

Finance Report – 31 December 2024 (Month 9)

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:	22 January 2025	Agenda Item No:	9
Previously Considered by:	This report is being presented for the first time		

Purpose of the report:

This report provides an update on:

1. The financial position of NHS Greater Manchester (Stockport) as at 31 December 2024 (Month 9)
2. Cost Improvement Programme (CIP)
3. Recovery Plan

Key points (Executive Summary):

Financial Positions as at 31 December 2024 (Month 9)

The NHS Greater Manchester (Stockport) is reporting a forecast outturn overspend of £8.019m (M8 £8.251m). The forecast outturn position assumes full achievement of the cost improvement programme (CIP) which is a significant risk totalling c£1.1m to the reported position.

The forecast overspend is due to increasing cost and demand for continuing health care (CHC) and mental health packages of care and neurodiversity assessments and ADHD treatment costs as patients exercise their right to choose.

The £0.232 million improvement in the forecast outturn is due to:

- Improvement in Mental Health (MH) placement forecast -£0.295m
- Increase in CHC placement costs +£0.105m
- Digital weight management services +£0.024m (Patients exercising right to choose)
- Estates cost increases +£0.034m
- Winter surge hub slippage -£0.100m

The forecast includes the reduction in spot purchased beds (£0.300m) and Living Well benefit (£0.392m) in line with the approved recovery plan.

Recovery Plan

To date recovery plan mitigations totalling £0.8m have been actioned and included in the M9 forecast position with a further two schemes (Pausing Serious Mental Illness (SMI) Health Checks, Additional Winter Surge Hub) totalling £0.3m requiring further consideration.

The external review of the financial challenges impacting the locality which commenced in October has completed with a draft report with recommendations received. The report details recommendations which can be categorised as:

- Regularly review open CHC and MH packages of care
- Strategic Commissioning and market management development
- Invest in preventative and early intervention services



The recommendations align to actions and work already being taken to mitigate service demand and cost pressures.

Recommendation:

Board are asked to:

- **Note** the financial position including identified financial risks.
- **Note** the cost improvement programme update.
- **Note** progress against the recovery plan and recommendations of the external review of the financial challenges impacting the locality and the actions taken to address the challenges.

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 £106.165 million which is £8.019 million above plan.			
	Funding stream	Yes		No	
	Included in the s75 Pooled Budget	£21.796m			
	GM ICB (Stockport) delegated budget	£98.146 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					