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## **NORTH AYRSHIRE COUNCIL**

**10 September 2019**

### **Audit & Scrutiny Committee**

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**Title:** HSCP – Budget Monitoring Report

**Purpose:** To provide an update on the projected financial outturn for the financial year as at June 2019

**Recommendation:** It is proposed that the Committee note the attached report.

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#### **1. Executive Summary**

- 1.1 The attached report provides an overview of the financial position for the partnership and provides an early indication of the projected year-end outturn position informed by the projected expenditure and income commitments, these have been prepared in conjunction with relevant budget holders and services.

#### **2. Background**

- 2.1 The Audit and Scrutiny Committee agreed to receive regular reports on the financial performance of the Health & Social Care Partnership. The Budget Monitoring report presented to the IJB on 29 August 2019 outlines the projected financial outturn for the financial year as at June 2019 and is attached as an appendix.

#### **3. Proposals**

- 3.1 It is proposed that the Committee note the report and the intention for the financial monitoring report to the IJB on 26 September to clearly outline the actions the partnership will require to take to bring the financial position back into balance for 2019-20.

#### **4. Implications**

<b>Financial:</b>	The implications are outlined in the attached report.
<b>Human Resources:</b>	The implications are outlined in the attached report.

<b>Legal:</b>	The implications are outlined in the attached report.
<b>Equality:</b>	The implications are outlined in the attached report.
<b>Environmental &amp; Sustainability:</b>	The implications are outlined in the attached report.
<b>Key Priorities:</b>	The implications are outlined in the attached report.
<b>Community Benefits:</b>	The implications are outlined in the attached report.

## 5. Consultation

5.1 The attached report outlines the consultation that has taken place.



Stephen Brown  
Director Health & Social Care Partnership

For further information please contact **Caroline Whyte** on **01294 324954**.

### Background Papers

None

**Subject:** Budget Monitoring – Month 3 (June 2019)

**Purpose:** To provide an update on financial performance to June 2019, including the projected outturn for the 2019-20 financial year.

**Recommendation:** It is recommended that the IJB:

- a) Note the early indication of a projected year-end overspend of £2.801m;
- b) Notes the further planned actions to address the projected overspend and deliver financial balance;
- c) Approve the changes in funding as detailed in section 2.11 and Appendix E; and
- d) Note the potential impact of the Lead Partnerships.

<b>Glossary of Terms</b>	
NHS AA	NHS Ayrshire and Arran
HSCP	Health and Social Care Partnership
CAMHS	Child & Adolescent Mental Health Services
BRAG	Blue, Red, Amber, Green
UNPACS	UNPACS, (UNPlanned Activities) – Extra Contractual Referrals
CRES	Cash Releasing Efficiency Savings
NES	NHS Education Scotland – education and training body
NRAC	NHS Resource Allocation Committee

<b>1.</b>	<b>EXECUTIVE SUMMARY</b>
1.1	The report provides an overview of the financial position for the partnership and outlines the projected year-end outturn position informed by the projected expenditure and income commitments, these have been prepared in conjunction with relevant budget holders and services. It should be noted that although this report refers to the position at the June period end that further work is undertaken following the month end to finalise projections, therefore the projected outturn position is as current and up to date as can practicably be reported.
1.2	The projected outturn is a year-end overspend of £2.801m for 2019-20, it should be noted that this is the first monitoring period and at a point relatively early in the financial year. There is scope for this position to fluctuate due to in-year cost and demand pressures and assumptions in relation to funding and the achievement of savings. The position has been adjusted to reflect the potential impact of Lead Partnership services. In the absence of any alternative risk sharing agreement for lead partnership services an NRAC share of the projected position has been assumed as this would be in line with the allocation in previous years.
1.3	Overall the main areas of pressure continue to be learning disability care packages, care homes, care at home, looked after children, and adult in-patients within the lead

	<p>partnership. There are mitigating actions outlined in Appendix D specifically for Learning Disability Care packages as this area is the most significant in terms of the financial impact of high cost care packages and the service change programme. This will potentially further improve the position and services will continue to deploy tight financial management controls across services to bring expenditure overall back into line with budget.</p>
1.4	<p>It is essential that the IJB operates within the delegated budget and commissions services from the Council and Health Board on this basis as financial balance needs to be achieved. The service transformation programme and the delivery of those service changes will be at the forefront as this will have the greatest impact on the delivery of financial balance and the ongoing sustainability and safety of services.</p>
<b>2.</b>	<p><b>CURRENT POSITION</b></p>
2.1	<p>The report includes an overview of the financial position including commitments against the available resource, explanations for the main budget variances, an update on progress in terms of savings delivery and action required to work towards financial balance.</p>
	<p><b>FINANCIAL PERFORMANCE</b></p>
2.2	<p>Against the full-year budget of £243.622m there is a projected overspend of £2.801m (1.1%). An integrated view of the financial position should be taken; however, it is useful to note that this overall position consists of a projected overspend of £2.924m in social care services offset by a projected underspend of £0.123m in health services.</p> <p>The Integration Scheme outlines that there is an expectation that the IJB takes account of the totality of resources available to balance the budget in year.</p> <p>Appendix A provides the financial overview of the partnership position. The sections that follow outline the significant variances in service expenditure compared to the approved budgets with detailed analysis provided in Appendix B.</p>
2.3	<p><b>Health and Community Care Services</b></p>
	<p>Against the full-year budget of £67.738m there is a projected overspend of £1.511m (2.2%). The main reasons for the projected overspend are:</p> <ul style="list-style-type: none"> <li>a) Care home placements including respite placements – projected to overspend by £0.313m which is mainly due to respite placements (£0.393m). This overspend is assumed to the first call on any uncommitted Carers Act funding. Permanent placements are projected to overspend by £0.120m and would require a reduction of one less residential and one less nursing placement than the number discharges for each month from August 2019 to bring budget back in line. The projection can vary due to factors other than the number of placements e.g. the impact of interim funded places, outstanding requests for funding etc so this will continue to be monitored closely. These overspends are partially offset by a projected over-recovery of Charging Order income of £0.200m which is based on income received to date and improved processes to track the charging orders.</li> <li>b) Independent Living Services are projected to overspend by £0.421m which is due to an overspend on physical disability care packages within the community and residential packages. Both the community and residential packages continue to be reviewed and reduced where appropriate. There will be further</li> </ul>

	<p>work undertaken with the implementation of the Adult Community Support framework which will allow further monitoring of delivery. There is also potential for a pilot using further technology to reduce sleepovers and higher cost care packages.</p> <p>c) Packages of care are projected to overspend by £0.057m due to the use of supplementary staffing, this has improved from the 2018/19 position.</p> <p>d) Care at home (purchased and in house) projected overspend by £0.776m due to an increase in provided hours and the budget being reduced to reflect the 2019-20 approved saving (purchased care). The overspend on in-house services relates to providing additional hours to cover a service that a provider handed back and the in-house service had to increase capacity to ensure the safety of vulnerable service users within the community of the North Coast locality. To mitigate the overspend in purchased care the purchased hours would need to be by 1,300 hours per week which is a 15% reduction. The service currently has, between hospitals and community, over 90 individuals waiting on a care at home package and 50 individuals waiting on an increase in their care packages. Therefore, there is a requirement of the service to manage risk so to reduce the current hours dramatically would have a negative impact on the communities and lead to further hospital and care home admissions. To prevent this level of reduction and subsequent build-up of waiting lists the care at home team are reviewing options to reduce spend. This includes reduce the level of hours being delivered on an incremental week to week basis to achieve financial balance and reviewing the process for reducing packages to ensure reduction in need is actioned quicker.</p> <p>e) Long Term Conditions (Ward 1), projected overspend of £0.261m which is mainly due to an overspend in employee costs to ensure staffing levels are at a safe level. This is a recurring pressure for which funding requires to be identified. This will be reviewed during 2019/20 along with other wards. Ward 2 is projected to be online, but this is subject to receiving £0.504m of funding from East HSCP for their patients, East have indicated their intention to reduce the number of commissioned beds.</p> <p>f) District Nursing is projected to underspend by £0.028m due to vacant posts. This is after applying £0.075m of payroll turnover.</p> <p>g) Community Care employee costs are projected to overspend by £0.254m due to supernumerary / unfunded posts.</p> <p>h) Carers Act Funding is projected to underspend by £0.500m based on the committed spend. This could fluctuate depending on the volume of carers' assessments undertaken and the level of demand/services identified from these assessments. This underspend will be used in the first instance to cover the projected overspend on care home respite placements.</p>
2.4	<p><b>Mental Health Services</b></p>
	<p>Against the full-year budget of £75.897m there is a projected overspend of £1.126m (1.5%). The main reasons for the projected overspend are:</p> <ul style="list-style-type: none"> <li>• Learning Disabilities – projected overspend of £1.505m of which £1.431m is in relation to community care packages and £0.269m for residential placements. These overspends are partially offset by vacant posts.</li> </ul>

Appendix D outlines the action plan to reduce the overspend in learning disability services.

- Community Mental Health – is projected to underspend by £0.114m mainly due to vacancy savings (after allocating £0.090m of payroll turnover) and an underspend in care packages.
- Lead Partnership – overall projected underspend of £0.184m which consists of:

*Overspends:*

- Adult inpatients £0.514m - mainly due to the delay in closing the Lochranza ward on Ailsa site. The projection also assumes that a fifth bed will be sold by October 2019. The ability to close Lochranza will be dependent on achieving at least two discharges from Lochranza.
- Psychiatry £0.034m - primarily due to agency costs. Agency staff are used in the absence of being able to recruit permanent posts.
- UNPACS £0.120m – based on current placements and no fluctuation in the service level agreement with Glasgow.

*Underspends:*

- CAMHS £0.240m – due to vacancies and delays with recruitment. This is after applying £0.150m of payroll turnover.
- Psychology £0.157m – due to vacancies. This is after applying £0.150m of payroll turnover.
- Adult Community Mental Health £0.065m - due to vacancies.
- MH Pharmacy £0.110m – due to continued low substitute prescribing costs.

Note that elderly inpatients have an adverse position at month 3 due to holding vacancies in relation to reconfiguring the wards. This resulted in using supplementary staff in the interim, but it is assumed to be online pending implementation of the elderly mental health review.

**2.5 Children & Justice Services**

Against the full-year budget of £35.753m there is a projected overspend of £0.699m (2%). The main reasons for the projected overspend are:

- a) Residential Schools and Community Placements – projected overspend of £1.052m. The projection is based on the current number of placements and estimated discharge dates for each placement based on the support from the mainstreamed Challenge Fund project. There are currently 28 placements including 1 on remand (ends September 2019) and 2 secure placements. The projection assumes 2 discharges in August 3 in October and 7 in December with the remaining 15 assumed to be still in a placement at the year end. There is no provision for any increase in placements. To bring this budget online the

discharge dates for each person would need to be brought forward but this would not be possible for all placements. To minimise the impact of this overspend the underspends being reported below for looked after children and children with a disability will need to be maintained which means any additional demand will need to be cost neutral.

- b) Looked After Children Placements – projected underspend of £0.136m due to the current demand for fostering, adoption and kinship payments.
- c) Early Years – are projected to underspend by £0.028m mainly due to the level of vacancies in health visiting. This is after allocating £0.200m of payroll turnover and accounting for £0.175m of potential additional costs for the regrading of HV posts.
- d) Children with Disabilities Residential Placements – projected underspend of £0.280m due to one child transitioning to adult services and another assumed to be transferring to Trindlemoss.

## 2.6 Management and Support Costs

Against the full-year budget of £9.627m there is a projected underspend of £0.704m (7.3%). This underspend relates to uncommitted pressure funding awarded as part of the 2019-20 budget, the requirement for this funding will need to be closely monitored and may require to be delegated to services as and when required.

## 2.7 Primary Care and Prescribing

Prescribing is the responsibility for the Health Board to fund and under the terms of the Integration Scheme and it underwrites the prescribing risk across all three Ayrshire IJBs. At month 3 prescribing is projected to be online at the year end.

## 2.8 Savings Progress

- a) The 2019-20 budget included £6.134m of savings.

BRAG Status	Position at Budget Approval £m	Position at Period 3 £m
Red	-	0.543
Amber	2.980	2.389
Green	3.154	3.202
Blue	-	-
<b>TOTAL</b>	<b>6.134</b>	<b>6.134</b>

- b) The projected year-end outturn position assumes:
  - i) £0.215m of the Red savings in relation to reducing LD sleepovers will not be delivered as planned and this is reflected in the overall projected outturn position.
  - ii) The £0.328m risk of savings delivery relating to Trindlemoss is not currently included in the projected overspend position as there is ongoing work to establish the achievability of the saving.

If progress is made to deliver the savings this would improve the overall outturn position (LD sleepovers) or prevent the overspend increasing further (Trindlemoss).

	<p>The projected financial position assumes that all remaining savings on the plan will be delivered. Progress with savings delivery requires to be closely monitored to ensure the impact on the financial position can be assessed and corrective action taken where necessary. Appendix C provides an overview of these savings, further detail will be provided in future monitoring reports.</p> <p>The Transformation Board is in place to provide oversight and governance to the programme of service change. A focus of the Board is to ensure plans are in place to deliver savings and service change, with a solution focussed approach to bringing programmes back on track.</p>
2.9	<b>Financial Recovery Plan</b>
	Each service area has developed mitigating action to address the overspend in their area and there are several actions noted in this report which will assist in reducing the projected overspend. These will be monitored and if they don't reduce the overspend a formal financial recovery plan will be brought to a future IJB.
2.10	<b>Financial Risks</b>
	<p>The 2019-20 budget setting paper noted unfunded pressures which could present a risk to the projected outturn position. This included:</p> <ul style="list-style-type: none"> <li>a) Intermediate Care and Rehab investment was funded by the Health Board on a part-year basis in 2018-19. The business case was predicated on acute hospital savings offsetting the investment, however with the approach taken to pass through the funding uplift there is an expectation that the IJBs will fund the full year impact of the investment. Currently there is part year funding in the IJB budget to support the investment for about 6 months, the full year impact would be a further £0.322m assuming no recruitment to unfilled posts.</li> <li>b) Paid as if at work is a pressure relating to health employed staff and the payment of a holiday pay element for regular additional payments, e.g. overtime. The cost across the Health Board is estimated to be £1.4m but is unclear at this stage what the cost will be for each service, for North Ayrshire this is estimated to be around £0.2m. When the cost pressure value is known the partnership will look to services to fund from within existing resources where possible.</li> <li>c) There is a potential pressure in relation to GP practices in difficulty. This is a dynamic pressure which we will look to manage in-year. If this cannot be achieved, then the default position would be to fund the North fair share of this (circa £0.2m) from any underspend in the Primary Care Improvement Fund (PCIF).</li> </ul> <p>The IJB may be asked to take further decisions during 2019-20 in relation to managing the above pressures.</p> <p>In addition to these pressures there is a potential reduction to the funding available for Ward 2 as East HSCP are reviewing the level of beds they require in this ward.</p>
2.11	<b>Budget Changes</b>
	The Integration Scheme states that <i>“either party may increase it’s in year payment to the Integration Joint Board. Neither party may reduce the payment in-year to the</i>



*Integration Joint Board nor Services managed on a Lead Partnership basis.....without the express consent of the Integration Joint Board”.*

Appendix E highlights the movement in the overall budget position for the partnership following the initial approved budget.

***Reductions Requiring Approval:***

The specific reductions that the IJB are required to approve are:

- 1) Procurement posts £0.085m – funding transferred to the corporate procurement team on a temporary basis to provide additional capacity until March 2020. This will be used to increase the level of ‘in contract’ spend.
- 2) TEC Contribution £0.050m – funding transferred to Facilities to allow TEC team and Hub Services to continue for a further 6 months.
- 3) AMD to Medical Director £0.096m – funding for sessions relating to Associate Medical Director role transferred to Medical Director as current AMD works in North and is retiring.

It is recommended that the IJB approve the budget reductions outlined above.

***Future Planned Changes:***

Further areas which are outstanding and will be included in future reports include:

The transfer of the Douglas Grant and Redburn rehab wards from acute services to the North HSCP. The operational management of these wards has already transferred to the partnership, but the due diligence undertaken on the budget has highlighted a funding shortfall. It has been agreed with NHS Ayrshire & Arran that the financial responsibility will not transfer until balance is found. In the meantime, we are managing services and working to reduce the projected overspend prior to any transfer.

**2.12 Lead Partnerships**

***North Ayrshire HSCP***

Services managed under Lead Partnership arrangements by North Ayrshire Health and Social Care Partnership are projected to be £0.184m underspent. Full detail on the underspend is given in section 2.4 above.

***South Ayrshire HSCP***

Services hosted and/or led by the South Partnership are forecast to be online. An overspend on incontinence advisors is more than offset by an underspend on the Community Equipment Store. The Community Equipment Store was funded an additional £0.280m in budget setting, although it should be noted that expenditure is volatile depending on the timing of purchases.

***East Ayrshire HSCP***

Services managed under Lead Partnership arrangements by East Ayrshire Health and Social Care Partnership are projected to marginally overspend by £0.288m in total. The overall Primary Care Lead Partnership projected overspend is £0.266m and this projected variance mainly relates to additional payments within Primary Medical Services to GP practices currently experiencing difficulty (mainly practices that the NHS Board is administering due to previous GPs handing back contracts). The GP practices in difficulty issue is extremely fluid however negotiations are progressing with practices with a view to them returning to independent contractor status.

	<p>Additional Ayrshire Urgent Care Services costs resulting from increased rates being paid to attract GPs over certain periods can prove challenging to fill without financial incentives. These additional costs are partially offset by savings in Dental services.</p>
	<p>Further work is being taken forward to develop a framework to report the financial position and impact of risk sharing arrangements across the 3 partnerships in relation to hosted or lead service arrangements. This is to ensure the IJB are fully sighted on the impact for the North Ayrshire partnership. The IJB will be kept informed of progress with this work which is being progressed by the Ayrshire Partnership Finance Leads.</p> <p>At month 3 the impact of the Lead Partnerships has been calculated based on the average NRAC share which is the method that was used in previous years and has been agreed by the Ayrshire Finance Leads.</p> <p>The NRAC shares are: North 36.6%, South 30.5% and East 32.9%</p>
2.14	<p><b>Set Aside</b></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. The 2019-20 set aside budget for North HSCP is £30.094m, based on expenditure in 2018-19. The acute directorate, which includes the areas covered by the set aside budget, is overspent by £3.7m after 3 months.</p> <p>58 additional and unfunded beds were open at the 31st March 2019. This had reduced to 40 by the 30<sup>th</sup> June. The high level of delayed discharges at both Crosshouse and Ayr is causing increased operational pressure and additional expenditure.</p> <p>During 2018-19 the North Partnerships use of the set aside resources was £30.094m against the NRAC 'fair share' of £28.697m which is £1.127m above the 'fair share'. There is an expectation that the North Partnership will move towards its 'fair share'. The Models of Care programmes including the Intermediate Care and Rehab investment and the Palliative End of Life proposals being developed represent agreed or potential investment by NHS A&amp;A to invest in community services with a view to reducing acute beds. This is in effect a mechanism to reduce the set aside resources.</p>
3.	<p><b>PROPOSALS</b></p>
3.1	<p><b><u>Anticipated Outcomes</u></b></p>
	<p>Continuing to closely monitor the financial position will allow the IJB to take corrective action where required to ensure the partnership can deliver services in 2019-20 from within the available resource, thereby limiting the financial risk the funding partners, i.e. NAC and NHS AA.</p> <p>The transformational change programme will have the greatest impact on the financial sustainability of the partnership, the IJB require to have a clear understanding of progress with plans and any actions that can be taken to bring the change programme into line.</p>
3.2	<p><b><u>Measuring Impact</u></b></p>

	Updates to the financial position will be reported to the IJB throughout 2019-20.
<b>4.</b>	<b>IMPLICATIONS</b>

<b>Financial:</b>	<p>The financial implications are as outlined in the report.</p> <p>Against the full-year budget of £243.622m there is a projected overspend of £2.801m (1.1%). The report outlines the action being taken and proposed action to reduce the projected overspend.</p> <p>This is an early indication of the projected outturn at the first quarter of the financial year, there are a number of assumptions underpinning the projections which could change as we progress through the year. We will continue to work with services to ensure the most accurate and reliable position is reported.</p> <p>The main areas of financial risk which may impact on this position are highlighted in the report.</p>
<b>Human Resources:</b>	None
<b>Legal:</b>	None
<b>Equality:</b>	None
<b>Children and Young People</b>	None
<b>Environmental &amp; Sustainability:</b>	None
<b>Key Priorities:</b>	None
<b>Risk Implications:</b>	Within the projected outturn there are various over and underspends including the non-achievement of savings which need to be addressed.
<b>Community Benefits:</b>	None

<b>Direction Required to Council, Health Board or Both</b>	<b>Direction to :-</b>	
	1. No Direction Required	
	2. North Ayrshire Council	
	3. NHS Ayrshire & Arran	
	4. North Ayrshire Council and NHS Ayrshire & Arran	√

<b>4.</b>	<b>CONSULTATION</b>
4.1	<p>This report has been produced in consultation with relevant budget holders and the Partnership Senior Management Team.</p> <p>The report is shared with the Director of Finance for NHS Ayrshire and Arran and the Executive Director Finance and Corporate Support for North Ayrshire Council.</p>
<b>5.</b>	<b>CONCLUSION</b>

5.1	<p>It is recommended that the IJB:</p> <ul style="list-style-type: none"> <li>a) Note the early indication of a projected year-end overspend of £2.801m;</li> <li>b) Notes the further planned actions to address the projected overspend and deliver financial balance;</li> <li>c) Approve the changes in funding as detailed in section 2.11 and Appendix E; and</li> <li>d) Note the potential impact of the Lead Partnerships.</li> </ul>
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**For more information please contact:**

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**2019-20 Budget Monitoring Report–Objective Summary as at 30 June 2019**
**Appendix A**

Partnership Budget - Objective Summary	2019/20 Budget								
	Council			Health			TOTAL		
	Budget	Outturn	Over/ (Under) Spend Variance	Budget	Outturn	Over/ (Under) Spend Variance	Budget	Outturn	Over/ (Under) Spend Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>COMMUNITY CARE AND HEALTH</b>	<b>54,733</b>	<b>56,133</b>	<b>1,400</b>	<b>13,005</b>	<b>13,116</b>	<b>111</b>	<b>67,738</b>	<b>69,249</b>	<b>1,511</b>
: Locality Services	25,385	26,070	685	4,504	4,530	26	29,889	30,600	711
: Community Care Service Delivery	25,962	27,152	1,190	0	0	0	25,962	27,152	1,190
: Rehabilitation and Reablement	1,225	1,286	61	1,918	1,798	(120)	3,143	3,084	(59)
: Long Term Conditions	1,802	1,258	(544)	4,587	4,800	213	6,389	6,058	(331)
: Integrated Island Services	359	367	8	1,996	1,988	(8)	2,355	2,355	0
<b>MENTAL HEALTH SERVICES</b>	<b>23,449</b>	<b>24,988</b>	<b>1,539</b>	<b>52,448</b>	<b>52,035</b>	<b>(413)</b>	<b>75,897</b>	<b>77,023</b>	<b>1,126</b>
: Learning Disabilities	17,686	19,308	1,622	513	396	(117)	18,199	19,704	1,505
: Community Mental Health	4,366	4,283	(83)	1,616	1,585	(31)	5,982	5,868	(114)
: Addictions	1,397	1,397	0	1,350	1,269	(81)	2,747	2,666	(81)
: Lead Partnership Mental Health NHS Area Wide	0	0	0	48,969	48,785	(184)	48,969	48,785	(184)
<b>CHILDREN &amp; JUSTICE SERVICES</b>	<b>32,127</b>	<b>32,792</b>	<b>665</b>	<b>3,626</b>	<b>3,660</b>	<b>34</b>	<b>35,753</b>	<b>36,452</b>	<b>699</b>
: Intervention Services	3,859	3,938	79	327	375	48	4,186	4,313	127
: Looked After & Accomodated Children	16,323	17,002	679	0	0	0	16,323	17,002	679
: Fieldwork	4,713	4,802	89	0	0	0	4,713	4,802	89
: CCSF	311	283	(28)	0	0	0	311	283	(28)
: Criminal Justice	2,621	2,621	0	0	0	0	2,621	2,621	0
: Early Years	394	389	(5)	2,880	2,852	(28)	3,274	3,241	(33)
: Policy & Practice	3,906	3,757	(149)	0	0	0	3,906	3,757	(149)
: Lead Partnership NHS Children's Services Area Wide	0	0	0	419	433	14	419	433	14
<b>PRIMARY CARE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>47,719</b>	<b>47,719</b>	<b>0</b>	<b>47,719</b>	<b>47,719</b>	<b>0</b>
<b>ALLIED HEALTH PROFESSIONALS</b>				<b>5,151</b>	<b>5,106</b>	<b>(45)</b>	<b>5,151</b>	<b>5,106</b>	<b>(45)</b>
<b>MANAGEMENT AND SUPPORT COSTS</b>	<b>7,715</b>	<b>7,034</b>	<b>(681)</b>	<b>1,912</b>	<b>1,889</b>	<b>(23)</b>	<b>9,627</b>	<b>8,923</b>	<b>(704)</b>
<b>CHANGE PROGRAMME</b>	<b>655</b>	<b>656</b>	<b>1</b>	<b>1,082</b>	<b>1,082</b>	<b>0</b>	<b>1,737</b>	<b>1,738</b>	<b>1</b>
<b>TOTAL</b>	<b>118,679</b>	<b>121,603</b>	<b>2,924</b>	<b>124,943</b>	<b>124,607</b>	<b>(336)</b>	<b>243,622</b>	<b>246,210</b>	<b>2,588</b>
Return Hosted Over/Underspends East	0	0	0		0	56			56
Return Hosted Over/Underspends South	0	0	0		0	52			52
Receive Hosted Over/Underspends East	0	0	0		0	105			105
<b>REVISED PROJECTED OUTTURN</b>	<b>118,679</b>	<b>121,603</b>	<b>2,924</b>	<b>124,943</b>	<b>124,607</b>	<b>(123)</b>	<b>243,622</b>	<b>246,210</b>	<b>2,801</b>

**2019-20 Budget Monitoring Report – Detailed Variance Analysis per service**
**Appendix B**

	Budget £000's	Outturn £000's	Over/ (Under) Spend Variance £000's	
<b>COMMUNITY CARE AND HEALTH</b>	<b>67,738</b>	<b>69,249</b>	<b>1,511</b>	
Locality Services	29,889	30,600	711	<p><b>Older People permanent care homes</b> - projected overspend of £0.120m based on 815 placements (551 Nursing and 264 Residential). Respite care is projected to overspend by £0.393m based on the spend to date.  <b>Income from Charging Orders</b> - projected over recovery of £0.200m'</p> <p><b>Independent Living Services :</b>  * Direct Payment packages- projected underspend of £0.079m on 53 packages and a net decrease of 2 packages expected during the year..  * Residential Packages - projected overspend of £0.142m based on 38 packages.  * Community Packages (physical disability) - projected overspend of £0.200m based on 50 packages</p> <p><b>NHS Packages of Care</b> - projected overspend of £0.057m due to use of supplementary staffing.  <b>District Nursing</b> - projected underspend of £0.028m due to vacancies.</p>
Community Care Service Delivery	25,962	27,152	1,190	<p><b>Care at home</b>  - in house service - projected overspend of £0.071m based on the current level of contracted costs remaining until the year end. Care at home staff have been incurring additional hours as there are moratoria on four of the purchased care providers.  - Purchased Care at home - projected overspend of £0.705m. This is after reducing the budget by £0.500m to reflect the agreed 19-20 saving. There are four moratoria in place but the hours purchased from other providers has increased.</p> <p><b>Direct Payments</b> - projected underspend of £0.094m based on 39 packages with an assumed reduction of one package during the year.</p> <p><b>Transport costs</b> - projected overspend of £0.054m due to increase in staff mileage within care at home.  <b>Admin costs</b> - projected overspend of £0.071m mainly due to mobile phone equipment.  <b>Voluntary Organisations</b> - projected overspend £0.088m mainly in relation to the Alzheimer service.  <b>Income</b> - projected over recovery £0.020m mainly in relation to Community Alarm income and CM2000 non compliance charges.</p>

	Budget £000's	Outturn £000's	Over/ (Under) Spend Variance £000's	
Rehabilitation and Reablement	3,143	3,084	(59)	<b>Employee costs</b> - projected underspend £0.079m due to vacancies.
Long Term Conditions	6,389	6,058	(331)	<p><b>Ward 1</b> - projected overspend of £0.261m due to the use of supplementary staffing.</p> <p><b>Ward 2</b> - projected online assuming £0.504m of funding transfers from East HSCP in relation to Kirklandside patients.</p> <p><b>Elderly CMHT</b> - underspend of £0.040m due to vacancies.</p> <p><b>Carers Act Funding</b> - projected underspend of £0.500m based on the committed spend. This could fluctuate depending on the volume of carers' assessments undertaken and the level of demand/services identified from these assessments. This underspend will be used in the first instance to cover the projected overspend on care home respite placements.</p>
Integrated Island Services	2,355	2,355	0	
<b>MENTAL HEALTH SERVICES</b>	75,897	77,023	1,126	
Learning Disabilities	18,199	19,704	1,505	<p><b>Residential Packages</b> - projected overspend of £0.269m based on 39 current packages and a net increase of 1 package until the year end.</p> <p><b>Community Packages</b> - projected overspend of £1.431m based on 291 current packages less 5% invoice variances and a net movement in year of 3 new packages for provided packages. The projection assumes savings of £0.490m will be achieved. The projection for direct payments is based on 39 current packages with a net increase of 2 to the year end less £0.100m recovery of unspent balances.</p> <p><b>Employee costs</b> - projected underspend £0.127m mainly due to vacant posts</p>
Community Mental Health	5,982	5,868	(114)	<p><b>Residential Packages</b> - projected underspend of £0.050m based on 25 current placements with an assumed net reduction of 4 places by the year end.</p> <p><b>Employee costs</b> - projected underspend £0.091m mainly due to vacant posts</p>
Addictions	2,747	2,666	(81)	<p><b>Employee costs</b> - projected underspend £0.081m due to vacant posts</p> <p><b>ADP</b> - projected online position.</p>



















	Budget £000's	Outturn £000's	Over/ (Under) Spend Variance £000's	
Lead Partnership (MHS)	48,969	48,785	(184)	<p><b>Adult Community</b> - projected underspend of £0.065m due to vacancies.</p> <p><b>Adult Inpatients</b>- projected overspend of £0.514m due to a delay in closing the Lochranza wards. Assumes a 5th bed is sold from October.</p> <p><b>UNPACs</b> - projected overspend of £0.120m assuming the charge for the Forensic Services SLA is similar to the 18-19 charge.</p> <p><b>LDS</b> - assumed online pending completion of the relocation of services to Woodland View.</p> <p><b>Elderly Inpatients</b> - assumed online pending the finalisation of the elderly mental health bed redesign.</p> <p><b>Addictions</b> - projected underspend of £0.056m due to vacancies.</p> <p><b>CAMHS</b> - projected underspend of £0.240m due to vacancies.</p> <p><b>MH Admin</b> - projected underspend of £0.109m due to vacancies..</p> <p><b>Psychiatry</b> - projected overspend of £0.034m due to agency costs.</p> <p><b>MH Pharmacy</b> - projected underspend of £0.110m mainly within substitute prescribing.</p> <p><b>Psychology</b>- projected underspend of £0.157m due to vacancies.</p> <p><b>Action 15</b> - assumed online position</p>
<b>CHIDREN'S AND JUSTICE SERVICES</b>	<b>35,753</b>	<b>36,452</b>	<b>699</b>	
Intervention Services	4,186	4,313	127	<p><b>Employee costs</b> - projected overspend of £0.042m mainly due to incremental drift.</p> <p><b>Supported Carers Scheme</b> - projected overspend of £0.024m based on 6 carers supporting 6 children.</p> <p><b>Transport Costs</b> - projected overspend of £0.026m in relation to mileage costs.</p>



	Budget £000's	Outturn £000's	Over/ (Under) Spend Variance £000's	
Looked After & Accom Children	16,323	17,002	679	<p><b><u>Looked After Children placements - projected underspend of £0.136m based on the following:-</u></b></p> <p><b>Kinship</b> - projected overspend of £0.105m. Budget for 339 placements, currently 339 placement but projecting 356 placements by the year end.</p> <p><b>Adoption</b> - projected online. Budget for 74 placements, currently 74 placements.</p> <p><b>Fostering</b> - projected underspend of £0.076m. Budget for 120 placements, currently 121 placements but projecting 113 placements by the year end.</p> <p><b>Fostering Xtra</b> - projected underspend of £0.155m. Budget for 32 placements, currently 28 placements but projecting 24 placements by the year end.</p> <p><b>Private fostering</b> - projected online. Budget for 11 placements, currently 11 placements.</p> <p><b>IMPACCT carers</b> - projected underspend of £0.016m. Budget for 4 placements, currently 2 placements.</p> <p><b>Residential School placements including community packages</b> - projected overspend of £1.052m. The projection is based on the current number of placements and estimated discharge dates for each placement based on the support from the mainstreamed Challenge Fund project. There are currently 28 placements including 1 on remand (ends September 2019) and 2 secure placements. The projection assumes 2 discharges in August 3 in October and 7 in December with the remaining 15 assumed to be still in a placement at the year end. There is no provision for any increase in placements.</p> <p><b>Employee Costs</b> - underspend of £0.270m due to vacancies.</p>
Fieldwork	4,713	4,802	89	<b>Employee costs</b> - projected overspend if £0.056m due to non achieved payroll turnover.
CCSF	311	283	(28)	<b>Outwith the threshold for reporting</b>
Criminal Justice	2,621	2,621	0	<b>Outwith the threshold for reporting</b>
Early Years	3,274	3,241	(33)	<b>Outwith the threshold for reporting</b>
Policy & Practice	3,906	3,757	(149)	<p><b>Employee costs</b> - projected overspend of £0.087m due to non achieved payroll turnover.</p> <p><b>Residential Placements</b> - projected underspend of £0.280m due to one child transitioning to adult services and another assumed to be transferring to Trindlemoss.</p> <p><b>Private Foster Placements</b> - projected overspend of £0.057m due to one new placement.</p>
Lead Partnership (CS)	419	433	14	<b>Outwith the threshold for reporting</b>

	Budget £000's	Outturn £000's	Over/ (Under) Spend Variance £000's	
PRIMARY CARE	47,719	47,719	0	
ALLIED HEALTH PROFESSIONALS	5,151	5,106	(45)	Outwith the threshold for reporting
MANAGEMENT AND SUPPORT	9,627	8,923	(704)	Projected underspend - this underspend relates to pressure funding awarded as part of the 2019-20 and the pressures have not yet arisen. This funding will be closely monitored and delegated to services as and when required.
CHANGE PROGRAMME & CHALLENGE FUND	1,737	1,738	1	Outwith the threshold for reporting
TOTAL	243,622	246,210	2,588	

*Threshold for reporting is + or - £50,000*

Savings reference number	Description	Responsible Senior Management Lead	Deliverability Status at budget setting	Approved Saving 2019/20 £	Deliverability Status Month 3
	<b>Health and Community Care</b>				
SP-HSCP-19-02	Roll out of multidisciplinary teams - Community Care and Health	Helen McArthur	Amber	55,000	
SP-HSCP-19-04	Day Centres - Older People	Helen McArthur	Green	38,232	
SP-HSCP-19-05	Deliver the Strategic Plan objectives for Older People's Residential Services	Helen McArthur	Green	130,350	
SP-HSCP-19-09	Care at Home - Reablement Investment	Helen McArthur	Amber	500,000	
SP-HSCP-19-12	Assessment and Self Directed Support	Isabel Marr	Green	150,000	
NHS - HSCP-9	Packages of Care	Isabel Marr	Amber	150,000	
	<b>Mental Health and Learning Disabilities</b>				
SP-HSCP-19-01	Integration of the Learning Disability team	Jan Thomson	Amber	56,000	
SP-HSCP-19-07	Mental Health - Tarryholme / Trindlemoss (Council element)	Jan Thomson	Amber	328,000	
NHS - HSCP-1	Trindlemoss (full year impact is £0.370m)* NHS element	Jan Thomson	Amber	250,000	
SP-HSCP-19-10	LD - Reduction to Sleepover Provision	Jan Thomson	Amber	215,000	
SP-HSCP-19-11	Reprovide Fergushill/Hazeldene at Trindlemoss & redesign commissioned services	Jan Thomson	Green	111,000	
SP-HSCP-19-06	Adult Community Support - Commissioning of Services	Jan Thomson /Julie Barrett	Green	388,000	
NHS - HSCP-4	UnPACs - 7% reduction*	John Taylor	Green	200,000	
NHS - HSCP-5	Substitute Prescribing - 5% reduction*	John Taylor	Green	135,000	
NHS - HSCP-3	Review of Elderly Mental Health Inpatients*	William Lauder	Green	727,000	
NHS - HSCP-6	See a 5th bed at Woodland View - MH inpatients*	William Lauder	Amber	90,000	
	<b>Children, Families and Justice Services</b>				
SP-HSCP-19-03	Fostering - reduce external placements.	Mae Henderson	Green	127,408	
SP-HSCP-19-08	Children's residential placements (CF)	Mae Henderson	Amber	355,000	

	Partnership Wide				
SP-HSCP-19-13	Charging Policy	Lisa Duncan	Green	200,000	●
NHS - HSCP-10	Reduce business admin services	Julie Davis	Green	50,000	●
NHS - HSCP-11	ICF Project - Partnership Enablers	Michelle Sutherland	Amber	27,000	●
NHS - HSCP-12	ICF Project - Buckreddan care home	Michelle Sutherland	Amber	16,000	●
NHS - HSCP-13	Uncommitted ICF Funding	Michelle Sutherland	Green	80,000	●
SP-HSCP-19-20	Living Wage	n/a	Green	187,000	●
NHS - HSCP-7	Resource Transfer to South Lanarkshire	n/a	Green	40,000	●
SP-HSCP-19-14	19/20 impact of 18/19 part year savings	Stephen Brown	Green	113,000	●
SP-HSCP-19-15	Respite	n/a	Green	200,000	●
SP-HSCP-19-16	Payroll Turnover Target	Stephen Brown	Amber	500,000	●
SP-HSCP-19-17	Lean Efficiency Programme	Stephen Brown	Green	50,000	●
NHS - HSCP-2	Payroll Turnover Target - Mental Health *	Thelma Bowers	Amber	300,000	●
NHS - HSCP-8	Payroll Turnover Target - Other Services	Thelma Bowers	Amber	365,000	●

6,133,990

Ref	Action	Lead	Deadline
1	Appointment of temporary agency social workers to enhance team capacity. There are several vacancies and maternity leave in the team which is impacting on the ability to undertake reviews.	Jan Thomson	August 2019
2	Appointment of permanent social workers to fill existing vacancies.	Jan Thomson	August 2019
3	Appointment of a Transformation development manager as additional leadership capacity to support the senior management team in the delivery of the LD programme. Areas of priority identified with focused work to be undertaken on delivery and pace acceleration of case reviews as mitigation for team capacity.	Thelma Bowers	June 2019
4	<p>Review of Community Packages – management scrutiny of spend for community care packages and residential care packages to map and identify ongoing areas for targeted reviews and anticipated reductions in care provided</p> <p><i>Note that the projection already assumes £240K will be achieved so only any projected saving above £240K will impact on the projected outturn.</i></p>	Phil Cummins and the LD review team	Ongoing but expected to complete <span style="color: red;">x</span> reviews per month.
5	<p>Roll out CM2000 to the larger providers in advance of the new contracts going live in 2020. A project group is in place and plans are developed for a shadow roll out to providers in 2019/20 in alignment with Commissioning tender for adult community services completed and framework in place by January 2020.</p> <p><i>Note that the projection already assumes £50K will be achieved so only any projected saving above £50K will impact on the projected outturn.</i></p>	Helen McArthur	January 2020
6	Sleepovers – the case for the clustering of sleepovers will be finalised and a proposal to integrate, where possible, into current provision within care at home responder service or identify alternative partnership approaches.	Jan Thomson supported by the Change Team	August 2019

7	Review community packages for people aged 65+ <i>Note that the projection already assumes £200K will be achieved so only any projected saving above £200K can be included.</i>	LD Team Manager	August 2019
8	Supported accommodation – planning and referrals for the new provision to be finalised by September 2019 with savings modelled.	Norma Bell Jan Thomson Stuart McKenzie and Helen McArthur	September 2019

## 2019/20 Budget Reconciliation

## Appendix E

<b>COUNCIL</b>	<b>Period</b>	<b>Permanent or Temporary</b>	<b>£</b>
Initial Approved Budget			95,074
Resource Transfer	3	P	22,993
ICF Procurement Posts - Transfer to Procurement	3	T	(85)
FPC under 65's Scottish Government Funding	3	P	702
Roundings	3		(5)
<b>Period 3 reported budget</b>			<b>118,679</b>

<b>HEALTH</b>	<b>Period</b>	<b>Permanent or Temporary</b>	<b>£</b>
Initial Approved Budget (based on month 9 of 2018-19)			145,425
Adjustments to reflect month 10 -12 of 2018-19 including non recurring amounts			(1,845)
<b>Opening baseline budget for 19-20</b>			<b>143,580</b>
Resource Transfer	3	P	(22,993)
Superannuation Uplift	3	P	2,994
Voluntary Redundancy Scheme	3	P	271
Post from acute - PA to Clinical Nurse Manager, Long Term conditions	3	P	15
Post from acute - Clinical Nurse Manager, Long Term Conditions	3	P	34
Functional Electrical Stimulation (Physio Equip) Equipment from acute			10
Pharmacy Fees	3	P	19
HPV Boys Implementation	3	P	18
Action 15 (anticipated increase)	3	P	930
Post from Acute -Specialist Pharmacist in Substance Misuse	3	T	12
Old age liaison psychiatrist from acute	3	P	108
Patient Transport Service	3	P	49
Infant feeding nurse	3	T	41

Associate Medical Director responsibility payment to Medical Director	3	T	(24)
Associate Medical Director sessions to the Medical Director	3	T	(71)
Contribution to the Technology Enabled Care (TEC) project	3	T	(50)
<b>Period 3 reported budget</b>			<b>124,943</b>

<b>GRAND TOTAL</b>	<b>243,622</b>
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