (Stockport)		
Date:	30 August 2023	Agenda Item No:	8
Previously Considered by:	This report is being presented for the first time		

Purpose of the report:

This report provides an update on:

1. An update on the financial position of NHS Greater Manchester (Stockport) as of 31 July 2023 (Month 4).
2. Efficiency programme update.

Key points (Executive Summary):

NHS Greater Manchester (Stockport) is reporting a year-to-date (YTD) adverse variance of £0.930m and a forecast outturn adverse variance of £1.081m.

The adverse variance is due to:

- A complex mental health patient who required a high-cost package of care.
- High-cost personal health budget.
- Increase in community contract activity above planned levels.

Risks not included in the forecast are:

- Activity growth above 2022/23 levels.
- Continuing Health Care retrospective claims with several high-cost claims currently being assessed.
- Prescribing price concessions and price and volume increases.
- Mental health placement costs.
- Not delivering the required level of efficiencies in full.

Due to Greater Manchester ICB challenged financial position the System for Thorough Assessment of Resources (STAR) process was introduced as another step in the NHS Greater Manchester expenditure approval process. All new expenditure requests greater than £10,000 are required to go through the STAR process. At month 3 Greater Manchester ICB reported a £86.5m deficit (£65.5m adverse variance to plan) with significant risk to the delivery of a breakeven position. As a result, the STAR panel may not approve any new expenditure for localities, such as Stockport, forecasting an adverse variance to plan.

As part of the Greater Manchester financial recovery plan all parts of the system have been asked to detail how they plan to deliver a breakeven. Deep dive sessions on the current efficiency programme and significant areas of spend are being led by the Deputy



Placed Based Lead and Locality Finance Lead and will be reported back to the next meeting of the Locality Board.

Recommendation:

Board is asked to:

- **Discuss and note** the financial position including identified financial risks.
- **Discuss and note** the efficiency programme update.

Decision		Discuss/Direction	X	Information/Assurance	X
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Aims (please indicate x)

Which integrated care aim(s) is / are supported by this report:	People are happier and healthier and inequalities are reduced	
	There are safe, high-quality services which make best use of the Stockport pound	X
	Everyone takes responsibility for their health with the right support	
	We support local social and economic development together	

Conflicts of Interests

Potential Conflicts of Interest:	No conflicts of interest have been identified.
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Risk and Assurance:

List all strategic and high-level risks relevant to this paper	Delivery of financial balance.
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Consultation and Engagement:

Local People / Patient Engagement:	N/A
Workforce Engagement:	N/A

Potential Implications:

Financial Impact: Please note - All reports with a financial implication require detail of the level of funding, funding stream and comments from Finance.	Non-Recurrent Expenditure	As per organisation financial plan			
	Recurrent Expenditure (please state annual cost)	As per organisation financial plan			
	Funding stream	Yes		No	
	Included in the s75 Pooled Budget	£26.083m			
	GM ICB (Stockport) delegated budget	X			
	Other, please specify	The financial plan includes £26.083m of funding which will be pooled as part of the 23/24 section 75 agreement			

Finance Comments:	NHS Greater Manchester have been fully briefed on the issues impacting the financial position including identified financial risks.						
Performance Impact:	To recover the financial position expenditure on services will need to be reduced which may impact performance.						
Workforce Impact:	Reduce agency expenditure.						
Quality and Safety Impact:	No						
Compliance and/or Legal Impact:	Financial duty for GM ICB to breakeven.						
Equality and Diversity:	General Statement:						
	Has an equality impact assessment been completed?	Yes		No	X	N/A	
	If Not Applicable please explain why						
Environmental Impact:	General Statement:						
	Has an environmental impact assessment been completed?	Yes		No	X	N/A	
	If Not Applicable please explain why						