

# Finance Report

<b>Report To (Meeting):</b>	ONE Stockport Health and Care Board		
<b>Report From (Executive Lead)</b>	Michael Cullen, Deputy Chief Executive (Section 151 Officer), Stockport MBC		
<b>Report From (Author):</b>	David Dolman, Associate Director of Finance, NHS Greater Manchester (Stockport)		
<b>Date:</b>	18 October 2023	<b>Agenda Item No:</b>	8
<b>Previously Considered by:</b>	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 at 30 September 2023 (Month 6)
2. Efficiency programme update

## Key points (Executive Summary):

The NHS Greater Manchester (Stockport) is reporting a year-to-date (YTD) adverse variance of £2.696m (M4 £0.930m) and a forecast outturn adverse variance of £2.597m (M4 £1.081m).

The forecast outturn adverse variance is due to:

- Continuing Health Care pressures (£1.789m) driven by an increase in the number and cost of placements, increase in the value of retrospective payments and 22/23 under accrual. This is the main reason for the deterioration in the position from month 4.
- A complex mental health patient who required a high-cost package of care (£0.614m).
- Increase in community contract activity which planned levels which were set at 22/23 outturn (£0.201m).

Risks not included in the forecast are:

- Additional high-cost mental health placements.
- Community contract activity growth above forecast levels.
- Continued growth in the number and cost of continuing health care placements.
- Not delivering the required level of efficiencies in full.
- Prescribing price concessions and price and volume increases, this risk is being held centrally by NHS Greater Manchester.

As reported previously, due to NHS Greater Manchester's challenged financial position the System for Thorough Assessment of Resources (STAR) process was introduced as a step in the NHS Greater Manchester expenditure approval process. As a result, there is a risk that the STAR panel may not approve new expenditure for localities even if there is sufficient budget identified.

## Recommendation:

Board are asked to:

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

- **Discuss and note** the efficiency programme update.

<b>Decision</b>		<b>Discuss/Direction</b>	<b>X</b>	<b>Information/Assurance</b>	<b>X</b>
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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	<b>X</b>
	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	Deliver financial balance
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### Consultation and Engagement:

<b>Local People / Patient Engagement:</b>	N/A
<b>Workforce Engagement:</b>	N/A

### Potential Implications:

<b>Financial Impact:</b> 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	£22.532m			
	GM ICB (Stockport) delegated budget	£145.227m of which £22.532m is pooled under s75 Agreement			
Other, please specify.					
<b>Finance Comments:</b>	NHS Greater Manchester have been fully briefed on the issues impacting the financial position including identified financial risks				
<b>Performance Impact:</b>	To recover the financial position expenditure on services will need to be reduced which may impact				

	performance.						
<b>Workforce Impact:</b>	Reduce agency expenditure						
<b>Quality and Safety Impact:</b>	No						
<b>Compliance and/or Legal Impact:</b>	Financial duty for the GMICB to breakeven						
<b>Equality and Diversity:</b>	General Statement:						
	Has an equality impact assessment been completed?	Yes		No	X	N/A	
	If Not Applicable please explain why						
<b>Environmental Impact:</b>	General Statement:						
	Has an environmental impact assessment been completed?	Yes		No	X	N/A	
	If Not Applicable please explain why						