

Finance Report – 31 August 2024 (Month 5)

Report To (Meeting):	ONE Stockport Health and Care Board		
Report From (Executive Lead)	David Dolman, Associate Director of Finance, NHS Greater Manchester (Stockport)		
Report From (Author):	David Dolman, Associate Director of Finance, NHS Greater Manchester (Stockport)		
Date:	25 September 2024	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 at 31 August 2024 (Month 5)
2. Cost Improvement Programme (CIP) update
3. Recovery Plan update

Key points (Executive Summary):

The NHS Greater Manchester (Stockport) is reporting a year-to-date (YTD) adverse variance of £3.603m (M4 £1.924m adjusted for prescribing) and a forecast outturn adverse variance of £7.135m (M4 £5.707m adjusted for prescribing) which assumes full achievement of the cost improvement programme (CIP).

The adverse variance is due to increasing cost and demand for continuing health care (CHC) and mental health placements (s117 After Care) and neurodiversity assessments and ADHD treatment costs as patients exercise their right to choose.

The £1.428m deterioration in the forecast position is due to:

- Cost of new CHC placements and uplifts on existing placements £1.262m
- Neurodiversity assessments and ADHD treatment £0.147m

Savings of £3.027m have been achieved against a target of £7.973m which is £0.176m above plan. The savings target is forecast to be delivered in full however there is £1.419m of risk associated with the delivery of the target.

The increasing demand for CHC and mental health placements and neurodiversity assessments and ADHD treatment puts at risk the ability to redistribute resources from acute services into preventative and community services, a key aim of the One Stockport Health and Care Plan.

A recovery plan to mitigate the financial pressures is being developed and will be presented to the Board when finalised. In addition, we have jointly agreed with NHS Greater Manchester to commission external support to undertake a review of the financial challenges impacting the locality.



Recommendation:

Board are asked to:

- **Note** the financial position including identified financial risks.
- **Note** the cost improvement programme update.
- **Note** the Recovery Plan 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	Deliver 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				
	Recurrent Expenditure (please state annual cost)	Forecast expenditure is £105.738 million which is £7.135 million above plan.			
	Funding stream	Yes		No	
	Included in the s75 Pooled Budget	£21.796m			
	GM ICB (Stockport) delegated budget	£98.603 of which £21.796m is pooled under s75 Agreement			
	Other, please specify.				
Finance Comments:	NHS Greater Manchester is fully briefed via regular assurance meetings 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 the NHS Greater Manchester 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						