

Finance Report – 30 November 2024 (Month 7)

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:	4 December 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 November 2024 (Month 7)
2. Cost Improvement Programme (CIP) update
3. Recovery Plan

Key points (Executive Summary):

Financial Positions as at 31 October 2024 (Month 7)

The NHS Greater Manchester (Stockport) is reporting a year-to-date (YTD) overspend of £5.545m (M6 £4.500m) and a forecast outturn overspend of £8.134m (M6 £7.749m). The forecast outturn position assumes full achievement of the cost improvement programme (CIP) and no further increases in CHC and mental health placements which are significant risks to the reported position totalling c£1.7m.

The overspend 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 £0.384m deterioration in the forecast position is due to:

- Additional mental health placements £0.246m
- Neurodiversity assessments and ADHD treatment £0.056m
- Additional CHC placements £0.091m

Recovery Plan

At the locality extraordinary local assurance meeting on 10 October 2024, we were tasked with developing a recovery plan to significantly reduce the forecast overspend. In response this recovery plan has been developed which will deliver additional savings of £0.7m reducing the forecast overspend down to £7.4m assuming no further deterioration in the position.

The recovery plan was developed by reviewing all expenditure to identify areas where expenditure can be reduced or stopped in-year. A list of schemes to be considered as part of the recovery plan was compiled and for each scheme an Equality and Quality Impact Assessment (EQIA) was completed to ensure a balanced approach by identifying the potential impact on patients, performance and system partners.



Based on the outcome of the EQIA's a scheme was either included or excluded from the recovery plan with further consideration required to assess the impact of pausing the Serious Mental Illness (SMI) health check additional incentive before a decision can be made to include or exclude the scheme within the recovery plan.

It is important that the Board agree that the recovery plan has the correct balance between delivering financial targets and the impact on patients, performance and system partners.

Recommendation:

Board are asked to:

- **Note** the financial position including identified financial risks.
- **Note** the cost improvement programme update.
- **Approve** the recovery plan and delegate the decision to pause the SMI Health Check additional incentive scheme to the Locality Place Lead.

Decision	X	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 £105.811 million which is £8.134 million above plan.			
	Funding stream	Yes		No	
	Included in the s75 Pooled Budget	£21.796m			
	GM ICB (Stockport) delegated budget	£97.677 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					