

Finance Report – 30 September 2024 (Month 6)

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| 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: | 30 October 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 30 September 2024 (Month 6).
2. Cost Improvement Programme (CIP) update.
3. Recovery Plan update.

Key points (Executive Summary):

NHS Greater Manchester (Stockport) is reporting a year-to-date (YTD) adverse variance of £4.500m (M5 £3.603m) and a forecast outturn adverse variance of £7.749m (M5 £7.135m) 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 and neurodiversity assessments and ADHD treatment costs as patients exercise their right to choose.

The £0.614m deterioration in the forecast position is largely due to:

- Mental health placements £0.477m
- CHC child placement £0.123m

The 6 week external review of the financial challenges impacting the locality commenced 7 October with meetings held with locality leads of the areas in scope with data requests received and responded to.

A recovery plan is still being developed with all expenditure being reviewed and system discussions ongoing. Difficult decisions will need to be made which have the potential to impact performance which will need to be considered carefully through our Equality and Quality Impact Assessment process and ensure a balanced approach with NHS GM colleagues and system partners.

Recommendation:

Board are asked to:

- **Note** the financial position including identified financial risks.
- **Note** the cost improvement programme update.
- **Note** the external review of the financial challenges impacting the locality commenced 7



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| October 2024 and work is ongoing to develop a recovery plan to reduce the forecast overspend. | | | | | |
| Decision | | Discuss/Direction | X | Information/Assurance | X |

| 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. |

| Risk and Assurance: | |
|--|---------------------------|
| List all strategic and high-level risks relevant to this paper | Deliver financial balance |

| 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 £106.523 million which is £7.749 million above plan. | | |
| | Funding stream | Yes | | No |
| | Included in the s75 Pooled Budget | £21.796m | | |
| | GM ICB (Stockport) delegated budget | £98.774 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. | | | |

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| 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 | | | | | |