

ONE Stockport Health and Care Board Finance Report

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.

As reported previously 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:

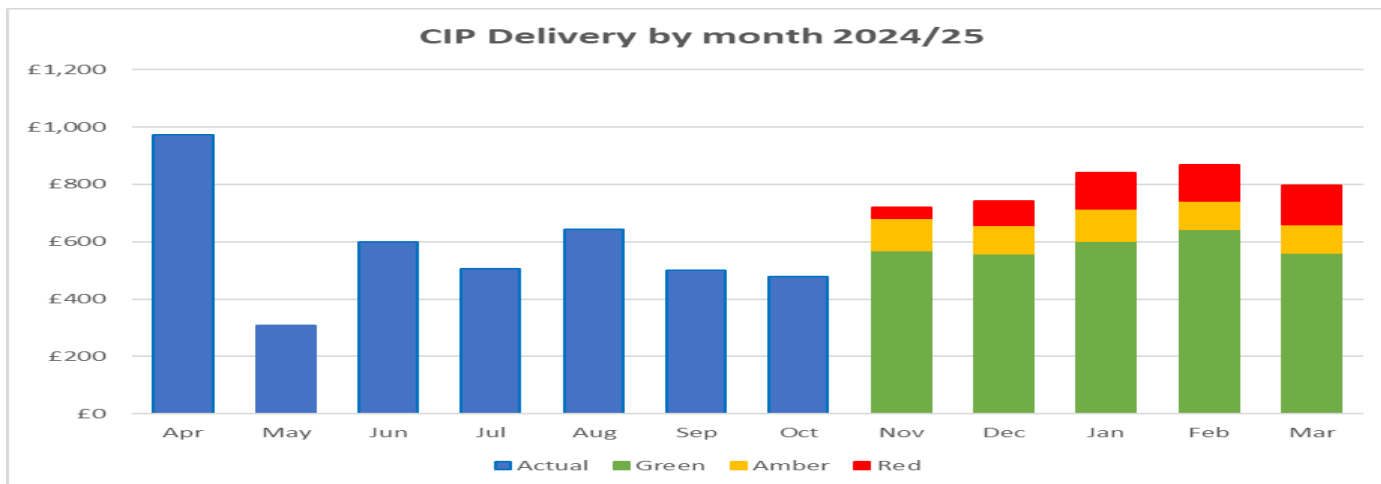
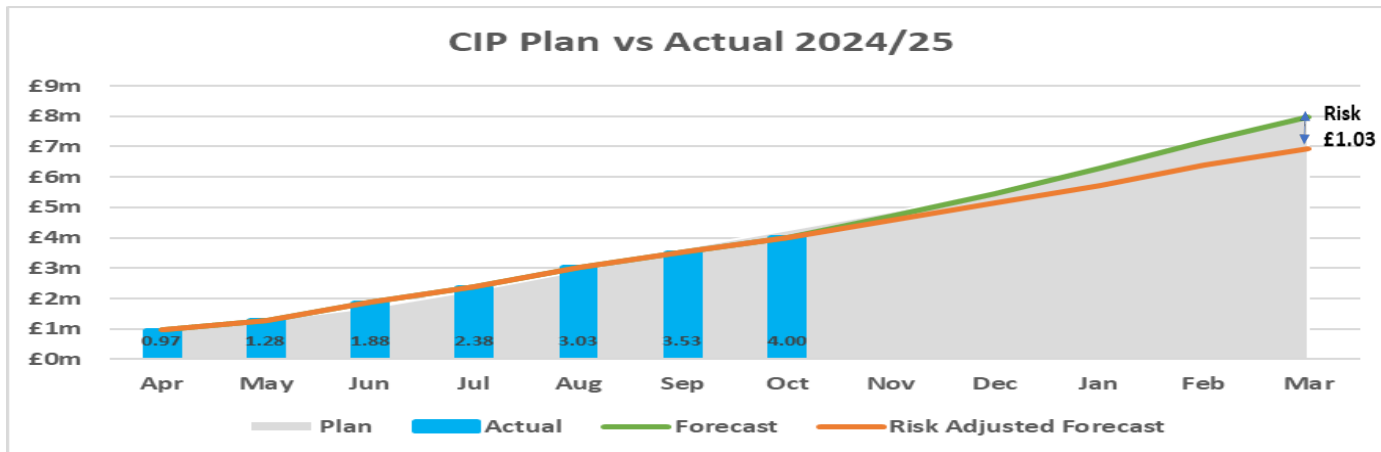
- Additional mental health placements £0.246m
- Neurodiversity assessments and ADHD treatment £0.056m
- Additional CHC placements £0.091m

Expenditure Category	YTD Budget	YTD Actual	YTD	Annual Budget	Forecast	Forecast
	£million	£million	Variance £ million		£ million	Outturn £ million
Acute	£1.280	£1.282	£0.001	£2.195	£2.197	£0.002
Community	£19.421	£19.001	(£0.420)	£32.145	£32.056	(£0.089)
Mental Health	£10.292	£12.721	£2.429	£16.410	£20.120	£3.710
Continuing Health Care	£19.609	£23.205	£3.595	£33.281	£37.828	£4.548
Other	£0.371	£0.333	(£0.039)	£0.637	£0.600	(£0.037)
Primary Care	£7.549	£7.527	(£0.022)	£13.010	£13.010	£0.000
Grand Total	£58.522	£64.067	£5.545	£97.677	£105.811	£8.134

Identified financial risks not included in the forecast:

- Continued growth in the number and cost of continuing health care placements and retrospective payments.
- Continued growth in the number and cost mental health placements and number of people exercising their right to choose to obtain neurodiversity assessments and ADHD treatment .
- Non-delivery of CIP
- Growth in activity-based community contracts.
- Impact of general practice collective action

As at 31 October 2024 (M7) £4.005m of savings have been achieved against a target of £7.973m which is £0.256m below the year-to-date plan. The locality forecast outturn position assumes full delivery of the CIP target however there is £1.035m of risk associated with the delivery of the target.



Risks

- CHC schemes will not deliver planned savings in full due to multidisciplinary team (MDT) review delays. **Mitigations:** 1. Weekly oversight meetings are taking place. 2. MDTs scheduled two weeks in advance. 3. Recruitment to all nurse assessor and administration vacancies.
- Increase in the number of Mental Health Out of Area Placements makes the delivery of the saving extremely challenging for the remainder of the year.

CIP Summary Position	
Target	£7,972,730
Forecast	£7,972,730
Forecast Variance	£0
YTD Actuals	£4,004,678
YTD Plan	£4,260,302
YTD Variance	(£255,624)

Forecast Savings	
Rec	£7,635,809
Non-Rec	£336,921
Total	£7,972,730

CIP Scheme	Risk	Apr 24	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Forecast	Original Plan	Variance
Prescribing	G	£141,652	£259,226	£270,215	£313,816	£329,705	£343,929	£334,105	£358,095	£353,407	£349,502	£338,133	£331,073	£3,722,858	£2,835,000	£887,858
Primary Care Contracts	G	£350,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£350,000	£350,000	£0
Community Mental Health Placement (Granary Lane)	G	£0	£0	£0	£0	£0	£0	£0	£0	£0	£58,333	£58,333	£58,333	£175,000	£583,333	(£408,333)
Acute and Psychiatric Intensive Care (Female PICU)	R	£0	£25,000	£25,000	£25,000	£25,000	£25,000	£0	£25,000	£50,000	£50,000	£50,000	£42,587	£342,587	£275,000	£67,587
Mental Health Out of Area Placements (Excluding female PICU)	R	£32,670	£25,000	£25,000	£75,000	£25,000	£25,000	£0	£25,000	£25,000	£25,000	£22,330	£45,000	£350,000	£300,000	£50,000
Continuing Healthcare	A	£0	£0	£133,716	£77,123	£45,601	£105,965	£111,277	£264,263	£264,263	£269,263	£269,263	£269,263	£1,809,999	£1,675,000	£134,999
Community Grants	G	£78,166	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£78,166	£78,166	£0
Migrant Health Funding	G	£0	£0	£22,100	£0	£0	(£100)	£0	£0	£0	£0	£0	£0	£22,000	£44,000	(£22,000)
Reduction in contract inflationary uplifts	G	£0	£0	£30,000	£0	£3,768	£0	£0	£0	£0	£0	£0	£0	£33,768	£30,000	£3,768
Estate cost reduction	G	£70,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£70,000	£0	£70,000
Expenditure recharge	G	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£80,000	£0	£80,000	£0	£80,000
Complex Case review	G	£200,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£200,000	£0	£200,000
Programme expenditure reduction	G	£100,000	£0	£91,870	£14,330	£213,130	£0	£32,414	£46,608	£0	£40,000	£0	£0	£538,352	£0	£538,352
s117 Review	G	£0	£0	£0	£0	£0	£0	£0	£0	£50,000	£50,000	£50,000	£50,000	£200,000	£0	£200,000
Unidentified	G	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£1,802,231	(£1,802,231)
Total		£972,488	£309,226	£597,901	£505,269	£642,204	£499,794	£477,796	£718,966	£742,670	£842,099	£868,060	£796,257	£7,972,730	£7,972,730	£0

Stockport Locality Recovery Plan 24/5



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.

This recovery plan will reduce the forecast overspend by £0.7m to £7.4m assuming full delivery of the locality CIP plan and CHC and Mental Health placement growth is fully mitigated.

In developing the recovery plan all expenditure has been reviewed 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 SMI health check additional incentive before a decision can be made to include or exclude the scheme within the recovery plan.

Key meetings and dates to agree and approve the recovery plan:

- Locality Fortnightly meeting – socialise initial recovery plan proposals 18 November
- Stockport Locality Quality Group - review of EQIA's 19 November
- System Exec Leaders meeting to agree schemes to be included in recovery plan 21 November
- UECDB – provide verbal update on recovery plan process 21 November
- Locality Finance Recovery Meeting – update NHS GM on progress 25 November
- **Locality Board – obtain approval of recovery plan** **4 December**
- Locality Assurance Meeting (Finance) – present approved recovery plan to NHS GM 6 December

Recovery Plan: List of Schemes

Scheme	Timescale	Recovery Plan 24/5	EQIA Outcome
Decommission Discharge to Assess Beds - Requires three months notice	Mar-24	£413,509	Excluded: Significant concerns around the actual harm that would be caused to patients and felt this was not a viable option or something that could support.
Reduce number of spot purchased beds	Nov-24	£300,000	Included: Placing an individual in a spot purchase bed does disadvantage a patient when they have rehabilitation goals, however for pathway 3 and EMI nursing spot purchasing was deemed the right thing to do for the patient. Reducing the number of beds spot purchased could impact flow through the hospital and the hospital performance, patients could also decondition further and become more dependent. However improved utilisation of the discharge to assess bed base and virtual wards can mitigated these impacts.
Reduce VCSE discharge service contract	Jan-25	£30,000	Excluded: The impact would be significant to the trust on increasing length of stay on no criteria to reside and would have a detrimental impact on the patient deconditioning causing harm to patients.
Pause Virtual Wards	Jan-25	£0	Excluded: Concerns where expressed regarding the impact on the trust coming into the winter months and felt this would impact negatively on hospital flow and reduce the opportunity for step up from the community to avoid a hospital admission, increase length of stay and in turn put further pressure on A&E. No in-year cost savings due to limited ability to redeploy permanent staff and external supplier contract terms.

Recovery Plan: List of Schemes

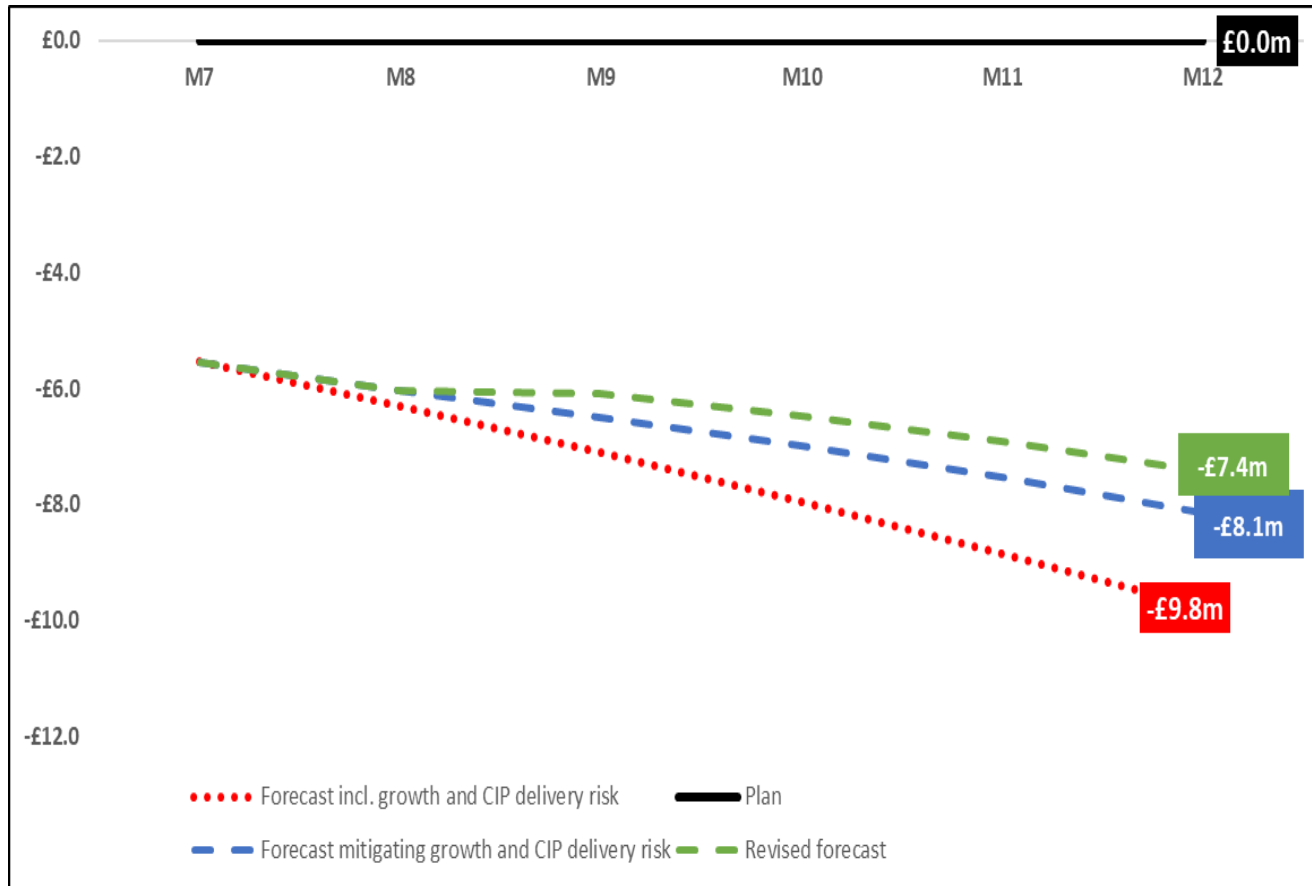
Scheme	Timescale	Recovery Plan 24/5	EQIA Outcome
Do not commission acute respiratory infections hub	Jan-25	£170,000	Excluded: Significant concerns raised that primary care will not have sufficient capacity to provide additional appointments, providing care closer to home to meet additional demand over winter which would increase pressure on A&E, impact on ambulance handovers and cause significant impact in patient safety.
Do not commission primary care winter surge hubs	Jan-25	£225,000	Excluded: Significant concerns raised that primary care will not have sufficient capacity to provide additional appointments, providing care closer to home to meet additional demand over winter which would increase pressure on A&E, impact on ambulance handovers and cause significant impact in patient safety. It was reported that other localities already have this in place for the winter months and Stockport would be an outlier.
Mental Health - Rapid Response Vehicles	Jan-25	£35,000	Excluded: Given the current pressures with changes to Right Care Right Person and proposed changes to S136 suite it was agreed that the impact on patients and system partners was too high to support this case. Reducing funding in-year would also destabilise the service and impact other localities.
Mental Health - Manchester Care and Repair	Jan-25	£10,060	Excluded: Decommissioning could be offset with alternative offer already commissioned by LA however it was noted this would not be at the same speed of turnaround as currently in place so will impact on Length of Stay. Reducing funding in-year would destabilise the service and impact other localities.
Mental Health - Welfare Rights and Debt Advice on Mental Health Acute Inpatient Wards	Jan-25	£12,575	Excluded: Impact would be on a vulnerable people that can not be offset elsewhere. Would increase length of stay and no criteria to reside impacting hospital flow
Mental Health - Reduce VCSE discharge service contract for Mental Health wards	Jan-25	£14,386	Excluded: The impact would be significant to the trust on increasing length of stay on no criteria to reside and would have a detrimental impact on the patient deconditioning causing harm to patients.
Pause additional SMI Health Check incentive	Jan-25	£90,000	Further consideration required: SMI health checks are part of Quality Outcome Framework and it is proposed to pause the additional incentive. Further consideration is required to assess the impact of a pause.
Living Well - mobilise model as soon as possible (Feb 25) forward funded within Stockport system without impact on locality budget.	Feb-25	£412,000	Included: Assumes System Development Funding will be transferred to locality to support position.
Total		£1,712,530	

Recovery Plan



Greater Manchester

Schemes totalling £1.7m were identified as potentially contributing to the recovery plan. As a result of taking each scheme through the EQIA process schemes totalling £0.9m have been excluded, schemes totalling £0.7m have been included within the recovery plan and a decision to pause the SMI Health Check additional incentive £0.1m, deferred for further consideration. The schemes included in the recovery plan will reduce the forecast overspend to £7.4m assuming full delivery of the locality CIP plan and CHC and Mental Health placement growth is fully mitigated.



All - £m	Monthly Actuals					
	M7	M8	M9	M10	M11	M12
Plan	£0.0	£0.0	£0.0	£0.0	£0.0	£0.0
Forecast incl. growth and CIP delivery risk	-£5.5	-£6.3	-£7.1	-£8.0	-£8.8	-£9.8
- CHC Placements		£0.0	-£0.1	-£0.2	-£0.3	-£0.4
- Mental Health Placements		£0.0	£0.0	-£0.1	-£0.1	-£0.2
- CIP Delivery Risk		-£0.2	-£0.4	-£0.6	-£0.8	-£1.0
Forecast mitigating growth and CIP delivery risk	-£5.5	-£6.0	-£6.5	-£7.0	-£7.5	-£8.1
- Mental Health placement reviews			£0.1	£0.1	£0.2	£0.2
- CHC Reviews (including Fast Track)		£0.2	£0.3	£0.5	£0.6	£0.8
- Additional Prescribing CIP		£0.1	£0.2	£0.2	£0.3	£0.3
- Other identified CIP schemes			£0.1	£0.2	£0.2	£0.3
- Other underspends		£0.0	£0.0	£0.0	£0.0	£0.1
Revised forecast	-£5.5	-£6.0	-£6.1	-£6.5	-£6.9	-£7.4
- Reduce Spot Purchase			£0.0	£0.1	£0.2	£0.3
- Living Well delayed implementation to Feb 2025			£0.4	£0.4	£0.4	£0.4
Further consideration required	£0.0	£0.0	£0.0	£0.1	£0.1	£0.1
- Pause SMI Health Check additional incentive				£0.1	£0.1	£0.1
Schemes excluded through EQIA process	£0.0	£0.0	£0.0	£0.4	£0.4	£0.9
- Decommission Discharge to Assess Beds						£0.4
- Do not commission primary care winter surge hubs				£0.2	£0.2	£0.2
- Do not commission Acute Respiratory Infection hub				£0.2	£0.2	£0.2
- Mental Health admission avoidance / supporting discharge schemes				£0.0	£0.0	£0.0
- VCSE discharge service contract reduction				£0.0	£0.0	£0.0
- Pause Virtual Wards						£0.0

The 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.