

Integration Joint Board 15 March 2018

Subject: 2017/18 Financial Performance Update as at 31 January 2018

Purpose: To provide an update on the projected financial outturn for the financial year 2017/18 as at 31 January 2018

Recommendation: It is recommended that the IJB:

(a) Notes the projected financial outturn for the year

Glossary of Terms	
NHS AA	NHS Ayrshire and Arran
HSCP	Health and Social Care Partnership
MH	Mental Health
CAMHS	Child & Adolescent Mental Health Services
BRAG	Blue, Red, Amber, Green
UNPACS	UNPACS, (UNPlanned ACTivities) - Extra Contractual Referrals
ARG	Allocation of Resources Group

1.	EXECUTIVE SUMMARY
1.1	This report provides an overview of the 2017/18 financial position of the North Ayrshire Health and Social Care Partnership as at 31 January 2018. This report reflects the projected expenditure and income and has been prepared in conjunction with relevant budget holders.
1.2	The projected outturn is £3.433m overspent for 2017/18 after applying the £1.4m of the challenge fund to support service delivery. The previously approved mitigation plan is attached at Appendix D and if delivered will reduce the deficit marginally to £3.343m. Added to the £3.245m deficit brought forward from 2016/17 this could result in a projected closing deficit of £6.588m.
1.3	It is essential that the IJB operates within the budgets delegated and does not commission services which are higher than their delegated budgets. The IJB recognises that this is not being achieved and work is in progress to realign 2018/19 budgets and also bring a transformation and change agenda to the forefront.
1.4	The NHS have agreed to fund the total NHS element of the overspend. This report only reflects the prescribing element of this agreement pending confirmation of the final outturn.

2.	BACKGROUND
2.1	The period 8 report projected an overspend of £5.315m after use of £1.4m of the Challenge Fund to reduce the impact of mitigation on Council commissioned services in 2017/18. Since then the projected overspend has reduced to £3.433m which is a favourable movement of £1.882m of which £1.130m relates to the NHS covering the prescribing overspend. This report provides an update on projections, to enable the IJB to consider the implications for services in 2017/18.
3.	FINANCIAL PERFORMANCE
3.1	Against the full-year budget of £225.301m there is an overspend of £3.433m (1.5%). The following sections outline the significant variances in service expenditure compared to the approved budgets. Note that the main movements from the period 8 are explained. Appendix A provides the detailed position.
3.2	Health and Community Care Services
	<p>Against the full-year budget of £64.596m there is a projected underspend of £1.044m (1.6%) which is a favourable movement of £0.299m. The main reasons for the movement are:</p> <ul style="list-style-type: none"> Locality Services – projected underspend of £0.635m (favourable movement £0.208m) mainly due to: <p>Additional income of £0.067m which has been secured from charges to users in line with the charging policy.</p> <p>The planned underspend of £0.200m in equipment agreed as part of the mitigation plan has been achieved which is a £0.200m favourable movement.</p> <p>There are also favourable movements in direct Payments of £0.027m, residential packages £0.020m, employee costs £0.036m.</p> <p>Care home placements inc respite – are projected to overspend by £0.100m which is an adverse movement of £0.100m due to an increase in respite placements in recent weeks. There are currently 872 permanent placements which is 1 higher than period 8 and these are being managed on a one for one basis until the year end and 36 people are being waitlisted for services.</p> Community Care Service Delivery – projected underspend of £0.595m (favourable movement of £0.136m) mainly due to care at home (purchased and in house) which is projected to underspend by £0.958m which is a favourable movement of £0.178m due to agreed mitigation to delay the recruitment of posts. The projected underspend includes £0.177m of funds previously held in contingency to cover the projected increased costs of homecare if more services are brought in house. This is a one off underspend for 2017/18 and will be required in 2018/19.

3.3	<p data-bbox="272 129 627 165">Mental Health Services</p> <p data-bbox="272 208 1485 315">Against the full-year budget of £71.689m there is a projected overspend of £1.538m (2.1%) which is a favourable movement of £0.041m. The main reasons for the movement are:</p> <ul data-bbox="272 353 1485 2011" style="list-style-type: none"> <li data-bbox="272 353 1485 875"> <p data-bbox="272 353 1485 427">• Learning Disability – projected overspend of £1.121m (adverse movement £0.219m) which is mainly due to:</p> <p data-bbox="320 427 1485 875">Care packages are projected to overspend by £0.895m which is an adverse movement of £0.073m. The packages are being reviewed in alignment with agreed plans and progress is monitored through the bi-weekly ARG funding panel chaired by head of service, senior managers, team managers, care managers and finance. Care package requests/reductions are made against a risk criteria to ensure all risks are mitigated and vulnerable people can access services in accordance with statutory requirements - the application of a 'discharge' for an 'admission' is not always possible given the high cost of packages currently attributed to young people in transition hence the adverse movement this month. Further work is taking place to address planning for young people in transition from children's services. The projection also includes a saving of £0.093m in relation to the pilot work undertaken for sleepovers.</p> <p data-bbox="320 904 1485 1160">There are adverse movements in: payments to Cunninghame Housing Association (£0.039m) as the service was unbudgeted, direct payments (£0.031m) as the assumed recovery of unspent balances was less projected and income (£0.080m) due to charges from users and income from other local authorities for the use of Taigh Mor being less than projected. These will be monitored during 18/19 and if required included in the budget monitoring updates.</p> <li data-bbox="272 1238 1485 2011"> <p data-bbox="272 1238 1485 1312">• Lead Partnership –projected overspend of £0.468m (favourable movement of £0.219m).</p> <p data-bbox="312 1346 1485 1682">a) Adult inpatients has a projected overspend of £0.785m (adverse movement of £0.098m) of which £0.600m relates to longer than anticipated ability to income generate from other health board areas in respect of forensic beds and additional supplementary staff in relation to increased constant observations. The level of constant observations has increased due to the complexity of current cases. The mitigation plan for mental health included improving the sickness rate and at period 10 it is 9.53% which is above the quarter 3 target of 7.5%, noted there have been a number of viral outbreaks and increase is in short term sickness absence, reflecting this.</p> <p data-bbox="360 1715 1485 2011">The other contributor to the overspend is the Lochranza ward on the Ailsa site which is projected to overspend by £0.209m due to a combination of operating with Band 3 staff when only have budget for Band 2 posts and staff above budgeted establishment to support person on 1:1 support, staffed by staff who were unable to redeploy to Woodland View. This will continue into 2018/19 when the ward will close with staff redeploying to the Tarryholme Drive project or other areas of NHS Ayrshire and Arran. This will cause an overspend in the 2018/19 budget.</p>
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	<p>b) UNPACS – is projected to underspend by £0.109m (favourable movement of £0.179m) due a reduction in the three year service level agreement for Rowanbank.</p> <p>c) Psychology – is projected to underspend by £0.192m which is a favourable movement of £0.068m due to vacant posts.</p> <p>d) Elderly Inpatients – is projected to overspend by £0.472m which is an adverse movement of £0.057m due to the high level of constant observations. The increased observations are mainly in the EMH wards at Ailsa where ward environments are challenging and not in alinement with the Woodland view model. The mitigation plan for mental health included improving the sickness rate and at period 10 it is 9.27% which is above the quarter 3 target of 8% but again reflects increase in short term sickness absence as was seen in adult services. Targeted sickness absence work is ongoing.</p> <p>e) Addictions – is projected to overspend by £0.015m which is a favourable movement of £0.102m due to a reduction in substitute prescribing spend.</p> <p>f) CAMHS now projected to underspend by £0.049m, an improvement of £0.038m due to unanticipated income.</p>
3.4	<p>Children’s Services and Justice Services</p> <p>Against the full-year budget of £34.707m there is a projected overspend of £1.973m (5.7%) which is a favourable movement of £0.127m. The main reasons for the movement are:</p> <ul style="list-style-type: none"> • Looked After and Accommodated Children – projected overspend of £2.277m (favourable movement of £0.028m). <p><i>Residential Schools and Community Placements</i> – projected overspend of £1.223m (favourable movement of £0.055m from P8). This is the net result of review of funding from Education for placements which reduced the projection by £0.161m offset with one move to Secure (£0.041m) and 2 new placements (£0.065m).</p> <p><i>Looked After Children Placements</i> – projected overspend of £0.554m (favourable movement of £0.031m) due to the current mix of fostering, adoption and kinship payments.</p> <p><i>Supplies and services</i> – projected to overspend by £0.065m (adverse movement of £0.032m) due to increased spend on food within residential units and clients clothing as the units have had to operate above normal capacity, however, this has prevented more costly external placements.</p> <p><i>Employee costs</i> – projected to overspend by £0.267m (adverse movement of £0.055m) due to the impact of the closure of the Nethermain facility for refugees sooner than anticipated. This resulted in supernumerary staff in the children’s units for a short period.</p>

	<ul style="list-style-type: none"> • Early Years – projected underspend of £0.196m (favourable movement of £0.037m) as a post is now being recharged to the Named Person budget held within Education Services. • Lead Partnership – Children’s Services – projected to underspend by £0.060m within immunisation (favourable movement of £0.067m) due to unavailability of additional staff to undertake the schools flu programme this winter. This was partly covered by existing staff instead to ensure the programme was delivered.
3.5	<p>Primary Care - Prescribing</p> <p>Against a full year budget of £47.582m primary care prescribing is projected to be online which is a favourable movement of £1.130m. This is due to the NHS funding the overspend which arose from the non-achievement of savings and an increase in drug costs.</p> <p>It was agreed at the Ayrshire Finance Leads meeting on 30 January 2018 that indicative 2018/19 CRES targets will be notified to the three Clinical Directors with a request that an initial action plan outlining how the CRES targets are to be achieved is completed by 31 March 2018. This will be a key component of a system-wide approach to delivery of prescribing CRES recognising cost drivers within Acute, Primary and Secondary Care, as well as external factors including price increases due to short supply of drugs.</p>
3.6	<p>Management and Support Costs</p> <p>Against the full-year budget of £4.550m there is a projected overspend of £1.297m. This mainly relates to the NHS savings target of £1.165m which has still to be agreed and is coded to management and support costs pending allocation. There is also an unfunded post and a shortfall in the payroll turnover achieved within this section.</p>
3.7	<p>Change Programme</p> <p>There is a projected underspend of £0.463m which is a favourable movement of £0.305m. £0.394m of this relates to the Integrated Care Fund (ICF) and £0.069m to delayed discharge funding. This is reflected in the forecasted net position and the ICF is shown in Appendix C.</p>
3.8	<p>Lead Partnerships</p> <p>North Ayrshire HSCP Services managed under Lead Partnership arrangements by North Ayrshire Health and Social Care Partnership are projected to overspend by £0.408m (favourable movement of £0.283m) in 2017/18.</p> <p>Mitigating action to date and moving forward includes payroll management via the vacancy scrutiny group, a freeze on non-essential spend e.g. supplies and admin budgets and minimising the use of overtime as well as agency staff.</p> <p>NHS Ayrshire & Arran have agreed to fund the overspend so there will be no requirement to request additional funding from the other partnerships.</p>

	<p>South Ayrshire HSCP</p> <p>The partnership is anticipated to break even. This is due to the funding of prescribing overspends by NHS Ayrshire and Arran in line with the Integration Scheme, a slowing of the expenditure rate on Allied Health professionals and additional funding received which will allow the Community Equipment Store to break even.</p>												
	<p>East Ayrshire HSCP</p> <p>An on-line budget is projected due to use of non-recurring slippage on the Primary Care Transformation Fund (PCTF) and anticipated savings on other lead services, including Prison and Police healthcare.</p>												
3.9	<p>Set Aside</p> <p>The Integration Scheme makes provision for the Set Aside Budget to be managed in-year by the Health Board with any recurring over or under spend being considered as part of the annual budget setting process.</p> <p>In the ten months to 31 January 2018 there is an overspend on Acute Services of £9.7m This is forecast to be £12.0m by the end of the year. A large proportion of this relates to the Set Aside Budget.</p> <p>137 additional and unfunded beds are open. These are to meet operational demand and directly affect expenditure levels, particularly in Nursing.</p>												
3.10	<p>Savings Update</p> <p>The 2017/18 budget included £6.226m of savings.</p> <table border="1"> <thead> <tr> <th>BRAG Status</th><th>2017/18 Projected Position</th></tr> </thead> <tbody> <tr> <td>Red</td><td>2.497</td></tr> <tr> <td>Amber</td><td>0.052</td></tr> <tr> <td>Green</td><td>0.058</td></tr> <tr> <td>Blue</td><td>3.619</td></tr> <tr> <td>TOTAL</td><td>6.226</td></tr> </tbody> </table> <p>Some savings will not be delivered and this is reflected in the update provided within Appendix B. This includes the £1.165m of NHS savings shortfall still to be agreed, £0.770m prescribing and £0.309m for the closure of the residential unit for children.</p>	BRAG Status	2017/18 Projected Position	Red	2.497	Amber	0.052	Green	0.058	Blue	3.619	TOTAL	6.226
BRAG Status	2017/18 Projected Position												
Red	2.497												
Amber	0.052												
Green	0.058												
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TOTAL	6.226												
3.11	<p>Mitigation Plan</p> <p>The IJB is currently forecasting an overspend of £3.433m, of which mitigation plans totalling £2.037m are in place. £0.794m of the £2.037m is projected to be delivered which leaves a shortfall of £1.243m. As reported previously £1.165m of this relates to NHS savings not achieved. The partnership has worked closely with NHS Ayrshire & Arran colleagues to identify alternative savings. However, to date no new alternative have been identified.</p> <p>Mitigating action includes payroll management via the vacancy scrutiny group, operation of an essential spend policy on non care spend e.g. supplies and admin budgets, and minimising the use of overtime as well as agency staff.</p>												

	<p>NHS Ayrshire & Arran have confirmed that in addition to funding the overspend on Primary Care (£1.130m) they will also fund the year end overspend as it relates to non achieved savings and specific service issues like failing to secure the planned income from beds and high levels of enhanced observations rather than an over commissioning of services.</p> <p>The Council agreed at Cabinet not to offer any further funding to the partnership in 2017/18, recognising the responsibility of the Integrated Joint Board to manage service delivery within the agreed financial envelope.</p>
4.	<u>Anticipated Outcomes</u>
4.1	Continuing with the Challenge Fund projects and mitigating action will assist in reducing spend in 2017/18 and minimise any overspend being carried forward into 2018/19.
5.	<u>Measuring Impact</u>
5.1	The period 12 report will reflect the final outturn against the projected position at period 10.
6.	IMPLICATIONS

Financial :	<p>The financial implications are as outlined in the report.</p> <p>The projected outturn is £3.433m overspent for 2017/18 prior to mitigation and £3.343m if £0.090m of mitigating action in Appendix D is delivered. Added to the £3.245m deficit brought forward from 2016/17 this could result in a projected closing deficit of £6.588m.</p> <p>It is essential that the IJB operates within the budgets delegated and does not commission services which are higher than their delegated budgets. The IJB recognises that this is not being achieved and work is in progress to realign 2018/19 budgets and also bring a transformation and change agenda to the forefront.</p> <p>Application of the Integration Scheme to the projected £3.300m overspend in 2017/18 would share the overspend as £2.138m for North Ayrshire Council and £1.295m for NHS Ayrshire & Arran.</p> <p>The position across Scotland is challenging for IJB's with the majority of Partnerships forecasting an overspending position for 2017/18.</p> <p>It is essential that the partnership develops plans which are financially sustainable. This will be achieved by:</p> <ul style="list-style-type: none"> • maximising the savings achievable from the Challenge Fund with phase 2 being submitted for approval early in 2018/19. • the medium term financial strategy will be finalised and presented to the IJB in April. • the action plan from the budget management audit will be rolled out to ensure operational budget management
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	arrangements are tightened to improve financial performance.
Human Resources :	There are no Human Resource implications for staff employed by Partner bodies.
Legal :	There are no Legal implications
Equality :	There are no Equality implications
Environmental & Sustainability :	There are no Environmental & Sustainability implications
Key Priorities :	There are no Key Priorities implications.
Risk Implications :	<p>The Impact of Budgetary Pressures on Service Users and associated control measures are recognised in the Strategic Risk Register.</p> <p>The approved mitigation plan detailed the risk associated with each proposal.</p>
Community Benefits :	There are no Community Benefits

Direction Required to Council, Health Board or Both	Direction to :-	
	1. No Direction Required	x
	2. North Ayrshire Council	
	3. NHS Ayrshire & Arran	
	4. North Ayrshire Council and NHS Ayrshire & Arran	

7.	CONSULTATION
7.1	This report has been produced in consultation with relevant budget holders, the Partnership Senior Management Team and the Director of Finance for NHS Ayrshire and Arran and the Executive Director Finance and Corporate Support for North Ayrshire Council.
8.	CONCLUSION
8.1	<p>It is recommended that the IJB:</p> <p>(a) Notes the projected financial outturn for the year</p>

For more information please contact Eleanor Currie, Principal Manager – Finance on (01294) 317814 or Shahid Hanif, Head of Finance, on (01294) 314560.

2017/18 Budget Monitoring Report – Projected Objective Summary

Appendix A

Partnership Budget - Objective Summary	2017/18 Budget									2017/18	
	Council			Health			TOTAL			Over/ (Under) Spend Variance at 8	Movement in projected budget variance from Period 8
	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
COMMUNITY CARE AND HEALTH	54,072	52,861	(1,211)	10,524	10,691	167	64,596	63,552	(1,044)	(745)	(299)
: Locality Services	26,157	25,564	(593)	3,441	3,399	(42)	29,598	28,963	(635)	(427)	(208)
: Community Care Service Delivery	25,383	24,788	(595)	0	0	0	25,383	24,788	(595)	(459)	(136)
: Rehabilitation and Reablement	756	780	24	1,837	2,126	289	2,593	2,906	313	252	61
: Long Term Conditions	1,325	1,358	33	2,962	2,922	(40)	4,287	4,280	(7)	(6)	(1)
: Integrated Island Services	451	371	(80)	2,284	2,244	(40)	2,735	2,615	(120)	(105)	(15)
MENTAL HEALTH SERVICES	22,369	23,512	1,143	49,320	49,715	395	71,689	73,227	1,538	1,579	(41)
: Learning Disabilities	17,199	18,323	1,124	467	464	(3)	17,666	18,787	1,121	902	219
: Community Mental Health	3,824	3,920	96	1,844	1,779	(65)	5,668	5,699	31	62	(31)
: Addictions	1,346	1,269	(77)	1,171	1,166	(5)	2,517	2,435	(82)	(72)	(10)
: Lead Partnership Mental Health NHS Area Wide	0	0	0	45,838	46,306	468	45,838	46,306	468	687	(219)
CHILDREN'S & JUSTICE SERVICES	30,035	32,145	2,110	4,672	4,535	(137)	34,707	36,680	1,973	2,100	(127)
: Intervention Services	3,823	3,706	(117)	295	321	26	4,118	4,027	(91)	(65)	(26)
: Looked After & Accomodated Children	15,284	17,561	2,277	0	0	0	15,284	17,561	2,277	2,305	(28)
: Fieldwork	6,518	6,642	124	0	0	0	6,518	6,642	124	75	49
: CCSF	395	366	(29)	0	0	0	395	366	(29)	(6)	(23)
: Justice Services	2,902	2,902	0	0	0	0	2,902	2,902	0	0	0
: Early Years	311	218	(93)	1,697	1,594	(103)	2,008	1,812	(196)	(159)	(37)
: Policy & Practice	802	750	(52)	0	0	0	802	750	(52)	(57)	5
: Lead Partnership NHS Children's Services Area Wide	0	0	0	2,680	2,620	(60)	2,680	2,620	(60)	7	(67)
PRIMARY CARE	0	0	0	47,582	47,582	0	47,582	47,582	0	1,130	(1,130)
MANAGEMENT AND SUPPORT COSTS	4,517	4,658	141	33	1,188	1,155	4,550	5,846	1,296	1,276	20
CHANGE PROGRAMME		(318)	(318)	2,177	2,032	(145)	2,177	1,714	(463)	(158)	(305)
LEAD PARTNERSHIP AND SET ASIDE	0	0	0	0	133	133	0	133	133	133	0
TOTAL	110,993	112,858	1,865	114,308	115,876	1,568	225,301	228,734	3,433	5,315	(1,882)

2017/18 Savings Tracker

Appendix B

Service	Description	B / R / A / G 2017/18	B / R / A / G 2018/19	Budget Savings 2017/18	Saving assumed to be fully achieved in the projected outturn?	Update on progress to date <u>and</u> proposed action moving forward
Teams Around the Child	Children's unit - Service Redesign	Red	Green	(327,000)	(18,000)	There has been enough expressions of interest in VER to ensure full delivery of this saving in 2018/19.
	Full Year Impact of Contract Savings	Blue	Green	(76,000)	Yes	Fully delivered.
	Roll out of SDS in children Services	Red	Green	(17,000)	No	Not yet commenced but planned for 2018/19
Care for Older People & those with complex needs	Whole system review of NHS provided beds in care of elderly/elderly Mental Health and purchased nursing care beds. This will be predicated on the development of a tiered model of care that offers the opportunity to continue living for longer within a community setting, with support appropriate to individual needs. This represents a 7.9% saving	Blue	Amber	(496,000)	Yes	This saving has been made in 2017/18 but relied on the Challenge Fund investment. Assumes that admissions to care homes are being made on a one for one basis with 872 placements.
	Review and redesign day care for older people with a view to securing a more flexible, person centred approach that is aligned with other services to deliver greater efficiency in service provision.	Green	Green	(50,000)	(52,000)	The necessary changes to Day Services are being progressed including reducing capacity and staffing to deliver this saving.
Delivery of the Mental Health Strategy	Mental Health Care Packages baseline budget adjustment based on historic underspends	Blue	Blue	(60,000)	(91,000)	Completed
	Integration of Teams Management and Support	Blue	Blue	(50,000)	Yes	Completed
Delivery of the Learning Disabilities Strategy	Learning disabilities - develop employability skills with a wide group of service users	Amber	Green	(60,000)	Yes	Review of workforce and employability schemes underway. Posts all identified £8k achieved this year, with £76k savings identified next year

Service	Description	B / R / A / G 2017/18	B / R / A / G 2018/19	Budget Savings 2017/18		Update on progress to date <u>and</u> proposed action moving forward
	Review of sleepover provision in LD	Red	Amber - Saving will be made if current packages are reduced by 10% and any new packages are funded by a discharge	(151,000)	Assumed that this will not be achieved but is included in the projected overspend.	Sleep over pilots implemented and Canary assessment tool purchased. Current mapping of LD sleepovers, costings and areas and have identified 9 people who could transition to non sleepover provision but will require a bespoke response service and another 7 who with preparation over next year could transition from sleepover support with responder service in place. The responder service business case will be completed in 2018/19.
	Introduction to SDS in LD	Red	Amber - Savings will be made if current packages are reduced by 10% and any new packages funded by discharge	(100,000)	Assumed that this will not be achieved but is included in the projected overspend.	LD strategy launched on 28.06.17 and implementation phase of SDS development. Leadership capacity to accelerate change programme agreed with challenge fund.
	Savings in LD Community Packages	Blue	Blue	(50,000)	Assumed that this will not be achieved but is included in the projected overspend.	Review of packages underway and ARG processes. Also commence initial work to implement CM2000 later in the year.
Management and Support Services	Review of Partnership business support functions	Blue	Blue	(75,000)	Yes	A full review of business support has commenced and will be completed in 2018/19 with a view to achieving these savings. The 2017/18 saving has been made by using contingency funding.
	Review of Charging Policy	Blue	Blue	(100,000)	Yes	Complete but continue to monitor
	Review of Management and Support Across the Partnership	Blue	Blue	(80,000)	Yes	Funded by contingency
	New ways of Working Across the Partnership	Blue	Blue	(50,000)	Yes	Funded by contingency
	Review of Fleet Management and Catering Budgets across the Partnership	Blue	Blue	(22,000)	Yes	Complete but continue to monitor
	Workforce Modelling	Blue	Blue	(100,000)	Yes	Funded by contingency
Teams Around the Child	Transfer of 12 external foster care placements to in-house carer provision, and a reduction of a further 4 external long term foster placements.	Blue	Blue	(91,520)	Yes	Complete
	Alignment and Rationalisation of Learning Development functions in Children Services	Blue	Blue	(50,000)	Yes	Complete
	A Review of Management and Support in Children Services	Blue	Blue	(65,000)	Yes	Complete

GRAND TOTAL

(2,070,520)

NHS Savings

Service	Description	B / R / A / G 2017/18	B / R / A / G 2018/19	Budget Savings 2017/18	Saving assumed to be fully achieved in the projected outturn?	Update on progress to date and proposed action moving forward
Mental Health	Review of Psychology Services	Blue	Green	(200,000)	Yes	Psychology service review complete. Recommendations being developed. Reporting to a future IJB. Release of HR capacity to support re-design of workforce has delayed progress.
Primary Care - Prescribing	Prescribing Annual Review	Blue	Green	(1,346,000)	Yes	Continue to monitor
Primary Care - Prescribing	Prescribing Incentive Scheme	Red	Red	(770,000)	No	Continue to engage with GPs including raising this at meetings that have with arranged with GPs.
Mental Health	Phased Closure of House 4 at Arrol Park	Blue	Amber	(125,000)	£118K assumed to be achieved	Refurb of unit to enable segregation of unit and transfer of workforce across the unit underway/reduction of beds. This will also enable the transition of an out of area patient pending a tier 4 supported accommodation solution being identified via capital bid. Business case developed.
Mental Health	Substitute Prescribing This proposal will result in a 1% reduction in substitute prescribing.	Blue	Blue	(30,000)	Yes	Complete
Mental Health	CAMHS	Blue	Blue	(80,000)	Yes	Complete
Mental Health	MH Admin	Blue	Blue	(100,000)	Yes	Complete
Change Programme	Integrated Care Fund	Blue	Blue	(339,000)	Yes	Complete
STILL TO BE IDENTIFIED		Red	Red	(1,165,000)		
Total				(4,155,000)		

Change Programme

Appendix C

Integrated Care Fund Area of Spend	2017/18 Budget	2017/18 Projected Spend	Slippage	Comment
	£000's	£000's	£000's	
Funding Previously Agreed to 31/3/18	207	207	0	
Partnership Enablers	129	129	0	
Social Enterprise Development Opportunity	15	15	0	
Ideas and Innovation Fund	566	488	(78)	The Community Connectors will be funded by the Scottish Government for the second half of the year.
Reshaping Care for Older People Legacy	128	228	100	LOTS workers
Engagement and Locality Planning	116	74	(42)	
Teams around GPs	428	289	(139)	See and Treat Centre slippage
Change Team	835	653	(182)	Vacancies
Low Level Mental Health	132	88	(44)	
Other	(5)	(14)	(9)	
TOTAL	2,551	2,157	(394)	
Savings made in previous periods	339			
ORIGINAL BUDGET	2,890			

Mitigation Actions - Previously Agreed

Appendix D

	Approved Plan £000's	Achieved to Date and Included in the Projection £000's	Projected Amount still to be Achieved £000's	Shortfall	Comment
Savings delivered from Challenge Fund projects in 2017/18					
Phase 1					
Challenge Fund - Review Physical Disabilities Caseload	117	47	30	40	Reviews are underway and demonstrating increased costs as well as savings with a net saving of £117K projected.
Challenge Fund - Pilot Step Up/Step Down Beds	100	-	-	100	There is no saving projected as the beds are being used to alleviate delayed discharges.
Challenge Fund - Develop Reablement and Assessment Capacity Within Care at Home	95	-	25	70	The Occupational Therapist is not yet appointed so only 3mths of savings are projected.
Challenge Fund - Pilot a New Approach Sleepover Provision within Learning Disability	150	93	-	57	Consultation with carers has delayed full implementation of Canary assessment process. Consultation will be completed by end of February and full canary assessment of all over night supports (70 support packages) to take place in March. MDT meetings with service users, families and providers to take place after assessment period to identify any changes to support arrangements where this might be required. Full implementation is dependent on the implementation of a responder service. A business case is being prepared for the responder service.
Challenge Fund - Investment in Universal Early Years, School Based Approach and Reduction in Need for Residential School Placement	200	16	-	184	All staff are appointed. Progress is being made in achieving the savings but most will be in 2018/19.
Challenge Fund - Expansion of MAASH	30	-	-	30	The post has been appointed but is not yet in place.
Challenge Fund - Pilot Sickness Absence Taskforce	50	-	-	50	The post is not yet appointed.
Sub Total	742	156	55	531	

Phase 2						
Challenge Fund - Right Intervention at the Right Time - Review of Threshold/Criteria		100	-	-	100	These projects have not yet been submitted for approval to release the funds so no savings are anticipated in 2017/18.
Challenge Fund - Review and Development of Charging Policy		25	-	-	25	
Challenge Fund - Roll Out of Self Directed Support		75	-	-	75	
Challenge Fund - Pilot a See and Treat Service		50	-	-	50	
Sub Total		250	-	-	250	
Challenge Fund Total		992	156	55	781	-
		Approved Plan £000's	Achieved to Date and Included in the Projection £000's	Projected Amount still to be Achieved £000's	Shortfall	Comment
Other Agreed Mitigating Actions						
Learning Disability - Review of Packages		215	38	20	157	Care package requests/reductions are made against a risk criteria to ensure all risks are mitigated and vulnerable people can access services in accordance with statutory requirements - the application of a 'discharge' for an 'admission' is not always possible given the high cost of packages currently attributed to young people in transition. Further work is taking place to address planning for young people in transition from children's services.
Mental Health - Review of Packages		100	100	-	-	All current packages are being systematically reviewed to ensure cost effectiveness and any new packages need to be funded by a discharge . Despite this there is likely to be a shortfall in anticipated savings.
Spending Freeze on Non Essential Non		100		-	100	All managers are aware of the spending freeze
Reduction in Overtime Usage - Freeze in Non Essential Areas		100	30	15	55	Overtime use is being minimised with reduced spend in October and November
Review of Management and Support Functions		50	50	-	-	Post(s) have still to be identified.
Older people – equipment budget – waitlist new clients based on need		200	200	-	-	
Care at home – delay recruit of 10 staff to April 2018		130	130	-	-	
Children’s services – additional savings to be secured from Challenge Fund projects.		150	-	-	150	
Total Other Mitigating Action		1,045	548	35	462	
Grand Total		2,037	704	90	1,243	-

BUDGET RECONCILIATION

	Partner	Period	Permanent or Temporary	£	£	
Initial Approved Budget	NAC	4		86,907		
Resource Transfer		4	P	22,591		
Transfer from Housing - Aids and Equipment		6	P	199		
Increase to OP Care Homes		6	T	977		
Increase to LD Community Packages		6	T	423		
Removal of Depreciation		6	P	(70)		
Transfer from Housing to LD – LB support		8	P	4		
Living wage removal of Budget		8	P	(38)		
Period 10 reported budget – Council					110,993	
Initial Approved Budget	NHS			136,230		
Resource Transfer		2	P	(22,137)		
Dean Funding for Junior Doctors		2	P	9		
ANP Post to East (from ORT funding)		3	P	(49)		
AHP post funded by ADP		3	T	(31)		
NES Junior Doctor reduction in funding		3	P	(13)		
Veterans/Carers Funding		4	T	210		
ANP Funding from North to South		4	P	(49)		
Arrol Park GP medical service transfer to PC		4	P	(13)		
FNP Budget adjustment to match allocation		4	T	(3)		
Dementia Specialist Nurse		6	P	29		
West of Scotland CAMHs (anticipated)		6	T	24		
Veterans/Carers Funding to NAC		6	T	(210)		
Reduction in ADP funding for NAC		6	T	(30)		
Health Visitor Trainees		8	P	278		
Family Nurse Partnership expansion		8	T	16		
Transfer of Admin hours to East HSCP		8	P	(3)		
Veterans First allocation from SG		8	T	23		
Return of Police funding to ADP		8	P	(8)		
MH Clinical Services Secondment to SG		9	T	16		
MH Nursing Forum		9	T	2		
Dean Funding for Junior Doctors		9	P	12		
Health Visitor Trainees		10	P	5		
Period 10 reported budget – NHS					114,308	
Total Partnership Budget					225,153	